

Public Document Pack



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PUBLIC

To: Members of Council

Tuesday, 25 October 2022

Dear Councillor,

You are hereby summoned to attend a meeting of **Council** to be held at **the rising of the ordinary meeting** on **Wednesday, 2 November 2022** in the Council Chamber, County Hall, Matlock, the agenda for which is set out below.

Yours faithfully,

A handwritten signature in black ink that reads 'Helen E. Barrington'.

Helen Barrington

Director of Legal and Democratic Services

AGENDA

1. Apologies for absence
To receive apologies for absence (if any)
2. Declarations of interest
To receive declarations of interest (if any)
3. Public questions

To consider public questions (if any)

4. Devolution Deal - Draft Proposal for an East Midlands Combined County Authority (Pages 1 - 94)



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

COUNCIL

2 November 2022

Report of the Managing Director

**Devolution Deal – Draft Proposal for an East Midlands
Combined County Authority**

1. Purpose

- 1.1 To seek approval for the draft Proposal in relation to the Devolution Deal.
- 1.2 To seek approval for consultation to begin in relation to the Devolution Deal.
- 1.3 To agree the approach to the consultation.

2. Information and Analysis

Summary

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

- 2.2 In order to progress the area's devolution deal, under the Levelling-up and Regeneration Bill, a consultation is required on the draft East Midlands Combined County Authority (EMCCA) Proposal ('the Proposal').
- 2.3 Following consultation, the four upper tier councils will need to submit their final Proposal to Government, which will take account of the outcome of the consultation, and which, if appropriate, formally proposes the creation of the EMCCA.
- 2.4 Council is asked to approve the draft Proposal and agree to formally consult upon it with the residents and other stakeholders of Derbyshire and the wider EMCCA area for a period of 8 weeks between November 2022 and January 2023.
- 2.5 It is anticipated that a further meeting of Council in or around March 2023 will consider the results of the consultation and agree whether or not to formally submit the final Proposal to Government.

Background

- 2.6 In February 2022, the Government published its White Paper on [Levelling Up](#), a significant set of proposals which look to address geographical disparities in funding, productivity and growth across England.
- 2.7 The resulting draft legislation – the [Levelling-up and Regeneration Bill](#) – will (subject to its passage through Parliament and Royal Assent) allow for the creation of new Combined County Authorities that require the agreement of upper-tier Local Authorities.
- 2.8 Securing a devolution deal has been a long-standing ambition for leaders in Derbyshire, Derby, Nottinghamshire and Nottingham, in order to address the lasting impact caused through decades of under-funding (when compared to other areas). The deal also provides the chance to exploit strategic opportunities such as the East Midlands Freeport and Development Corporation as well as tackle persistent and systemic deprivation which drive significant inequalities in some parts.
- 2.9 The four upper tier councils agreed to cooperate at pace on the creation of a new devolution deal that would cover the D2N2 LEP area by establishing a Mayoral Combined County Authority.
- 2.10 A [devolution deal](#) was agreed between the four upper tier councils in the area, and the Government, on 30 August 2022.

Current position

- 2.11 A Proposal for consultation has been developed, as shown in Appendix 2, which sets out the context, vision and priorities for the new EMCCA - “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”. Four priority areas have been put forward to support delivery of the vision – homes, skills, transport and net zero (reducing carbon emissions).
- 2.12 If a consultation on the Proposal is agreed by all four upper-tier councils, then the results of the consultation will be considered when the Councils are asked to agree the final Proposal for submission to government in the first quarter of 2023.
- 2.13 The establishment of an EMCCA would result in a significant uplift in the powers and funding available to the area. It would mean at least an additional £1.1 billion of investment in the area’s economy over the next 30 years. It would create a directly elected mayor across the East Midlands area to champion its interests, deliver on local priorities and provide 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.
- 2.14 With a population of 2.2 million residents and a GVA of over £50.5 billion, the East Midlands area offers enormous potential. It has over 88,000 businesses providing over 930,000 jobs. It is a coherent economic area and has a number of significant sectors with potential for growth, including advanced manufacturing, engineering, clean energy, logistics, creative and digital, and health and pharmaceuticals education, wholesale and retail trade.
- 2.15 The devolution deal and the EMCCA (if established) will provide the area with:
- Control of a £38 million per year allocation of investment funding over 30 years (50% capital, 50% revenue), to be invested by East Midlands CCA to drive growth and take forward its priorities over the longer term.
 - New powers to improve and better integrate local transport, including the ability to introduce bus franchising, control of appropriate local transport functions, e.g. local transport plans, and control of a Key Route Network.

- An integrated transport settlement starting in 2024/25.
- A commitment to explore a local partnership with Great British Railways so that the EMCCA mayor can help to shape and improve the local rail offer.
- New powers to better shape local skills provision to meet the needs of the local economy, including devolution of the core Adult Education Budget, as well as input into the new Local Skills Improvement Plans.
- New powers to drive the regeneration of the area and to build more affordable homes including compulsory purchase powers and the ability to establish Mayoral Development Corporations.
- Over £17 million for the building of new homes on brownfield land in 2024/25, (at the time of writing subject to sufficient eligible projects for funding being identified).
- £18 million capital funding in this Spending Review period (up to 2024/25) to support the delivery of housing priorities and drive Net Zero ambitions in the East Midlands area. This investment is subject to agreement of the relevant business cases.
- A key role in planning and delivering the East Midlands area allocation of the UK Shared Prosperity Fund (UKSPF) from 2025/26.
- The integration of D2N2 Local Enterprise Partnership into the East Midlands CCA. This will ensure there continues to be a strong and independent local business voice which informs local decision making and strategic economic planning. In absorbing the role and functions of D2N2 LEP, the East Midlands CCA will deliver a number of functions on behalf of central government departments.
- A commitment to developing, in partnership with the Government, an arrangement which ensures close cooperation with the Police and Crime Commissioners (PCCs).
- A commitment from the Government to work with the region to explore initiatives that improve delivery of public services jointly with Constituent Councils such as how best to support residents with multiple, complex needs.
- A key leadership role for the mayor in local resilience and civil contingency planning, preparation and delivery.

2.16 It is proposed that the Combined County Authority (CCA) will be known as the East Midlands Combined County Authority. It would cover the geographical areas of the Derbyshire County, Derby City, Nottinghamshire County and Nottingham City Councils, which together form the Constituent Councils of the CCA.

2.17 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);
- A key area of focus for the CCA will be economy, industry and business, where Government are clear that the independent business voice for the Area must be given sufficient prominence in governance arrangements. As a result consideration is being given to appointing either a Non-Constituent or Associate Member who can represent the views of business on the CCA.
- Up to three further Non-Constituent or Associate Members. These three further Memberships 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.

2.18 The CCA will have a directly elected Mayor who will be elected by the voters within the CCA 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.

2.19 In order to deliver the ambitions for the area, the constituent councils 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 EMCCA which will describe how it will work, the functions, people, processes, systems and organisational structure.

3. Consultation

3.1 Councillors from each of the four upper tier councils and the District and Borough Councils across the area and key partners have been engaged during the early phases of deal development. The consultation will enable wider consultation with businesses, voluntary and community sector, other stakeholders and residents.

3.2 Active steps will be taken to encourage participation and to ensure that the consultation is accessible to all (including, for example, the digitally disadvantaged, those with protected characteristics).

4. Alternative Options Considered

- 4.1 Not to approve the draft Proposal, however this is not proposed because to allow for the maximum amount of devolved powers and funding (a “Level 3” deal), the Government’s policy requires that a Mayoral Combined County Authority must be established in the area.
- 4.2 Not agreeing to consult upon the Proposal or delaying consultation. Both these options have been rejected as failure to consult would mean that a key requirement of the Levelling up and Regeneration Bill was not met and that the Proposal could not be put forward to Government, preventing the delivery of the significant additional funding and powers that devolution and the creation of an EMCCA would bring.
- 4.3 The timeline to create a Mayoral Combined County Authority by Mayoral elections in May 2024 requires a consultation on the Proposal to be completed by early January 2023. Any delay would not allow for the area to meet this timeline.
- 4.4 There is no guarantee that a devolution deal and the associated funding would be available to the area in the same way in the future.

5. Implications

- 5.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

6. Background Papers

- 6.1 East Midlands Devolution Deal – 30 August 2022
- 6.2 Levelling Up and Regeneration Bill
- 6.3 Levelling Up White Paper
- 6.4 Report to Cabinet - Levelling Up White Paper and County Deals 7 April 2021

7. Appendices

- 7.1 Appendix 1 – Implications.
- 7.2 Appendix 2 – Proposal
- 7.3 Appendix 3 – Consultation approach

7.4 Appendix 4 – Equality Impact Assessment

8. Recommendations

That Council agrees to:

- a) Approve the draft Proposal attached at Appendix 2 to this report to create an East Midlands Combined County Authority (EMCCA) for the areas of Derbyshire County, Derby City, Nottinghamshire County and Nottingham City;
- b) Formally consult upon the draft Proposal with the residents and other stakeholders of Derbyshire and the wider EMCCA area, in partnership with Derby City Council, Nottinghamshire County Council and Nottingham City Council.
- c) The approach to the consultation as set out in Appendix 3 to this report; and
- d) Delegate authority to the Managing Director to approve any typographical or technical amendments to the draft Proposal which the Chief Executives of the other three Councils also agree on, on behalf of Derbyshire County Council prior to the commencement of consultation. This delegation is to be exercised in consultation with the Leader of the Council and is conditional upon such amendments being agreed by all four upper tier Council Leaders.

9. Reasons for Recommendations

- 9.1 In order to commence the process for creation of a Mayoral Combined County Authority covering Derbyshire, Derby, Nottinghamshire and Nottingham in accordance with the Levelling-Up and Regeneration Bill.
- 9.2 To ensure that consultation is undertaken and comments are sought from stakeholders and are considered prior to approval of the final Proposal for submission to Government.
- 9.3 To enable any necessary amendments to be made to the Proposal and avoid any delay in commencing the consultation.

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Implications

Financial

- 1.1 The creation of the EMCCA will lead to substantial additional funding being made available to be spent within the combined county authority area on a range of different projects and schemes that will help promote economic growth and improve outcomes for residents.
- 1.2 In order to fund the creation and operation of the mayor and combined county authority structures, Funding has been secured as part of the deal from central Government to cover the financial years 2023/4 and 2024/5. In addition, 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. It is difficult to estimate whether any government funding will be sufficient and that will partly depend on the design of the operating model for the combined county authority which will not be completed until the outcome of the consultation is known. When there is greater clarity on any potential contribution required there will be a need to recognise this additional cost and individual council approval will be sought, if necessary, at that time.

Legal

- 2.1 The Levelling Up and Regeneration Bill (“the Bill”) seeks to establish a new type of combined county authority. This is distinct from a combined authority that can be created under the Local Democracy, Economic Development and Construction Act 2009. Whilst the Council agreed a devolution deal with Government, the creation of a new combined county authority is subject to public consultation, the passage and coming into force of the combined county authority provisions in the Bill, the consent of the Constituent Councils affected to submit a formal Proposal to Government and approval of secondary legislation.
- 2.2 It is not necessary for the Council to wait for the Bill to receive Royal Assent prior to commencing consultation; clause 42 makes it clear that consultation requirements may be satisfied by things done before that clause comes into force.
- 2.3 The Gunning principles set out the common law principles to be observed when undertaking consultation. R v London Borough of Brent ex parte Gunning [1985] 84 LGR 168 established these principles,

which set out that a consultation is only lawful when these four principles are met:

- a) Proposals are still at a formative stage - a final decision has not yet been made, or predetermined, by the decision makers.
- b) There is sufficient information to give 'intelligent consideration' - the information provided must relate to the consultation and must be available, accessible, and easily interpretable for consultees to provide an informed response.
- c) There is adequate time for consideration and response - there must be sufficient opportunity for consultees to participate in the consultation. In the absence of a prescribed statutory period, there is no set timeframe for consultation, though it is considered that an eight week consultation period is sufficient in this case. The adequacy of the length of time given for consultees to respond can vary depending on the subject and extent of impact of the consultation.
- d) 'Conscientious consideration' must be given to the consultation responses before a decision is made. Decision-makers should be able to provide evidence that they took consultation responses into account.

2.4 In coming to a decision, the Council should also have regard to the Public Sector Equality Duty (PSED) under the Equality Act 2010. The PSED requires public authorities to have "due regard" to:

- The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010 (section 149(1a)).
- The need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it (section 149(1b)). This involves having due regard to the need to:
 - o remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic (section 149(3)(a));
 - o or take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it (section 149(3)(b)); and
 - o or encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low (section 149(3)(c)).

2.5 An Equality Impact Assessment has been prepared and is appended to this report. The Council must have due regard to this report to ensure

that it is satisfied that any adverse impact and the proposed mitigation allows it to meet the legal obligations set out above.

- 2.6 The consultation on the draft Proposal to create the EMCCA does not in itself require a Data Protection Impact Assessment (DPIA) to be carried out. However, a DPIA has been conducted in respect of the commissioning of external consultants to assist with the consultation exercise and how any data associated with that exercise may be held, processed, stored and destroyed. It is anticipated that a privacy notice will be published along with the consultation documents to provide further information for consultees about this. If a decision is taken to submit a proposal to Government next Spring, work is likely to be required to consider what sort of data may need to be shared with or transferred to the new EMCCA body in order for it to fulfil its future functions

Human Resources

- 3.1 At this stage of the proposal to develop a Combined County Authority there are no direct HR implications arising from this report and the consultation exercise for which approval is sought. Staff and Trades Unions are two of the stakeholder groups which will be invited to participate in the consultation process and their views will be taken into account along with all of the consultation responses at the next stage. Any potential future HR impacts will be managed in accordance with established HR policies and procedures at each of the affected Councils and at the LEP in the event that integration of the LEP into the EMCCA proceeds in accordance with Government expectations, draft guidance and the emerging Bill.

Information Technology

- 4.1 None directly arising.

Equalities Impact

- 5.1 An initial draft equality impact assessment (EIA) has been completed in respect of the Proposal. It is attached as Appendix 4 and due regard must be given to any implications identified in it. The EIA will continue to be evaluated and updated as necessary throughout and following conclusion of the public consultation

Corporate objectives and priorities for change

- 6.1 “Delivering devolution and the levelling up agenda across Derbyshire as one of nine early County Deal pathfinder areas, helping to boost economic performance and improve opportunities and outcomes for people and places” is a key initiative included in the Council Plan Refresh 2022-23. Securing a Deal is vital in ensuring that much needed and long awaited investment is available in Derbyshire to secure better outcome for local people and communities

Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)

Environmental Sustainability

- 7.1 The decision to consult the public and stakeholders about the establishment of an EMCCA will not in itself directly affect carbon emissions in a material way. [If subsequently established, it is anticipated that the EMCCA will develop its own plans and strategies to reduce carbon emissions which will be subject to its own approval processes and approaching the issues from a wider strategic and geographic position may beneficially impact the development of more consistent and measurable carbon reduction measures

Risk Management

- 7.2 There is the usual risk that the relevant provisions of the Bill may be subject to change prior to Royal Assent. However, the four upper tier Councils will remain in close dialogue with Government to understand any impacts this may have and ensure that the Councils are in the best position to respond to them as the Bill progresses.
- 7.3 In addition, there are two potential risks which merit highlighting at this point:
- (i) That the precise range and scope of transport powers to be devolved or how they may be exercised by the CCA and/or the Mayor, may not have been fully determined by the date of this report. At the time of publication, work is ongoing to resolve this issue but in the event that by the date of the first of the upper tier Council meetings, there remain any outstanding issues a delegation is sought to enable the Chief Executives to make any technical amendments required after the date of the Council meetings in consultation with the Leader of their Council and subject to all four upper tier council Leaders being in agreement. However, it should

be recognised that the general scope and remit of the powers will remain limited by reference to the areas set out in the deal document signed between the Councils and Government in August 2022 and will not seek to confer powers outside those general areas, and

- (ii) In respect of the proposed East Midlands Development Corporation, and the proposed Freeport, and possibly the new Investment Zones; all of these entities, as well as the CCA, are focussed at least to an extent on improving inward investment into the East Midlands, and on regeneration. This means that they have the potential to have overlapping areas of competence and interest. At the moment it is unclear how the relationship between them all will operate but Government are clear that there will need to be streamlined and integrated governance arrangements in place, and accordingly the Constituent Councils (and in time the Mayor and CCA) will engage with the organisations involved in each of the Development Corporation, Freeport and emerging Investment Zones to ensure that agreement can be reached which will best benefit the areas in question using the most appropriate powers and organisation to do so.

East Midlands Combined County Authority - Draft Proposal

Contents

Executive Summary	3
1 Introduction	7
2 Background and context.....	8
3 Our ambitions.....	14
4 Delivering our ambitions	21
5 Governance	24
6 Organising to deliver	29
7 Consultation.....	31
8 The Deal	31
9 Next steps (Transition)	32
10 Legislation.....	33
11. Appendix A: Table of Powers/Functions	36

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
LEPs	Local Enterprise Partnerships
MCA	Mayoral Combined Authority
The 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 219,600 people living within the most deprived 10% of areas across England. In other parts of England, people on average live 15 years longer in good health than people living in Nottingham, which has one of the lowest Healthy Life Expectancies across England. 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’.ⁱ

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, skill providers and local authorities 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 infrastructure - we will work with transport providers inside and outside the CCA Area to develop our collective infrastructure and create the best possible public 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 bus and tram services
- An additional £500,000 of revenue funding in both 2023/24 and 2024/25
- The ability to accelerate the delivery of smart, integrated ticketing across all local modes of transport in the Area
- The opportunity to coordinate a 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 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 adaptation.**

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. 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** for the Area to improve the economic, 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 p/a** 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 to 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 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, consultation, 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 and a GVA of over £50.5 billion, the CCA Area has enormous potential. Home to more than 74,000 businesses providing over 940,000 jobs, 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% 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.

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.

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 peopleⁱⁱ. This is similar to:

- Greater Manchester combined authority, population 2.8 million
- West Midlands combined authority, population 2.9 million
- Sheffield City Region combined authority, population 1.4 million

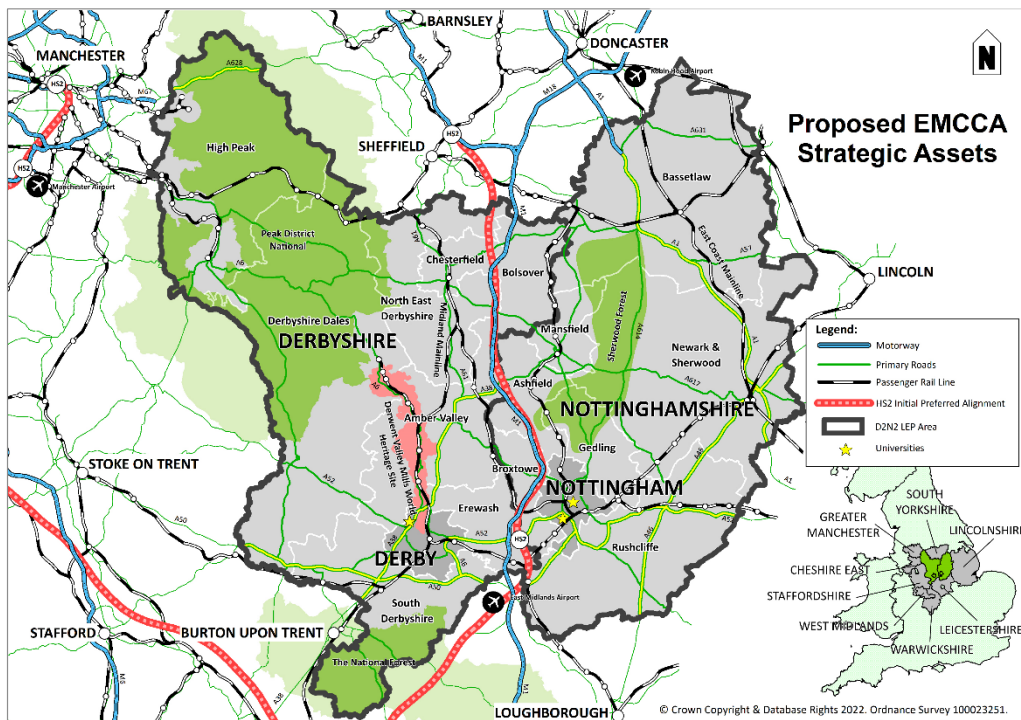
- West Yorkshire combined authority, population 2.3 million.

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 combined authority economy is the 7th largest in England. It contributes £50.5bn in GVA to the UK economyⁱⁱⁱ. 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 10.8 million people live within easy reach of the proposed CCA area^{iv}.

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^v
- 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 HS2 Phase 2b 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 quicker. 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, Derby Infinity and Nottingham Boots site.
- Nottingham Express Transit tram system

Business & Manufacturing

The proposed CCA Area has an employment base of 944,000 people^{vi} with 74,100 businesses, including 340 large employers^{vii}. 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 1st in England^{viii}.

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^{ix}. 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^x. 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^{xi}. 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; yet over the last 5 years, an average of 8,500 homes a year have been completed. Based on these trends, we are likely to see a shortfall of over 6,500 homes over the next 10 years, which adds to the existing lack of supply. This is a big 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 region¹ has not received the same levels of investment as have been experienced elsewhere in the country. The latest data for 2020-21 on public spending per person shows that the wider East Midlands region received the

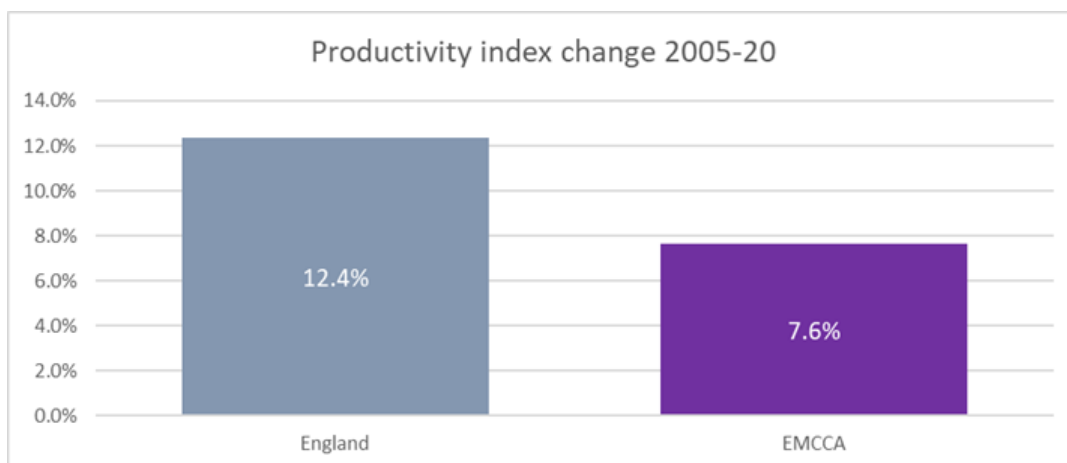
¹ The East Midlands is one of nine official sub-national divisions of England and is used for statistical and some administrative purposes. This region includes the areas Derbyshire, Leicestershire, Lincolnshire (except North and North East Lincolnshire), Northamptonshire, Nottinghamshire and Rutland.

lowest amount of any region and, at £12,113, was 8.0% lower than the England average and 5.7% lower than the neighbouring West Midlands^{xii}. 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 2020-21 alone^{xiii}.

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 25.0%. 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. 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 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 in 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^{xiv}
- Carbon emissions are 17.8% higher per capita than the UK average due to a high concentration of energy-intensive industries and industrial legacy^{xv}
- 23% of jobs in the Area will be affected by the transition to a net-zero carbon economy requiring the upskilling of 104,000 thousand workers^{xvi}
- 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 over 7% lower than the England average^{xvii}
- Over half (nine) of the proposed Area's local authorities rank in the bottom 25% (quartile) of all authorities across England on gross weekly workplace pay^{xviii}
- Lower than average labour market participation with the Area's (73.8%) employment rate falling below the England (75.1%) average. Twelve local authorities in the Area have an employment level lower than the England average^{xix}

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.
- Workplace pay, with Derby in the best 30 local authorities nationally where weekly pay is around 15% higher than the England average, but nine of the Area's authorities amongst the lowest ranking nationally including five District/Borough areas (Bolsover, Derbyshire Dales, Gedling, Bassetlaw and Mansfield) where weekly pay is 15% or more below the England average.
- Employment rate, with four District/Borough areas in the best performing nationally, but seven in the worst, including Mansfield ranked third bottom.

[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 and significant differences in outcomes depending on where you live:

- In other parts of England people on average live 15 years longer in good health than people living in Nottingham, which has one of the lowest Healthy Life Expectancies across England^{xx}
- Educational attainment varies considerably, with the CCA Area containing some of the worst performing areas across England at all levels of education
- At the early years foundation stage, all four upper tier authorities fall below the England average on the expected level on early learning goals for 5-year-olds for communication and language, literacy and maths^{xxi}. This is particularly so for communication and language in Derby, literacy in Nottingham and maths in both Derby and Nottingham, where the levels are amongst the lowest for upper tier local authorities across England.
- The Area contains some of the poorest performing localities across England in terms of pupils attaining Maths and English at GCSE^{xxii}
- Fewer adults are qualified to NVQ level 3 or above than England (56.5%: 61.4% respectively)^{xxiii}

- 13 out of 17 local authority areas within the Area are identified as ‘social mobility cold spots’^{xxiv}
- Whilst the overall proportion of local authority housing deemed to be of a non-decent standard in the EMCCA area was at 2.2% in 2020-21, below the England figure of 5.0%, High Peak (17.4%) and North East Derbyshire (12.6%) had high levels. Bassetlaw (3.2%) also showed a figure above the EMCCA average.
- In terms of homelessness, both Derby (23.6%) and Nottingham (20.4%) had much higher proportions of households that were homeless or threatened with homelessness over the last year than nationally (11.7%). Relatively high levels in the EMCCA area were also evident in Chesterfield (12.7%), High Peak (10.5%) and Mansfield (7.7%).

Within the proposed EMCCA 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 (69.5%) and Rushcliffe 67.5%), whilst seven are ranked in the worst performing, including Mansfield which in 2021 was the lowest of all local authorities across England at just 37.8%, over 20.0% below the England average (61.3%).
- Adult obesity - whilst Derbyshire Dales and Rushcliffe were in the best performing local authorities nationally, there were eight areas locally that were amongst those having the highest adult obesity across England, including Bolsover that ranked third bottom.

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 Combined Authority 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^{xxv}.

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.

2. Our skills - we will work collaboratively with employers, skill providers and local authorities 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.

Whilst the numbers of people in the CCA Area qualified to Levels 2 and 3 are above the England average, those qualified to Level 4+ are below the national average. Graduate retention is a challenge, with 35% to 39% of graduates from the Area’s three universities remaining in the East Midlands following graduation. 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 public 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 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.
- Our responsibility for an Area-wide local transport plan by March 2024, 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 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 East Midlands HS2 Growth Strategy
- A new rail partnership with Great British Railways.
- Preparation of a refreshed Local Cycling and Walking Infrastructure Plan.
- 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.
- 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 EMCCA 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 (LNRs).

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 cooperate, 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.
- 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.
9. 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.
7. 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.

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 emerging Government policy of Investment Zones may also present similar opportunities. 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 (and in those expressing an interest in Enterprise Zones) 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 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, will seek to secure Enterprise Zone status for Phase 2 of Infinity Park, the innovation and technology park, 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 & Education

The EMCCA area is already home to three Universities as well as Higher Education and Further Education Colleges, who are key partners in developing some of the projects, 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, and engineering and manufacturing employment sectors and the new powers and funding provide the opportunity to influence further investment in all levels of skills to target the needs of the Area, addressing economic requirements, delivering on employers' priorities 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 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

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 system wide 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 affected 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 Council 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

A key area of focus for the CCA will be economy, industry and business, and so the CCA are considering appointing an Associate Member who can represent the views of business on the CCA.

The D2N2 LEP executive team is to be integrated into the CCA, albeit the precise mechanism by which this will be achieved is not yet agreed. Government integration guidance suggests that one possible mechanism 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.

The Constituent Councils would welcome views on this aspect of the Proposal.

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 budget;
- 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 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 1.

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.

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;
- Adult education and training functions which will be transferred from the Secretary of State;
- 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.

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 MCCA. 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 MCCA 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 scrutiny of financial which underpin 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 Combined Authority'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 Combined Authority will assume the functional powers outlined above. 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 [7] 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, communications and legal.

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 is intended to appoint an interim 'Chief Executive' in order to oversee the creation of the CCA, 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

To gain feedback on the CCA proposals, we intend to undertake an 8-week consultation between 14 November 2022 and 9 January 2023.

The consultation methods will include:

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

Active steps will be taken to encourage participation and to ensure that the consultation is accessible to all (including, for example, the digitally disadvantaged, those with protected characteristics and high intensity users of affected services). An equality impact assessment has been completed to inform engagement undertaken by Constituent Councils.

A detailed plan of communications will be created with support from each Constituent Councils to identify the best method of promoting the consultation in their local areas, including a list of FAQs.

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

Findings from the consultation will be analysed and published by March 2023.

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 a shadow authority** - by April 2023
- **Stage 2: Operationalising the shadow authority** - April 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.

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

Stage 1: Establishing a shadow authority - by April 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
- Appointing an interim ‘Chief Executive’ to lead the shadow CCA on behalf of Constituent Councils
- 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. 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: Operationalising the shadow authority - April 2023 to May 2024

In this stage, the focus will be on operationalising the shadow authority and making preparations for the formal CCA. This 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
- Beginning to integrate the functions of the LEP into the CCA, ensuring it is ready for delivering functional responsibilities once the formal CCA is established

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 the Appendix 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

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

ⁱⁱ Mid-year Population Estimates, 2020, ONS © Crown Copyright

ⁱⁱⁱ Regional Gross Value Added (Balanced) per head and Income Components, 2020, Office for National Statistics (ONS) © Crown Copyright

^{iv} Census 2011, ONS © Crown Copyright. Figure is the number of people within 30km of the EMCCA area boundary.

^v 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

^{vi} Business Register and Employment Survey, 2020, ONS © Crown Copyright

^{vii} UK Business: Activity, Size and Location, 2021, ONS © Crown Copyright. Large businesses employ 250 people or more.

^{viii} Regional Gross Value Added (Balanced) per head and Income Components, 2020, ONS © Crown Copyright

^{ix} Creative and Digital Industries in Nottingham, Karagounis K., Rossiter W., February 2022. Accessible [here](#).

^x Regional Gross Value Added (Balanced) by Industry: Local Authorities by International Territorial Level (ITL) 1 region: East Midlands, 2020, ONS © Crown Copyright

^{xi} LEP Network analysis of the Census 2011, ONS © Crown Copyright

^{xii} HM Treasury, Country and Regional Analysis, 2021, Crown Copyright

^{xiii} 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

^{xiv} Regional Gross Value Added (Balanced) per head and Income Components, 2020, ONS © Crown Copyright

^{xv} UK local authority and regional greenhouse gas emissions national statistics, 2020, Department for Business, Energy and Industrial Strategy © Crown Copyright

^{xvi} Tracking Local Employment in the Green Economy: The Place-based Climate Action Network Just Transition Jobs Tracker, PCAN

^{xvii} Annual Survey of Hours and Earnings 2021, ONS © Crown Copyright

^{xviii} Annual Survey of Hours and Earnings 2021, ONS © Crown Copyright

^{xix} Annual Population Survey Jan-Dec 2021, ONS © Crown Copyright

^{xx} Healthy life expectancy, local area estimates, 2017-19, ONS © Crown copyright

^{xxi} Early Years Foundation Stage Attainment in Key Measures by Gender and Local Authority, 2019, Department for Education © Crown Copyright. Figures relate to upper tier authorities

^{xxii} Level 2 and 3 attainment by young people, 2019-20, Department for Education © Crown Copyright

^{xxiii} Annual Population Survey, January to December 2021, ONS © Crown Copyright

^{xxiv} State of the Nation, 2017, Social Mobility in Great Britain, Social Mobility Commission

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 Whole act, except s3(5)	All LAs hold	Yes	Mayor	No	Mayoral power, no voting - Note deal document suggests lead member required to vote in favour as part of a simple majority - so this is subject to a check with Govt MCCA able to amend the Mayor's budget if 2/3 majority agree
Local Government Act 2003 Sections 1 - 6	All LAs hold	Yes	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	All LAs	Yes	Mayor for precept and mayoral fund MCCA for budget setting for MCCA	No	Mayoral powers, no voting MCCA able to amend the Mayor's budget if 2/3 majority agree To approve the MCCA budget, a simple majority which includes the Mayor and the lead member from each Constituent Council
VAT Act 1994	All LAs	Yes	MCCA	No	Simple majority which includes the Mayor

Section 33(3)					
Town and Country Planning Act 1990 Section 214	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 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 Sections 86, 87, 88, 90 and 100(1)	Secretary of State functions	Section 86, 87 and 88 are transferred Sections 90 and 100(1) are exercised concurrently with Secretary of State	MCCA	None specified	Simple majority which includes the Mayor
Education Act 1996 Sections 13A, 15ZA, 15ZB, 15ZC	Upper tier councils	Yes	MCCA	None specified	Simple majority which includes the Mayor
Education and Skills Act 2008 Sections 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 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 Sections 197, 199, 200, 202, 294, 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 Sections 226, 227, 229, 230(1), 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 Sections 5, 6, 7, 8, 9, 10, 11, 12, and paras 19 and 20 of schedule 3;	Homes England powers	Yes	MCCA	Approval of lead member of all Constituent Councils and relevant local planning authority for exercise of	Simple majority which includes the Mayor

and paras 1, 2, 3, 4, 6, 10 and 20 of schedule 4				compulsory purchase powers	
Housing Act 1985 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 effected 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?
<p>Part II the Transport Act 2000</p> <p>Local transport plans and bus strategies (sections 108 to 113B (sections 110 to 111 repealed))</p> <p>Bus services: advanced quality partnership schemes (sections 113C to 113O)</p> <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))</p>	<p>A local transport authority or local transport authorities or a district council or a Passenger Transport Executive (as applicable)</p> <p>For the purposes of s163 - 190 - a charging authority which is the traffic authority (charging schemes can be made by a non-</p>	<p>All transfer from establishment except for following which will be as follows:</p> <ul style="list-style-type: none"> • <u>134C - 134G</u> concurrent and continuing • <u>135 - 138</u> concurrent and continuing • <u>138A - 138S</u> concurrent within transition period and for an extended period to 2027. • <u>139 to 141A</u> to be held 	<p>MCCA</p> <p>Except for Sections 108, 109 and 112 which will be Mayor</p>	<p>For section 108 ,109 and 112 until the end of the transition period only with the consent of the Constituent Councils.</p> <p>S123A - 123X Only exercisable with the consent from the affected constituent council</p> <p><u>163 - 190</u> - Only exercisable by the Mayor with consent of the affected constituent council</p>	<p>2/3 Majority as per the Proposal</p>	<p>From Establishment and on an ongoing basis.</p>

<p>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>Bus services: provision of information (section 139 to 141A)</p> <p>Bus services: miscellaneous (sections 142 to 143B (144 repealed))</p> <p>Mandatory travel concessions for journeys not beginning on the London bus</p>	<p>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 traffic authorities, or the Secretary of State [or a strategic highways company];</p> <p>a licencing authority or</p>	<p>concurrently during the transition period</p> <ul style="list-style-type: none"> • <u>145 to 150</u> to be concurrent and continuing • <u>163 - 190</u> - concurrent and continuing from establishment and only exercisable by the Mayor with consent of the affected constituent council 				
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<p>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 s139 - 141A</p> <p>s163 to s190 Road user charging and workplace parking levy</p>	licencing authorities					
<p>Section 31 of the Local Government Act 2003</p> <p>Power to pay Grant</p>	Minister of the Crown	With Minister	The Mayor			From establishment
<p>Section 6 Highways Act 1980 (Delegation etc. of</p>	Minister of Crown [or a strategic	With Constituent Councils	MCCA	Only exercisable with the consent of the affected Constituent Council.	Simple majority voting but the agreement of	From Establishment

functions with respect to trunk roads etc)	highway company]				the Constituent Council would be needed before vote	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: <i>Passenger Transport Areas (section 57 to 62)</i> <i>Passenger Transport in other areas (sections 63* to 71)</i> <i>Further Provisions (sections 72 to 79)</i> <i>Miscellaneous (section 80* to 87)</i>	In a non-metropolitan county in England and Wales, the county council A non-metropolitan district council in England The Passenger	Not concurrent other than: 63 - 64 - concurrent and continuing but the exercise of the MCCA's power is subject to the consent of Constituent Councils 65 - 71 - concurrent and continuing 72 - 79 concurrent and continuing and	MCCA	63 - 64 - the exercise of the MCCA's power is subject to the consent of the Constituent Councils 72 - 79 - Only exercisable with the consent of the affected Constituent Council		From Establishment and on an ongoing basis.

	<p>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>A Passenger Transport Executive or a council or local authority</p>	<p>subject to the relevant constituent council consent</p> <p>80 - 83 - concurrent and continuing</p> <p>84 - concurrent and continuing</p>				
Part 5 of the Transport Act 1985	Any authority responsible for expenditure on public	88 - concurrent and continuing with consent during the transition period	MCCA	Section 88 of the Transport Act 1985 - Only exercisable with the consent of the Constituent Councils during transition period		From Establishment and on an ongoing basis.

<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><i>Miscellaneous (sections 110 (111 repealed) and 112)</i></p>	<p>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 any public passenger transport service</p> <p>A parish council or community council</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> <p>105 - 109 - concurrent and continuing</p>		<p>Sections 93 - 101 - Only exercisable with the consent of the Constituent Councils.</p>		
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	The Secretary of State					
Traffic Management Act 2004 Part 3 (permit schemes) Section 33 Section 33A Section 36 Part 6 (Civil Enforcement of Traffic Contraventions)		Concurrent and continuing and subject to the Consent of each constituent council in respect of: <ul style="list-style-type: none"> • Part 3 - s33,33A and 36 • Part 6 	MCCA	Part 3 - section 33, 33A and 36 Part 6 Only exercisable with the consent of the Constituent Councils.		From Establishment and on an ongoing basis.

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 Part IV, section 86B	N/A	N/A	MCCA	No	Simple majority which includes the Mayor

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Approach to Consultation on the EMCCA Proposal

Purpose of the consultation

In order to progress the devolution deal for Derbyshire, Nottinghamshire, Derby and Nottingham under the Levelling-up and Regeneration Bill (“the Bill”), a consultation is required.

The Bill places a duty on the Constituent Councils (Derbyshire County Council, Nottinghamshire County Council, Derby City Council and Nottingham City Council) to conduct a public consultation on the Proposal for the East Midlands Combined County Authority (“EMCCA”), across the whole area of the proposed EMCCA and prior to submission of the Proposal to the Secretary of State.

Principles

The consultation must comply with the consultation provisions in the Bill (see paragraphs 30 to 38) and the common law principles that govern consultation by public bodies, commonly referred to as the ‘Gunning principles’ which require that;

- Consultation must be undertaken at a time when proposals are still at a formative stage.
- Sufficient reasons to permit ‘intelligent consideration and response’ must be given.
- Adequate time must be given for consultees to consider and respond to the consultation.
- Responses to the consultation must be conscientiously taken into account.

Methodology

The methodology has been agreed by all four Constituent Councils to address the requirements of the Bill and in accordance with the Gunning principles:

Aspect	Description
Scope	<p>The consultation will be used to explain the EMCCA Proposal to residents and other interested parties, and to encourage a wide range of stakeholders to respond to the consultation.</p> <p>A Proposal Document has been created (see Appendix 1 of the attached Council report) which outlines the proposals for devolution to the EMCCA, what they mean and how respondents can feedback on the content.</p>
Consultation Methods	<p>The consultation methods will include:</p> <ul style="list-style-type: none"> • An online survey with alternative options available to meet the needs of participants (for example including translations, BSL, paper copies and easy read versions).

Aspect	Description
	<ul style="list-style-type: none"> • Engagement with businesses, the voluntary and community sector and other stakeholders identified. • Public events to engage residents of the EMCCA.
Stakeholders	<p>A stakeholder list has been collated to ensure that consistent identification and mapping has been undertaken across the EMCCA area to include interested businesses, organisations, groups and individuals as part of the consultation.</p> <p>Each Constituent Council holds mailing lists or databases of their own partner organisations / networks and will share any consultation information through these.</p>
Hard to reach / equality groups	<p>Active steps will be taken to promote the consultation, to encourage participation and to ensure that the consultation is accessible to all (including, for example, the digitally disadvantaged or those with protected characteristics).</p> <p>As part of the specification, completion of the survey will be tailored to needs (for example, paper, large print, translation provided, braille, BSL etc).</p> <p>An Equality Impact Assessment has been undertaken to assist the Constituent Councils to fully understand the relevance and effect of the Proposal and to identify the most proportionate and effective responses, particularly in relation to those with protected characteristics.</p> <p>Each Constituent Council will work with those groups covered by the EIA locally to ensure engagement.</p> <p>We recognise there is need to target communications locally to ensure we receive a cross section of responses from all areas and therefore a geographic and demographic balance. Where an area is under-represented Constituent Councils may seek to boost replies through more targeted engagement such as telephone surveys.</p>
Communication	<p>The Constituent Councils will use a variety of measures to promote the consultation in their areas, including resident communication, press releases and social media as well as producing surveys, explainers and FAQs, and holding meetings and stakeholder engagement sessions.</p> <p>A detailed communications plan will provide an outline of methods to be used to target residents. Each Constituent Council will look at the best way to target the consultation through their own networks.</p> <p>A list of FAQs will be devised and shared on any consultation pages created.</p> <p>An easy read version will also be produced to make the information contained in the Proposal more accessible.</p>

Aspect	Description
	Each Constituent Council will undertake engagement events with key stakeholder groups. These will be organised locally with content consistent and coordinated across all council areas.
Consultation Period	<p>The Bill does not stipulate the required length of the consultation period. An 8-week consultation is considered appropriate to enable consultees to consider and digest the material, and respond to the survey.</p> <p>Consideration has been given to the Constituent Council's electoral cycles and the timetabling of the Bill's proposed passage through Parliament.</p> <p>The consultation will run for 8 weeks from November 2022 to January 2023. This will ensure the consultation is completed before the Purdah period.</p> <p>Constituent Councils will take all possible measures to actively promote the consultation and engage with consultees during this period.</p>
Delivery	An external supplier has been appointed to undertake the consultation work independently of any of the Constituent Councils (this is a collective decision, with Nottinghamshire County Council nominated as the lead authority). Appropriate arrangements have been put in place to oversee delivery and quality assurance of the contract.
Data Protection	A Data Protection Impact Assessment has been undertaken to assist the Constituent Councils in ensuring that data shared and collected through the consultation process is held, processed, and stored correctly, and for no longer than is necessary.
Reporting	Findings from the consultation will be analysed and published by March 2023 to inform the Constituent Councils in making their decision as to whether to submit the Proposal to Government.

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Appendix 4
Equality Impact Analysis
Draft proposal for an East Midlands Combined County Authority
October 2022
Defined Terms

Page 67

Constituent Councils	Derbyshire County Council, Nottinghamshire County Council, Derby City Council and Nottingham City Council – DCC, NCC, DC, and NC respectively
East Midlands Combined County Authority	EMCCA
East Midlands Devolution Deal signed on 30 August 2022	the Deal
Functional Economic Area	FEA - areas that share a number of similar economic factors with boundaries that ideally reflect the drivers of the local economy
The Area	The Area covered by the proposed East Midlands Combined County Authority (EMCCA)
The Draft Proposal	The draft proposal prepared by the Constituent Councils in collaboration with the district and borough councils of Nottinghamshire and Derbyshire
The Proposal	A proposal for the establishment of an East Midlands Combined County Authority
Local Enterprise Partnership	LEP

Part 1. Introduction and context

Scope of review		Draft proposal for an East Midlands Combined County Authority			
		Joint assessment by Derbyshire County Council, Nottinghamshire County Council, Derby City Council and Nottingham City Council			
EIA Team:		Wes Downes (Derbyshire County Council), John Cowings (Derbyshire County Council), Laura Howe (Derbyshire County Council), Jude Ryan (Nottinghamshire County Council), Ann Webster (Derby City Council), Saema Mohammad (Nottingham City Council),			
Date analysis commenced:	3 October 2022	Date completed:	20 October 2022	Date approved:	20 October 2022
Description of proposal to be assessed					
<p>On 30 August 2022, the Leaders of Derbyshire County Council, Derby City Council, Nottinghamshire County Council, and Nottingham City Council (“Constituent Councils”) signed a £1.14 billion devolution deal for Derbyshire, Derby, Nottinghamshire, and Nottingham with the Government (“the Deal”).</p> <p>The Constituent Councils are proposing that a Combined County Authority with a directly elected Mayor is established to lead collaboration between the Constituent Councils and to act as the recipient of powers and funding from Government under the Deal (“the Proposal”).</p> <p>The Draft Proposal sets out the detailed background and context to the Proposal, the Constituent Councils’ ambitions for the EMCCA, the EMCCA’s proposed governance arrangements and next steps. This EIA does not seek to replicate information contained in the Draft Proposal and should be read in conjunction with it.</p>					

This EIA examines the possible impacts arising from the Proposal. It is a living document and will be reviewed and updated by the Constituent Councils as necessary, including after public consultation on the Draft Proposal (described in Part 2 of this EIA) has been carried out and before the Proposal is finalised.

What outcomes will be achieved with the new or changing policy/ service?

The Constituent Councils' ambitions for the EMCCA are described in detail in the Draft Proposal. That Draft Proposal describes the Constituent Councils' shared objectives for the EMCCA, their priority focus areas, planned activities in each of those focus areas, and the outcomes the EMCCA is expected to achieve for residents in the Area.

Please list any associated policies, services, or functions?

The proposed Combined County Authority will be a public body and as such will be subject to the Public Sector Equality Duty (PSED) (both the general duty and the specific duties). Once established, the EMCCA will need to consider what systems, processes, and resources it will need to put in place to ensure that it complies with the Public Sector Equality Duty in the performance of its functions.

The Constituent Councils are themselves subject to the PSED and as such they will need to comply with their own respective policies and procedures as they plan, prepare for, and implement the transition to a formal EMCCA. Copies of the Constituent Councils' equality and diversity policies and procedures are available on their respective websites.

Please list the main people or groups that this policy/ service is designed to benefit and any other stakeholder involvement?

The EMCCA 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 historic market towns such as Buxton, Chesterfield, Mansfield, Newark-on-Trent, and Worksop, serving culturally and environmentally rich rural hinterlands.

The proposal will be of interest to the following stakeholders, who will be contacted as part of the consultation (in accordance with Part 2 of this EIA below): -

- Residents (in Derbyshire, Nottinghamshire, Derby and Nottingham)
- Businesses (in Derbyshire, Nottinghamshire, Derby and Nottingham)

- Charity organisations (in Derbyshire, Nottinghamshire, Derby and Nottingham)
- Local councils:
 - Derby City Council
 - Derbyshire County Council
 - Nottingham City Council
 - Nottinghamshire County Council
 - Amber Valley Borough Council
 - Bolsover District Council
 - Chesterfield Borough Council
 - Derbyshire Dales District Council
 - Erewash Borough Council
 - North East Derbyshire District Council
 - High Peak Borough Council
 - South Derbyshire District Council
 - Ashfield District Council
 - Bassetlaw District Council
 - Broxtowe Borough Council
 - Gedling Borough Council
 - Newark and Sherwood District Council
 - Mansfield District Council
 - Rushcliffe Borough Council
- All Town and Parish Councils in Derbyshire and Nottinghamshire
- Local MPs (in Derbyshire, Nottinghamshire, Derby and Nottingham)
- D2N2 Local Enterprise Partnership (LEP)
- All universities and colleges in Derbyshire, Nottinghamshire, Derby and Nottingham (HE and FE institutions)
- NHS organisations in Derbyshire, Nottinghamshire, Derby and Nottingham
- Police and Crime Commissioners for Derbyshire and Nottinghamshire
- Fire and Rescue services in Derbyshire, Nottinghamshire, Derby and Nottingham
- East Midlands Chamber of Commerce

- East Midlands Development Corporation
- East Midlands Freeport

Will the policy/ service and any changes impact on any other organisations such as community and voluntary sector groups?

The EMCCA will benefit from the devolution of additional powers from Westminster and other public bodies (such as the Homes and Communities Agency). The EMCCA will also hold some powers and functions that are currently exercisable by the Constituent Councils acting alone, or by the district and borough councils of Derbyshire and Nottinghamshire. In most cases those powers and functions will also be retained by the Constituent Councils and districts/boroughs, and in some cases the EMCCA exercise of those powers and functions is additionally subject to the consent of the relevant council; but there are some instances where powers or functions of the Constituent Councils will be exclusively available to the EMCCA either from creation of the EMCCA, or after a certain defined period of time.

The proposed powers and functions which will be available to the elected Mayor and to the EMCCA are described in the Draft Proposal, and set out in detail in an annex to the Draft Proposal. The Draft Proposal also explains how the EMCCA will exercise those powers in a way that ensures that the identities and interests of all communities within Derbyshire, Derby, Nottinghamshire, and Nottingham are fully represented.

Devolution is backed by the East Midlands Chamber of Commerce, the East Midlands D2N2 Local Enterprise Partnership, the University of Derby, Nottingham Trent University, and the University of Nottingham.

The Draft Proposal explains how business interests and other interests will be represented on the EMCCA through additional Memberships and advisory bodies.

Part 2. Supporting evidence

Please list and/ or link to below any recent and relevant consultation and engagement that can be used to demonstrate clear understanding of those with a legitimate interest in the policy/ service and the relevant findings:

Consultation and engagement is planned to be carried out for eight weeks between November 2022 and January 2023 (see immediately below).

If there is insufficient consultation or engagement information, please explain what action is being taken to obtain this information and when this consultation/ engagement will be completed and available:

The Constituent Councils are jointly undertaking engagement activity between now and the launch of formal consultation to ensure that residents, elected members and key partners are kept up to date.

It is critical that residents, businesses, and other organisations can have their say. The Constituent Councils therefore plan to carry out a public consultation on the Draft Proposal across the whole Area between November 2022 and January 2023.

That consultation will be wide-ranging and will employ a range of different formats and methods. Stakeholder mapping will be carried out to ensure that all interested businesses, organisations, groups, and individuals are part of the consultation. Active steps will be taken to promote the consultation, to encourage participation and to ensure that the consultation is accessible to all (including, for example, the digitally disadvantaged or, those with protected characteristics). The Constituent Councils will develop a detailed communications plan outlining the methods that will be used to promote the consultation. Where necessary, stakeholder engagement events will be carried out.

Once the consultation has closed, all submissions received will be collated, and this EIA will be reviewed and revised as necessary. The collated consultation responses and the updated EIA will then inform revisions to the Draft Proposal and the final decision on whether to submit it to Government by March 2023.

Please list or link to any relevant research, data or intelligence, Observatory or any other information that is available and will be used to help complete the analysis?

About the Area

The EMCCA 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 historic market towns such as Buxton, Chesterfield, Mansfield, Newark-on-Trent and Worksop, serving culturally and

environmentally rich rural hinterlands. Analysis of the 2011 Rural-Urban classification shows that over a quarter of the population in both Derbyshire (27.0%) and Nottinghamshire (27.1%) live in rural areas.

Population

On census day, 21 March 2021, the population of the area was 2,204,500, an increase of 94,600 since the last Census in 2011. The rate of population growth for the EMCCA was 4.5%, lower than the overall growth for England (6.6%).

Over the last ten years the majority of EMCCA districts have experienced a growth in population, with the exception of Chesterfield that is one of eighteen local authorities across England to have experienced a decline in population since 2011. South Derbyshire has seen the largest growth in population with an increase of 12,600 people since 2011. This equates to a 13.3% increase and ranks as the 25th (out of 309) fastest growing local authority across England.

According to the 2020 Mid-year population estimates the median average age varies considerably across the EMCCA. Residents in Derbyshire (45.7 years) and Nottinghamshire (43.7) have the highest average age, whilst the urban areas have much younger age profiles with the average age just 29.7 years in Nottingham and 37.2 years in Derby. Derbyshire Dales has the highest average age of all the EMCCA districts at 51.5 years, 11.5 years higher than the England average of 40.2 years.

The latest Office for National Statistics (ONS) Sub-national population projections (2018) forecast that the EMCCA 's population is expected to increase by 11.9% (the equivalent of 263,401 people) by 2043, slightly higher than the 10.3% population increase for England. Nottinghamshire (14.7%) and Derbyshire (12.6%) are expected to experience the highest levels of growth, with Nottingham (7.6%) and Derby (6.6%) both forecast to experience below average population growth. Across the Area's districts population growth varies, ranging from lows of 5.2% in Chesterfield, 7.2% in Derbyshire Dales and 7.7% in Erewash to highs of 30.1% in South Derbyshire, 20.6% in Rushcliffe and 18.5% in Bassetlaw.

The EMCCA has an increasingly ageing population with the 65+ population forecast to increase by more than a third in all areas by 2043. This is likely to have significant implications for older people's services across the whole of the EMCCA. Additionally, the districts of South Derbyshire (17.2%) and Rushcliffe (14.6%) are forecast to have significant

increases in 0 to 15-year-olds compared to the rest of the Area and England (-0.9%), placing increased demand on school places and children's services in these areas.

2021 Census figures show there were 941,800 households across the EMCCA area. This represents an increase of 5.2% (46,500 more households) since 2011, just below the England increase of 6.2%. Nottinghamshire (6.8%) and Derbyshire (6.5%) saw the highest increase in households, Derby experienced a 3.3% increase whilst Nottingham saw a 1.0% decline in household numbers since 2011. Of all the EMCCA districts South Derbyshire saw the largest increase in households at 15.9% since 2011.

Deprivation

In 2021, 16.1% of children aged 0 to 19 years (81,685) were living in low-income families in the EMCCA. Whilst this is below the overall England average of 18.5% there is significant variation across the Area. Both Derby (21.5%) and Nottingham (21.5%) have higher than average levels of child poverty with Derbyshire (13.4%) and Nottinghamshire (14.0%) having below average levels. In certain parts of the EMCCA child poverty levels are particularly acute with over a third of children in some wards living in poverty, examples include Arboretum (43.9%), Normanton (42.4%) in Derby and Leen Valley (34.1%) in Nottingham.

Homelessness is a significant issue in Nottingham where the rate is double the national average (12.2 households per 1,000: 6.1 respectively). Derby (7.4) also has higher rates of homelessness than the England average (6.1). Outside of the cities, Chesterfield (5.5) also has relatively high levels of homelessness. In addition, there are also issues with households that are at threat of being homeless. Five of the Areas districts have rates above the England average of 5.6 households per 1,000. These are Derby (16.2), Nottingham (8.3), Chesterfield (7.2), High Peak (7.2) and Derbyshire Dales (6.2).

The EMCCA faces a number of economic challenges which impact on the Area's economic growth:

- Productivity lags behind the UK average, requiring a 14.6% increase to close the gap
- Public spending per person has historically been below the UK average
- A loss of £4.5 billion in GVA during the first year of COVID-19

- A shortage in housing supply with an estimated 9,200 homes a year required to meet local need. Over the last 5 years, an average of 8,500 homes a year have been completed. Based on these trends, we are likely to see a shortfall of over 6,500 homes over the next 10 years, which adds to the existing lack of supply. This is a big 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)
- Carbon emissions are 17.8% higher per capita than the UK average due to a high concentration of energy-intensive industries and industrial legacy
- 23% of jobs in the Area will be affected by the transition to a net-zero carbon economy requiring the upskilling of 104,000 thousand workers
- Poor East-West connectivity by road and rail, with many rural areas bypassed altogether
- A low skill low wage economy with the average weekly pay of both residents and workplaces in the Area being over 7% lower than the England average
- Over half (nine) of the Area's local authorities rank in the bottom 25% (quartile) of all authorities across England on gross weekly workplace pay
- Lower than average labour market participation with the Area's (73.8%) employment rate falling below the England (75.1%) average. Twelve local authorities in the Area have an employment level lower than the England average

The EMCCA Area also experiences persistent and systemic deprivation with 219,600 people living within the most deprived 10% of areas across England and significant differences in life chances depending on where you live:

- In other parts of England people on average live 15 years longer in good health than people living in Nottingham which has one of the lowest Healthy Life Expectancies across England
- Educational attainment varies considerably with the EMCCA Area containing some of the worst performing areas across England at all levels of education
- At the early years foundation stage, all four upper tier authorities fall below the England average on the expected level on early learning goals for 5-year-olds for communication and language, literacy and maths. This is particularly so for communication and language in Derby, literacy in Nottingham and maths in both Derby and Nottingham where the levels are amongst the lowest for upper tier local authorities across England

- The Area contains some of the poorest performing localities across England in terms of pupils attaining Maths and English at GCSE
- Fewer adults are qualified to NVQ level 3 or above than across England (56.5%: 61.4% respectively)
- 13 out of 17 local authorities within the Area are identified as ‘social mobility cold spots’

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

- 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
- Workplace pay, with Derby in the best 30 local authorities nationally where weekly pay is around 15% higher than the England average, but nine of the Area’s authorities amongst the lowest ranking nationally including four District/Borough areas (Bolsover, Gedling, Bassetlaw and Mansfield) where weekly pay is 15% or more below the England average
- Employment rate, with four District/Borough areas in the best performing nationally, but seven in the worst, including Mansfield ranked third bottom
- Adult attainment at NVQ level 3, with two of the Area’s local authorities amongst the best performing in England (Derbyshire Dales (69.5%) and Rushcliffe 67.5%), whilst seven are ranked in the worst performing, including Mansfield which in 2021 was the lowest of all local authorities across England at just 37.8%, over 20.0% below the England average (61.3%)
- Adult obesity, whilst Derbyshire Dales and Rushcliffe were in the best performing local authorities nationally, there were eight areas locally that were amongst those having the highest adult obesity across England, including Bolsover that ranked third bottom
- Decent Housing, the proportion of local authority housing deemed to be of a non-decent standard in the EMCCA area was 2.2% in 2020-21, well below the England figure of 5.0%, certain parts of the Area such as High Peak (17.4%) and North East Derbyshire (12.6%) had significantly high levels. Bassetlaw (3.2%) also showed a figure above the EMCCA average

- Homelessness, both Derby (23.6%) and Nottingham (20.4%) have much higher proportions of households that are homeless or threatened with homelessness than nationally (11.7%). Relatively high levels in the EMCCA area were also evident in Chesterfield (12.7%), High Peak (10.5%) and Mansfield (7.7%)

The following sites provide access to a wide range of local data and analysis about the individual EMCCA area including the latest demographic and socio-economic information:

- Derbyshire County Council's [Derbyshire Observatory](#)
- Nottinghamshire County Council's [Nottinghamshire's Insight](#)
- Derby City Council's [Info4Derby](#)
- Nottingham City Council's [Nottingham Insight](#)

Please list or link below to any relevant service user/ customer or employee monitoring data and what it shows in relation to any Protected Characteristic (Age, Disability, Gender reassignment, Marriage and civil partnership, Pregnancy and maternity, Race and ethnicity, Religion and belief including non-belief, Sex or gender, Sexual orientation)

Protected characteristics

Just under 13.0% of the EMCCA's population, around 285,000 people, were estimated to be from a Black, Asian and Minority Ethnic background in 2019, less than the England figure of 20.9%. The Area's Black, Asian and Minority Ethnic population is predominantly concentrated in the city areas. Nottingham has the largest Black, Asian and Minority Ethnic population in the EMCCA (36.7%) followed by Derby (25.8%). Outside of the cities, Broxtowe (11.1%), Rushcliffe (10.1%), Gedling (10.0%) and Mansfield (7.1%) had the biggest Black, Asian and Minority Ethnic populations. Within Derbyshire, the highest values were in South Derbyshire (6.0%) and Chesterfield (5.2%).

The largest Black, Asian and Minority Ethnic communities are Asian (4.9%), followed by people with a mixed ethnic background (2.8%), white minority ethnic group (2.6%) and Black residents (1.9%). Other minority ethnic groups comprised 0.5% of the Area's population.

Around one in five EMCCA adults (19.8%) had a disability or long-term limiting illness at the time of the 2011 Census. This was equivalent to 418,500 people and was higher than the England average of 17.6%. The former mining communities of Bolsover (24.7%), Chesterfield (23.1%) and Mansfield (23.7%) had particularly higher rates of long-term illness.

According to the 2011 Census around 1.4 million EMCCA residents (63.5%) had religious beliefs compared to 68.1% for England. The majority (58.7%) of these were Christians. A relatively small percentage (4.8%) of the Area's residents had non-Christian beliefs.

Experimental Statistics on sexual orientation in the UK in 2020 estimate that 1.2% (46,000 people) of the East Midlands regions population aged 16 years and over identify as lesbian, gay or bisexual, lower than the England estimate of 1.7%. The figures are lower than estimates by organisations working with or for the LGBQ+ community, which suggest that up to 5% of the population are LGBQ+.

There were 1,088,100 males (49.1% of the overall population) and 1,121,400 females (50.9%) in the EMCCA in 2021.

Children aged 0-14 represent 16.7% of EMCCA population, slightly lower than the England average of (17.4%) but an overall increase of 2.3% (8,300) increase in the age group since 2011. The number of 15–64-year-olds represent 63.7% of the population, slightly higher than the England average of 62.9%, with a 0.9% increase (13,100 people) since the last census. The number of people aged 65+ in the EMCCA has grown by 20.4% (7,300) since 2011, now representing 19.6% of the EMCCA's population, in line with the England average.

If there is insufficient information, please outline any plans to remedy this?

The data from the 2021 Census is due to be released over coming months. The Constituent Council's will be able to update and broaden their understanding of their communities and data on protected characteristics.

Part 3. Analysing and assessing the impact by equality Protected Characteristic group

<i>Protected Characteristic or Group</i>	<i>Actual or potential positive outcome/ impact</i>	<i>Actual or potential negative outcome/ impact</i>
<p>1. All protected characteristics and groups</p>	<p>The Draft Proposal has the potential to have a significant positive impact on all communities and on all people with protected characteristics.</p> <p>It is anticipated that the devolution of new powers to the EMCCA, additional investment into the Area, and the commissioning and delivery of services at scale, should all result in improved services for residents and service users in the Area, including those with protected characteristics and from protected groups.</p>	<p>There is a risk that the exercise of certain functions by the EMCCA will mean that decisions will be taken further from those groups and individuals who are most reliant upon the services provided by local government in the Area. However, this risk will be mitigated by the safeguards set out in the Draft Proposal, which include: -</p> <ul style="list-style-type: none"> • the Constituent Councils' membership of the EMCCA, • the role and participation of district and borough councils in the EMCCA, • the role and participation of other groups and voices in the EMCCA, • the EMCCA's proposed governance arrangements and decision-making processes, and • the phased transfer of some powers to the EMCCA over time.
<p>2. Age</p>	<p>The Draft Proposal has the potential to have a significant positive impact on communities and on people of all ages, but especially on younger people, older</p>	<p>Under the Draft Proposal no specific decisions have yet been made about where investment will occur to generate employment opportunities or in education and improving</p>

Protected Characteristic or Group	Actual or potential positive outcome/ impact	Actual or potential negative outcome/ impact
	<p>workers/ longstanding workers in traditional forms of employment, and for older people.</p> <p>Investment in the local economy, in skills and retraining will enhance qualification levels, access and suitability for employment, result in a workforce with the right skills for the region to compete successfully with others in the future, and in turn attract more investment and relocation to the East Midlands Combined County Authority Area.</p> <p>The focus on improving supply and access to housing can have a direct positive impact upon those households without their own housing and or who are more prone to homelessness, which can include younger adults and families, but also help improve the supply of suitably designed and built housing for older people.</p> <p>Improving transport and connectivity benefits many communities and can be crucial to enable people to travel for work,</p>	<p>skills. Spreading investment across all parts of the area and ensuring they are available could affect the impact upon younger and older people in some areas. The new Combined County Authority will need to establish mechanisms for considering and ensuring that investment is appropriately distributed. These mechanisms will be reinforced and bolstered by the proposed governance arrangements and decision-making processes set out in the Draft Proposal.</p>

<i>Protected Characteristic or Group</i>	<i>Actual or potential positive outcome/ impact</i>	<i>Actual or potential negative outcome/ impact</i>
	<p>education and to access services. Having good access significantly impacts upon individuals and communities with less access to their own means of transport, and who are reliant upon public transport, which can include younger people, older people, households on lower incomes and people living in rural areas. During the coronavirus pandemic many peoples' patterns of travel altered and this has led to reduced passenger numbers using public transport on many bus and train routes. This in turn requires greater support from transport authorities to ensure services can be retained and serve people at times when they are needed. Making it easier and more affordable to travel across different providers through integrated planning and ticketing is likely to benefit many people who rely upon public transport and enable people to access employment and other opportunities.</p> <p>Net zero ambitions which are also integrated into the proposals for economic development, housing and transport, and</p>	

Protected Characteristic or Group	Actual or potential positive outcome/ impact	Actual or potential negative outcome/ impact
	<p>which are made more affordable and accessible will benefit all communities but will need to be expanded to become more available for disadvantaged individuals and communities.</p>	
<p>3. Disability</p>	<p>The Draft Proposal in terms of investment in economic improvement and regeneration and skills could be hugely positive for disabled people who are excluded from or experience greater discrimination when seeking to access jobs or training, if the investment is in part focused on removing the barriers to employment for disabled people, including the commitment of employers to employ them, transport and training opportunities. This could help close the employment gap between disabled people and all people aged 16 – 64.</p> <p>Making transport affordable, accessible and timely is likely to benefit many disabled people, enabling them to access employment and other opportunities, reducing isolation and exclusion, and</p>	<p>The Draft Proposal will not negatively impact disabled people, and should benefit and impact positively upon disabled people providing that when more detailed decisions are taken, they are seen as a priority group within the work and projects to support employment, skills and qualifications, transport and housing. However, see 1 above.</p>

<i>Protected Characteristic or Group</i>	<i>Actual or potential positive outcome/ impact</i>	<i>Actual or potential negative outcome/ impact</i>
	<p>allowing people to realise their goals and ambitions.</p> <p>The supply of accessible housing for disabled people remains limited. Specially built or adapted housing can be more expensive, whilst many disabled people may have lower incomes or fewer resources with which to afford this more expensive housing. Within the proposals, any opportunities to increase the supply of affordable and rented accessible housing could have an important positive impact for disabled people and their carers if they have one.</p>	
<p>4. Gender re-assignment</p>	<p>As with other communities, Trans people can experience additional barriers to employment, housing and abuse whilst using public transport or in the places where they live.</p> <p>Accepting that the proposals will benefit people across the area, then it should be likely that the improvements should be available to people who identify as Trans/ people who are or have undergone</p>	<p>Whilst negative impact is unlikely, ensuring that investment in jobs and skills can benefit those more likely to face barriers in employment due to prejudice will need to be a principle which underpins the decisions which are made over the allocation of funds and once the combined authority is operational.</p> <p>Trans people who have or are undergoing gender re-assignment do face barriers when seeking access to employment, services,</p>

Protected Characteristic or Group	Actual or potential positive outcome/ impact	Actual or potential negative outcome/ impact
	gender re-assignment. If the work and programmes arising out of the proposals seek to encourage inclusion and diversity in areas such as investment/ employment/ skills, in transport and housing, then this community can enjoy a positive impact.	housing and when using transport. However, see 1 above.
5. Marriage and Civil Partnership¹	<p>The Draft Proposal should benefit people across the area irrespective of their marital or civil partnership status. It is likely that when consultation takes place with people who are LGBTQ+ that a proportion of them may have a civil partnership and this may be the best route of checking with them whether there are any additional issues that the combined authority should consider.</p> <p>It may be beneficial to monitor this protected characteristic when carrying out the consultation which is planned, to build a stronger evidence base upon which to assess potential impacts on these individuals.</p>	It is believed unlikely that the Draft Proposal result in adverse impact or any type of prohibited conduct upon people with this protected characteristic, although monitoring this during the consultation will help check this. Additionally, see 1 above.
6. Pregnancy and Maternity	The Draft Proposal in relation to investment, employment and skills may	It is believed unlikely that the Draft Proposal result in adverse impact or any type of

¹ Under EA 2010 – someone in a CP must not be treated less favourably than a married person

Protected Characteristic or Group	Actual or potential positive outcome/ impact	Actual or potential negative outcome/ impact
	also benefit women who wish to re-enter employment after having a family. The availability of good and reliable public transport can be particularly important for families which have no access to their own vehicle or to single vehicle owning households, to enable them to access services.	prohibited conduct upon people with this protected characteristic, although monitoring this during the consultation will help check this. However, see 1 above.
7. Race and Ethnic Origin	The proportion of people from Black, Asian and Minority Ethnic communities varies significantly across the area of the proposed Combined County Authority, with higher proportions living in Derby and Nottingham, compared to Derbyshire and Nottinghamshire. The Black, Asian and Minority Ethnic community is from many different backgrounds. The Census 2021 data for these communities is due to be released towards the end of 2022. The data from the 2011 Census is known to be significantly out of date and not a true reflection of count of these communities. Within the Black, Asian and Minority Ethnic community many people experience disadvantage and discrimination based on prejudice and	The creation of the EMCCA is unlikely to negatively impact people from Black, Asian and Minority Ethnic communities, and opportunities exist to positively impact those groups. However, see 1 above.

<i>Protected Characteristic or Group</i>	<i>Actual or potential positive outcome/ impact</i>	<i>Actual or potential negative outcome/ impact</i>
	<p>racism in education, employment, housing, health and access to services, although this is not universally the case, and some communities experience higher levels of disadvantage or discrimination than others, and there are geographical differences too.</p> <p>The Draft Proposal has the potential to challenge this and to offer improved opportunities to people from the different communities which make up the Area's population. This is especially the case with the proposals around employment and skills, support to businesses and investment, where opportunities could be generated. Improvements in transport would also benefit Black, Asian and Minority Ethnic communities, offering greater access to areas where investment takes place and employers locate/ relocate their operations. The proposals may also provide support to people seeking to expand or improve their skills and qualifications, and thus progress or improve their earnings potential. This is of course dependent upon opportunities</p>	

Protected Characteristic or Group	Actual or potential positive outcome/ impact	Actual or potential negative outcome/ impact
	available to Black, Asian and Minority Ethnic communities and individuals as investment and projects are developed.	
8. Religion/Belief²	There are no grounds to believe that the Draft Proposal will impact adversely on communities on grounds of religion and belief, including non-belief. However, the decisions which are subsequently made by the Combined County Authority could result in different impacts for different communities/protected characteristics and to examine what these might be, it is recommended that the Combined County Authority develops its own processes for meeting the Public Sector Equality Duties, including by adopting a clear process for demonstrating that it exercises due consideration of the potential impacts when making decisions and allocating resources.	It is believed unlikely that the Draft Proposal will result in adverse impact or any type of prohibited conduct upon people with this protected characteristic, although monitoring this during the consultation will help check this. Additionally, see 1 above.
9. Sex or gender³	The Area's economy is varied but includes traditional industries or sectors where the workforce is either primarily male or	It is believed unlikely that the Draft Proposal will result in adverse impact or any type of prohibited conduct upon people with this

² Under EA 2010 – must also consider non-religious belief

³ Sex and gender can be used at different times depending upon whether you are referring to the EA 2010 and the different duties which exist

<i>Protected Characteristic or Group</i>	<i>Actual or potential positive outcome/ impact</i>	<i>Actual or potential negative outcome/ impact</i>
	<p>female. This can mean that women especially face barriers when seeking to enter those industries. Women are also much more likely to hold part-time employment than their male counterparts across the area, meaning that there is a gender pay gap across many areas of the area's economy.</p> <p>The Draft Proposal has the potential to address both of these factors. The success of the EMCCA in addressing these issues will depend upon more detailed plans and decisions made around skills investment and training, and whether they support women into technical roles for example, and older men to retrain. Lower earnings levels can also impact on the ability of households to access home ownership, including affordable housing and housing in the private sector.</p> <p>Improving public transport is also important in that women may be more likely to rely upon public transport if they live in a household where there is limited car ownership.</p>	<p>protected characteristic, although this will be dependent upon the more detailed programmes which are developed. Additionally, see 1 above.</p>

<i>Protected Characteristic or Group</i>	<i>Actual or potential positive outcome/ impact</i>	<i>Actual or potential negative outcome/ impact</i>
10. Sexual orientation	Although we still rely upon estimates of LGBTQ+ people in the population we know from a range of surveys of LGBTQ+ people that they experience discrimination and disadvantage in relation to a number of life factors, including in education, employment, when accessing services, personal safety and harassment, and in relation to health, including mental health. They can also experience higher levels of homelessness. The Draft Proposal has the potential to positively impact upon LGBTQ+ people especially if within programmes additional measures are included to address the needs of our diverse communities, including LGBTQ+ people.	The proposed priorities can help address some aspects of discrimination experienced by people with this protected characteristic, but this will be dependent upon programmes including commitments to equality, diversity and inclusion, and may include specific programmes relating to LGBTQ+ people. It is unlikely to lead to improved outcomes if such steps are not taken. Additionally, see 1 above.
11. Human Rights	It is unlikely that the proposed Combined County Authority, its priorities and proposed consultation will infringe upon human rights.	None envisaged
12. Other not listed above such as the business community, Armed Forces/ ex –Armed	Business The Draft Proposal specifically aims to help generate and improve the Area's economy to attract financial investment, improve skills, address skills shortages.	Businesses None envisaged for businesses. Armed Forces

Protected Characteristic or Group	Actual or potential positive outcome/ impact	Actual or potential negative outcome/ impact
<p>Forces Personnel and deprived communities</p>	<p>They will also seek to ensure that land and resources and transport are improved to support investment by the private sector in the Area.</p> <p>This is intended to support expansion and development of businesses and industry, modernising the Area’s economy and making it more competitive. Dependent upon the different approaches which are taken, this could mean that individual businesses and sectors of the economy receive financial and other support and investment.</p> <p>This will also be the case for housing developers and contractors stemming from the housing related priorities.</p> <p>Armed Forces Given the commitment of the constituent authorities to the Armed Forces Covenant and the recent introduction of the Armed Forces Public Duties, the Combined County Authority will need to consider how it can both engage this community and ensure that within its functions to</p>	<p>None envisaged for Armed Forces/ ex-Armed Forces personnel if detailed projects and programmes properly consider the Armed Forces duties and make provision for them.</p> <p>Deprived communities There is a potential for the Combined County Authority to be formed and high-profile projects to be developed but for the poorest and most deprived to miss out on the potential benefits. The combined authority will need to ensure that this does not happen.</p> <p>Additionally, see 1 above.</p>

<i>Protected Characteristic or Group</i>	<i>Actual or potential positive outcome/ impact</i>	<i>Actual or potential negative outcome/ impact</i>
	<p>takes account of the duties, especially those relating to employment and housing.</p> <p>Deprived communities The Draft Proposal should specifically impact positively on people living in the Area's poorest and deprived communities, and it would be expected that significant focus is placed, especially within skills related activities, transport and housing, on improving opportunities for people from these communities.</p>	

Part 4. Summary of main findings and recommendations

The Draft Proposal appears to have the potential to provide huge benefits to all communities, but specifically for people from the protected characteristic groups and deprived communities. This will be dependent upon how the Proposal is developed and the systems and processes it puts in place for ensuring that the CAA, if established, seeks to address inequality an integral part of everything it does and every decision it makes.

The public consultation is an important first step in expanding the evidence base upon which this EIA relies. That consultation is being planned with the aim of specifically targeting people from the protected characteristic groups and deprived communities, to ensure that their voices, concerns and preferences are reflected in any amendments made to the Draft Proposal, and in the final decisions whether to submit the Proposal to Government.

This EIA will be reviewed and revised following the conclusion of the public consultation, and before the Draft Proposal is finalised and/or any final decisions are taken.

The new Combined County Authority will constitute a public body and become subject to the Public Sector Equality Duty under the Equality Act 2010. This will require the authority to set equality objectives, publish annual equalities information and have due regard for equality matters when carrying out its functions, including when making decisions and delivering projects and programmes. It may wish to give some thought early to how it can begin to meet these and other duties, especially as it further develops its priorities, begins to get established and finalises its workstreams and Board composition.

The Constituent Councils are themselves subject to the PSED and as such they will need to comply with their own respective policies and procedures as they plan, prepare for and implement the transition to a formal EMCCA (according to the transition process set out in the Draft Proposal).

Part 5. Equality Action Plan

Please complete this Action Plan for any negative or unknown impacts identified in the Analysis above.

Issue identified	Action required to reduce impact/ mitigate	Timescale and responsibility	Monitoring and review arrangements
Unexpected impacts of proposals on stakeholders that emerge from the consultation on the Draft Proposal	Review the Draft Proposal in light of feedback received during consultation and where necessary revise this EIA and amend the Proposal before any final decisions are taken.	All Constituent Councils	Prior to submission of the final Proposal to each Constituent Council for final decision

<p>The Combined County authority will become a public body and subject to the PSED.</p>	<p>Consider how the new authority will meet the requirements of the Public Sector Equality Duties as it develops and is established and take appropriate actions.</p>	<p>All Constituent Councils</p>	<p>Ongoing monitoring, review and action during the planning, preparation and implementation of the transition to a formal EMCCA</p>
<p>Further EIAs will be required as proposals go forward to assess more detailed plans and proposals</p>	<p>Consider establishing a workstream for equality, diversity and inclusion to inform the development of a programme of EIA's until such time as the new authority has resources in place of its own.</p>	<p>All Constituent Councils</p>	<p>Ongoing monitoring, review and action during the planning, preparation and implementation of the transition to a formal EMCCA</p>
<p>Ensuring continued engagement and interest in the development of the EMCCA by people from protected characteristic groups</p>	<p>Agree a method for analysing consultation responses and reporting back on the outcome of consultation to those who took part, explaining how their feedback will be used to further shape the development of the new authority</p>	<p>All Constituent Councils</p>	<p>Following submission of the final Proposal to each Constituent Council for final decision</p>

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