

*making our region more prosperous, sustainable and fairer,
helping our people and businesses to create and seize opportunities*

Combined County Authority Board		Agenda Item 6
Date	16 September 2024	
Report Title	Regional Strategy Programme – East Midlands Way	
Accountable EMCCA Board Member	Mayor Ward, East Midlands Mayor	
Accountable Chief Officer	Mark Rogers, Interim Chief Executive	
Accountable Employee	Damien Dacey, Interim Deputy Chief Executive	
Report has been considered by	This report has been considered by the EMCCA Pre-Board process	
Key decision	Yes	
Public Report	Yes	
Voting Arrangements	By simple majority that includes the Mayor	

Recommendation(s) for action or decision:

The Combined County Authority is recommended to:

A | **Note the proposed programme of collaborative work of five interconnected projects.**

B | **Agree to proceed with the programme as set out and subject to feedback from the Board.**

C | **Comment on the terms of reference for the Commission at Appendix 1.**

1. Purpose

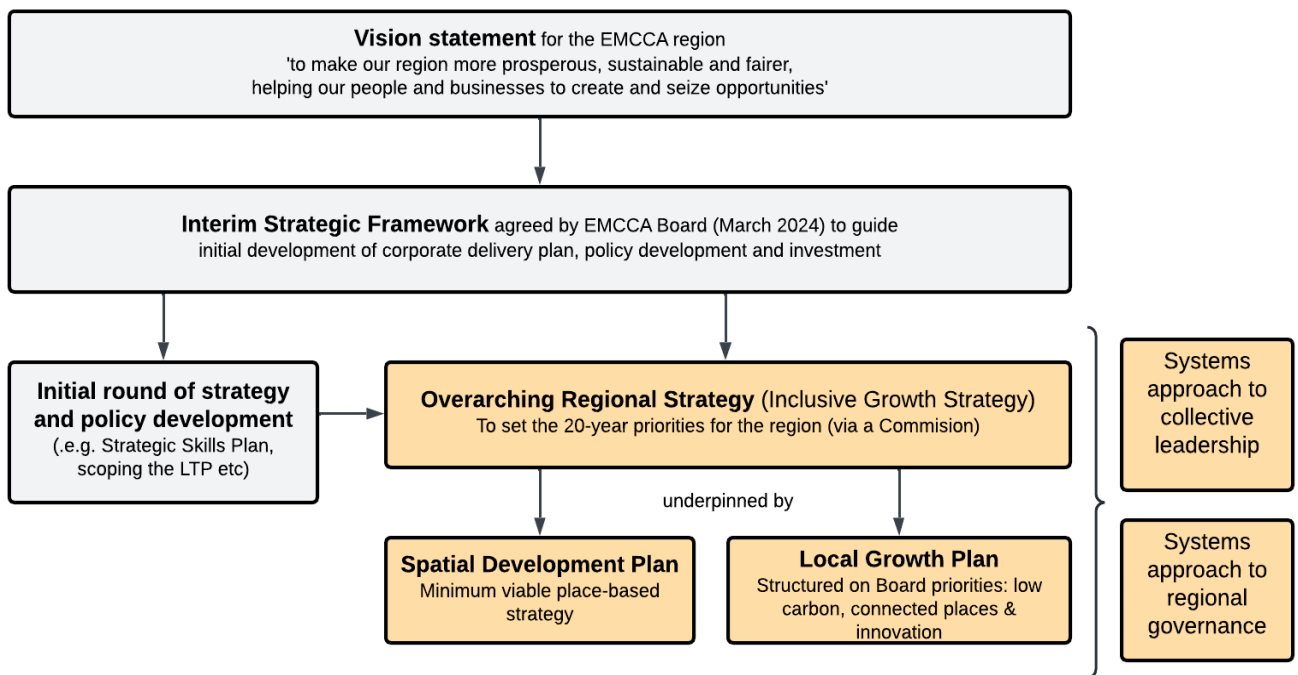
- 1.1 The establishment of the East Midlands Combined County Authority – with the additional funding, powers and influence flowing from the Devolution Deal – provides a once-in-a-generation opportunity to re-shape the region’s economic, social and environmental destiny.
- 1.2 This report outlines how these significant opportunities are to be identified and put into investment and delivery plans through a new and compelling long-term strategy for the region to be co-produced with local authorities and partners in the region. The strategy will be grounded in an inclusive growth approach – and will direct choices on how to target investment, design programmes and join-up fresh opportunities to the communities that need them for the next decade.
- 1.3 This report defines the five interconnected projects that, when combined, will provide the foundations to deliver a new ‘East Midlands Way’:
 - a. An Inclusive Growth Commission to support the development of a long-term Inclusive Growth Strategy (building on the draft strategy adopted by the EMCCA Board in March 2024).
 - b. A Local Growth Plan, to nest within the Inclusive Growth Strategy, setting out both short- and long-term sectoral priorities for the region and supporting the incoming National Industrial Strategy.
 - c. A Spatial Development Plan, also to nest within the Inclusive Growth Strategy, that *inter alia* sets out the overall strategic approach to land use in the region, including for meeting the Government’s stretch housing target for the East Midlands.
 - d. Building of a systems approach to collective leadership to enable projects (a) to (c).
 - e. Delivered through a similarly systemic approach to regional governance.
- 1.4 The EMCCA Board is invited to consider the scope and objectives of this programme of work.

2. Proposal

Regional strategy programme overview

- 2.1 The early work of establishing a new regional body like EMCCA can largely be boiled down to three things: (a) establishing a clear strategy or plan for the region that has widespread buy-in and agreement; (b) creating the institutional and cultural environment for governing that enables a regional strategy to be developed and delivered; and (c) putting in place the resources, capabilities and partnerships to deliver. This report centres most on the first of these – what, then, does the region want to do? – but the programme aims to address the fundamentals of all three.
- 2.2 There are five linked projects of this work programme, as set out in the below diagram. The projects flow from the initial Vision statement agreed by the EMCCA Board in March 2024 and builds on the Strategic Framework also agreed at that time.

As set out in para 1.3, the five projects can be considered as: (a) an overarching regional strategy: (b) and (c) underpinned by a local growth plan and a spatial development plan with two key ‘enablers’ addressed alongside, namely (d) starting the work now to develop systems approach to collective leadership and (e) once the strategy is in place further evolving our regional governance arrangements to reflect this systems approach.



2.3 As the diagram in para 2.2. shows, the initial round of developing with partners the domain-specific strategies on (amongst others) transport, housing, skills, inward investment, and the visitor economy will continue as per the work plans signed off by the EMCCA Board in March 2024. Much of this work will be developed through the EMCCA thematic committees and advisory boards that are soon to meet for the first time. The sequencing approach is based on the conclusion that it would be unadvisable to delay the development of, say, our regional Local Transport Plan until the regional strategy is fully developed for two reasons: first, the Inclusive Growth Strategy will provide a renewed direction of travel and prioritisation that will augment, rather than entirely replace, any particular strategy or plan; second, there will need to be a period of revising and updating those plans in light of the Inclusive Growth Strategy once it is developed in the next municipal year.

Inclusive Growth Strategy and Commission

2.4 The Inclusive Growth Strategy will provide the route-map to deliver the Board’s vision for the region. It must set out the framework to guide decision making for at least the next decade and do so in a manner that embraces the wider determinants of growth, including tackling health inequalities, social justice, and environmental resilience. The Strategy will define the priorities where the regional agenda must focus most. It will build upon and succeed the Initial Strategic Framework agreed by the EMCCA Board in March 2024.

2.5 The Strategy will include an Inclusive Growth Outcomes Framework that will define the economic, social and environmental outcomes needed to deliver on that vision statement. An important element of the Strategy will also be to develop an agenda for public service reform in the region, which will not be lost as the strategy will conceive of the region as a system.

2.6 A new Inclusive Growth Commission for the East Midlands will be convened over the coming months to provide its expert recommendations into the development of the Strategy. The Commission will bring together regional partners with national experts to make inquiries into how this can be achieved, based on a well-established and up-to-date review of the economic, social and environmental conditions of the region.

The Commission will have a Chair appointed by the East Midlands Mayor. They will be someone with the credibility, status, and expertise to lead a panel of experts and the commission team. The Commission will report before the conclusion of the multi-year Spending Review, expected before Spring 2025. Its work will proceed in three non-linear phases: (a) evidence gathering and analysis in Autumn 2024; (b) interim recommendations with indicative prescriptions before Christmas 2024; and (c) final report with recommendations in early Spring 2025.

Terms of reference for the Commission is included at **Appendix 1**.

Local Growth Plan

- 2.7 The Combined County Authority is currently engaged in early scoping work with Government partners on the development of an area-wide Local Growth Plan. The point of departure for this is the initial Strategic & Investment Framework confirmed by Board in March 2024, specifically the sectoral and thematic growth priorities agreed for EMCCA at the June 2024 Board: low carbon, connected places and innovation.
- 2.8 By the time the Board meets, the Local Growth Plan work will have been further advanced through engagement with partnership in Government. However, the development of long-term propositions will come later in the year albeit the precise timelines are not yet clear and will be guided by the Government's approach to the Spending Review and timelines for the publication of the National Industrial Strategy.
- 2.9 The Local Growth Plans of all combined authorities will provide key evidence for the development of the National Industrial Strategy. For our area, the work will be supported by the same refresh of the evidence base, and the challenge and support provided by the Commission explained above. It will form a central part of this programme of work.
- 2.10 Any significant updates on the process to develop our area-wide Local Growth Plan including engagement with local authority partners will be provided verbally at this meeting of the Board.

Spatial development plan

- 2.11 This project provides the "place" element to the regional strategy programme. Delivering the ambition of inclusive growth with maximal impact will require interconnected development within the region that attracts the world's best companies, people, and investors. At some point, this means making choices about what type and scale of investment is needed – and in what places. To ensure we make sound, evidence-based choices about how we invest in places, this project will build a single, coherent picture of the current place-based opportunities, plans and commitments for the region.
- 2.12 To ensure this remains connected to the broader regional strategy project outlined prior, this project will also be developed under the auspices of the Inclusive Growth Commission.
- 2.13 The project will focus first on drawing together the extensive place-based plans that already exists in the region, including those developed by the East Midlands Development Company. The first part will be collating, sense checking and bringing these elements together into an initial, regionwide plan, that can then be developed as new or refined as priorities emerge from the Commission.
- 2.14 The project will move forward positively and progressively in phases: (a) establish a single picture of the spatial opportunities and constraints in the region in early Autumn 2024; (b) establish a clear narrative on the potential opportunities and how EMCCA can make more than the sum of the parts by Christmas 2024; and (c) developing a route map to take things forward and deliver projects starting with early wins as part of a phased longer-term strategy whilst concurrently developing those plans to deliver for the longer term in Spring 2025.
- 2.15 The Board will note the interaction of this project with the stronger national policy position on strategic planning set up by Ministers, specifically, the prospects of a Spatial Development Strategy to be developed over the EMCCA area (in line with similar requirements of other combined authorities). Further details and consultation is underway nationally on planning reforms on which we will keep a close eye as we develop this project.

Developing a collective culture of Systems Leadership

- 2.16 A systems leadership approach shifts the focus towards understanding issues that arise from working in complexity and developing solutions that address multiple perspectives and fulfil multiple goals

rather than one single goal. This enables solutions to emerge that address the causes of problems rather than treating the symptoms. This will lead to stronger, more resilient communities capable of addressing future challenges collaboratively.

- 2.17 As a regional body EMCCA is creating an environment where systems leadership can flourish. A systems approach is essential for delivering a credible, viable, and adaptive plan to achieve complex challenges, which help manage risks and ensure our wider societal goals are delivered.
- 2.18 Overseen and steered by a co-design group, we will identify and provide learning and development opportunities to the Board, all local authority leaders in the EMCCA area and interventions with our partners to create a collective form of leadership – concerted efforts of many people working together at different places in the system and at different levels, rather than single leaders acting unilaterally, crossing both physical and virtual boundaries. This may include activity such as developing our shared understanding of the combined county authority’s purpose to ensure that we are all working collectively together.
- 2.19 This work starts now, through targeted learning and development interventions and in practice how we collaborate within the region and across multiple services to deliver the system owned Inclusive Growth Strategy and Shared Outcomes Framework. Growing skills and our ways of working to enable the governance structures to be simplified which in turn expedite decision-making processes.
- 2.20 The EMCCA Board have earmarked an afternoon session following its meeting on 16 September 2024 to develop the initial phase of this work as a group. Followed by a session of all 19 local authority leaders and the Mayor at the EMCCA Leaders’ Summit on 7 October 2024, with support from an external facilitator and informed by the co-design group.

Instituting a refreshed model for Systemic Governance

- 2.21 Learning from governance failures or suboptimalities in other MCAs areas – plus our region being the first such Combined County Authority – gives a chance to chart a new course on governance: one that genuinely drives delivery of shared outcomes for the region. That requires local policymaking rooted in partnerships (some formal, some informal) between public, private and third sectors.
- 2.22 Our systems for governing need to embrace the complexity of governance and accountability of an innovative and system wide approach based on outcomes-based decision-making, system wide value for money and greater regional accountability.
- 2.23 Working with partners we will create a compelling shared regional purpose, underpinned by regional missions, leadership and agreed behaviours, that will inform strategic approaches across organisations. Drawing on the regional strategy work developed with the Commission (as set out above), we will establish a shared outcomes framework that these partnerships can use to provide clarity on the outcomes-based objectives and the activity across the system that is required to deliver those outcomes.
- 2.24 This will form the strategic fit to inform our decision-making, strategy, investment decisions and actions. Governance, assurance and accountability mechanisms will then be developed within the EMCCA platform – and with those partners – that drive a systemic quality to decision-making, strategy, projects and interventions and deliver genuine scrutiny and accountability across the system.
- 2.25 The new Government has committed to introduce an English Devolution Bill, and to taking action on governance in combined authority areas. There is an important role in this landscape for regional Public Accounts Committees – bodies which can knit together governance and accountability across a place, reflecting the partnership focus that will be necessary in order to deliver against Government’s cross-cutting missions.
- 2.26 Investigating how best to deliver a regional systemic governance landscape will be a key element of this part of the regional strategy programme, this will include examining how and if a Regional Public Accounts Committee could operate in the EMCCA region.

- 2.27 The Board will note that this project is intended to adapt in the next municipal year (2025/26) so to build on the above projects once they have landed. Existing discussions about evolving the first iteration of the EMCCA governance framework are intended to be delivered first in this year (2024/25).

3. Background

- 3.1 Communications and engagement. This is fundamentally and necessarily a collaborative programme of work. It will draw on input and consultation with our public, private and voluntary sectors partners – and directly engage communities and the public. A programme of community engagement is being developed to run as a core part of the programme, with support of an external partner. Once established, the Mayor’s Youth Panel will take regular discussion items and will provide another sounding board for developing proposals.

A launch of the programme under the brand The East Midlands Way is being planned for following the EMCCA Board. There will be a website with information about the programme, regular updates, and guidance/details on how to participate. EMCCA’s usual social and other media channels will be used to provide updates, including our regular stakeholder bulletin.

- 3.2 Governance. The programme will take its lead from the EMCCA Board. Each of the portfolio holders and thematic committees will contribute heavily to the programme. The SRO for the programme is the EMCCA Deputy Chief Executive. Each of the five projects, excepting the Inclusive Growth Commission, have an EMCCA chief officer lead and sponsor from one of the constituent councils:

- a. Inclusive Growth Commission: Damien Dacey (EMCCA)
- b. Local Growth Plan: Will Morlidge (EMCCA)/Chris Henning (Derbyshire)
- c. Spatial development plan Richard Grice (EMCCA)/Derek Higton (Nottinghamshire)
- d. Systems leadership: Amanda Mays (EMCCA)/Sam Dennis (Derby)
- e. Systemic governance: Jodie Townsend (EMCCA)/Sajeeda Rose (Nottingham)

- 3.3 Resourcing. The programme of work will always draw first on existing resources available within the region. It will be supported through existing teams in the combined authority and its partner local authorities. The work will also draw on experts in this field to support and challenge, for example the Centre for Governance and Scrutiny.

4. Appendices

Appendix 1. Terms of reference for Inclusive Growth Commission

5. Implications

Financial Implications

- 5.1 The work programme will be provided with a provisional budget of £500k to allow for temporary staffing costs, commissioned analysis and research, and associated expenses. It is recommended that this is funded from the D2N2 Local Enterprise Partnership reserves, which is a suitable use for funding intended for regional economic development.

Legal Implications

- 5.2 The Regional Strategy Programme will deliver the key strategic context within which the Combined County Authority will operate, providing the objectives, missions, and outcomes that EMCCA will seek to deliver in partnership. This will form a key governance foundation for the Combined County Authority.
- 5.3 There will be a need to develop and implement a single assurance framework for inclusive growth in support of the Inclusive Growth Strategy and Outcomes Framework.
- 5.4 The programme presents opportunities to develop system, wide approaches to decision-making, governing and accountability. Governance, assurance and accountability mechanisms

will need to be developed within the EMCCA platform, and with those partners, that drive quality in decision-making, strategy, projects and interventions and deliver genuine scrutiny and accountability across the system.

Other Significant Implications

5.3 None identified

Background Papers

5.4 N/A

Appendix 1. Terms of reference for Inclusive Growth Commission

1. Purpose

The East Midlands Combined County Authority (EMCCA) intends to develop an Inclusive Growth Strategy (IGS) for the region. To be genuinely inclusive, the IGS must be based on robust, relevant and objective evidence. For those reasons EMCCA has decided to set up an Inclusive Growth Commission (IGC) to:

- assemble and review the evidence base relating to the key socio-economic issues for our region;
- work with regional partners to analyse the evidence and explain what it is telling us;
- produce recommendations back to EMCCA on the region's priorities and how EMCCA and partners can best address them.

Putting the IGC at arm's length from EMCCA will give it the independence of thought to offer robust challenge to us. We welcome a robust discussion that helps the region create the best strategy it can.

2. Outcomes

The IGC's work will inform the development of EMCCA's Inclusive Growth Strategy 2025-2035. It will also inform the development of the National Industrial Strategy, which is being developed by Government in parallel.

The new national and regional strategies will be mission driven. EMCCA has ten key objectives^[1] on which it is seeking the IGC's advice:

- Growing our **economy** faster;
- Better matching the supply of people from the **skills** system to the needs of employers;
- Creating more, better paid **job opportunities**;
- Increasing the pace of our economy's journey to **Net Zero**;
- Building the new **homes** our residents need in the right places and to the right standards;
- Improving physical and digital **connectivity** for all parts of our region;
- Reducing the **inequalities** within our region that distort too many people's social mobility;
- Having a **healthier**, more work-ready population;
- Ensuring more residents and visitors can experience a vibrant **natural environment**;
- Enabling more **important decisions to be made locally**.

The IGC will be entitled to investigate other issues with the agreement of EMCCA.

The IGC will want to give due reference to work being undertaken in parallel to enable the delivery of the ICS once defined, specifically on (a) systemic approach to regional governance and (b) collective regional leadership.

3. Outputs

The work of the commission will comprise several phases:

Inception

The work to create the Commission will be undertaken by EMCCA for inception in September 2024. This will involve agreeing the Terms of Reference, a Mayoral appointment of a Chair, and putting in place an officer team to enable the IGC to deliver from the region.

Recruitment of IGC members and support

Once recruited, the Chair will determine:

- The additional commissioners that are required;
- Any minor changes to the Terms of Reference;
- Specific dates for the remaining work programme;
- Any professional support needed that is above and beyond what EMCCA can provide.

Evidence assembly

The IGC will be free to look at any evidence it feels is relevant including raw data, existing analysis and reports. It will also be free to commission new evidence where nothing relevant exists, and this could include for example the use of AI to support their work, which has not been tried in our region before.

The IGC will be provided with existing datasets and insights, drawing upon the expertise of existing partners such as the Midlands Engine Observatory to supply such data. It will want to consider whether additional data is required early on and will want to consider for itself what questions to ask of that data.

We will ask the IGC to focus on the ten core EMCCA objectives that are all equally important in driving inclusive growth in our region, as set out in section 2.

Analysis

The assembly of the relevant evidence will enable analysis by the IGC of its meaning. The IGC will be asked to work out not just how the region looks now but also:

- How did we get here?
- Where should we aspire to be?
- What powers, freedoms, resources and other support will we need to get there?

The IGC will report to the EMCCA board on its interim and final findings. The EMCCA board will be empowered to challenge findings where appropriate and to suggest, but not require changes to be made.

Recommendations

Once the IGC and EMCCA board are sufficiently agreed over the analysis, the IGC will make its key recommendations that will shape the region for at least the next decade. The key question we want the recommendations to address is: *what can EMCCA and its partners do to drive up growth and productivity while tackling social, economic and environmental inequalities?*

While EMCCA is not prescriptive, we are expecting to see a small number of key recommendations that drive the region to work differently, more smartly and in stronger partnership. EMCCA brings the opportunity to drive systemic change in both what we do and how we do it, and we welcome the opportunity for the IGC to help us work out what that means in practice.

We expect that every recommendation will be accompanied by one or more clear and measurable metrics so that EMCCA can track its progress.

Timing

The IGC should report in advance of the results of the multi-year Spending Review expected before Spring 2025. As we do not yet know its date, our target end date for the IGCs work is:

- Analysis completed and reported to EMCCA Board by end September 2024
- First draft of recommendations completed and report to EMCCA Board by end December 2024
- Final report to EMCCA Board by end Feb 2025
- Followed by a joint EMCCA board and IGC meeting to agree final wordings.

After action review

EMCCA will lead an after-action review to learn lessons for our future ways of working.

4. Consultation

EMCCA and the IGC cannot deliver this work alone. We will need input from partners across the region and many outside. During the evidence assembly, analysis and recommendation phases the IGC will be tasked with

reaching out to our partners. This will require both a broad outreach to ensure we hear as many voices as possible and also more target outreach on specific issues or questions.

EMCCA will support this outreach activity through its Comms team. We will aim to be inclusive in our approach, using external partners and their networks wherever possible to amplify our reach.

EMCCA will continue this engagement during the follow up work to shape the regional strategy, using the IGC's recommendations as a starting point.

5. Membership

The mayor will appoint the IGC chair. The mayor and chair will agree the membership of the Committee, which will be created through co-option of

[14](#) Drawn from the initial Strategic Framework agreed by EMCCA Board in March 2024