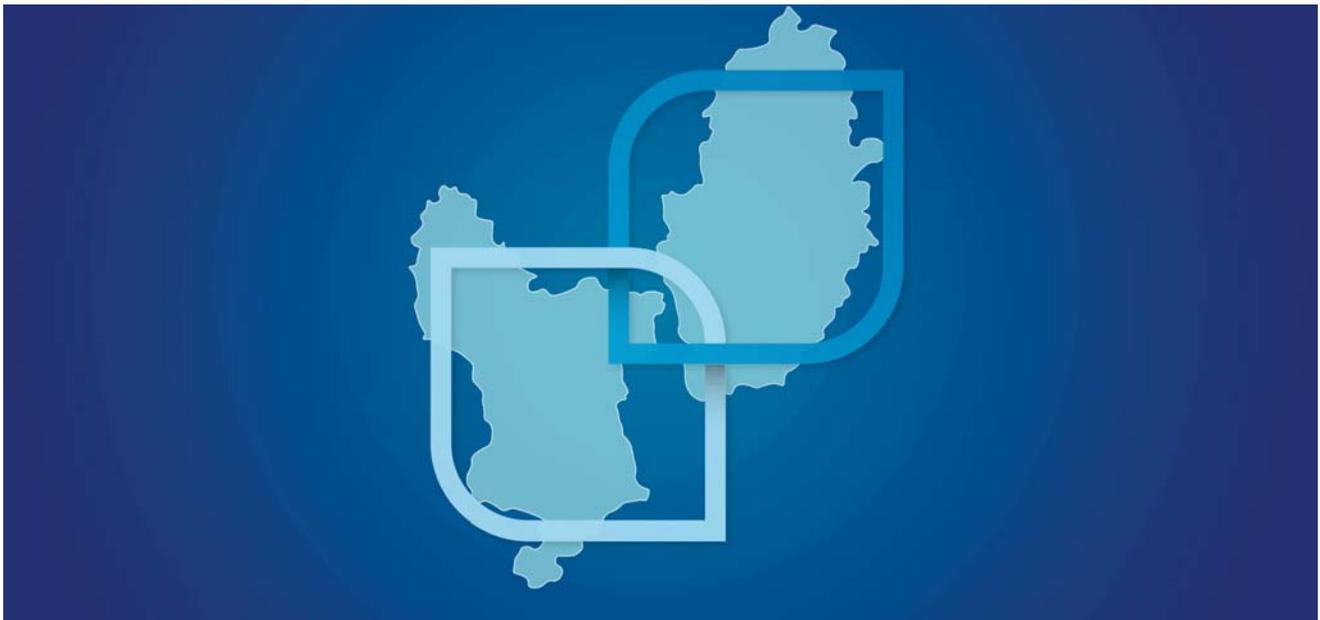


# East Midlands Combined County Authority Proposal

March 2023



This document has been prepared by Derbyshire County Council, Nottinghamshire County Council, Derby City Council, and Nottingham City Council, working collaboratively with District and Borough Councils in Derbyshire and Nottinghamshire.



## East Midlands Combined County Authority Proposal

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Defined Terms:

|                               |   |
|-------------------------------|---|
| CCA                           | Combined County Authority   |
| Constituent Councils          | Derbyshire County Council, Nottinghamshire County Council, Derby City Council and Nottingham City Council   |
| EMCCA                         | East Midlands Combined County Authority   |
| the Deal                      | East Midlands Devolution Deal signed on 30 August 2022  |
| Functional Economic Area      | FEA - areas that share a number of similar economic factors with boundaries that ideally reflect the drivers of the local economy   |
| GLA                           | Greater London Authority  |
| GVA                           | Gross Value Added - this is the measure of the value of goods and services produced in an area, industry or sector of an economy.   |
| LEPs                          | Local Enterprise Partnerships   |
| MCA                           | Mayoral Combined Authority  |
| The Area / CCA Area           | The Area covered by the proposed East Midlands Combined County Authority  |
| Local Enterprise Partnerships | LEPs - partnerships between local authorities and businesses to help determine local economic priorities and undertake activities to drive economic growth and create local jobs. |

## Executive Summary

This document sets out our Proposal recommending a Combined County Authority (“CCA”) model of local government. It has been prepared by the four upper tier councils of Derbyshire, Nottinghamshire, Derby, and Nottingham, working collaboratively with Derbyshire and Nottinghamshire district and borough councils.

### Context

The CCA Area benefits from having two cities, large towns and rural areas, and being home to key giants of industry, such as Toyota UK, Rolls Royce, Alstom and Boots, with expertise in aerospace, rail, life sciences, energy and strong transport links. The Area contains three world class universities, which provide centres of research excellence, and is home to major tourist attractions such as the Peak District National Park, the National Forest, and Sherwood Forest. There are ambitions to maximise strategic opportunities presented through the East Midlands Freeport and the East Midlands Development Corporation, and to capitalise on the recent announcement that Nottinghamshire will host what is hoped to be the world’s first commercial prototype fusion energy plant.

However, alongside this, the CCA Area also experiences persistent and systemic deprivation, with 226,600 people living within the most deprived 10% of areas across England<sup>i</sup>. In some parts of England, people on average live around 15 years longer in good health than people living in Nottingham, which has one of the lowest Healthy Life Expectancies across England<sup>ii</sup>. Educational attainment varies considerably, with the CCA Area containing some of the worst performing areas across England at all levels of education and 13 out of 17 local authority areas within the Area identified as ‘social mobility cold spots’.<sup>iii</sup>

### The Deal

Securing a devolution deal has been a long-standing ambition for the Area, in order to address the lasting impact caused through decades of under-funding. The publication of the Government’s Levelling Up and Regeneration White Paper (the “White Paper”) and the announcement that Derbyshire, Nottinghamshire, Derby and Nottingham would form the first wave of county deal pathfinders, has been the catalyst for accelerated joint working across the CCA Area, providing a once in a lifetime opportunity to translate our ambitions into reality.

#### **More Funding, More Control, A Brighter Future.**

**Our vision is for the 2.2 million people who live and work here to enjoy better health, greater prosperity, and an increased sense of wellbeing through the opportunities available to them within an inclusive and competitive CCA Area at the heart of the country.**

Our four priority areas to help us deliver this vision are:

- 1. Our homes - we will work with local authorities, landowners, developers and the full range of housing providers to create affordable, good quality housing options and to retrofit existing homes to be more environmentally sustainable.**

Our devolution deal will help us deliver this through:

- £16.8 million of devolved capital funding in 2024/25 to support the building of new homes on brownfield land
  - £9 million housing capital funding to support the delivery of housing priorities
  - New, broad powers to acquire and dispose of land to build houses, commercial space and infrastructure, for growth and regeneration
2. **Our skills - we will work collaboratively with employers, skills and training providers, local authorities and other stakeholders to ensure our citizens have the opportunity to develop key skills and access opportunities to work well and build fulfilling careers. This will also help the creation of a strong and sustainable local economy.**
- Our devolution deal will help us deliver this through:
- Holding the Adult Education Budget (AEB) from academic year 2025/26
  - Owning the ability to set allocations and outcomes to skills providers
  - Supporting and shaping the Local Skills Improvement Plan (LSIP) for the Area
3. **Our transport - we will work with transport providers inside and outside the CCA Area to develop our collective infrastructure and create the best possible transport system for our citizens, reflecting the strengths already within Constituent Councils to set our aspirations.**
- Our devolution deal will help us deliver this through:
- A devolved integrated local transport budget for the CCA Area including for transport infrastructure investment
  - Bringing together the coordination and integration of bus and tram services (with powers for bus franchising).
  - An additional £500,000 of revenue funding in both 2023/24 and 2024/25 to support the preparation of a new single Local Transport Plan for the Area.
  - The ability to accelerate the delivery of smart, integrated ticketing across all local modes of transport in the Area
  - The opportunity to coordinate and manage Key Route Network (a collection of the most important local authority roads within the Area) across the Area
  - Mass transit opportunities, including integrating and potentially expanding the NET tram system, in support of the emerging new East Midlands HS2 Growth Strategy
4. **Our net zero ambition - we will work across the Area to lead the way in moving from fossil to fusion and play our part in achieving our national ambition to achieve net zero by 2050. Our ambition is that the CCA Area will be a leader in pioneering new forms of clean energy generation and will act as an exemplar for climate change adaption.**
- Our devolution deal will help us deliver this through:
- An investment in the CCA Area of £9 million via a Net Zero capital funding pot
  - The opportunity to increase the Area's electricity network capacity
  - The opportunity to explore the establishment of heat network zoning in England to decarbonise heating and hot water within the zone
  - The potential for increased investment from the UK Infrastructure Bank

The four priority areas set out the purposes to be achieved by the establishment of the Combined County Authority. In addition, the CCA will ensure that improving and protecting

the public's health is a key consideration in the exercise of its functions, including in relation to environmental, planning, regeneration and transport matters.

This Proposal outlines in more detail how we will achieve our purposes, and sets out the powers and funding which we will use.

The four upper tier Councils, together with Government, the Area's fifteen district and borough councils, and other key stakeholders such as the LEP, have been working together to achieve a devolution deal which will seek to establish the first ever Mayoral Combined County Authority - this gives access to the greatest levels of both powers and funding through devolution.

### Our Principles

Our deal is founded on the four principles for levelling up as set out in the White Paper:

1. Principle one: **Effective leadership** with a directly elected Mayor across the Area.
2. Principle two: **Sensible geography** - the CCA Area covered by this devolution deal has one of the most functional, self-contained economic geographies in the country - 92% of workers live in the Area and 87% of residents work in the Area.
3. Principle three: **Flexibility** - the Deal recognises the unique needs and ambitions of the Area in its governance and programme.
4. Principle four: **Appropriate accountability** - the Constituent Councils have committed to developing a Constitution and Assurance Framework that will confirm, clarify and formalise the intention of institutions and local leaders to continue to be transparent and accountable, work closely with local businesses, seek the best value for taxpayers' money and maintain strong ethical standards.

Additionally, the Constituent Councils have developed and agreed a further four principles:

5. Principle five: **Inclusivity** - the Constituent Councils have committed to creating as inclusive a model of governance as possible, in pursuit of agreed outcomes. Devolution of power and responsibilities will be to the Constituent Councils, however, the importance of the continued role of the eight Derbyshire and seven Nottinghamshire district and borough councils will be respected.
6. Principle six: **Subsidiarity** - the CCA will perform a role that adds value to existing governance arrangements - primarily focused on strategic place shaping functions such as plan making and strategic commissioning. The CCA will not create an additional layer of governance, but instead will bring the governance that currently sits at national government level down into the East Midlands, much closer to businesses and communities. Place making functions will be delivered through the existing local planning authority arrangements that are better placed to deliver functions for which they are statutorily responsible and as close to communities as is practicable.
7. Principle seven: **Commissioning** - The CCA will develop strategy across the geography, dealing with issues as diverse as economic growth and nature recovery. Programmes of interventions will be developed against these strategies.
8. Principle eight: **Choice** - The preferred governance model for the CCA will identify a mechanism for including district and borough councils in the geography. This model will respect the existing sovereignty of these lower tier local authorities. Individual councils

will also be able to continue to exercise choice about participation at sub-CCA tiers of partnership working.

The principles have been reflected in the governance arrangements outlined in this proposal, ensuring that effective and convenient local government is delivered for the Area, in a way which is reflective of the identities and interests of local communities.

The new CCA model will be subject to the Combined County Authority provisions in the Levelling Up and Regeneration Bill, which is currently progressing through Parliament, receiving Royal Assent.

### How the Deal will help our Area

The devolution deal provides **unprecedented opportunities** to improve the economic, health, social and environmental well-being of the people who live and work in the area including:

- The **largest investment fund** in the country - **£38 million per annum** over the next 30 years - with a total guaranteed funding stream of **£1.14 billion** to help level up the Area
- The ability for **local voices to play a greater role** in setting and delivering the Area's priorities
- Local control over a range of budgets like the Adult Education Budget, so that we can **target our spend** to the needs of people and businesses in our communities
- Local powers to **tackle challenges specific to our Area** and harness its true economic potential, for the benefit of everyone who lives and works here
- A new Mayor for the Area to give us a **bigger voice, more influence, and a higher profile** to make a strong case to the Government for more investment in the Area.
- Working more effectively on a larger scale across council boundaries, further strengthening **partnership working across and between our counties and cities**.

# 1 Introduction

On 30 August 2022, the four upper tier councils of Derbyshire, Nottinghamshire, Derby, and Nottingham signed a £1.14 billion devolution deal with the Government. The signing of the deal, will, subject to relevant approvals, and primary and secondary legislation passing through Parliament, establish the first ever Combined County Authority (CCA) in the country. This marks a significant step forward for the region, addressing years of historical low investment in the area whilst providing a platform for accelerated growth.

With a population of 2.2 million residents<sup>iv</sup> and a GVA of over £50.5 billion<sup>v</sup>, the CCA Area has enormous potential. Home to more than 75,000 businesses<sup>vi</sup> providing over 978,000 jobs<sup>vii</sup>, the Area has a number of key sectors with significant potential for growth, including advanced manufacturing, engineering, clean energy, logistics, creative and digital, health and pharmaceuticals, health and education, wholesale and retail trade.

However, the Area also faces challenges which impact on productivity levels and the ability to grow. Productivity lags behind the UK average, requiring a 14.6%<sup>viii</sup> increase to close the gap, and public spending per person has historically been below the UK average. There are areas within the CCA Area with high levels of poverty and poor social mobility. Healthy life expectancy across the area is relatively short resulting in individuals living with avoidable ill-health and disability well before statutory retirement age.

Combined Authorities in other areas, such as South Yorkshire, Greater Manchester and the West Midlands, have seen significant benefits of greater progress and stronger economic performance as a result of their devolution deals, leaving the East Midlands behind. Now we have the opportunity to access greater local powers and funding to both tackle identified challenges and to harness the huge economic opportunity present in the Area.

A devolution deal for the Area is now critical, not only in strengthening local leadership to act more flexibly and innovatively to respond to local need, but also in taking concerted action to improve outcomes relating to transport, skills and regeneration, and the health which underpins it.

The devolution framework places a strong emphasis on the importance of high profile, directly elected local leadership, strong local governance, and joint working across sensible and coherent economic geographies. The most comprehensive and ambitious package is a Level 3 deal, for areas with a single institution over a sensible geography, with the strongest and most accountable leadership.

Combined County Authorities are a new model of devolution outlined in the Levelling Up and Regeneration Bill, which is currently progressing through Parliament. Establishing a CCA is a formal, legal step, allowing upper tier councils across the region to work more closely together in a more structured way. A CCA for the region - a Combined County Authority with a directly elected mayor, would be a new statutory authority created to lead collaboration between councils and would act as the recipient of powers and funding from Government.

The creation of the CCA will not result in the merger or take-over of councils in the Area nor will it require individual councils to give up their powers, except in the specific area of transportation, where some powers will be transferred from the upper tier authorities to the CCA. Cooperation in transport matters between the CCA and the councils will also continue into the longer term with certain powers to be held concurrently moving forward

to enable the parties to work together effectively in the years ahead. The CCA will work as one democratically accountable body on key priorities such as economic development, regeneration and transport, enhancing the investment capability of the CCA Area and individual authorities to support growth including in areas such as housing. The CCA will seek to:

- Reduce duplication and provide more efficient services
- Create a stronger basis for bidding for Government funding
- Make best use of public spending
- Speed up decision-making

Whilst the devolution of power and responsibilities will be to the two upper tier and two unitary authorities, the deal respects the importance of the continued role of the eight Derbyshire and seven Nottinghamshire district and borough councils whose powers and functions remain intact and who will also have specified consenting rights in respect of the exercise of some powers by the CCA and/or Mayor. Some powers and functions of local authorities will be exercised concurrently by the CCA/Mayor with the upper tier authorities.

We are very much at the start of our devolution journey and, whilst our initial focus will be on our four priorities of Net Zero, Housing and Land, Skills and Education and Transport, we are ambitious for the future - already identifying areas within the Deal and on other issues and priorities which we know are important for our Area, where we wish to extend its future scope.

Over the coming months we will be looking to work more closely with Government and partners on a range of priority areas such as domestic violence, social mobility and tourism. As we move forward over time, we will also look to secure additional powers and funding to support the delivery of associated programmes of activity.

Further detail on our plans is set out in this, our Proposal document.

## 2 Background and context

The CCA covers a large and diverse Area; encompassing the outstanding natural assets of Sherwood Forest and the Peak District, the UK's original National Park, the growing, vibrant cities of Derby and Nottingham and thriving, historic market towns such as Buxton, Chesterfield, Mansfield, Newark-on-Trent and Worksop, key centres for employment and services for both local residents and the environmentally rich rural hinterlands.

The two counties and two cities are geographically close and work closely together on many collaborative large-scale initiatives involving all sectors. The CCA supports the growing recognition that our extensive range of strengths and opportunities as a functional local area complement each other - ultimately we are stronger together.

### Population

The proposed CCA Area will cover a population of more than 2.2 million people<sup>ix</sup>. This is similar to:

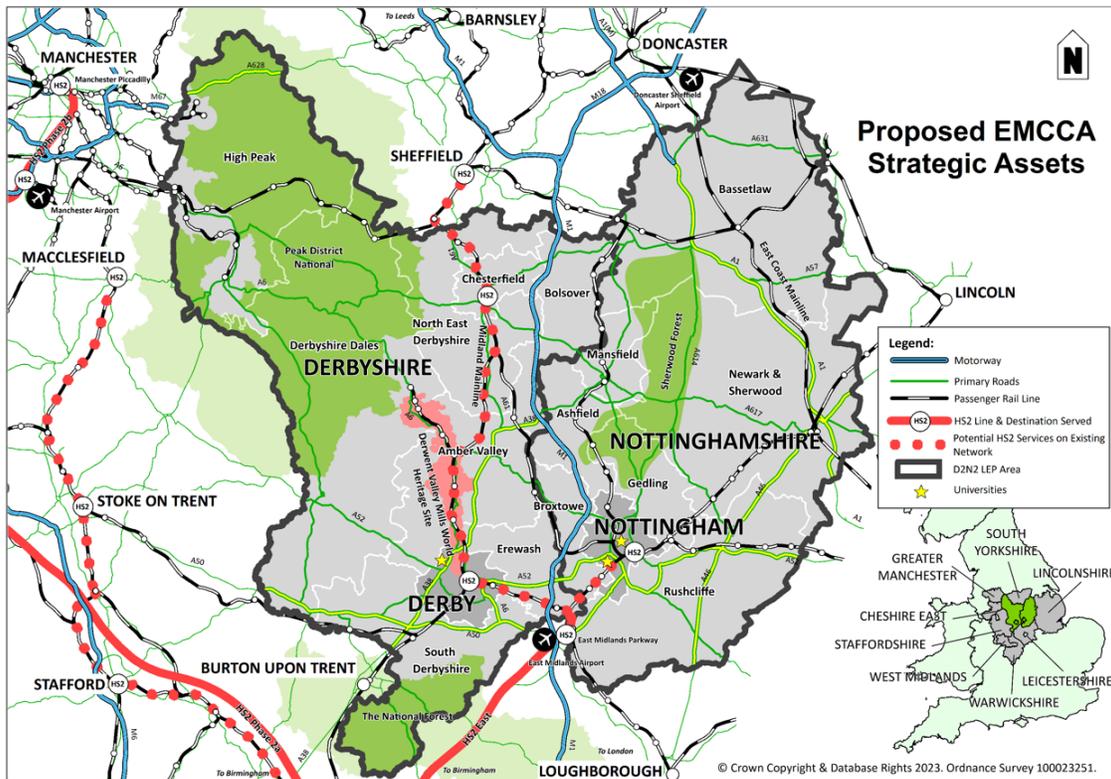
- Greater Manchester combined authority, population 2.9 million
- West Midlands combined authority, population 2.9 million
- Sheffield City Region combined authority, population 1.4 million
- West Yorkshire combined authority, population 2.3 million.

This will make the proposed CCA comparable in size to neighbouring combined authority areas. This Deal will play a key role in driving new economic, social and cultural opportunities to ensure the Area is better able to compete with other sub-regional economies.

### Economy

The proposed CCA Area's economy is the 7th largest in England. It contributes £50.5bn in GVA to the UK economy<sup>x</sup>. As the largest economy in the East Midlands, the proposed CCA area has the advantage of being located at the heart of the country, surrounded by major conurbations such as Greater Manchester and South Yorkshire to the north and Birmingham and Leicester to the south. In total, more than 11.1 million people live within easy reach of the proposed CCA area<sup>xi</sup>.

The functional economic area (areas that share a number of similar economic factors with boundaries that ideally reflect the drivers of the local economy) has been strengthened through the D2N2 Local Enterprise Partnership, in place since 2011.



## Transport & Infrastructure

Our Area benefits from a huge amount of strategic assets summarised as follows:

- The M1 corridor and 690km of major roads<sup>xii</sup>
- High levels of strategic rail connectivity, including stations on the East Coast Mainline and Midland Main Line. The Integrated Rail Plan includes proposals to strengthen this through electrification of the Midland Main Line and the revised HS2 eastern route
- The emerging East Midlands 'Freeport' is the UK's only inland Freeport with different customs rules designed to attract national and international investment. The freeport straddles three of the East Midlands counties including Leicestershire, Nottinghamshire and Derbyshire. The sites are strategically located with strong existing road and rail freight infrastructure connecting them to most other parts of the country more efficiently and quickly. There is significant room for growth across the sites which are strategically connected to regenerate key areas of deprivation.
- Three enterprise zones at Markham Vale, Infinity Park Derby and Nottingham Boots site.
- Nottingham Express Transit tram system

## Business & Manufacturing

The proposed CCA Area has an employment base of 978,000 people<sup>xiii</sup> with 75,600 businesses, including 350 large employers<sup>xiv</sup>. The Area benefits from an exceptionally strong advanced manufacturing base and a well-developed innovation ecosystem. The manufacturing sector generated £8.9bn GVA in 2020 ranking 1<sup>st</sup> in England<sup>xv</sup>.

The Area is a world leader in transport equipment manufacturing based on strong innovation and manufacturing expertise clustered around Derby, and home to globally significant aerospace, automotive and rail manufacturers such as Toyota, Rolls Royce, Alstom, and their significant local supply chains.

Nuclear technology is also significant in Derby given the presence of Rolls Royce's small modular reactor and nuclear submarine business units, plus the new Nuclear Advanced Manufacturing Centre and Nuclear Skills Academy facilities on Infinity Park. The announcement that Bassetlaw will host the world's first nuclear fusion plant gives us a unique opportunity to build an even stronger global reputation in nuclear technologies.

The third largest life sciences cluster in the UK is anchored by Boots, MediCity and BioCity in Nottingham. The digital tech cluster focused around Nottingham's Creative Quarter has grown by 35% between 2015 and 2020<sup>xvi</sup>. The proposed National Rehabilitation Centre at Stanford Hall should open by the end of 2024. The intention is to develop a national network for rehabilitation research, data, information and analytics. The centre will bring together research, innovation, education and training alongside clinical practice to transform outcomes for people who have suffered potentially life changing injury, trauma or illness and improve their quality of life.

Our strong science and innovation ecosystem is underpinned by the Area's three major universities, (Nottingham, Nottingham Trent and Derby), six science parks and fifteen

innovation centres/ incubators). Research strengths supporting our green recovery include Bio and Environmental Sciences, Renewable Energy and Sustainability.

Outside our two major cities, the businesses and activities located in the Area's districts and boroughs generate almost two-thirds of our GVA<sup>xvii</sup>. The network of towns and rural economies house key manufacturing sites, major employers and thriving small businesses. These networks of towns, villages and wider rural areas are home to much of the area's workforce too.

Some of the nation's largest food manufacturers are based in the Area and use some of the raw materials produced by a progressive and diverse agricultural and horticultural sector. Nottingham University's Sutton Bonington campus hosts world-leading facilities for biosciences and veterinary medicine. The state-of-the-art Smartparc facility in Derby promotes sustainable food production and will host a Food Manufacturing Technology Centre of Excellence.

In rural High Peak, well connected to Buxton, the Health and Safety Executive run a laboratory researching new methods in industrial safety, while the emerging digital and creative cluster around Glossop exemplifies the diversity of rural districts.

Factories who have pioneered modern methods of construction and modular housing, that have since been adopted by the wider market, can be found in Ilkeston, Worksop and South Derbyshire.

By stimulating greater levels of business diversification through building upon the distinctive sectoral strengths of the Area, we can encourage greater levels of international trade and investment.

### [Commuting](#)

The proposed CCA Area is a highly functional economic geography, with a LEP ranking of 5 out of 38 for economic self-containment<sup>xviii</sup>. 92% of workers live in the Area and 87% of employed residents work in the Area. A number of local authorities have very high proportions of their residents working in the Area, including Ashfield, Mansfield, Gedling and Amber Valley, which all have more than 93% doing so. Whilst there is a large pool of available labour locally to provide businesses with employees, the Area will need to continue to deliver on great opportunities for work, housing and leisure in order to remain attractive to those who live and work here.

### [Housing](#)

Across England, demand for housing has outpaced housing supply. This leads to increasingly unaffordable and, in some areas, unsuitable dwellings. The CCA Area, like much of the nation, has seen a shortage in housing supply. An estimated 9,200 homes a year are required to meet local need<sup>xix</sup>. Over the last 5 years, an average of 9,070 homes a year have been completed<sup>xx</sup>. Based on these trends, we are likely to see a shortfall of over 1,000 homes over the next 10 years, which adds to the existing lack of supply. This is a challenge, but also an opportunity for the EMCCA to drive growth through sustainable delivery of affordable and decent housing across the six Housing Market Areas (HMAs).

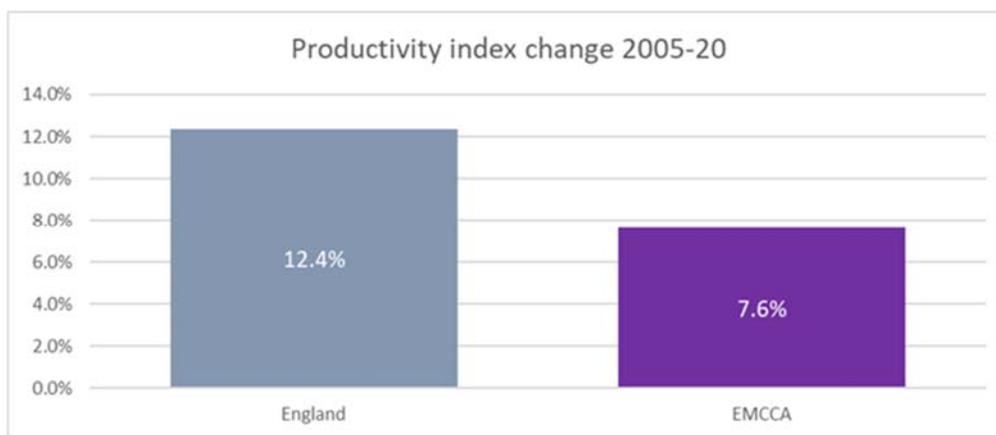
### Parity of investment

For many years the wider East Midlands region<sup>1</sup> has not received the same levels of investment as have been experienced elsewhere in the country. The latest data for 2021-22 on public spending per person shows that the wider East Midlands region received the lowest amount of any region and, at £10,528, was 8.8% lower than the England average and 8.9% lower than the neighbouring West Midlands<sup>xxi</sup>. The shortfall in identifiable public sector expenditure in the CCA Area for the top three functions – Economic Affairs, Health, and Social Protection – is estimated at £1.1 billion in 2021-22 alone<sup>xxii</sup>.

When just focused on public capital spending (which is spending on physical infrastructure like roads, bridges, hospital buildings and equipment), the gap between the wider East Midlands region and England is even greater, at 24.5%. This has a huge impact on improving economic outcomes, which is fundamental to improving living standards, reducing inequalities and improving life expectancy.

### Addressing productivity, skills and employment

Improvements in productivity can help lift wages and provide high quality jobs across all parts of the country. Across the proposed CCA Area there has been a long-standing gap in productivity when compared with national statistics for England. Additionally, over the last 15 years the productivity growth in the CCA Area has fallen behind that nationally by almost five percentage points<sup>xxiii</sup>. The EMCCA can support development of skills of the local population to boost greater levels of local resident participation in the workforce, enhancing both productivity, social mobility and life chances overall.



Source: Gross Value Added (Balanced) per Head of Population at Current Basic Prices, Combined Authority, 2020, ONS © Crown Copyright

Prior to COVID-19, the proposed CCA Area’s economy had performed well in terms of improving levels of economic growth, skills and higher value employment opportunities. Despite these improvements over the last decade there remains a significant gap between

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<sup>1</sup> The East Midlands is one of nine official sub-national divisions of England and is used for statistical and some administrative purposes. This region includes the areas Derbyshire, Leicestershire, Lincolnshire (except North and North East Lincolnshire), Northamptonshire, Nottinghamshire and Rutland.

the overall performance of the CCA Area and that of England and there remains some fundamental challenges to be addressed:

- A loss of £4.5 billion in GVA during the first year of COVID-19<sup>xxiv</sup>
- Carbon emissions per capita are 11.9% higher than the UK average due to a high concentration of energy-intensive industries and industrial legacy<sup>xxv</sup>
- An estimated 23% of jobs in the Area will be affected by the transition to a net-zero carbon economy requiring the upskilling of 104,000 workers<sup>xxvi</sup>
- Poor East-West and North-South connectivity by road and rail, with many areas suffering from transport isolation
- The Area has a low skill low wage economy with the average weekly pay of both residents and workplaces in the proposed Area being nearly 9% lower than the England average<sup>xxvii</sup>
- Seven of the proposed Area's local authorities rank in the bottom 25% (quartile) of all authorities across England on gross weekly workplace pay<sup>xxviii</sup>
- Lower than average labour market participation with the Area's (75.0%) employment rate falling below the England (75.7%) average. Nine local authorities in the Area have an employment level lower than the England average<sup>xxix</sup>

In terms of levelling up measures there are significant differences between different District/Borough localities in the Area:

- Productivity, with three of the Area's local authorities having amongst the highest levels nationally in 2020 (South Derbyshire, Rushcliffe and Bolsover), but seven falling in the lowest performing, including Derbyshire Dales that ranked fourth bottom nationally<sup>xxx</sup>.
- Workplace pay, with Derby in the highest ranking 25.0% of local authorities nationally where weekly pay is around 5% higher than the England average, but seven of the Area's authorities amongst the lowest ranking 25.0% nationally including six District/Borough areas (Gedling, Mansfield, Chesterfield, Newark and Sherwood, Derbyshire Dales and Broxtowe) where weekly pay is 15% or more below the England average<sup>xxxi</sup>.
- Employment rate, with three District/Borough areas in the best performing nationally, but six in the worst 25.0%, including Mansfield, ranked in the bottom 15<sup>xxxii</sup>.

### Reducing wider inequalities

A regional devolution deal for the Area can support us to overcome this historical imbalance of spending at the local level and ensure that our Area gets the necessary boost in funding to address longstanding inequalities and support levelling up our communities.

The CCA Area experiences persistent and systemic deprivation, with 219,600 people living within the most deprived 10% of areas across England<sup>xxxiii</sup> and significant differences in outcomes depending on where you live:

- In some other parts of England people on average live around 15 years longer in good health than people living in Nottingham, which has one of the lowest Healthy Life Expectancies across England<sup>xxxiv</sup>

- Educational attainment varies considerably, with the Area containing some of the worst performing areas across England at all levels of education
- At the early years foundation stage, three of the four upper tier authorities fall below the England average on the expected level on early learning goals for 5-year-olds <sup>xxxv</sup>. Additionally, 7 of the Area's 17 local authorities (Chesterfield, Erewash, Derbyshire Dales, Derby, Mansfield, Nottingham and Bolsover) are in the poorest performing 25% of areas nationally, with the latter in the bottom 10 of all local authorities across the country.
- The Area contains some of the poorest performing localities across England in terms of pupils attaining Maths and English at GCSE, with four local authorities in the bottom 20 of all authorities nationally. These are Mansfield (63.5%), Bolsover (62.3%), Ashfield (61.6%) and Nottingham (60.5%) all of which are well below the national average of 73.0% <sup>xxxvi</sup>
- Fewer adults are qualified to NVQ level 3+ than England (56.5%: 61.4% respectively) <sup>xxxvii</sup>
- 13 out of 17 local authority district and unitary areas within the Area are identified as 'social mobility cold spots' <sup>xxxviii</sup>
- Whilst the overall proportion of local authority housing deemed to be of a non-decent standard in the CCA Area was at 3.4% in 2020-21, below the England figure of 5.2%, High Peak (17.4%) and North East Derbyshire (12.6%) had high levels. Nottingham (5.2%) also showed a figure above the EMCCA average <sup>xxxix</sup>.
- In terms of homelessness, both Derby (2.4%) and Nottingham (2.0%) have higher proportions of households that were homeless or threatened with homelessness over the last year than nationally (1.2%) <sup>xl</sup>. Relatively high levels in the CCA Area were also evident in Chesterfield (1.3%), High Peak (1.0%) and Mansfield (0.8%).

Within the proposed CCA Area there is significant variation by local authority across the range of levelling up indicators. Measures showing the greatest disparity are:

- Adult attainment at NVQ level 3+, with two of the Area's local authorities amongst the best performing in England (Derbyshire Dales (69.8%) and Rushcliffe 67.4%), whilst seven are ranked in the worst performing 25.0%, including Mansfield which in 2021 was the lowest of all local authorities across England at just 37.8%, over 20 percentage points below the England average (61.4%) <sup>xli</sup>.
- Adult obesity - whilst Derbyshire Dales and Rushcliffe were in the best performing local authorities nationally, there were seven district and unitary areas locally that were amongst those having the highest adult obesity across England, including North East Derbyshire that is ranked sixth bottom <sup>xlii</sup>.

### 3 Our ambitions

#### More Funding, More Control, A Brighter Future.

We are proud of what we have achieved within our individual areas against the backdrop of historic under-funding, but are also aware of the challenges ahead of us. Our vision is for the 2.2 million people who live and work here to enjoy better health, greater prosperity, and an increased sense of wellbeing through the opportunities available to them within an inclusive and competitive CCA Area at the heart of the country.

Working collaboratively within a single CCA will enable us to draw on our collective strengths of innovation and our drive for sustainability, to address our shared challenges of an increasingly competitive world and a changing climate. Doing so together means that we can use our joint resources more efficiently to deliver greater and more meaningful impact for our citizens. This is a particular priority for some of our more rural areas, to address historic challenges so that they can realise their potential and 'level up' with the rest of the Area's geography.

## Priorities

We have identified four key priority areas for long-term, targeted and strategic investment through the CCA. We have chosen these as we believe that a collective focus on improvements within them will transform our Area and the way our citizens experience living and working here.

To deliver this change, we will create a fully developed long term transformational funding programme covering all budgets for devolved functions (the "East Midlands Investment Fund"). This will include a new fund, provided by the Government, of £38 million a year fixed for 30 years which will be accountable to the EMCCA.

We will also work up further details with our business leaders and local authorities including investment priorities, operational characteristics and the opportunities for capturing third party contributions in due course<sup>xliii</sup>.

Our four priority areas are:

1. **Our homes - we will work with local authorities, landowners, developers and the full range of housing providers to create affordable, good quality housing options and to retrofit existing homes to be more environmentally sustainable.**

The relevant authorities in the CCA Area have set out in their Local Plans and Housing Strategy documents their local housing priorities around brownfield remediation, housing quality and decarbonisation, and systems improvement to support local supported and specialised housing needs.

To respond to this, we will harness:

- £16.8 million of devolved capital funding provided to the EMCCA in 2024/25 to support the building of new homes on brownfield land.
- A £9 million housing capital funding pot to be spent by Constituent Councils by April 2023 to support the delivery of housing priorities
- New, broad powers for the EMCCA to acquire and dispose of land to build houses, commercial space and infrastructure, for growth and regeneration. Investing to deliver housing for the Area.
- Land assembly and compulsory purchase powers provided to the EMCCA for housing purposes, subject to the agreement of the Constituent Councils and, where applicable, the district/borough council(s) where the relevant land is located.
- The Mayor's power to designate Mayoral Development Areas and to create Mayoral Development Corporations, which will support delivery on strategic

sites across the CCA Area through drawing on existing work, subject to the agreement of local partners.

- Our work with Homes England to identify key opportunities for developing a housing delivery pipeline across the CCA Area.
- £918,000 of capacity funding to the Constituent Councils/East Midlands CCA across 2023/24 and 2024/25 respectively, to support development of a pipeline of housing sites.
- The CCA will consider how planning and delivery could benefit people who are homeless and at risk of homelessness

**2. Our skills - we will work collaboratively with employers, skill and training providers, local authorities and other stakeholders to ensure our citizens have the opportunity to develop key skills and access opportunities to work well and build fulfilling careers. This will also help the creation of a strong and sustainable local economy.**

The number of adults in the CCA Area qualified to Level 3+ is below the national average<sup>xliv</sup>. Graduate retention is also a challenge, with 37% of graduates from the Area's three universities remaining in the East Midlands 3 years following graduation<sup>xlv</sup>. There are significant place-based variations in skills and productivity across the area's districts and boroughs.

The Area's workforce is more concentrated in lower skilled occupations than the national average. Over the next 10-15 years, slower growth in the working age population and significant technology-driven changes are likely to require increased adaptability and re-skilling by people who are already working as well as maximising the potential of young people entering the labour market. Despite unemployment being low, there are still communities and places where unemployment and economic inactivity remains high, with a growing number identified as having significant barriers to work.

To respond to this, we will harness:

- The Adult Education Budget (AEB), provided to the EMCCA from academic year 2025/26.
- The EMCCA's responsibility for making allocations to skills providers and for setting the outcomes to be achieved.
- The Local Skills Improvement Plan (LSIP) - will support and provide input into the LSIP for the area.
- Membership of the joint Department for Work and Pensions and Department for Education Mayoral Combined Authority Advisory Group.
- Regular engagement with the regional Employer and Partnership team in Jobcentre Plus, and strategic labour market partnership teams.

**3. Transport - we will work with transport providers inside and outside the CCA Area to develop our collective infrastructure and create the best possible transport system for our citizens, reflecting the strengths already within Constituent Councils to set our aspirations.**

The Area approaches this devolution deal from a different position to many devolution deal areas, where local public transport services were already managed across the

devolution area prior to the creation of their devolved authorities. This means there will be a one-year transition period, following the election of the mayor, before some public transport functions are transferred and beyond that in the case of the Nottingham Express Transit tram system. In our Area, we experience poor East-West and North-South connectivity by road and rail, with many areas suffering from transport isolation.

To respond to this, we will harness:

- The Mayor's responsibility for a devolved and consolidated integrated local transport budget for the CCA Area.
- The Mayor's and the EMCCA's responsibility for setting and delivering a transport strategy for the Area, including for public transport services\_(with powers for bus franchising).
- Our responsibility for an Area-wide Local Transport Plan, supported by an additional £500,000 of revenue funding in both 2023/24 and 2024/25 to accelerate this work.
- The accelerated delivery of smart, integrated ticketing across all local modes of transport in the Area.
- The CCA will set up and coordinate and manage a Key Route Network (a collection of the most important local authority roads within the Area) on behalf of the Mayor, allowing the Mayor and the CCA to take on highway powers for the Key Route Network.
- A single strategic asset management plan, and where practical, work towards streamlining contractual and delivery arrangements across the Area.
- Mass transit opportunities, including integrating and potentially expanding the NET tram system, in support of the emerging new East Midlands HS2 Growth Strategy
- A new rail partnership with Great British Railways.
- Preparation of a refreshed Local Cycling and Walking Infrastructure Plan to support active travel.
- Clean fuel infrastructure that will accelerate the establishment of a Net Zero transport network.
- Best practice in the area. We will look to build on the highest performing public transport networks and transport infrastructure in the area.

**4. Our net zero ambition - we will work across the Area to lead the way in moving from fossil to fusion and play our part in achieving our national ambition to achieve net zero by 2050. Our ambition is that the CCA Area will be a leader in pioneering new forms of clean energy generation and will act as an exemplar for climate change adaption.**

To respond to this, we will harness:

- An investment in the CCA Area of up to £9 million via a Net Zero capital funding pot to be spent by Constituent Councils by April 2023 that will enable the Area to drive their Net Zero ambitions.
- The CCA's efforts to increase the Area's electricity network capacity to meet future electricity demand.
- The CCA's exploration with Government of the potential benefits of and design options for a place-based approach to delivering retrofit measures\_giving

consideration to where it will have the greatest impact on health and wellbeing.

- The CCA's exploring of the potential benefits of establishing heat network zoning in England to decarbonise heating and hot water within the zone by assuming the role of heat network Zoning Coordinator for its locality.
- The potential for EMCCA to catalyse increased investment from the UK Infrastructure Bank.
- Local Authority efforts to ensure that workers, businesses and local areas, including the CCA, are supported through the Net Zero transition with green skills interventions via a greater role, where possible, in delivering the Adult Education Budget and UK Shared Prosperity Fund.
- Funding for the commissioning of an EMCCA local area energy plan (LAEP) to enable long term planning on a regional basis.
- A role for the EMCCA in evolving waste management in the Area and exploiting opportunities to re-use waste heat.
- Producing an CCA Area Flood Alleviation Strategy, working with Environment Agency, Internal Drainage Boards and other key partners.
- Work by our County Councils Preparation of the Local Nature Recovery Strategies (LNRSs).

## Objectives

We want to help our citizens achieve more and better and we believe that the funding and powers we will receive as part of creating the EMCCA can help us to deliver this vision. We will use the new funding and powers to deliver sustainable growth, new high-value jobs and a resilient economy that allows people to live fuller lives. We know that to thrive we must compete and co-operate, not just with other areas of England and the UK, but with established economies in Europe and America and with rising economies in the east, and increasingly the global south.

### Our shared objectives:

- Boosting productivity, pay, jobs and living standards
- Spreading opportunities and improving public services
- Restoring a sense of community, local pride and belonging
- Empowering local leaders and communities

## Outcomes

Through delivering on these objectives, we will achieve the following outcomes for our citizens and our Area:

- Grow our economy faster, through targeted long-term investment, so that it is resilient enough to withstand future challenges.
- Reduce inequality and promote social mobility to allow people to achieve their potential.
- Improve healthy life expectancy and reduce inequalities, especially in communities and groups who are most disadvantaged
- Match skills to economic need to increase productivity and wellbeing.

- Support businesses to create more and higher paid sustainable jobs so that our citizens are able to access the jobs they want within the Area in which they live
- Create a net-zero economy with a resilient energy supply.
- Support enhanced green spaces to welcome nature back into our communities.
- Create modern and robust infrastructure that releases the private sector to deliver new homes and businesses.
- Build new and coherent transport links to facilitate better and more sustainable access to our economic hubs such as our cities, market towns and major employers.
- Use our devolution powers to bring decision-making closer to those who live and work here, increasing the visibility of these decisions.

## Principles

In order to achieve this we will follow these principles:

1. Principle one: **Effective leadership** with a directly elected mayor across the Area.
2. Principle two: **Sensible geography** - the CCA Area covered by this devolution deal has one of the most functional, self-contained economic geographies in the country - 92% of workers live in the Area and 87% of residents work in the Area.
3. Principle three: **Flexibility** - the Deal recognises the unique needs and ambitions of the Area in its governance and programme.
4. Principle four: **Appropriate accountability** - the Constituent Councils have committed to developing a Constitution and Assurance Framework that will confirm, clarify and formalise the intention of institutions and local leaders to continue to be transparent and accountable, work closely with local businesses, seek the best value for taxpayers' money and maintain strong ethical standards.

With a further four local principles:

5. Principle five: **Inclusivity** - The Constituent Councils have committed to creating as inclusive a model of governance as possible, in pursuit of agreed outcomes. Devolution of power and responsibilities will be to the Constituent Councils, however, the importance of the continued role of the eight Derbyshire and seven Nottinghamshire district and borough councils will be respected.
6. Principle six: **Subsidiarity** - The CCA will perform a role that adds value to existing governance arrangements - primarily focused on strategic place shaping functions such as plan making and strategic commissioning. The CCA will not create an additional layer of governance, but instead will bring the governance that currently sits at national government level down into the CCA Area, much closer to businesses and communities. Place *making* functions will be delivered through the existing local planning authority arrangements that are better placed to deliver functions for which they are statutorily responsible and as close to communities as is practicable.
7. Principle seven: **Commissioning** - The CCA will develop strategy across the geography, dealing with issues as diverse as economic growth and nature recovery. Programmes of interventions will be developed against these strategies.

8. Principle eight: **Choice** - The preferred governance model for the CCA will identify a mechanism for including district and borough councils in the geography. This model will respect the existing sovereignty of these lower tier local authorities. Individual councils will also be able to continue to exercise choice about participation at sub-CCA tiers of partnership working.

### Building on Local Strengths

We will move forwards towards the benefits that an EMCCA can bring in the knowledge that we have great strengths to build upon within our cities and counties.

Using principles 2, 3 and 6, the new CCA will recognise and cultivate our existing economic assets. This will mean achieving our shared vision and joint outcomes via targeted investment and support that acknowledges our geographic differences and similarities. This method recognises the unique contribution that each area already brings to the whole, and avoids a false, one-size-fits-all approach.

New high-quality and sustainable jobs created in Derby may be in a different industry, and therefore require different support, than those in Nottingham. But the need for new high-quality roles that pay a good wage is alike. Similarly, the infrastructure needs of Rushcliffe differ from those of the Derbyshire Dales - but the need for the right connectivity in the right place remains the same across the whole Area.

Derbyshire, Nottinghamshire, Derby, and Nottingham are places of contrasts with distinct but inter-related geographies. The Area combines a healthy diversity of growth, demographics, geographies and industry across a substantial population. A positive mix of demographics across a region plays a huge role in ensuring an area offers sustainability and resilience for the local population - increasing its flexibility to cope with changing or challenging circumstances. There are many unknown variables which will define the future and areas heavily reliant on certain sectors, industries or populations are more vulnerable to local, national and global challenges.

We will seek to enhance joint working with UK Research and Innovation, so we can collaborate on strategies that will drive forward research and innovation in our Area, building on our local strengths.

Our Area is economically and geographically diverse. But we know that together we are stronger. We will work to meet the needs of 1) our urban and suburban areas; 2) our market towns, and 3) our rural areas, but we will do this in the knowledge that our economy is more than the sum of its parts, and new investment that benefits one element can and must benefit all.

### Governance

We have made rapid progress since coming together in February 2022. City, county, district and borough councils have worked collaboratively to deliver a devolution deal, pooling resources and talent. Wider partners across the region have also shown strong support for a devolution deal including the LEP, the Chamber of Commerce and local universities. We will build on that progress and the relationships and networks now in place to deliver at pace.

A key advantage of the CCA model is its capacity for joint governance arrangements for key growth levers such as transport, skills, economic development, and regeneration, which allow for strategic prioritisation across its area and integrated policy development.

In addition, a directly elected mayor provides greater local accountability and decision-making power, working in partnership with the CCA and its Constituent Councils, and more widely with other public service providers including district and borough councils. Our Governance will include:

- A new directly elected Mayor who will bring new powers and funding from central Government to the local level.
- In addition, the EMCCA will feature eight members, consisting of a Lead Member for each Constituent Council and one further member appointed by each of the four upper-tier Constituent Councils
- The EMCCA will also appoint non-constituent and associate members, including representation from the districts and borough councils.

Within the Area there are ambitions to maximise strategic opportunities presented by the East Midlands Freeport and the East Midlands Development Corporation. The CCA will also have the opportunity to drive achievement of some of the same strategic opportunities focussed on transport, regeneration and inward investment. The Constituent Councils, and later the CCA, will therefore engage with all relevant stakeholders involved in each of these initiatives) to ensure that all of the strategic opportunities available are delivered for the benefit of the region, and the Area, in the best, most streamlined and integrated way.

## 4 Delivering our ambitions

To bring our vision to life, and deliver on the objectives of the EMCCA, a pipeline of key priorities across several themes will be scheduled for initiation once the CCA has been officially established. These priorities will demonstrate to residents, businesses, and organisations across the region the tangible and evidence-based benefits of a CCA. All priorities will be underpinned by the principles of the EMCCA and actioned through the powers and functions agreed within the devolution deal with Government. The proposed projects/initiatives outlined below are an illustration of the opportunities and the potential within the region, drawing on local strengths, partnerships, expertise, and diversity, and could form the pipeline for the CCA.

The CCA will deliver our shared vision and joint outcomes via targeted investment and support that acknowledges our geographic differences and similarities; each area offers a unique contribution, but this will be balanced with a consistent approach to project prioritisation, funding and delivery.

The needs of the Area, and, therefore, the projects to address these needs are not all area wide: Some priorities may be focussed on our urban and suburban areas and/or our market towns, and/or our rural areas, recognising that new investment that benefits one element can and must benefit all. The priorities are grouped into some broad headings, but they may deliver dual objectives across multiple themes:

## Land and Housing

The principles underpinning our Housing & Planning theme are **improvement and sustainability**. A priority is identifying the economic corridors and clusters of housing, in addition to mixed-use properties, including those for culture, tourism and sport, to accelerate development within the region, and make it a better place to live, work and visit.

The EMCCA will promote genuine place making and 'great places to live', working in partnership with local authorities and other partners, to ensure that new housing is effectively served by infrastructure (digital and transport) and key public services such as healthcare and education. The EMCCA will establish a relationship with Homes England and the private and social housing sector to identify areas to build more affordable homes and also build new aspirational communities, for example, riverside housing. These developments will respect Future Homes Standards, subject to the Government timetable, which will contribute to reducing carbon emissions. The new CCA's funding streams for housing development will be critical to enable developments of this nature to proceed.

There is also an opportunity to enhance the Area's economy by developing new commercial space to maximise opportunities for both businesses and residents. Examples of this could include the Area's local authorities, working in partnership with the new CCA, seeking to secure Enterprise Zone status for Phase 2 of Infinity Park, the innovation and technology park that is part of the wider Nottingham and Derby Enterprise Zone. Similarly, there are opportunities for the new CCA to work with local authorities to explore commercial space in and around the Northern Power Station sites, and in mid Nottinghamshire such as at the Lindhurst, Lowmoor Road, and Penniment Farm developments.

Working alongside key partners including Homes England, Historic England, the Environment Agency and the private sector, EMCCA will seek to progress development and improve access to key development sites such as Derby's Cultural Heart of the City and Northern Gateway, the Buxton Gateway, and in Nottinghamshire, Toton and Chetwynd, Top Wighay and South Side in Nottingham City.

## Net Zero

The EMCCA intends to work towards Net Zero and cleaner air by focussing initially on:

- identifying new low carbon homes for residents
- retrofitting existing houses, to improve the energy efficiency and meet decarbonisation targets
- promoting the use of renewable energy, including infrastructures for both Electric Vehicle charging points and for H2 fuel cell charging

There is also the opportunity to promote and enhance green spaces, such as areas for wildlife and green verges and identify and protect nature recovery areas. This will improve the environment for both residents and visitors and create a pride in place.

The Area is also looking at innovative plans to create a sustainable chemical manufacturing laboratory to enable new sustainable chemistries and processes to translate from research labs to commercial production. This will underpin the rapid and necessary

decarbonisation of the chemical-using industries sector that is critical to the Area and could be used as an exemplar across the wider region and country in due course.

There are also opportunities to identify the options available to farmers and land managers to deliver rural decarbonisation including environmental resource management, low carbon energy options, low emission farm vehicles, digital and robotic technology. CCA will seek to increase the understanding of the links between energy and the agri-food sector, while also examining mechanisms for change by highlighting agri-food supply chain opportunities and new business models.

### Skills & Adult Education

The CCA area is home to three universities, as well as eight further education colleges, a range of private training providers and community-focused providers in the third and local authority sectors. Examples of strong partnership working include for example a Sustainable Chemicals Manufacturing Laboratory with the University of Nottingham and the Opportunity Area in Derby.

The Area has a strong research and development base, particularly in life sciences, engineering and manufacturing employment sectors; the new powers and devolved funding will provide the opportunity to develop an increasingly integrated skills system over time and influence investment in all levels of skills to ensure local needs are met, address economic challenges and increasing productivity.

Projects could include developing the Area's existing knowledge and expertise in green technology and promoting the growth of a future low carbon economy by investing in targeted skills and training. The new prototype fusion plant planned for West Burton could act as a catalyst to transform our skills offer and support the move to green, clean energy jobs. Other projects could see the development of innovation and training centres, like the Nuclear Skills Academy, to build on higher level engineering and manufacturing skills required by the region.

We also know that some of the residents of the area suffer from economic exclusion due to barriers to work such as skills not matching the needs of employers. We will work to improve adult skills, including basic skills, to enhance employability and enable re-skilling that will respond to significant technology-driven change and maximise employability.

### Transport

Our priority is to develop integrated and sustainable transport, linking transport to housing, jobs, education and training, improving regional connectivity and more active travel options. In recognition that the CCA's network of towns, villages and wider rural areas are home to much of the Area's workforce, there is an opportunity to set up and coordinate a network of integrated public transport services, smart integrated ticketing and a consistent concessionary fares scheme. This will support employers and employees to advertise and access jobs, education and training opportunities within the region, supporting both businesses and citizens, but also encouraging visitors to travel within the area.

Transport also works alongside the Net Zero theme by identifying green transport initiatives and opportunities to develop a CCA approach to low carbon transport and resilient infrastructure.

## Public Sector Reform

### Public Health

The EMCCA will ensure that improving and protecting the public's health is a central consideration in everything it does, including in environmental considerations, planning, regeneration and transport activity. Using powers under the NHS Act 2006, the EMCCA will complement and support actions already being taken by Constituent Councils to improve people's health and well-being across the Area.

Health and well-being will be considered throughout the EMCCA's activities as well as enabling work on local issues, where health plays a key role, specifically:

- Providing the EMCCA, under the NHS Act 2006, with the opportunity to deliver public health initiatives throughout the Area;
- Enabling the EMCCA to support the Constituent Councils with tackling local issues such as homelessness and rough sleeping through integrating the consideration of public health into use of other powers by the EMCCA such as housing powers.

### Beyond the Deal

Whilst our Deal will initially focus on the acceleration of activity to achieve our identified priorities, the ambition we have for our Area, and the people and communities we serve, is significantly greater.

As the first Mayoral Combined County Authority to be established in the UK we will be using the current deal as a platform to broaden and deepen its scope in the future, ensuring that we continue to address identified and emerging challenges, maximising available opportunities that come our way, maintaining and building momentum.

We will therefore be working with government and our partners across the Area over coming months and years to strengthen ties and collaboration, deliver against the twelve levelling up missions, improving outcomes for our people and our places whilst acting as a trailblazer for other CCAs that follow in our path.

In particular, we will seek to work collaboratively with Government at the earliest opportunity to:

- Explore opportunities to deliver transformative regeneration and new high-quality housing
- Tackle local housing challenges including homelessness and rough sleeping
- Tackle domestic abuse through an improved and systemwide holistic approach
- Take further action to improve population health and wellbeing across the Area
- Develop strong links between the CCA and PCCs to help join up public service delivery and strategies in relation to community safety

- Develop an ambitious, long term mayoral social mobility strategy, supporting young people through their journey to adulthood
- Strengthen the local visitor economy, creating an attractive and vibrant cultural and creative sector
- Strengthen transport connectivity, building on the potential offered by HS2 and the consolidation of the existing core local transport funding into a multi-year integrated settlement
- Strengthen the role of Local Resilience Forums, testing new roles and responsibilities where appropriate
- Explore the potential for the further relocation of Civil Service roles to the East Midlands as part of the Levelling Up agenda
- Identify additional opportunities to support wider public service reform across the Area.

This Deal is the start of our devolution journey and we will look to secure additional powers and funding as the CCA evolves to help us achieve our aims and the Government's Levelling Up agenda.

## 5 Governance

As referenced previously, the Constituent Councils have set out eight principles for the governance framework for the CCA. The first four principles apply the devolution framework set out in the Levelling Up White Paper.

The Constituent Councils have created a governance structure for the CCA which is true to the principles outlined above, and which will secure effective and convenient local government for the Area.

### Name and Area

The CCA will be formally known as the East Midlands Combined County Authority. It covers the geographical areas of the Derbyshire County, Nottinghamshire County, Derby City and Nottingham City Councils, which together form the Constituent Councils of the CCA.

### Membership of the CCA

The CCA will have up to 17 Members in total, comprising:

- The directly elected Mayor;
- 8 Constituent Members (Members appointed by the Constituent Councils, with each Constituent Council appointing 2 Members);
- 4 Non-Constituent Members nominated by the District and Borough Councils within the Area (with 2 Non-Constituent Members to be nominated by Derbyshire District and Borough Councils, and 2 Non-Constituent Members to be nominated by Nottinghamshire District and Borough Councils);
- Up to four further Non-Constituent or Associate Members. These four further Memberships will not be nominated/appointed to initially. It will be for the CCA to

determine whether the four additional Memberships will be used, and if so, what interests those Memberships should seek to represent on the MCCA.

### The Mayor

The CCA will have a directly elected Mayor who will be elected by the voters within the Area. The Mayor will be a Member of the CCA, as well as having a number of powers and functions which may be exercised exclusively by the Mayor (see below).

### District and Borough Councils

There are 15 District and Borough Councils within the Area of the CCA. The Districts and Boroughs will be empowered to nominate 4 individuals to represent their interests on the CCA.

The Constituent Councils have worked closely with the District and Borough Councils to agree a system of nominations which all of the Councils are comfortable with. It has been agreed that nomination will be effected through the use of joint committees (joint committees are a formal local authority committee formed by several Councils to work together on specific issues.)

Two joint committees will be utilised. One which the Derbyshire District and Borough Councils will be voting members of and which will nominate two Non-Constituent Members, and one which the Nottinghamshire District and Borough Councils will be voting members of and which will nominate two Non-Constituent Members. These joint committees will also be used as the mechanism for the District and Borough Councils to nominate additional individuals as substitutes and representatives on the Overview and Scrutiny Committee, and Audit Committee, who may come from different Councils than the nominated Non-Constituent Members.

It is hoped that existing joint committees will be able to be utilised for these purposes, but if that is not possible, new joint committees will be established to fulfil this role.

The inclusion of a mechanism by which the District and Borough Councils can have a key role on the CCA ensures that the identities and interests of all of our local communities are fully represented on the CCA.

### Business Interests

The voice of business will be a critical component in the future CCA, given that a key area of focus will be economy, industry and business, The CCA is considering appointing an Associate Member who can represent the views of business on the CC moving forward.

The D2N2 LEP function is to be integrated into the CCA, albeit the precise mechanism by which this will be achieved is not yet agreed.

One such mechanism as suggested by Government integration guidance is integration via establishment of a business focussed Advisory Board. Whilst the Advisory Board would not be a formal committee of the CCA, it would be part of the formal governance arrangements and would exist to provide advice to the CCA on all issues of business and economy relevant

to the CCA. The CCA could then appoint the Chair of that Advisory Group to the CCA as an Associate Member representing the views of business on the CCA.

### Other Memberships

The remaining up to 3 further Members will not be nominated/appointed to initially. It will be for the CCA to determine whether the three additional Memberships will be used, and if so, what interests those Memberships should seek to represent on the CCA. Possible options for the areas of interest to be represented through the up to 3 further Memberships include education and skills, transport, environment/net zero and housing and planning.

### Mayoral Functions

Some of the functions of the CCA will only be able to be exercised by the elected Mayor, and this will be prescribed in the Establishment Order.

The main Mayoral functions are as follows:

- Duty to set a Mayoral budget, which will relate to the cost of exercising the Mayoral function;
- Power to impose a business rate supplement on non-domestic ratepayers in the Area to fund Mayoral functions as part of the Mayoral budget;
- Power to issue a precept on council tax (a precept is an amount added to council tax) to fund Mayoral functions as part of the Mayoral budget;
- Power to provide relief from non-domestic rates in areas covered by a Mayoral Development Corporation;
- Power to create a Mayoral Development Area, and to form a Mayoral Development Corporation to take responsibility for planning functions in the part/s of the Area covered by the Mayoral Development Area (the exercise of these functions is subject to the consent of all of the local planning authorities affected);
- Housing and land acquisition powers to support housing and regeneration (the exercise of these functions is subject to the consent of all of the local planning authorities affected); and,
- Functional power of competence (this means that the Mayor will have the power to do anything reasonably related to the exercise of their functions).

Due to the complexity of the current transport arrangements in the Area, transfer of transport functions will be dealt with differently, with a phased transfer of functions. On day 1, it is expected that the CCA will be established as the transport authority for the Area, and will hold franchising powers, the power to approve the single, joint Local Transport Plan and the power to define the Key Route Network on behalf of the Mayor. Within a year of the establishment of the CCA, other public transport powers and functions, including those relating to the coordination of the bus networks, direction of integrated ticketing and investment in infrastructure will transfer to the CCA/Mayor. More detail is given in the table of powers at Appendix A.

The Levelling Up and Regeneration Bill provides that an elected Mayor may exercise functions of Police and Crime Commissioners, and/or functions of Fire and Rescue Authorities. It is not currently intended that the elected Mayor for the East Midlands CCA

will exercise the functions of either of the Area's Police and Crime Commissioners, or either of the Area's Combined Fire Authorities. It is intended however that there will be close working between the East Midlands CCA and the Area's Police and Crime Commissioners generally; and particularly, productive and joint working on public safety; and the East Midlands CCA will work with the Area's Police and Crime Commissioners to agree a protocol for working together.

### Mayoral decision making

The elected Mayor will be required to appoint one of the Members of the CCA as their Deputy Mayor. The Deputy Mayor must act in the place of the Mayor if for any reason the Mayor is unable to act, or the Office of the Mayor is vacant.

The Mayor is able to arrange for the exercise of any of their Mayoral functions by:

- The Deputy Mayor;
- Another Member or Officer of the CCA;
- A committee of the CCA, consisting of members appointed by the Mayor (which need not be Members of the CCA).

The CCA Establishment Order will provide that the Mayor is able to appoint a political advisor.

### CCA Functions

The remainder of the functions of the CCA will be exercisable by the CCA. On day 1 these will include:

- The duty to set a budget for the CCA (as opposed to the Mayoral budget);
- Exercise of the power to borrow;
- Duty to prepare an economic assessment of the Area;
- Compulsory purchase, land acquisition and disposal and development of land powers (the exercise of compulsory purchase functions is subject to the consent of all of the local planning authorities affected);
- Housing supply and regeneration functions;
- Duty to review air quality plans and propose and undertake steps to support the delivery of those plans by Districts/Boroughs/Unitary Councils in the Area; and,
- Incidental powers in relation to its functions (the power to do anything which is incidental to the exercise of its functions).

In addition, the CCA will have functions relating to transport. As mentioned above, due to the complexity of the current transport arrangements in the Area, transfer of transport functions will be dealt with differently, with a phased transfer of functions. More detail is given in the table of powers at Appendix 1.

### CCA decision making

The Members of the CCA will be the main decision-making group of the CCA. The CCA will have the power to establish sub-committees to exercise CCA functions.

## CCA voting

The CCA will prescribe voting requirements in its Constitution, but the following principles will be applied:

- All of the Constituent Council Members and the Mayor have a single vote.
- None of the Non-Constituent or Associate Members automatically have a vote, but the CCA is committed to the right to vote being available on some topics at least to District and Borough Council Non-Constituent Members.
- The majority of decisions taken by the CCA will be subject to a requirement for a simple majority in favour, with the additional requirement that the Mayor must vote in favour.
- Certain decisions will additionally require the Lead Member of the relevant Constituent Council to vote in favour, specifically this includes any decision to compulsorily purchase land by the CCA, and any decision of the CCA which would lead to a financial liability falling directly on the Constituent Council. Further instances in which there will be a requirement for the Lead Member of each Constituent Council to vote in favour will be set out in the CCA Constitution.
- By a 2/3 majority, the CCA can amend the Mayor's budget, and amend the Mayor's transport strategy.

## Advisory Boards

The CCA, and the Mayor, may choose to establish advisory boards. Advisory boards are formally constituted boards which form part of the operation of the CCA, but which have no decision-making power.

As set out above, the CCA is considering establishing a Business and Economy Advisory Board. In addition, the CCA is also considering establishing a similar Education and Skills Advisory Board.

The CCA will consider whether additional Advisory Boards focussed on other issues are required.

The role of any advisory boards established will be to advise the CCA, and possibly also the Mayor, on the exercise of functions in their areas of expertise.

## Members Allowances

The statutory instrument which creates the EMCCA will set out the position on members allowances. DLUHC have indicated that the SI will provide that allowances will be payable as follows:

- The Mayor, Deputy Mayor and members of committees/sub-committees who are not elected members of a Constituent Council may be paid an allowance, the amount to be recommended by an independent remuneration panel;
- Members of Overview and Scrutiny Committees and/or Audit Committee (whether or not also elected members of a Constituent Council) may also be paid an allowance, the amount to be recommended by an independent remuneration panel; and,

- Otherwise members may only be paid allowances for travel and subsistence, paid in accordance with the EMCCA's published policy.

### Overview and Scrutiny Committee

The CCA will be required to have at least one Overview and Scrutiny Committee.

The role of the Overview and Scrutiny Committee is to monitor the decision making of the CCA and the Mayor to ensure that the decision making is appropriately focussed on community needs, and that high quality delivery is taking place for the benefit of the Area.

In accordance with the Levelling Up and Regeneration Bill and given the role of the Committee its membership must involve different individuals than those who are Members of the CCA. However, the CCA would intend to ensure that the District and Borough Councils would be represented on the Overview and Scrutiny Committee, and will consider how and whether to represent any additional Non-Constituent and Associate Members on the Committee.

Practically this means that at least one member of the Overview and Scrutiny Committee will be nominated from each Constituent Council of the CCA. At least 4 members will be nominated by the District and Borough Councils. Any members of the Committee not drawn from the Constituent Councils will not automatically have voting rights on the Committee.

There will be a requirement for political balance on the Committee which will reflect the political balance of the CCA Area (which in this context means to reflect the voting in respect of the Constituent Councils but taken across the whole Area).

### Audit Committee

The CCA will be required to have an Audit Committee. The role of the Audit Committee is to support and monitor the authority in the areas of governance, risk management, external audit, internal audit, financial reporting, and other related areas to ensure that the financial and governance decision making position of the CCA and the Mayor is sound.

There is a requirement for the Chair of the Audit Committee to be an independent person, who is not otherwise associated with the Mayor or involved in the CCA. Again, the Levelling Up and Regeneration Bill requires that members of the Audit Committee must not be the same individuals as those representatives who are members of the CCA.

The CCA will ensure that the Audit Committee has the right people to ensure effective oversight of the adequacy of the CCA's overall assurance arrangements, and scrutiny of financial decision making by the Mayor and the CCA.

### Funding of the CCA

The Establishment Order will indicate that the CCA will be funded by the four Constituent Councils. Funding has been secured as part of the deal from central Government to cover the financial years 2023/4 and 2024/5. In addition, as set out above, the Mayor has powers to issue a precept and impose a levy, and the CCA has powers to borrow. In practice it is

expected that the running costs of the CCA will be met by either continued central Government support or with funding from the Constituent Councils.

The significant programme costs associated with major projects and schemes across the CCA footprint will be funded from other sources, the CCA has powers to borrow whilst the bulk of the funding needed for the CCA/Mayor will be provided by Government for the next thirty years. Government has committed to investment of £38 million per year for the next 30 years into the region through the Mayor/CCA.

The general powers the CCA has around finance and funding are expected to be substantially the same as local authorities enjoy generally.

## **6 Organising to deliver**

In order to deliver the ambitions set out above, we will seek to organise the resources of the CCA in the best possible way. Work is currently underway to define the 'Operating Model' for the CCA which will describe how it will work, the functions, people, processes, systems and organisational structure. The following principles will guide our development of the CCA's operating model. They provide an overarching picture of the CCA's key features.

### **1 - Efficient use of public resources through working in partnership**

The CCA will be a strategic body overseeing the effective delivery of growth priorities, working collaboratively with Constituent Councils, non-Constituent Members and other stakeholders. The CCA will require a high level of partnership working ensuring any partnership arrangements are efficient and proportional and avoiding unnecessary duplication.

The operating model design will be built upon a foundation of partnership working.

### **2 - Effective delivery of devolved functions**

The CCA will assume the functional powers outlined in the table at Appendix A. To discharge its functions effectively and legally, there will need to be sufficient capacity and resources. The precise capacity and the extent to which these functions are delivered by the CCA or through other public sector stakeholders will depend on the nature of the functions and will be developed as part of the operating model.

### **3 - Evolution of the operating model**

The CCA's operating model will be flexible and scalable to allow for additional powers to be devolved from Government as the CCA matures, ensuring the authority is fit for the future and can evolve capabilities as required over time. This is based on the experience of existing combined authorities which have secured further devolved powers over time.

### **4 - Local Enterprise Partnership Integration**

As set out in the Devolution Deal, the functions of the LEP will be integrated into the CCA. These functions include business growth, innovation, skills strategy and regeneration. In addition there is also a commitment to include an independent business voice, as is currently

represented through the LEP Board. The formal relationship with the CCA is set out in section 5 on Governance, but there will be a range of informal relationships between businesses, higher and further education institutions and voluntary and community sector representatives.

## 5 - Capabilities and organisation

The CCA will require a range of core capabilities to discharge its functions effectively. This will include 3 groups of officers:

- The statutory officers which are legally required to operate a local authority: Head of Paid Service (usually called a Chief Executive Officer); Section 151 Officer (Finance Director) and Monitoring Officer (Legal Director)
- Officers directly responsible for delivering the core functions (transport, regeneration etc)
- Officers responsible for supporting services, such as: commissioning and contracting, research and intelligence, strategy and policy development, finance, human resources, democratic governance and legal services, technology and data, and communications.

As part of the operating model, decisions will need to be taken about:

- who is directly employed by the CCA, by partner organisations (including Constituent Councils) or contracted from third parties
- The organisation structure which best delivers the CCA's objectives.

## 6 - The shadow CCA

A shadow CCA will be established to prepare for the establishment of the CCA itself. This will not be a legally constituted body, but instead individuals from existing bodies (largely Constituent Councils) will be selected by the Constituent Councils to work collectively.

During this time, it will be important that specific individuals are accountable for delivery and have sufficient capacity and support to do so successfully, working with the political Leadership of the four Constituent Councils, as well as working alongside the four Chief Executives of the Constituent Councils. The transition from the shadow authority to the formal CCA will be as seamless as possible, ensuring shadow authority arrangements reflect as closely as possible the future structure of the fully established CCA.

A detailed design of the future operating model will be developed subsequently. Section 9 sets out how we will manage the transition to this model of CCA.

## 7 Consultation

### Approach

To gain feedback on the CCA proposals, an eight-week consultation was undertaken between 14 November 2022 and 9 January 2023. Ipsos UK were appointed to support the Constituent Councils in undertaking the consultation.

The consultation methods included:

- An online survey with alternative options provided on request to meet the needs of participants (translations, paper copies and easy read);
- Stakeholder engagement with businesses, the voluntary sector and other stakeholders identified; and
- Two online events to engage residents and stakeholders of the CCA.

Active steps were taken to encourage participation and to ensure that the consultation was accessible to all. An equality impact assessment was completed to inform engagement undertaken by Constituent Councils.

A detailed plan of communications was also created with support from each Constituent Council to identify the best methods to use to promote the consultation in their local areas, this included a list of frequently asked questions (FAQs).

A Data Protection Impact Assessment was undertaken to assist the Constituent Councils in ensuring that data shared and collected through the consultation process was held, processed, and stored correctly, and for no longer than is necessary.

Findings from the consultation were analysed and published to support consideration of the Proposal by each Constituent Council.

### Consultation Findings

Overall, there were 4,869 participants in the consultation which was open to residents, businesses, community and voluntary groups, and other organisations in the CCA Area, as well as the general public. The majority (4,751) participated online via the official response form.

Responses to the consultation came from residents from all areas in Derbyshire, Nottinghamshire, Derby, and Nottingham. The consultation survey was self-selecting, therefore no area was specifically targeted, however there is a good split of responses from all areas of the four Constituent Councils and no one area is over represented.

The overall response to the consultation shows that there was a majority in favour of the proposals relating to:

- Homes (agree: 2,239; disagree 1,913)
- Skills (agree: 2,504; disagree 1,534)
- Transport (agree: 2,561; disagree 1,711); and
- Reducing carbon/Net Zero (agree: 2,484; disagree 1,580)
- Public Health (agree: 2,490; disagree 1,580)

There were fewer respondents in favour of the proposals relating to Governance (agree: 2,032; disagree: 2,206). The majority of comments indicated that the main concern was in relation to the proposal to have an elected Mayor.

Full details of the demographics of respondents was published in an Equality Impact Assessment. In summary:

- 59% of respondents were Male and 40% Female with less than 1% reporting their sex as Other.

- Those aged 55 to 74 had a higher response rate to the consultation when compared to the resident population. Those aged 34 and below had a lower response rate when compared to the resident population.
- In terms of the ethnic group of respondents, the White: English, Welsh, Scottish, Northern Irish or British group had a higher response rate (+7.5% points) than the BAME group (-7.5% points) when both groups were compared to the resident population.
- 49.7% of respondents listed their religion as None. 45.5% listed their religion as Christian, and 0.7% of respondents listing their religion as Muslim.

A summary of the key points raised in the consultation was reported to Constituent Councils in March 2023 to enable full consideration of the consultation responses. This Proposal has now been amended to take account of the outcomes of that consultation.

## 8 The Deal

[East Midlands devolution deal \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

## 9 Next steps (Transition)

The transition to a formal CCA in May 2024 can be understood in three stages:

- **Stage 1: Establishing transition arrangements - by summer 2023**
- **Stage 2: Working as a shadow organisation - summer 2023 to May 2024**
- **Stage 3: Formal establishment of the CCA - May 2024 onwards**

It is important to note that transition to the CCA is dependent on a number of factors: this proposal being accepted as a result of public consultation; this proposal then being accepted by Government; the passing of the Levelling Up and Regeneration Bill into law and the approval by Parliament of the necessary secondary legislation implementing the deal. Importantly we would not propose to move into 'shadow' mode until at least the Bill had come into law - hence the approximate timescale.

Below is an overview of the key activities in each of the above stages.

### Stage 1: Establishing transition arrangements - by summer 2023

In this stage, the main focus is around collaborative working across Constituent Councils to determine the key roles required for the shadow authority and how it will plan for the establishment of CCA functions. This will involve:

- Ensuring collaborative leadership from Leaders of Constituent Councils to enable decisions to be made
- Consolidating a programme team to operate as the 'engine' of the shadow CCA - drawing on staff from Constituent Councils, other stakeholders, and professional advisors
- Defining a resource plan so that individual authorities can take decisions about their financial and time commitments

- Putting in place 'task & finish' groups to begin developing plans for priority areas such as transport and housing
- Ensuring an effective stakeholder management plan to engage stakeholders in the development of strategies and plans
- Putting in place individuals and teams to ensure that interim functions can be delivered or plans developed. This will include an Accountable Body function to ensure that funds are properly received and used and a means by which decisions about funding can be agreed.

In this and subsequent stages, the relationship between the future CCA and existing local authorities (and other stakeholders) needs to be defined and properly governed.

### Stage 2: Working as a shadow organisation - summer 2023 to May 2024

In this stage, the focus will be on working as a shadow organisation and making preparations for the formal CCA. It is important to note that this shadow organisation will not be a new legal entity and therefore any activities (such as employing people or financial accountability) will be done by the existing local authorities. Functions at this stage will involve:

- Delivering work commissioned by the shadow authority leadership to carry out activities that can be done in this stage, such as allocating funding, and preparing functional plans ready for the formal CCA to pick up once it is established
- Designing and confirming important aspects of the formal CCA, such as the future management structure, required resources to operate the functions and enabling competencies and the required governance arrangements
- Planning the integration of the functions of the LEP into the CCA, ensuring it is ready for delivering functional responsibilities once the formal CCA is established
- It will be important that specific individuals are accountable for delivery and have sufficient capacity and support to do so successfully.

### Stage 3: Formal establishment of the CCA - May 2024 onwards

In this stage, all the prior preparation from the previous two stages of transition will come together for the establishment of the formal CCA, ensuring that the organisation is set up to begin delivering its functional responsibilities underpinned by all required resources, enabling competencies and governance arrangements. This will involve:

- Incorporating the elected mayor and their functions into the CCA
- Appointing permanent managerial roles to manage the CCA's operations, including statutory officers
- Delivering on functional plans to begin delivering CCA responsibilities and achieving outcomes for the region
- Scaling up the enabling competencies in order to allow the organisation to operate as required
- Implementing the governance model for the CCA, including establishing the various committees
- Continuing to enable the CCA to operationally evolve as is required

## 10 Legislation

Set out in Appendix A is a table of the powers which the Constituent Councils are proposing are available to the CCA and/or the Mayor. The powers are those which the Constituent Councils believe are needed to enable the CCA/Mayor to deliver the purposes outlined in this proposal. In considering our proposal, the Government, and in particular, specialist legislative counsel, will review the table below and some of the detail set out may be required to change as a consequence of the passage of the Levelling-up and Regeneration Bill, the drafting of establishment orders, and other consequential amendments to existing powers for combined authorities. The scope of powers to be available, and the broad terms of the exercise of those powers are unlikely to change; and, in any event, the powers will not go beyond the scope set out in the governance section of this proposal, and the Devolution Deal

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- <sup>i</sup> Census 2021, Office for National Statistics (ONS) and English Indices of Deprivation, 2019, The Department for Levelling Up, Housing and Communities, © Crown Copyright
- <sup>ii</sup> Health State Life Expectancy All Ages UK, 2018-2020, ONS, © Crown Copyright
- <sup>iii</sup> State of the Nation, 2017, Social Mobility in Great Britain, Social Mobility Commission
- <sup>iv</sup> Mid-year Population Estimates, 2021, ONS (Nomis) © Crown Copyright
- <sup>v</sup> Regional Gross Value Added (Balanced) per head and Income Components, 2020, ONS, © Crown Copyright
- <sup>vi</sup> UK Business Counts, 2022, ONS (Nomis), © Crown Copyright
- <sup>vii</sup> Business Register and Employment Survey (employment measure), 2021, ONS (Nomis) © Crown Copyright
- <sup>viii</sup> Regional Gross Value Added (Balanced) per head and Income Components, 2020, ONS © Crown Copyright
- <sup>ix</sup> Mid-year Population Estimates, 2021, ONS (Nomis) © Crown Copyright
- <sup>x</sup> Regional Gross Value Added (Balanced) per head and Income Components, 2020, Office for National Statistics (ONS) © Crown Copyright
- <sup>xi</sup> Mid-year Population Estimates, 2021, ONS © Crown Copyright Figure is the number of people within 30km of the CCA area boundary
- <sup>xii</sup> Figure calculated using Ordnance Survey, 50k Meridian Vector, 2022. Figure is the length of the strategic road network and major road network minus the M1
- <sup>xiii</sup> Business Register and Employment Survey, 2021, ONS (Nomis) © Crown Copyright
- <sup>xiv</sup> UK Business Counts, 2022, ONS (Nomis), © Crown Copyright
- <sup>xv</sup> Regional Gross Value Added (Balanced) per head and Income Components, 2020, ONS © Crown Copyright
- <sup>xvi</sup> Creative and Digital Industries in Nottingham, Karagounis K., Rossiter W., February 2022. Accessible [here](#).
- <sup>xvii</sup> Regional Gross Value Added (Balanced) by Industry: Local Authorities by International Territorial Level (ITL) 1 region: East Midlands, 2020, ONS © Crown Copyright
- <sup>xviii</sup> LEP Network analysis of the Census 2011, ONS © Crown Copyright
- <sup>xix</sup> Housing need sourced from the Planning Authorities or their current Local Plans
- <sup>xx</sup> Net additional dwellings by local authority district, Department for Levelling Up, Housing and Communities, © Crown Copyright
- <sup>xxi</sup> HM Treasury, Country and Regional Analysis, 2021, © Crown Copyright
- <sup>xxii</sup> D2N2 LEP analysis of HM Treasury, Country and Regional Analysis, 2021, Crown Copyright. Based on the difference between the East Midlands and national (excluding London) expenditure per head
- <sup>xxiii</sup> Gross Value Added (Balanced) per Head of Population at Current Basic Prices, Combined Authority, 2020, ONS © Crown Copyright
- <sup>xxiv</sup> Regional Gross Value Added (Balanced) per head and Income Components, 2020, ONS © Crown Copyright  
UK local authority and regional greenhouse gas emissions national statistics, 2020, Department for Business, Energy and Industrial Strategy © Crown Copyright
- <sup>xxvi</sup> Tracking Local Employment in the Green Economy: The Place-based Climate Action Network Just Transition Jobs Tracker, PCAN
- <sup>xxvii</sup> Annual Survey of Hours and Earnings 2022, ONS (Nomis) © Crown Copyright

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xxviii Annual Survey of Hours and Earnings 2022, ONS (Nomis) © Crown Copyright

xxix Annual Population Survey, Oct 2021-Sept 2022, ONS (Nomis) © Crown Copyright

xxx Subregional productivity, Current Price (smoothed) GVA per hour worked, 2020, ONS © Crown Copyright

xxxi Annual Survey of Hours and Earnings 2022, ONS (Nomis) © Crown Copyright

xxxii Annual Population Survey, Oct 2021-Sept 2022, ONS (Nomis) © Crown Copyright

xxxiii English Indices of Deprivation, 2019, The Department for Levelling Up, Housing and Communities, © Crown Copyright

xxxiv Health State Life Expectancy All Ages UK, 2018-2020, ONS, © Crown Copyright

xxxv Early Years Foundation Stage Profile results, 2021-22, Department for Education © Crown Copyright

xxxvi Level 2 and 3 attainment by young people, 2020-21, Department for Education © Crown Copyright

xxxvii Annual Population Survey, January to December 2021, ONS (Nomis) © Crown Copyright

xxxviii State of the Nation, 2017, Social Mobility in Great Britain, Social Mobility Commission

xxxix LGInform, number of non-decent homes owned by the local Authority, 2020-21, and Local Authority Stock by District, live table 116, 2021, Department for Levelling Up, Housing and Communities, © Crown Copyright

xl Statutory homelessness: Detailed local authority-level tables, April 2021 to March 2022, Department for Levelling Up, Housing and Communities, © Crown Copyright.

xli Annual Population Survey, January to December 2021, ONS (Nomis) © Crown Copyright

xlii Office for Health Improvement and Disparities, 2020-21, Percentage of adults (18+) classified as overweight or obese, © Crown Copyright

xliii Annual Population Survey, January to December 2021, ONS (Nomis) © Crown Copyright

xliiii Department for Education, Graduate outcomes provider level data, 2019-20 tax year, © Crown copyright



## 11. Appendix A: Table of Powers/Functions

Set out below is a table of the powers which the Constituent Councils are proposing are available to the CCA and/or the Mayor. The powers are those which the Constituent Councils believe are needed to enable the CCA/Mayor to deliver the purposes outlined in this proposal. In considering our proposal the Government, and in particular, specialist legislative counsel, will review the table below and some of the detail set out may be required to change as a consequence of the passage of the Levelling-up and Regeneration Bill, the drafting of establishment orders, and other consequential amendments to existing powers for combined authorities. The scope of powers to be available, and the broad terms of the exercise of those powers are unlikely to change; and in any event, the powers will not go beyond the scope set out in the governance section of this proposal, and the Devolution Deal.

Finance, Investment, Innovation and Trade

| Legislative Provisions  | From   | Concurrent exercise?                     | Mayor or MCCA                      | Consent | Voting   |
|---|--|--|------------------------------------|---------|--|
| Business Rate Supplements Act 2009<br><br>Whole act, except s3(5) | GLA<br><br>(though all LA's also hold these powers)                              | No - exclusive exercise of the GLA power | Mayor                              | No      | Mayoral power, no voting<br><br>MCCA able to amend the Mayor's budget if 2/3 majority agree                              |
| Local Government Act 2003<br><br>Sections 1 - 6                   | Specific provision in the Act giving powers to CA.<br><br>All LAs also hold them | No                                       | MCCA                               | No      | To approve the MCCA budget, a simple majority which includes the Mayor and the lead member from each Constituent Council |
| Combined Authorities (Finance) Order 2017                         | Specific powers for CAs  | No                                       | Mayor for precept and mayoral fund | No      | Mayoral powers, no voting<br><br>MCCA able to amend the Mayor's budget if 2/3 majority agree                             |

|   |  |             |                                  |  |  |
|---|--|-------------|----------------------------------|--|--|
|   |  |             | MCCA for budget setting for MCCA |  | To approve the MCCA budget, a simple majority which includes the Mayor and the lead member from each Constituent Council |
| VAT Act 1994<br>Section 33(3)   | Specific provision in the Act giving powers to CA. | No          | MCCA                             | No   | Simple majority which includes the Mayor   |
| Localism Act 2011   | London Mayor powers                                | Not locally | Mayor                            | No, though DC/BC consent required to prescribe a Mayoral Development Area                        | Mayoral power, no votes  |
| Local Democracy, Economic Development and Construction Act 2009<br>Section 69 | Upper tier Councils                                | Yes         | MCCA                             | No, but requirement in provision to consult and seek the participation of the district/boroughs. | Simple majority which includes the Mayor   |

Skills and Education

| Legislative Provisions   | From                         | Concurrent exercise?   | Mayor or MCCA | Consent        | Voting                                   |
|--|------------------------------|--|---------------|----------------|--|
| Apprenticeships, Skills, Children and Learning Act 2009<br><br>Sections<br>86, 87, 88, 90 and 100(1) | Secretary of State functions | Section 86, 87 and 88 are transferred<br><br>Sections 90 and 100(1) are exercised concurrently with Secretary of State | MCCA          | None specified | Simple majority which includes the Mayor |
| Education Act 1996<br><br>Sections 13A, 15ZA, 15ZB, 15ZC   | Upper tier councils          | Yes  | MCCA          | None specified | Simple majority which includes the Mayor |
| Education and Skills Act 2008<br><br>Sections<br>10, 12, 68, 70, 71, 85                              | Upper tier councils          | Yes  | MCCA          | None specified | Simple majority which includes the Mayor |
| Further and Higher Education Act 1992<br><br>Section 51A   | Upper tier councils          | Yes  | MCCA          | None specified | Simple majority which includes the Mayor |

Housing and Planning

| Legislative Provisions   | From                           | Concurrent exercise?   | Mayor or MCCA | Consent  | Voting                                   |
|--|--------------------------------|------------------------|---------------|--|--|
| Localism Act 2011<br><br>Sections 197, 199, 200, 202, 204, 214, 215, 216, 217, 219, 220, 221, and paras 1, 2, 3, 4, 6 and 8 of Schedule 21                       | London Mayor equivalent powers | With London Mayor only | Mayor         | Approval of lead member of all Constituent Councils, and any exercise of planning functions to be approved by local planning authority for the area effected | Mayoral power, so no voting              |
| Town and Country Planning Act 1990<br><br>Sections<br><br>226, 227, 229, 230(1), 232, 233, 235, 236, 238, 239, 241   | LPA powers                     | Yes                    | MCCA          | Consent of LPA affected  | Simple majority which includes the Mayor |
| Housing and Regeneration Act 2008<br><br>Sections 5, 6, 7, 8, 9, 10, 11, 12, and paras 19 and 20 of schedule 3; and paras 1, 2, 3, 4, 6, 10 and 20 of schedule 4 | Homes England powers           | Yes                    | MCCA          | Approval of lead member of all Constituent Councils and relevant local planning authority for exercise of compulsory purchase powers                         | Simple majority which includes the Mayor |

|   |   |     |      |   |  |
|---|---|-----|------|---|--|
| Housing Act 1985<br><br>Sections 6, 8(1), 11, 12, 17 and 18 | City Council and District/ Borough powers | Yes | MCCA | Consent of lead member of each Constituent Council, and of affected Districts and Boroughs required | Simple majority which includes the Mayor |
|---|---|-----|------|---|--|

### Transport

| Legislative Provisions   | From  | Concurrent exercise?   | Mayor or MCCA  | Consent required before MCCA or Mayoral exercise   | Voting                           | When?                                       |
|--|---|--|--|--|----------------------------------|---|
| Part II the Transport Act 2000<br><br>Local transport plans and bus strategies (sections 108 to 113B (sections 110 to 111 repealed))<br><br>Bus services: advanced quality partnership schemes (sections 113C to 113O) | A local transport authority or local transport authorities or a district council or a Passenger Transport Executive (as applicable) | All transfer from establishment except for following which will be as follows: <ul style="list-style-type: none"> <li>• <u>134C - 134G</u> concurrent and continuing</li> <li>• <u>135 - 138</u> concurrent and continuing</li> <li>• <u>138A - 138S</u> concurrent</li> </ul> | MCCA<br><br>Except for Sections 108, 109 and 112 which will be Mayor | For section 108, 109 and 112 until the end of the transition period only with the consent of the Constituent Councils.<br><br>S123A - 123X Only exercisable with the consent from the affected constituent council<br><br><u>163 - 190</u> - Only exercisable by the Mayor with consent of the | 2/3 Majority as per the Proposal | From Establishment and on an ongoing basis. |

|  |   |  |  |                                     |  |  |
|--|---|--|--|-------------------------------------|--|--|
| <p>Bus services: quality partnership schemes (sections 114 to 123)</p> <p>Bus services: franchising schemes (sections 123A to 123X)</p> <p>Bus services: quality contracts schemes in Wales (sections 124 to 134B (sections 126A 126B 126C 126D 126E 127A 127B131C 131F repealed))</p> <p>Bus services: advanced ticketing schemes (sections 134C to 134 G)</p> <p>Bus services: ticketing schemes (sections 135 to 138)</p> <p>Bus services: enhanced partnership plans and schemes (sections 138A to 138S)</p> | <p>For the purposes of s163 - 190 - a charging authority which is the traffic authority (charging schemes can be made by a non-metropolitan local traffic authority (or jointly by more than one non-metropolitan local traffic authority), by an Integrated Transport Authority or combined authority and one or more eligible local</p> | <p>within transition period and for an extended period to 2027.</p> <ul style="list-style-type: none"> <li>• <u>139 to 141A</u> to be held concurrently during the transition period</li> <li>• <u>145 to 150</u> to be concurrent and continuing</li> <li>• <u>163 - 190</u> - concurrent and continuing from establishment and only exercisable</li> </ul> |  | <p>affected constituent council</p> |  |  |
|--|---|--|--|-------------------------------------|--|--|

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
| <p>Bus services: provision of information<br/>(section 139 to 141A)</p> <p>Bus services: miscellaneous<br/>(sections 142 to 143B (144 repealed))</p> <p>Mandatory travel concessions for journeys not beginning on the London bus network (sections 145 to 150 (145 repealed))</p> <p>Travel concessions in Greater London (section 151)</p> <p>Financial and competition provisions (sections 152 to 159 (156 and 158 repealed))</p> <p>Supplementary (Section 160 to 162)</p> <p>Part II Information Systems<br/>s139 - 141A</p> | <p>traffic authorities, or the Secretary of State [or a strategic highways company];</p> <p>a licencing authority or licencing authorities</p> | <p>by the Mayor with consent of the affected constituent council</p> |  |  |  |  |
|--|--|--|--|--|--|--|

|   |   |                            |           |  |   |   |
|---|---|----------------------------|-----------|--|---|---|
| s163 to s190 Road user charging and workplace parking levy  |   |                            |           |  |   |   |
| Section 31 of the Local Government Act 2003<br><br>Power to pay Grant   | Minister of the Crown                                       | With Minister              | The Mayor |  |   | From establishment                          |
| Section 6 Highways Act 1980 (Delegation etc. of functions with respect to trunk roads etc)  | Minister of Crown [or a strategic highway company]          | With Constituent Councils  | MCCA      | Only exercisable with the consent of the affected Constituent Council. | Simple majority voting but the agreement of the Constituent Council would be needed before vote | From Establishment and on an ongoing basis. |
| Sections 8 of the Highways Act 1980 (Agreements between local highway authorities [and strategic highways companies] for certain works) | Local highway authorities [and strategic highway companies] | With Constituent Councils  | MCCA      | Only exercisable with the consent of the affected Constituent Council. | Simple majority voting but the agreement of the Constituent Council would be needed before vote | From Establishment and on an ongoing basis. |
| Part 4 of the Transport Act 1985:   | In a non-metropolitan county in                             | Not concurrent other than: | MCCA      | 63 - 64 - the exercise of the MCCA's power is                          |   | From Establishment                          |

|   |   |  |  |  |  |                                 |
|---|---|--|--|--|--|---------------------------------|
| <p><i>Passenger Transport Areas (section 57 to 62)</i></p> <p><i>Passenger Transport in other areas (sections 63* to 71)</i></p> <p><i>Further Provisions (sections 72 to 79)</i></p> <p><i>Miscellaneous (section 80* to 87)</i></p> | <p>England and Wales, the county council</p> <p>A non-metropolitan district council in England</p> <p>The Passenger Transport Executive for any integrated transport area</p> <p>A council operating a bus undertaking</p> <p>A public transport company or its controlling authority</p> | <p>63 - 64 - concurrent and continuing but the exercise of the MCCA's power is subject to the consent of Constituent Councils</p> <p>65 - 71 - concurrent and continuing</p> <p>72 - 79 concurrent and continuing and subject to the relevant constituent council consent</p> <p>80 - 83 - concurrent and continuing</p> <p>84 - concurrent and continuing</p> |  | <p>subject to the consent of the Constituent Councils</p> <p>72 - 79 - Only exercisable with the consent of the affected Constituent Council</p> |  | <p>and on an ongoing basis.</p> |
|---|---|--|--|--|--|---------------------------------|

|   |  |  |      |  |  |   |
|---|--|--|------|--|--|---|
|   | A Passenger Transport Executive or a council or local authority  |  |      |  |  |   |
| <p>Part 5 of the Transport Act 1985</p> <p><i>Expenditure on public passenger transport services (sections 88 to 92)</i></p> <p><i>Travel Concession Schemes (sections 93 to 101 (102 repealed))</i></p> <p><i>Travel concessions apart from schemes (sections 103 to 105)</i></p> <p><i>Grants for transport facilities and services (sections 106 and 106A)</i></p> <p><i>Section 107 repealed</i></p> <p><i>Grants for services in rural areas (sections 108 to 109)</i></p> | <p>Any authority responsible for expenditure on public local transport</p> <p>Any local authority or any two or more local authorities acting jointly</p> <p>A Passenger Transport Executive</p> <p>A county or district council operating</p> | <p>88 - concurrent and continuing with consent during the transition period</p> <p>89 - concurrent and continuing</p> <p>90 - concurrent and continuing</p> <p>91 - concurrent and continuing</p> <p>92 - concurrent and continuing</p> <p>93 - 101 concurrent and continuing subject to consent of the Constituent Councils</p> | MCCA | <p>Section 88 of the Transport Act 1985 - Only exercisable with the consent of the Constituent Councils during transition period</p> <p>Sections 93 - 101 - Only exercisable with the consent of the Constituent Councils.</p> |  | From Establishment and on an ongoing basis. |

|  |  |  |             |  |  |  |
|--|--|--|-------------|--|--|--|
| <p><i>Miscellaneous (sections 110 (111 repealed) and 112)</i></p>  | <p>any public passenger transport service</p> <p>A parish council or community council</p> <p>The Secretary of State</p> | <p>105 - 109 - concurrent and continuing</p>   |             |  |  |  |
| <p>Traffic Management Act 2004</p> <p>Part 3 (permit schemes)</p> <p>Section 33</p> <p>Section 33A</p> <p>Section 36</p> <p>Part 6 (Civil Enforcement of Traffic Contraventions)</p> |  | <p>Concurrent and continuing and subject to the Consent of each constituent council in respect of:</p> <ul style="list-style-type: none"> <li>• Part 3 - s33,33A and 36</li> <li>• Part 6</li> </ul> | <p>MCCA</p> | <p>Part 3 - section 33, 33A and 36</p> <p>Part 6</p> <p>Only exercisable with the consent of the Constituent Councils.</p> |  | <p>From Establishment and on an ongoing basis.</p> |

**NOTE:** The proposal sets out the Constituent Councils' long term aims for the Nottingham tram network. This may require, in due course, amendment to the Nottingham Transit System Order 2009 and the Greater Nottingham Light Rapid Transit Act 1994. Consideration of this

and any local agreements will be carried out in partnership between the Constituent Councils (in particular Nottingham City Council), the MCCA and the Mayor.

**Net Zero, Energy and Environment**

| Legislative Provisions                       | From | Concurrent exercise? | Mayor or MCCA | Consent | Voting                                   |
|--|------|----------------------|---------------|---------|--|
| Environment Act 1995<br>Part IV, section 86B | N/A  | N/A                  | MCCA          | No      | Simple majority which includes the Mayor |

**Public Health**

| Legislative Provisions   | From                              | Concurrent exercise? | Mayor or MCCA | Consent        | Voting  |
|--|-----------------------------------|----------------------|---------------|----------------|---|
| National Health Service Act 2006<br>Section 2B<br>(Functions of local authorities and Secretary of State as to improvement of public health) | Equivalent to upper tier councils | Yes                  | MCCA          | None specified | Simple majority voting which includes the Mayor |

|   |   |            |             |                       |  |
|---|---|------------|-------------|-----------------------|--|
| <p>National Health Service Act 2006</p> <p>Section 6C</p> <p>(Regulations as to the exercise by local authorities of certain public health functions)</p> | <p>Equivalent to upper tier councils exercising secretary of state functions prescribed in regulations (i.e. The Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013)</p> | <p>Yes</p> | <p>MCCA</p> | <p>None specified</p> | <p>Simple majority voting which includes the Mayor</p> |
| <p>National Health Service Act 2006</p> <p>Section 73B</p> <p>(Exercise of public health functions of local authorities: further provision)</p>           | <p>Equivalent to upper tier councils</p>  | <p>Yes</p> | <p>MCCA</p> | <p>None specified</p> | <p>Simple majority voting which includes the Mayor</p> |
| <p>National Health Service Act 2006</p> <p>Section 75</p>   | <p>Equivalent to upper tier councils</p>  | <p>Yes</p> | <p>MCCA</p> | <p>None specified</p> | <p>Simple majority voting which includes the Mayor</p> |

|   |                                   |     |      |                |   |
|---|-----------------------------------|-----|------|----------------|---|
| (Arrangements between NHS bodies and local authorities)                   |                                   |     |      |                |   |
| Health Act 2009<br>Section 2<br>(Duty to have regard to NHS Constitution) | Equivalent to upper tier councils | Yes | MCCA | None specified | Simple majority voting which includes the Mayor |