



Combined County Authority Board

Monday, 17 June 2024 11.00 am

Council Chamber, Broxtowe Borough Council, Council Offices, Foster Avenue, Beeston, Nottinghamshire, NG9 1AB

AGENDA

Open to the Public and Press

- 1 **Welcome and Mayoral Announcements**
- 2 **Apologies for Absence**
- 3 **Declarations of Interest**
- 4 **Minutes of the Combined County Authority held on 20 March 2024** 1 - 6
- 5 **Membership of the EMCCA (Board)** 7 - 16
 - a) Note the members and substitute members appointed by constituent councils to the Combined County Authority for 2024-25
 - b) Note the members and substitute members appointed by nominating bodies to the Combined County Authority for 2024-25 to represent the District and Borough Councils of Derbyshire and Nottinghamshire
 - c) Approve the appointment of David Williams as the Chair of the Business Advisory Board for the remainder of the 2024/25 municipal year
 - d) Approve the appointment of Chris Jenkinson as an Associate Member of the Combined County Authority for the remainder of the 2024/25 municipal year
 - e) Approve the approach to the remaining associate memberships being provided to a representative of Higher Education and Further Education sectors as one, and Voluntary and Community and Social Enterprise – with

further advice to the next meeting of the Board following engagement

- f) Approve the Combined County Authority Calendar of Meetings

6 Appointments to the EMCCA Regulatory Committees 17 - 22

- a) Approve the political balance for the Overview and Scrutiny Committee and the Audit and Governance Committee
- b) Note the appointment of the Member and substitute Member nominations by constituent councils and nominating bodies to the Overview and Scrutiny Committee.
- c) Note the appointment of the Member and substitute Member nominations by constituent councils and nominating bodies to the Audit and Governance Committee.

Budget and Policy Framework Items

7 AEB Readiness Conditions 23 - 108

- a) Ratify the Adult Education Budget Readiness Conditions that were submitted to the Department of Education on 31 May 2024 (in line with delegation provided by Board on 20 March 2024).

8 Brownfield Housing Fund 109 - 112

- a) Delegate authority to approve the preferred selection of schemes for the Combined County Authority to meet its Brownfield Housing Fund timetable obligations to DLUHC to the Mayor, in consultation with the four constituent council Lead Members.

9 East Midlands Investment Zone 113 - 116

- a) Note the East Midlands Investment Zone (EMIZ) has completed Gateway 5 and the progress on developing an Annual Delivery plan.
- b) Approve adoption of EMIZ funding into the EMCCA budget.
- c) Approve delegation of decisions on initial 'sprint' investments to the Mayor, in consultation with Leaders of the four constituent councils.

Governance Items

- 10 Business Advisory Board Membership and Recruitment** 117 - 130
- a) Approve the revised Terms of Reference for the Business Advisory Board.
 - b) Approve the recruitment process for Business Advisory Board membership.
 - c) Delegate appointments to the Business Advisory Board to the Mayor and Chair of the Business Advisory Board, in consultation with the Appointments Panel.
- 11 Scheme of Allowances** 131 - 156
- a) Consider and approve the recommendations of the Independent Remuneration Panel
 - b) Adopt the East Midlands Combined County Authority Mayor and Members Allowances Scheme
- 12 Constitutional Amendments** 157 - 172
- a) Note amendments to constitution made by Monitoring Officer under delegated authority
 - b) Amend the Officer Employment Procedure Rules
 - c) Amend the Scheme of Delegation
 - d) Amend Article 1: The Combined County Authority and Article 2: The Mayor

NOTE FOR THE PUBLIC: Members of the public are advised that they can watch proceedings via the East Midlands Combined County Authority website by visit: www.eastmidlands-cca.gov.uk
Seating is available in the Council Chamber for those wishing to attend in person and will be allocated on a first-come, first-served basis.

Membership

The Combined County Authority comprises the following members:

Mayor Claire Ward (Chair)

Constituent Members

Councillor Shanker *

Councillor Peatfield

Councillor Lewis *

Councillor Spencer

Councillor Neghat Khan *

Councillor Ethan Radford

Councillor Ben Bradley *

Councillor Bruce Laughton

East Midlands Combined County Authority

Derby City Council

Derby City Council

Derbyshire County Council

Derbyshire County Council

Nottingham City Council

Nottingham City Council

Nottinghamshire County Council

Nottinghamshire County Council

** Indicates designated lead member to the Combined County Authority by the constituent council*

Non-Constituent Members

Councillor Gilby - D2 Strategic Leadership Board

Councillor McKeown - D2 Strategic Leadership Board

Councillor Peacock - Nottingham & Nottinghamshire Economic Prosperity Committee

Councillor Radulovic - Nottingham & Nottinghamshire Economic Prosperity Committee

If you need any advice on declaring an interest in any item on the agenda, please contact the Monitoring Officer, if possible before the day of the meeting.

Jodie Townsend

Monitoring Officer

Jodie.Townsend@eastmidsdevo.org.uk

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If you have any queries about this meeting, please contact:

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PUBLIC

MINUTES of a meeting of **EAST MIDLANDS COMBINED COUNTY AUTHORITY** held on Wednesday, 20 March 2024 at The Town Hall, Rose Hill, Chesterfield.

PRESENT

Councillor B Lewis (in the Chair)

Councillors B Bradley (Nottinghamshire County Council), T King (Derbyshire County Council) (substitute for S Spencer), B Laughton (Nottinghamshire County Council), D Mellen (Nottingham City Council), N Peatfield (Derby City Council), B Shanker (Derby City Council) and R Wynter (Nottingham City Council)

Officers present: Emma Alexander (Managing Director - Derbyshire County Council), Mel Barrett (Chief Executive - Nottingham City Council), Huw Bowen (Chief Executive - Chesterfield Borough Council), Richard Grice (Interim Strategy Lead), Mark Kenyon (Interim Section 73 Officer), Amanda Mays (Interim Operations and People Lead), Paul Simpson (Chief Executive - Derby City Council), Adrian Smith (Chief Executive - Nottinghamshire County Council), Andrew Stokes (Chief Executive - High Peak Borough Council) and Jodie Townsend (Interim Monitoring Officer).

Also present: Councillors T Gilby (Chesterfield Borough Council), A McKeown (High Peak Borough Council), P Peacock (Newark and Sherwood District Council), M Radulovic (Broxtowe Borough Council) and D Williams (Business Representative)

1 ELECTION OF CHAIR

Councillor Barry Lewis (Leader of Derbyshire County Council) was elected as Chair for the meeting.

2 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Simon Spencer (Derbyshire County Council) with Councillor Tony King attending as substitute.

3 DECLARATIONS OF INTEREST

None received.

4 PROPOSED STATUTORY OFFICER STRUCTURE

Amanda Mays (Interim Operations and People Lead) introduced a report, which had been circulated in advance of the meeting, setting out recommendations to make various staffing appointments to the Authority

in accordance with the Local Government and Housing Act 1989 and other legislation.

Mark Kenyon and Jodie Townsend left the room for consideration of this item.

RESOLVED to:

- 1) Appoint interim Statutory Officers as part of the interim structure for the Combined County Authority as follows:
 - a) Mark Rogers (Interim Chief Officer, East Midlands Devolution Programme) to the Interim Head of Paid Service;
 - b) Mark Kenyon (Director of Finance and s151 Officer, Derbyshire County Council) to the Interim Section 73 Officer;
 - c) Jodie Townsend (Interim Governance Lead, East Midlands Devolution Programme) to the Interim Monitoring Officer; and
 - d) Jodie Townsend to the Interim Senior Information Risk Owner;
- 2) Approve the establishment of an Appointments Panel for the Chief Officer roles of (a) Chief Executive and Head of Paid Service, (b) Executive Director Inclusive Growth, (c) Executive Director Place and (d) Executive Director Resources (S.73 Officer); and to delegate authority to that Panel to conduct the recruitment and selection process and nominate a candidate for each role (subject to the requirements of the EMCCA Constitution and any legislative requirements) for consideration by the EMCCA Board;
- 3) Note that recruitment of the final Chief Officer post – the Monitoring Officer – will be subject to a subsequent Board Report; and
- 4) Note in line with the Constitution the consultation, recruitment and appointment to roles excluding Chief Officer and/or statutory roles are delegated accordingly to the interim Head of Paid Service.

5 COMBINED COUNTY AUTHORITY GOVERNANCE

Jodie Townsend (Interim Monitoring Officer) introduced a report, which had been circulated in advance of the meeting, seeking agreement for a number of procedural governance matters required at the first meeting of the Combined County Authority.

RESOLVED to:

- 1) Approve the draft Constitution, at Appendix A to the report, for

adoption;

- 2) Delegate authority to make any urgent and necessary amendments to the Constitution to the Interim Monitoring Officer in consultation with the four Lead Members of the Constituent Councils as set out in paragraph 3.54 of the report, pending the Mayor taking office at which point consultation would extend to the Mayor as well, ensuring that any amendments are consistent with the provisions of the 2024 Regulations and are reported to the subsequent meeting of this Board;
- 3) Appoint the D2 Strategic Leadership Board (Derbyshire) and The City of Nottingham and Nottinghamshire Economic Prosperity Committee (Nottinghamshire) as nominating bodies to nominate representatives for appointment to the Combined County Authority as set out in paragraph 3.32 of the report, subject to the two joint committees accepting the designation as a nominating body;
- 4) Delegate to the Interim Monitoring Officer the power to:
 - a) establish an Independent Remuneration Panel, including agreeing a terms of reference and reasonable allowances in consultation with the four Lead Members of the Constituent Councils, so that the Independent Remuneration Panel can, at the earliest opportunity, undertake a review and make recommendations regarding a scheme of allowances for the Combined County Authority to consider at a future meeting of this Board;
 - b) advertise the vacancy for the Independent Person on the Audit and Governance Committee, noting that they will act as Chair of the Committee, and make recommendations for appointment at a future meeting of this Board; and
 - c) advertise the vacancies for Independent Persons under Section 28 of the Localism Act 2011 for standards and make recommendations for appointment at a future meeting of this Board;
- 5) Confirm, in accordance with section 42(1) of the Levelling Up and Regeneration Act 2023, that the elected mayor for the Combined County Authority area is to be known by the title of the 'Mayor'; and
- 6) Confirm approval of the EMCCA's Local Assurance Framework at Appendix B to the report.

Jodie Townsend (Interim Monitoring Officer) introduced a report, which had been circulated in advance of the meeting, that sought approval to confirm the appointment of Melbourne Barrett as the Combined County Authority Returning Officer.

Melbourne Barrett left the room for consideration of this item.

RESOLVED to:

- 1) Confirm the decision taken by the Constituent Councils to appoint the Combined County Authority Returning Officer as set out in paragraph 3.1 of the report; and
- 2) Agree the Combined County Authority Returning Officer Fees as set out in paragraph 3.6 of the report.

7 COMBINED COUNTY AUTHORITY PAY AND GRADING FRAMEWORK

Amanda Mays (Interim Operations and People Lead) introduced a report, which had been circulated in advance of the meeting, outlining the proposed pay and grading framework for determining salary levels for staff of the combined authority.

RESOLVED to:

- 1) Note the progress made on the East Midlands Combined County Authority (EMCCA) Pay and Grading Framework;
- 2) Approve the proposed Pay and Grading Framework and associated pay scales at Appendix 1 to the report;
- 3) Approve job evaluation of the work of EMCCA employees using the Korn Ferry Hay scheme and principles and agree that an external provider is sought to meet the initial considerable demand and swift turnaround times;
- 4) Agree to use the nationally negotiated National Joint Council pay spine as the basis for the local grading structure;
- 5) Agree that the terms and conditions of employment for non-Chief Officers will be in accordance with collective agreements negotiated from time to time by the National Joint Council for Local Government Services;
- 6) Support the production of a Market Supplement Policy and

Redundancy and Early Retirement Policy;

- 7) Agree the EMCCA shall pay a spot salary for the Chief Executive and Executive Director roles and that no bonuses or performance related pay is paid to its Chief Officers;
- 8) Apply to the Living Wage Foundation to obtain Living Wage accreditation; and
- 9) Note that progress has been made so that the EMCCA joins the Local Government Pension Scheme.

8 COMBINED COUNTY AUTHORITY BUDGET 2024/25

Mark Kenyon (Interim Section 73 Officer) introduced a report, which had been circulated in advance of the meeting, setting out the budget and other financial arrangements for the new combined authority.

RESOLVED to:

- 1) Approve the interim operating East Midlands Combined County Authority budget for 2024/25 at Appendix 1 to the report;
- 2) Accept grant funding will be received and will be subject to conditions as set out in the grant offer agreements;
- 3) Agree that the Combined County Authority will opt into the national Public Sector Audit Appointments scheme to appoint its External Auditors;
- 4) Agree that a full finance system and service is required to be provided to the Combined County Authority by Derbyshire County Council as an interim arrangement; and
- 5) Agree for the Combined County Authority to adopt the Treasury Management Strategy and Financial Regulations of Derbyshire County Council and the Standing Orders of Nottinghamshire County Council as an interim arrangement in alignment with the proposed constitution at Appendix 2 to the report.

9 COMBINED COUNTY AUTHORITY STRATEGIC AND INVESTMENT FRAMEWORK

Richard Grice (Interim Strategy and Delivery Lead) introduced a report, which was circulated in advance of the meeting, which set out the Combined Authority's Strategic and Investment Framework.

RESOLVED to:

- 1) Approve the Strategic Framework as a sufficient basis for East Midlands County Combined Authority (EMCCA) interventions and investments in 2024/25 and the development of a longer-term regional inclusive growth strategy, allowing for accommodation of Mayoral priorities from May 2024;
- 2) Approve the 2024/25 delivery plans, as set out in the Strategic Framework, allowing for accommodation of Mayoral priorities from May 2024;
- 3) Approve the further development of the Strategic Framework into a long-term inclusive growth strategy and delivery plan during 2024/25, for approval in March 2025;
- 4) Approve an initial investment plan and associated delegations for March-June 2024 to enable the development of an early pipeline of interventions and further investment in line with the Strategic Framework and delivery plans; and
- 5) Approve delegation to the Interim Chief Executive of the EMCCA of the submission of the Adult Education Budget Readiness Conditions, subject to consultation with members of the constituent councils, for final ratification at EMCCA Board in June.

The meeting finished at 12.18 pm



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helping our people and businesses to create and seize opportunities*

Combined County Authority Board		
Date	17 June 2024 – Annual General Meeting	
Report Title	Membership of the East Midlands Combined County Authority (EMCCA)	
Accountable EMCCA Board Member	Mayor Claire Ward	
Accountable Chief Officer	Mark Rogers, Interim Chief Executive	
Accountable Employee	Jodie Townsend, Interim Monitoring Officer	
Report has been considered by	Informal Board	
Key decision	No	
Public Report	Yes	
Voting Arrangements	A: Noting, no vote required B: Noting, no vote required C: By simple majority including the Mayor D: By simple majority including the Mayor E: By simple majority including the Mayor F: By simple majority including the Mayor	
Recommendation(s) for action or decision:		
The Combined County Authority is recommended to:		
A	Note the members and substitute members appointed by constituent councils to the Combined County Authority for 2024-25 as set out in <u>Appendix A</u>.	
B	Note the members and substitute members appointed by nominating bodies to the Combined County Authority for 2024-25 to represent the District and Borough Councils of Derbyshire and Nottinghamshire as set out in <u>Appendix B</u>.	
C	Approve the appointment of David Williams as the Chair of the Business Advisory Board for the remainder of the 2024/25 municipal year (as set out in paragraph 2.7)	
D	Approve the appointment of Chris Jenkinson as an Associate Member of the Combined County Authority for the remainder of the 2024/25 municipal year (as set out in paragraph 2.8)	
E	Approve the approach to the remaining associate memberships being provided to a representative of Higher Education and Further Education sectors as one, and Voluntary	

	and Community and Social Enterprise – with further advice to the next meeting of the Board following engagement (as set out in paragraph 2.9 - 2.10)
F	Approve the Combined County Authority Calendar of Meetings attached at <u>Appendix C</u>

The subject of this report is linked to a statutory requirement under the East Midlands Combined County Authority Regulations 2024 which requires each constituent council to appoint members and substitute members to the Combined Authority.

District and Borough Council representatives are appointed by nominating bodies designated by the Combined County Authority. The East Midlands Combined County Authority Regulations 2024 allow for the appointment of a maximum of 8 (combined) non-constituent and associate members of the Board.

1. Purpose

- 1.1 This report confirms the appointments to the East Midlands Combined County Authority (EMCCA) Board of constituent and non-constituent members (and substitutes) for 2024-25.
- 1.2 The report also proposes appointments for other non-constituent and/or associate members.

2. Proposal

Constituent Council appointments

- 2.1 Each constituent council must appoint two elected members and two substitute members to the Combined County Authority (Board). Each constituent council made such appointments in May 2024. The appointments are set out in **Appendix A**.
- 2.2 Each constituent council also appointed two elected members and two substitute members to the EMCCA's advisory committees (for investment, transport, and skills employment). Appointments to these committees are required to reflect the political balance of the EMCCA Board, in this regard the Combined County Authority should be considered as the "relevant authorities" when interpreting sections 15 and 17 of the 1989 Act and not the constituent councils. The appointments are also set out in **Appendix A**.
- 2.3 Appointments to Overview & Scrutiny Committee and Audit & Governance Committee are covered in a separate report.

Nominating Body appointments (district and borough councils)

- 2.4 The D2 Strategic Leadership Board (Derbyshire) and The City of Nottingham and Nottinghamshire Economic Prosperity Committee (Nottinghamshire) have now met to accept their designation as nominating bodies for district and borough representatives to the EMCCA Board and to appoint the required representatives to the EMCCA Board.
- 2.5 The nominating bodies were each asked to appoint two district and borough elected members and substitute members to the EMCCA Board and each of the EMCCA's advisory committees. The appointments by each nominating body are set out in **Appendix B**.

Appointment of Associate and/or other Non-Constituent Members to the EMCCA Board

- 2.6 The regulations state that there must be no more than eight non-constituent and associate members (combined). There are four non-constituent district and borough representatives, so the EMCCA Board can appoint four additional non-constituent and associate memberships to consider.
- 2.7 At the 20 March 2024 meeting of the Board, it was agreed that the Chair of the Business Advisory Board will be an associate member. It is proposed that the interim business representative should be

confirmed as Chair for the remainder of the 2024/25 year to oversee the establishment of the Board, as set out in the related paper for this agenda.

- 2.8 It is proposed that a second associate membership is provided to Chris Jenkinson for the remainder of the 2024-25 year, who has been proposed by the Midlands region of the Trade Union Congress and is East Midlands regional secretary of Unison. A trade union representative on the Board will provide the significant voice of employees to sit alongside that of the voice of business on the Board, given their membership rates and understanding of the region and its economy.
- 2.9 Is it proposed that a third associate membership be provided to a rotating representative of the Higher Education (HE) and Further Education (FE) sectors. Such representation would align with the skills, employment, innovation functions and ambitions of the EMCCA and add genuine value to Board considerations around these key areas. Engagement with representatives from the sector will be undertaken before further advice is provided to the next EMCCA Board.
- 2.10 It is then proposed that the fourth associate membership be provided to the Voluntary and Community and Social Enterprise (VCSE) sector. Engagement with representatives from the sector will be undertaken before further advice is provided to the next EMCCA Board.

Calendar of Meetings

- 2.11 A Calendar of meetings for the Combined County Authority is set out in **Appendix C**.
- 2.12 The calendar has been developed in consultation with each constituent council, with dates being drawn up based around the following principles:
- EMCCA Board not to clash with Council or Executive meetings at Constituent Councils
 - Meeting cycle to begin after summer holiday period (*with exception of Board/ Scrutiny*) to allow time for Mayoral onboarding, A&G Chair recruitment, Business Advisory Board recruitment
 - Meetings not to clash with school holidays, political party conferences, LGA conference where at all possible
 - No meetings in immediate period prior to elections
 - Investment Committee prior to Board to allow for limited time before recommendations are considered where possible
 - Overview & Scrutiny Committee prior to Board to allow comments on decisions to be taken at Board where possible

3. Background

- 3.1 The East Midlands devolution deal signed in August 2022 enabled the creation of England's first Combined County Authority. The East Midlands Combined County Authority Regulations 2024 came into force on 28 February 2024, with the majority of its provisions applying immediately and the remaining provisions coming into force with the election of a Mayor for the East Midlands Combined County Authority area in May 2024. The EMCCA Board is now chaired by the Mayor and decisions can now be taken to fully constitute it.
- 3.2 The EMCCA Monitoring Officer produced guidance for the constituent councils in making their appointments to the EMCCA Board and provided similar guidance to support the nominating bodies in their nomination decisions.

4. Appendices

- 4.1 Appendix A: Constituent Council appointments to the Combined County Authority and its Committees.
- 4.2 Appendix B: Nominating Body appointments to the Combined County Authority and its Committees.
- 4.3 Appendix C: Calendar of Meetings 2024/25

5. Implications

Financial Implications

- 5.1 In accordance with the East Midlands Combined County Authority Regulations 2024, no remuneration is payable to the Combined County Authority members other than allowances for travel and subsistence paid in accordance with a scheme drawn up by the Combined County Authority.
- 5.2 The Combined County Authority may pay an allowance following a review by an Independent Remuneration Panel to:
- a) the Mayor;
 - b) the deputy mayor provided that the deputy mayor is not a leader or elected mayor of a constituent council;
 - c) independent persons appointed under article 5 of the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017(1); and
 - d) members of the overview and scrutiny committee and members of the audit committee
- 5.3 The Combined County Authority may only pay an allowance to the people listed above if it has:
- a) considered a report published by the independent remuneration panel which contains recommendations for such an allowance; and
 - b) approved a scheme for the payment of the allowance providing that scheme does not provide for the payment of allowances of an amount in excess of the amount recommended by the independent remuneration panel.
- 5.4 A budget will need to be allocated to cover the costs of agreed payments for any allowances following a review of the Independent Remuneration Panel, this will be covered by the Combined County Authority budget allocation.

Legal Implications

- 5.5 The East Midlands Combined County Authority Regulations 2024 set out the membership requirements for the Combined County Authority. The proposals within this report are in accordance with those regulations and the constitution.

Other Significant Implications

- 5.6 There are no other implications identified within the body of this report.

Background Papers

- 5.7 [The East Midlands Combined County Authority Regulations 2024 \(legislation.gov.uk\)](#)
- 5.8 Constitution: [Item 5 - Appendix A.pdf \(derbyshire.gov.uk\)](#)

Appendix A: Constituent Council Appointments to Board and Committees

EMCCA Board		
Council	Members	Substitutes
Derby City Council	Councillor Shanker* Councillor Peatfield	Councillor Whitby Councillor Swan
Derbyshire County Council	Councillor Lewis* Councillor Spencer	Councillor King Councillor Renwick
Nottingham City Council	Councillor Khan* Councillor Radford	Councillor Mellen Councillor Woodings
Nottinghamshire County Council	Councillor Bradley* Councillor Laughton	Councillor Councillor
* indicates appointed as the designated Lead Member to EMCCA		

Transport Advisory Committee		
Council	Members	Substitutes
Derby City Council	Councillor Swan Councillor Onuoha	Councillor Bolton Councillor Chambers
Derbyshire County Council	Councillor Cupit Councillor Ainsworth	tbc
Nottingham City Council	Councillor Khan Councillor Mellen	tbc
Nottinghamshire County Council	Councillor Clarke MBE Councillor Cottee	Councillor Councillor

Skills & Employment Advisory Committee		
Council	Members	Substitutes
Derby City Council	Councillor Whitby Councillor C Wright	Councillor Bolton Councillor Chambers
Derbyshire County Council	Councillor King Councillor Dale	tbc
Nottingham City Council	Councillor Radford Councillor Battlemuch	tbc
Nottinghamshire County Council	Councillor Girling Councillor Adair	Councillor Councillor

Investment Committee		
Council	Members	Substitutes
Derby City Council	Councillor Bonser Councillor Rawson	Councillor Bolton Councillor Chambers
Derbyshire County Council	Councillor Smith Councillor Muller	tbc
Nottingham City Council	Councillor Woodings Councillor Wynter	tbc
Nottinghamshire County Council	Councillor Jackson Councillor Camilleri	Councillor Councillor

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Appendix B: Designated Bodies Appointments to Board and Committees

The designated bodies for appointments to EMCCA are the D2 Strategic Leadership Board (Derbyshire) and the Nottingham and Nottinghamshire Economic Prosperity Committee.

EMCCA Board		
Council	Members	Substitutes
D2 Strategic Leadership Board	Councillor P Gilby Councillor A McKeown	tbc
Nottingham and Nottinghamshire Economic Prosperity Committee	Councillor P Peacock Councillor M Radulovic	Councillor James Naish

Transport Advisory Committee		
Council	Members	Substitutes
D2 Strategic Leadership Board	Councillor S Fritter Councillor N Barker	Councillor S Fritchley Councillor J Dawson
Nottingham and Nottinghamshire Economic Prosperity Committee	Councillor P Peacock Councillor M Relf	Councillor D Pidwell Councillor P Bales

Skills & Employment Advisory Committee		
Council	Members	Substitutes
D2 Strategic Leadership Board	Councillor R Pearson Councillor J Dawson	Councillor S Fritter Councillor A Serjeant
Nottingham and Nottinghamshire Economic Prosperity Committee	Councillor G Bunn Councillor J White	Councillor M Spoons Councillor M Relf

Investment Committee		
Council	Members	Substitutes
D2 Strategic Leadership Board	Councillor S Fritchley Councillor C Emmas-Williams	Councillor N Barker Councillor R Pearson
Nottingham and Nottinghamshire Economic Prosperity Committee	Councillor J Clarke Councillor N Clarke	Councillor C Whitby Councillor G Marshall

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Appendix C: Calendar of Meetings

	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN 25	FEB	MAR	APR
BOARD	17	15 <i>informal</i>		16	14 <i>informal</i>	4 25 <i>informal</i>	16 <i>(Budget)</i>	20 <i>Informal</i>	10 <i>(Budget)</i>	10 <i>Informal</i>	1
TRANSPORT					8	12		7		4	
SKILLS & EMPLOYMENT					10	21		9		6	
INVESTMENT				30			2	27		17	
BUSINESS ADVISORY					2	13	18	22		12	
OVERVIEW & SCRUTINY		11		19 <i>informal</i>	31	28 <i>informal</i>	12	8 <i>informal</i> 23 <i>(Budget)</i>	27 <i>Informal</i>	27	
AUDIT & GOVERNANCE					4		6	31		21	

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Combined County Authority Board		Agenda Item 6
Date	17 June 2024 – Annual General Meeting	
Report Title	Membership of the East Midlands Combined County Authority Regulatory Committees	
Accountable EMCCA Board Member	Mayor Claire Ward	
Accountable Chief Officer	Mark Rogers, Interim Chief Executive	
Accountable Employee	Jodie Townsend, Interim Monitoring Officer	
Report has been considered by	Informal Board	
Key decision	No	
Public Report	Yes	
Voting Arrangements	A: simple majority including the Mayor B: To note C: To note	
Recommendation(s) for action or decision:		
The Combined County Authority is recommended to:		
A	Approve the political balance for the Overview and Scrutiny Committee and the Audit and Governance Committee as set out in paragraph 2.10.	
B	Note the appointment of the Member and substitute Member nominations by constituent councils and nominating bodies to the Overview and Scrutiny Committee as set out in paragraph 2.17	
C	Note the appointment of the Member and substitute Member nominations by constituent councils and nominating bodies to the Audit and Governance Committee as set out in paragraph 2.18	

The subject of this report is linked to a statutory requirement under the East Midlands Combined County Authority Regulations 2024 and the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) (Amendment) Regulations 2024, which requires each constituent council to appoint members and substitute members to the Combined County Authority Regulatory Committees and reflect as reasonably as possible political balance.

1. Purpose

- 1.1 This report relates to the appointment of Members onto the Overview and Scrutiny Committee and the Audit and Governance Committee.
- 1.2 To note the members and substitute members appointed by constituent councils to the Combined County Authority Overview and Scrutiny Committee, and Audit and Governance Committee for 2024-25.
- 1.3 To note the members and substitute members appointed by nominating bodies to the Combined County Authority Overview and Scrutiny Committee, and Audit and Governance for 2024-25, to represent the District and Borough Councils of Derbyshire and Nottinghamshire.

2. Proposal

Political Balance Calculations

- 2.1 The Combined County Authority established an Overview and Scrutiny Committee (OSC) and an Audit & Governance Committee (AGC) at the meeting on 20 March 2024.
- 2.2 The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) (Amendment) Regulations 2024 sets out the rules for membership. The regulations ((SI 2017/68 as amended by SI 2024/430) at Article 4(1) requires that:

(1) The combined authority [or, as the case may be, combined county authority,] must:

- (a) appoint such a number of members of each of the constituent councils to an overview and scrutiny committee, so that the members of the committee taken as a whole reflect so far as reasonably practicable the balance of **political parties** for the time being prevailing among members of the constituent councils when taken together;

A similar provision exists for Audit Committees and can found in Article 14.

- 2.3 The combined membership of the OSC and AGC should reflect so far as reasonably practicable the balance of political parties of the four constituent councils. The balance is therefore based on membership of political parties, not political groups, on the four constituent councils.
- 2.4 The Combined County Authority agreed that to ensure an equitable representation across each constituent authority, two members from each constituent council should be appointed to the OSC, representing a total membership of eight.
- 2.5 In order to assess the political balance of both the OSC and AGC, it is first necessary to look at the combined political party make-up of the four constituent councils, this is shown in the following table:

Table A

Council	Ashfield Ind.	Con	Green	Derby Ind.	N'ham Ind.	Lab	Lib Dem	Reform Derby	Reform UK	Ind.	Totals
Derby City		15		3		23	4	6			51
Derbyshire		41	1			16	4		2		64
Nottingham City					3	50				2	55
Nottinghamshire	10	35				15				6	66

* Ind = Independents - Based on numbers provided by each Council to EMCCA following May elections

2.6 The political proportionality of the OSC and AGC is based upon the total number of councillors on the four constituent councils from political parties that are registered nationally with the Electoral Commission. Therefore, the total number of councillors across the combined authority area disregards those elected as Independents and those in groups that are not registered nationally with the Electoral Commission.

2.7 As a result, the political proportionality is calculated on the following numbers:

Table B

	Ashfield Ind.	Conservative	Green	N'ham Ind	Labour	Lid Dem	Reform Derby	Reform Uk
Derby City		15 (31%)			23 (48%)	4 (8%)	6 (13%)	
Derbyshire		41 (64%)	1 (2%)		16 (25%)	4 (6%)		2 (3%)
Nottingham City				3 (6%)	50 (94%)			
Nottinghamshire	10 (17%)	35 (58%)			15 (25%)			
Total	10	91	1	3	104	8	6	2
% of overall Political Balance	4.44	40.44	0.44	1.33	46.22	3.56	2.67	0.89

2.8 The figures above have been confirmed by the Democratic Services Teams in each of the four constituent councils.

2.9 The share of overall political balance divided into the eight members (the number of members for both OSC and AGC for the four constituent councils) creates the following committee entitlement:

Table C

	Ashfield Ind.	Con	Green	Nott. Ind.	Lab	Lib Dem	Reform Derby	Reform UK
Political Balance %	4.44	40.44	0.44	1.33	46.22	3.56	2.67	0.89
Above divided by 8	0.35556	3.23556	0.03556	0.10667	3.69778	0.28444	0.21333	0.07111
Number of seats	0	3	0	0	4	0	0	0

2.10 The result of this calculation is as follows for both Overview & Scrutiny Committee and the Audit & Governance Committee:

Derby City	<ul style="list-style-type: none"> ▪ 1 Conservative ▪ 1 Labour
Derbyshire	<ul style="list-style-type: none"> ▪ 1 Conservative ▪ 1 Labour
Nottingham City	<ul style="list-style-type: none"> ▪ 2 Labour
Nottinghamshire	<ul style="list-style-type: none"> ▪ 1 Conservative ▪ 1 Ashfield Independent

2.11 The justification for this allocation is:

- All percentages are worked out without the inclusion of independents and the one independent group that isn't a registered party with the electoral commission (table B)

- The political balance percentages for each group are then calculated from the number of seats across all constituent authorities (that are applicable) and then divided by that total number
- Those percentages are then worked out as seat allocations – which then need to be rounded to whole numbers.
- The whole numbers only add up to 7 (table C) so we need to find an additional seat
- The six “easy” allocated seats are given to the groups with the highest percentage figures in the different groups at their authorities. (94, 64, 58, 48, 31, 25). An additional seat is then given to the Labour Group at Nottingham City as the next “highest” percentage is then technically still that group at that constituent authority as 94% is so large
- The last seat then needs to go to Nottinghamshire but can’t go to Labour as they already have 4 seats over all so it goes to Ashfield Independent as the next highest.

2.12 These calculations have been shared with the Democratic Services Teams at each constituent council and have been agreed as correct.

2.13 Subsequently each constituent council was provided with these political balance calculations and requested to provide appointments to the Overview and Scrutiny Committee and the Audit and Governance Committee as set out in 2.10.

2.14 The Combined Authority has agreed that substitute members should be appointed for each position on the Audit and Governance Committee and the Overview and Scrutiny Committee. Any substitute members should come from the same party as the Member they are substituting for to maintain political balance.

2.15 For the Overview and Scrutiny Committee, if constituent councils have appointed members from the same political parties, those Councils might only wish to appoint one substitute rather than two. The quorum set down in legislation is two thirds of the total membership. Therefore, it is preferable to appoint two members in case both members are absent from a meeting and need to substitute.

2.16 Appointments to the Regulatory Committees are until 31 May 2025.

Appointments to the Overview & Scrutiny Committee

2.17 The following Members have been appointed to the Overview and Scrutiny Committee as follows:

Appointed by:	Members:	Substitutes:
Derby City Council	<ul style="list-style-type: none"> ▪ Councillor Dhindsa ▪ Councillor Poulter 	<ul style="list-style-type: none"> ▪ Councillor Martin ▪ Councillor Smale
Derbyshire County Council	<ul style="list-style-type: none"> ▪ Councillor S Swann ▪ Councillor J Dixon 	<ul style="list-style-type: none"> ▪ tbc
Nottingham City Council	<ul style="list-style-type: none"> ▪ Councillor S Gardiner ▪ G Power 	<ul style="list-style-type: none"> ▪ tbc
Nottinghamshire County Council	<ul style="list-style-type: none"> ▪ Councillor B Elliott ▪ tbc 	<ul style="list-style-type: none"> ▪ tbc
D2 Strategic Leadership Board	<ul style="list-style-type: none"> ▪ Councillor D Hughes ▪ Councillor K Gillott 	<ul style="list-style-type: none"> ▪ Councillor D McGregor ▪ Councillor S Bambrick

Nottingham and Nottinghamshire Economic Prosperity Committee	<ul style="list-style-type: none"> ▪ Mayor A Abrahams ▪ Councillor A Brennan 	<ul style="list-style-type: none"> ▪ tbc
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Appointments to the Audit & Governance Committee

2.18 The following Members have been appointed to the Audit & Governance Committee as follows:

Appointed by:	Members:	Substitutes:
Derby City Council	<ul style="list-style-type: none"> ▪ Councillor Hezelgrave ▪ Councillor Morgan-McGeehan 	<ul style="list-style-type: none"> ▪ Councillor S Khan ▪ Councillor Eyre
Derbyshire County Council	<ul style="list-style-type: none"> ▪ Councillor A Foster ▪ Councillor D Allen 	<ul style="list-style-type: none"> ▪ tbc
Nottingham City Council	<ul style="list-style-type: none"> ▪ Councillor M Edwards ▪ Councillor A Williams 	<ul style="list-style-type: none"> ▪ tbc
Nottinghamshire County Council	<ul style="list-style-type: none"> ▪ Councillor P Owen ▪ tbc 	<ul style="list-style-type: none"> ▪ tbc
D2 Strategic Leadership Board	<ul style="list-style-type: none"> ▪ Councillor J Staton ▪ Councillor C Pain 	<ul style="list-style-type: none"> ▪ Councillor C Emmas-Williams ▪ Councillor N Buttell
Nottingham and Nottinghamshire Economic Prosperity Committee	<ul style="list-style-type: none"> ▪ Councillor Paul Henshaw ▪ tbc 	<ul style="list-style-type: none"> ▪ tbc

3. Background

3.1 The subject of this report is linked to a statutory requirement under the East Midlands Combined County Authority Regulations 2024 and the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) (Amendment) Regulations 2024, which requires each constituent council to appoint members and substitute members to the Combined County Authority Regulatory Committees and reflect as reasonably as possible political balance.

Guidance

3.2 To support the process of appointing elected members to the Combined County Authority, whilst noting that the decision regarding appointments is one for each individual constituent council, the Monitoring Officer produced a guidance note for constituent councils to consider when making appointments.

3.3 A similar guidance note was produced to support the nominating bodies in their appointment process.

4. Appendices

4.1 There are no appendices to this report.

5. Implications

Financial Implications

- 5.1 In accordance with the East Midlands Combined County Authority Regulations 2024, no remuneration is payable to the Combined County Authority members other than allowances for travel and subsistence paid in accordance with a scheme drawn up by the Combined County Authority.
- 5.2 The Combined County Authority may pay an allowance following a review by an Independent Remuneration Panel to independent persons appointed under article 5 of the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017(1); and members of the overview and scrutiny committee and members of the audit committee
- 5.3 The Combined County Authority may only pay an allowance to the people listed above if it has:
- a) considered a report published by the independent remuneration panel which contains recommendations for such an allowance; and
 - b) approved a scheme for the payment of the allowance providing that scheme does not provide for the payment of allowances of an amount in excess of the amount recommended by the independent remuneration panel
- 5.4 A budget will need to be allocated to cover the costs of agreed payments for any allowances following a review of the Independent Remuneration Panel, this will be covered by the Combined County Authority budget allocation.

Legal Implications

- 5.5 The East Midlands Combined County Authority Regulations 2024 set out the membership requirements for the Combined County Authority. The proposals within this report are in accordance with those regulations and the constitution.
- 5.6 The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017, as amended by the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) (Amendment) Regulations 2024, set out membership requirements for appointing to Regulatory Committees.

Other Significant Implications

- 5.7 There are no other implications identified within the body of this report.

Background Papers

- 5.8 [The East Midlands Combined County Authority Regulations 2024 \(legislation.gov.uk\)](#)
- 5.9 [The Combined Authorities \(Overview and Scrutiny Committees, Access to Information and Audit Committees\) \(Amendment\) Regulations 2024 \(legislation.gov.uk\)](#)



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

Combined County Authority Board		
Date	17 June 2024 – Annual General Meeting	
Report Title	Adult Education Budget Readiness Conditions	
Accountable EMCCA Board Member	Mayor Claire Ward	
Accountable Chief Officer	Mark Rogers, Interim Chief Executive	
Accountable Employee	Craig Moffatt, Senior Programme Manager	
Report has been considered by	Informal Board	
Key decision	No	
Public Report	Yes	
Voting Arrangements	A: simple majority including the Mayor	
Recommendation(s) for action or decision:		
The Combined County Authority is recommended to:		
A	Ratify the Adult Education Budget Readiness Conditions that were submitted to the Department of Education on 31 May 2024.	

1. Purpose

- 1.1 Inform the Board of the development and subsequent submission of the Adult Education Budget (AEB) readiness conditions to the Department of Education (DfE) on 31 May 2024.
- 1.2 To ask the Board to ratify the Adult Education Budget Readiness Conditions that were submitted to the DfE on 31 May 2024.

2. Background

- 2.1 The AEB is the most significant skills budget currently devolved to EMCCA, worth in the region of £53m annually from August 2025. To receive devolved AEB, EMCCA needs to evidence its readiness to deliver. The Board was made aware that the first stage of this process was for EMCCA to submit a response to a set of AEB readiness conditions set by the DfE by 31st May 2024, which included:

- A letter from the Chief Executive confirming how EMCCA will improve the delivery of adult education functions in the area and associated improvement of outcomes for residents.
- A completed self-assessment checklist and supplementary evidence that shows how EMCCA will effectively deliver the operational processes and functions to support the AEB delivery.
- An AEB Strategic Skills Plan.

- 2.2 At its meeting held on 20 March 2024 the EMCCA Board were informed that given the timing of the Mayoral election and dates of future meetings there would be no further opportunity to obtain Board approval on the proposed readiness submission prior to the deadline of 31 May 2024.
- 2.3 On this basis the Board agreed to approve delegation to the Interim Chief Executive of the submission of the AEB readiness conditions, subject to consultation with members of the constituent councils, for final ratification at EMCCA Board in June. **This report seeks that final ratification.**
- 2.4 To fulfil the delegated approval, additional consultation with members of the constituent councils was held at Informal Leaders Board held on 22 April 2024, which involved setting out EMCCA current position in relation to each element of the readiness conditions. This raised no key concerns and enabled officers to continue developing the readiness documentation up to the submission date.
- 2.5 It is important to remind the Board that the DfE recognises the EMCCA was less than three months old at the time of submitting its response and where processes, systems, communications, documentation are not fully developed, the submission had to demonstrate a timeline of when EMCCA will arrive at a final position. The DfE have also been made aware that the information contained in the readiness submission is in draft, subject to ratification by the EMCCA Board for which this report is seeking.
- 2.6 Looking forward, the Board should note that EMCCA now has in post a dedicated AEB Programme Manager who has substantial experience of designing, developing and delivering devolved AEB at both West Yorkshire Combined Authority and South Yorkshire Mayoral Combined Authority, and as work takes place over the coming months to develop the key processes, systems and policies, EMCCA Officers will seek relevant approvals in a timely manner and in accordance with the established EMCCA governance and decision-making structures.
- 2.7 Also, to note is that AEB is changing its name to Adult Skills Fund (ASF) in 2024/25 academic year via a DfE national rebranding process. However, this will have been in place for a year before ASF goes live in EMCCA, will not impact on the type of training provision to be delivered when this is devolved to EMCCA in 2025/26. Updates at future MCA boards will be provided on progress and on any changes from DfE.

3. Proposal

- 3.1 The Combined County Authority is recommended to ratify the AEB readiness conditions that were submitted to the Department of Education on 31 May 2024 in line with the agreed delegation provided to the Chief Executive on 20 March 2024.
- 3.2 The readiness conditions are set out in the attached appendices:
- Appendix 1 - CEO letter
 - Appendix 2 - Self Assessment Check List
 - Appendix 3 - Supplementary evidence
 - Appendix 4 - Draft AEB Strategic Skills Plan
- 3.3 These appendices are attached to this report.

4. Appendices

- 4.1 Appendix 1 - CEO letter
- 4.2 Appendix 2 - Self Assessment Check List
- 4.3 Appendix 3 - Supplementary evidence
- 4.4 Appendix 4 - Draft AEB Strategic Skills Plan

5. Implications

Financial Implications

- 5.1 There are no direct financial implications relating to this report, any financial implications were set out in the report to Board on 20 March 2024.

Legal Implications

- 5.2 Evidencing readiness to deliver adult education functions is required by Government for them to make the order to devolve statutory functions to the Combined County Authority.

Other Significant Implications

- 5.3 There are no other implications identified within the body of this report.

Background Papers

- 5.7 [The East Midlands Combined County Authority Regulations 2024 \(legislation.gov.uk\)](#)
- 5.8 EMCCA Board Paper – [County Combined Authority Strategic and Investment Framework Report](#)
20 March 2024

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Appendix 1: CEO Letter

Northern Gateway Enterprise Centre
Saltergate
Chesterfield
S40 1UT

Date: May 2024

Dear Rt Hon Gillian Keegan MP

Adult Skills Fund Devolution Readiness 2025/26

I am pleased to be able to confirm to you my belief that the East Midlands Combined County Authority will be ready to take on responsibility for ASF (formerly AEB) functions from the academic year 2025/26 onwards.

As requested, I now enclose our ASF Strategic Skills Plan (SSP). This sets out how we expect to maintain stability in the system in the 1st year and improve the exercise of the statutory functions in the East Midlands County Combined Authority area by identifying our key priorities and objectives and how we will use the devolved functions to achieve those objectives. The SSP will evolve over the next 12-month period and be developed into a wider EMCCA Strategic Skills Strategy. We will work collaboratively with strategic partners and local stakeholders to align the ASF with our other skills investments, funding streams and skills activity. We will continue to build on the ASF SSP to make it an engaging and informative piece for publication on our website, for all stakeholders to understand our current and future position on ASF, and for learning organisations to have clarity on how to work with us and our expectations, supported by the relevant policy and procedural documents.

I also enclose our self-assessment evidence checklist which demonstrates progress to date and that we will be ready to deliver the functions to our residents from the academic year 2025/26. We have included in that checklist current documentation that is utilised in the administration of our devolved functions for the East Midlands Combined County Authority (EMCCA). We will keep DfE informed as to how these matters progress.

On that note, we look forward to hearing from you as soon as possible regarding the revised Data Sharing Agreement so that we can access the most up to date "data pack" which we will use to further build on our knowledge of the provider base, and so inform our decisions to ensure the providers in our area deliver provision that meets the current and future skills needs of the EMCCA area, whilst maintaining stability in the provider base.

Our commitment to the successful implementation and operation of the devolved ASF and delegated FCFJ functions is supported by additional roles we will create to manage this important component of the East Midlands Devolution Deal. A senior Programme manager is already in place, with additional roles to be recruited to support the ongoing operational requirements of a devolved ASF function. I can confirm that all relevant departments and colleagues within the new EMCCA area understand their responsibilities in relation to administering a devolved ASF and are committed to ensuring all processes and procedures are compliant with the appropriate legal regulations.

The self-assessment evidence includes our proposed governance structure for the implementation of the devolved ASF. An ASF Implementation Strategy Group is already established consisting of members of the EMCCA's Skills Team alongside colleagues in the four constituent local authority areas.

Our 2 constituent local authorities are key strategic partners in increasing the impact of the devolved ASF. They have a key leadership role in place-shaping and the investment of public funds, alongside specific responsibilities in Education and Training. We are working closely with these local authorities utilising their expertise and experience to ensure ASF delivery meets local needs.

EMCCA has established effective working relationships with existing devolved and other Combined Authorities who are in a similar position to us in terms of ASF Devolution timelines, as well as those who are established. This collaboration is to develop a network within which we can share best practice and lessons learned so that we have a transparent and, where applicable, consistent approach to support the effective roll out of ASF devolution.

We are committed to evolution not revolution and are looking forward to working closely with all relevant stakeholders to target investment where we know we need it most. We want to make the strong connection between economic growth and inclusive growth, providing our residents with the skills, education and confidence to benefit from the opportunities which can be realised from ASF devolution.

I look forward to hearing from you in the very near future.

Yours sincerely

Adult Education Budget (AEB) devolution readiness: self-assessment evidence checklist

To demonstrate readiness for AEB devolution from the academic year 2025/26, you will need to submit the following to the Department for Education by **29 March 2024**:

1. A letter from your CEO (or equivalent) which confirms
 - a. how you will improve the delivery of adult education functions in your area and associated improvement of outcomes for residents
 - b. how you will effectively deliver the operational processes and functions to support this
 - c. that you are content the area will be ready to deliver the function to your residents from academic year 2025/26
2. Your AEB strategic skills plan (SSP), as described at Section 2, to support statement a.
Evidence to support statements a, b and c. (Our suggestions for evidence you could consider to support this statement are listed in Section 2)

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Section 1 – Improving adult education delivery to your residents

The Secretary of State (SoS) may only make the order to devolve statutory functions to a Mayoral Combined Authority (MCA), Combined County Authority (CCA) or Local Authority as applicable, if they consider that the making of the order is “likely to improve the exercise of those functions in the area or areas to which the order relates.”

Please note that the Levelling Up and Regeneration Bill will amend the test under section 105B Local Democracy, Economic Development and Construction Act 2009 for the making of an order. This will be that the Secretary of State considers that the making of the statutory instrument “is likely to improve the economic, social and environmental wellbeing of some or all of the people who live or work in the area or areas to which the order relates”. Providing this Bill passes, we will be applying this test to areas in accordance with the Bill.

AEB strategic skills plans (SSPs) will be considered as **your evidence** to support your CEO’s statement and to demonstrate this to the SoS. They are an opportunity for you to show how you can improve the delivery of adult education to your residents and improve outcomes for them.

They should show:

- a) Evidence base used to determine priorities for example

- have you drawn on data and research from the LEP in your area's plans (including that funded by DfE via the SAPs programme up until March 2023), if so, how?
 - have you assessed current delivery/set any benchmarks for improvements?
- b) how the AEB will be used to achieve your objectives;
 - c) how you will support national objectives;
 - d) the impact of your decision-making on learners, employers and learning providers;
 - e) preparation has been taken to reflect your intentions with regard to commissioning provision and that you are engaging with local stakeholders in doing so;
 - f) links, where appropriate, to intelligence and recommendations set out in Local Skills Improvement Plans developed by designated employer representative bodies.
 - g) links to, and builds on, broader economic growth plans for the area – please specify which plans you are drawing upon
 - h) How will you ensure you have robust local accountability and assurance processes in place to support the expectations set out within the English Devolution Accountability Framework'?

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Section 2 – Suggested evidence

Your CEO should in their letter state that your area will be ready to deliver adult education functions to your residents from academic year 2025/26.

The evidence **suggested** below is intended to support this statement. We do not expect you to have all processes, communications, documentation, etc. for 2025/26 finalised by this point. However, the evidence you provide will need to clearly demonstrate how you will arrive at a satisfactory position, if these things are not already in place in time for assuming the functions. You are also welcome to set out what additional requirements you anticipate needing from DfE/ESFA in order to arrive at a satisfactory position in time for devolution.

For each theme below, please:

- give a **brief answer**
- include descriptions of the **products and outputs** that support your answer **and attach evidence**, if available
- include hyperlinks (web addresses) for **evidence you have already published**
- state who will give **final approval** for the products and outputs, and the governance processes you will use to get that approval, wherever appropriate

Section 3: Estimated timescales and next steps

Areas whose deals are commencing 1 August 2025: The window for you to develop your readiness criteria will be open from September 2023 to May 2024, following which we will be assessing the submission from June to July 2024, after which we will notify you about whether you have successfully met the criteria. Our approval of the readiness criteria could be conditional on changes we want you to make to current systems, processes or structures or where you have interim or draft systems, processes or structures in place, having final versions in place once the devolved authority has been created and prior to funding being devolved to you in August 2025. These conditions will be clearly set out in the Notification Letter we send once we have assessed and approved your readiness.

Governance

Information requirement. <ul style="list-style-type: none"> Categories where we require a final or most current version of by the time readiness criteria are submitted are in bold, accepting that some of these will change by the time your devolution deal begins Please note that if the devolved authority has not been established by the time you submit your readiness criteria, you can send documentation or processes from the accountable body leading on implementation 	Current Position – are arrangements in place (Y/N)	If yes, evidence to support requirement <i>could</i> include	If no please provide brief explanation on what you are planning to do/put in place	Target date for completion if requirement not yet in place
A clear constitution (or similar document) which details: <ul style="list-style-type: none"> the governance framework and operating principles, including investigations/complaints whistleblowing policy <ul style="list-style-type: none"> currently in place (if different to the above) which will be in place once the AEB has been devolved 	Y	The EMCCA Constitution The EMCCA Assurance Framework Draft Operational governance arrangements for when AEB starts are being developed.	Policies relating to Whistleblowing and complaints are still being finalised.	Aug 2024

		Additional information on Governance is contained Supplementary Evidence Pack V1.0.		
Internal Audit Committee awareness of the AEB devolution project Is the project on your risk register and has it been audited (or is due to be) and a report made	In development	The EMCCA is currently developing its approach to Audit and Risk. Additional information is contained Supplementary Evidence Pack V1.0.	Develop and adopt approach to Audit and Risk	Aug 2024

Financial

Information requirement	Current Position – are arrangements in place (Y/N)	If yes, evidence to support requirement <i>could</i> include	If no please provide brief explanation on what you are planning to do/put in place	Target date for completion if requirement not yet in place

Compliance with the Local Audit and Accountability Act 2014¹	In development	The EMCCA is currently developing its approach to Audit and Risk. Additional information is contained Supplementary Evidence Pack V1.0	Develop and adopt approach to Audit and Risk	Mar 2025
Please provide confirmation that your Internal Audit team are aware of their responsibilities towards this funding stream to verify processes and controls.	N	The EMCCA is currently developing its approach to Audit and Risk. Additional information is contained Supplementary Evidence Pack V1.0	Develop and adopt approach to Audit and Risk	Mar 2025

Procurement

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Information requirement	Current Position – are the requirements in place (Y/N) if no please provide brief explanation	If yes, evidence to support requirement <i>could</i> include	If no please provide brief explanation on what you are planning to do/put in place	Target date for completion if requirement not in place
What plans, systems and processes you will have for procuring/commissioning AEB provision and how will you ensure compliance with the appropriate legal regulations for procurement.	In development	A draft Commissioning Strategy is being developed. Nottinghamshire County Council will	Complete final documentation	Aug 2024

¹ This Act requires you to have in place an external audit arrangement to annually report on whether your accounts and statements present fairly the financial position and whether you have put in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources to secure value for money.

		<p>procure/commission on behalf of the EMCCA. Additional information is contained Supplementary Evidence Pack V1.0</p> <p>In addition to the SSP, the commissioning strategy will be data lead, linking into the EMCCA's priorities. In addition, close analysis of DFE funding rules and other devolved MCA's will be used to determine flexibilities to introduce but to also not destabilise the market in the first year of delivery.</p>		
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Contracting and funding agreements

Information requirement	Current Position – are the requirements in place (Y/N) if no please provide brief explanation	If yes, evidence to support requirement <i>could</i> include	If no please provide brief explanation on what you are planning to do/put in place	Target date for completion if requirement not in place
Are contracting arrangements planned which: <ul style="list-style-type: none"> reflect the type of organisation you are contracting with (i.e. not for profit organisation - college/local authority or commercial provider) 	<p>In development</p>	<p>Draft contracting and funding agreements are being developed. These will build on the ones currently</p>	<p>Complete final documentation</p>	<p>Feb 2025</p>

<ul style="list-style-type: none"> • define the terms and conditions for provision funded through the AEB? • allow for varying contracts, if required • the standards you expect providers to adhere to • how you will audit providers • steps you would take in the event that you identify they have not complied with your contractual requirements . 		<p>used by the ESFA. Additional information is contained Supplementary Evidence Pack V1.0</p> <p>Copy of proposed draft contract and or draft grant funding agreement to be used in connection with providers delivering AEB provision on behalf of the devolved authority.</p>		
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Payments

Information requirement	Current Position – are the requirements in place (Y/N) if no please provide brief explanation	If yes, evidence to support requirement <i>could</i> include	If no please provide brief explanation on what you are planning to do/put in place	Target date for completion if requirement not in place
Planned processes to make payments against <i>your</i> AEB policy and funding rules	In development	Information on the development of the payments process.	Complete final documentation and test processes.	APR 2025

		Additional information is contained Supplementary Evidence Pack V1.0		
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AEB policy: funding rules and learner eligibility. Provider allocations and Funding Formula and Rates

Information requirement	Current Position – are the requirements in place (Y/N) if no please provide brief explanation	If yes, evidence to support requirement <i>could</i> include	If no please provide brief explanation on what you are planning to do/put in place	Target date for completion if requirement not in place
<p>Clear draft documented rules and principles that safeguard public funding.</p> <p>The rules should confirm how funding is earned, learner eligibility, contracting and sub-contracting, evidence requirements, payment and performance management arrangements for AEB funding.</p> <p>Please explain how you will ensure your rules/process are workable for providers? What processes will you have for consulting with them?</p>	In Development	<p>In the first year of devolution, the plan is to maintain stability in the system and follow DFE funding and performance management rules, including funding rates and formula. However, review of other devolved MCA's will be undertaken to identify any best practice and will be implemented subject to affordability and local need.</p> <p>Additional information is contained Supplementary Evidence Pack V1.0</p>	Complete final documentation and test processes.	May 2025 – subject to final issue of DFE rules

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How and when will you publish funding rules, provider funding agreements or contracts and their allocations		<p>Grant provider allocations will follow a similar if not identical time frame as DFE.</p> <p>Contracts for services will follow EMCCA's procurement process.</p> <p>Additional information is contained Supplementary Evidence Pack V1.0</p>		
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Data Collection and Reporting

Information requirement	Current Position – are the requirements in place (Y/N) if no please provide brief explanation	If yes, evidence to support requirement <i>could</i> include	If no please provide brief explanation on what you are planning to do/put in place	Target date for completion if requirement not in place
Do you have a data sharing agreement in place with the department?	Y	Please see attached DSA completion emails.		
Do you have additional requirements for data held / not held by the department to support your operational processes? If yes, have you balanced the need for this data against the possible impact on providers?	In development	Additional requirements will be identified by attending the Devolution Data Governance Group and by establishing formal working arrangements with DfE		Ongoing

		place based teams: Additional information is contained Supplementary Evidence Pack V1.0		
<p>Do you have plans in place to monitor and evaluate the effectiveness of the education and training funded through the AEB? What data would you draw upon to achieve this? How would you measure the satisfaction of learners/other stakeholders?</p> <p>How would you drive improvements over time/measure improvements?</p>	In development	<p>The EMCCA is currently developing a programme and suite of evaluation tools it may utilise to measure impact and identify areas for improvement. This includes an impact review in year 2 devolution of Tailored Learning and year 3 will incorporate a full impact on ASF provision and will be Outcome focussed.</p> <p>Additional information is contained Supplementary Evidence Pack V1.0</p>		Ongoing

Provider Management

Information requirement	Current Position – are the requirements in place (Y/N) if no please provide brief explanation	If yes, evidence to support requirement <i>could</i> include	If no please provide brief explanation on what you are planning to do/put in place	Target date for completion if requirement not in place
Provider Management arrangements which plan to assess provider performance including: Financial Health and intervention	In development	Work is currently underway to develop Provider Management arrangements. Additional	Complete final Provider Management Arrangements	May 2025

Arrangements for handling provider failure and how you would protect the interests of learners in such a scenario		information is contained Supplementary Evidence Pack V1.0		
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 <p>East Midlands Combined County Authority</p>	<p>Adult Skills Fund (formerly Adult Education Budget) Readiness Self-Assessment</p> <p>Supplementary Evidence Pack</p>
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East Midlands Combined County Authority (EMCCA)

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EMCCA Response: Financial

EMCCA Response: Procurement

EMCCA Response: Contract and Funding Agreements

EMCCA Response: Payments

EMCCA Response: ASFASF Policy: Funding Rules rules and learner eligibility. Provider allocations and Funding Formula

EMCCA Response: Data Collections

EMCCA Response: Provider Management

Forward Plan

DRAFT SUBJECT TO EMCCA APPROVAL

East Midlands County Combined Authority (EMCCA):

The East Midlands devolution deal signed in August 2022 enabled the creation of England's first Combined County Authority (CCA). In doing so it secured significant funds and powers for the region and empowered local people to make the decisions that influence jobs and skills, the quality of the region's transport infrastructure, housing investment, and the region's diverse natural environment. The four constituent councils' – Derby City, Derbyshire County Council, Nottingham City and Nottinghamshire County Council - subsequent approval of the creation of the East Midlands County Combined Authority (the EMCCA) in December 2023 will now see the region benefit in the first instance from a £1.14 billion investment fund over 30 years including the devolution of the Adult Education Budget (moving to the Adult Skills Fund) (ASF).

The East Midlands Combined County Authority Regulations 2024 ("the 2024 Regulations") came into force on 28 February 2024, with the majority of its provisions applying immediately and the remaining provisions coming into force with the election of a Mayor for the East Midlands Combined County Authority area in May 2024.

The constitution, assurance framework and the initial governance framework for the EMCCA were approved at its inaugural meeting held on 20th March 2024. It is important for the Department for Education (DfE) to appreciate that the EMCCA is less than three months old at the time of submitting the ASF devolution readiness: self-assessment evidence checklist.

DfE have acknowledged that the submission date of 31st May 2024 is a single point in time to give the EMCCA an opportunity to set out its current understanding and approach to meeting the ASF readiness conditions. Where processes, systems, communications, documentation are not fully developed and/or approved we will put forward timescales as to when we anticipate the EMCCA will arrive at a satisfactory position prior to August 2025.

Stakeholder Consultation

As progress is made in ensuring the EMCCA has all the relevant processes, systems and documentation in place an extensive programme of stakeholder consultation with FE colleges, local authorities, providers, DWP voluntary community and other stakeholders will take place to help shape the devolved ASF.

The EMCCA is committed to working with its provider base and wider stakeholders and will work jointly at the design and planning stage on the proposed funding and delivery arrangements with a view to:

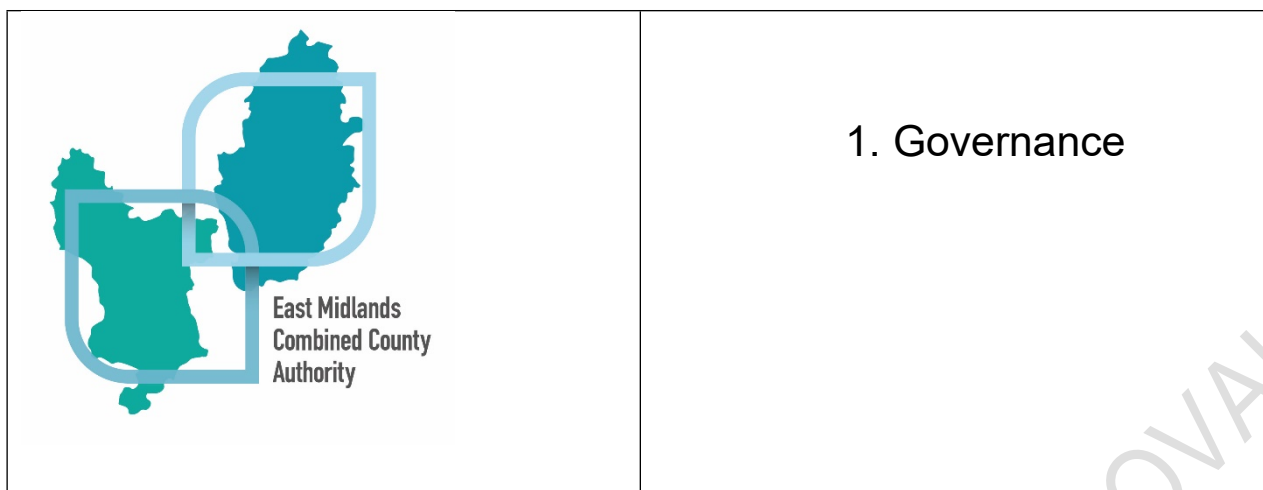
- Building positive relationships;
- Enabling providers to understand and meet the EMCCA needs;
- Enabling the EMCCA to understand what providers need to plan and respond properly to deliver adult education for the CA

The remainder of this document is to provide DfE with supplementary information on the following sections of the readiness conditions:

1. Governance
2. Financial
3. Procurement
4. Contracting and Funding Agreement
5. Payments
6. ASF policy: funding rules and learner eligibility. Provider allocations and Funding Rates
7. Data Collections
8. Provider Management

Any information that will be submitted **will be in draft format and will require the EMCCA approval** before being adopted as its approach to delivering the ASF.

DRAFT SUBJECT TO EMCCA APPROVAL



The EMCCA Constitution sets out how the EMCCA will work, make decisions, and the procedures the it will follow to make sure its work is efficient, and effective, and is both transparent and accountable to local people. Some of these procedures are set by law, while others are ones the EMCCA have chosen to follow. The purpose of the Constitution is to:

- Enable the EMCCA to provide leadership to the community in partnership with councils, citizens, businesses, and other organisations.
- Support the involvement of residents in the process of local decision-making.
- Enable decisions to be taken efficiently and effectively.
- Provide ways to hold decision-makers to public account.
- Ensure that no one reviews or scrutinises a decision in which they have been directly involved.
- Clarify who takes decisions and ensure that decision-makers explain the reasons for decision, and
- Help deliver the EMCA vision of a more prosperous East Midlands area.

The Monitoring Officer will regularly monitor and review the operation of the constitution, this will include an annual review to ensure that it remains fit for purpose.

Please see pages 49 - 53 of the Constitution for the EMCCA Board Terms of Reference (ToR) and pages 57 – 59 of the Constitution for the Skills and Employment Advisory Committee TofR.

The EMCCA Assurance Framework set out how the EMCCA will use public money responsibly, openly and transparently, and accountably to achieve best value for money for the East Midlands region.

At the EMCCA's Inaugural Meeting held on 20th March 2024 a detailed report describing **the EMCCA initial governance arrangements** was approved. The initial governance arrangements demonstrate a commitment to good governance principles and ensure effective accountability in the decision-making of the combined county authority. The governance framework has been developed to provide the platform for effective decision-making, strategy development and appropriate oversight and scrutiny, with the potential to build on that as the EMCCA develops.

Where relevant policies such as complaints, whistleblowing and conflict of interest are still being developed the EMCCA ask the **Page 45** how submission of these policies at a later stage.

ASF Operational Governance

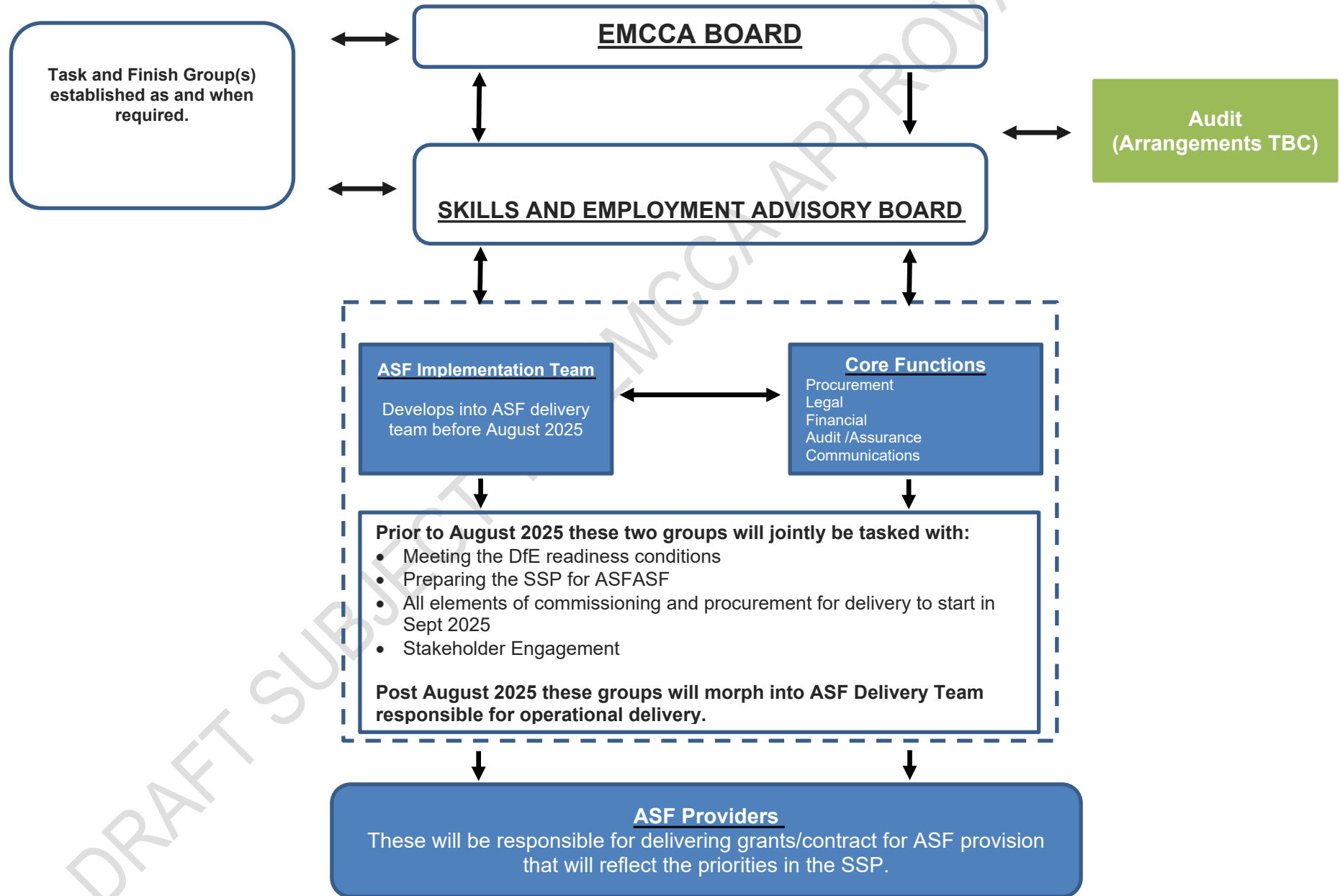
The accountability of the devolved ASF function will always remain with the EMCCA Board. However, once the implementation period is over and when delivery starts in August 2025, the EMCCA will need to be able to deliver the ASF flexibility and responsively to ensure it is fully maximised and prevent issues, delays or constraints with our provider base and learners.


To achieve this, it is anticipated that additional formal ASF delegation arrangements will be established. Consideration of the ASF operational delivery is underway and the following sets out a draft scheme of delegation and ASF delivery structure.

<u>EMCCA Board</u>	<u>Skills and Employment Advisory Board.</u>	<u>ASF Delivery Team</u>															
<p>Approval and review of the ASF Assurance Framework</p> <p>Approval of ASF programme plan each year and oversight of its implementation.</p> <p>Governance and decision-making arrangements</p> <p>Approval of the annual budget, including the main budget categories, including Grant, procured provision and admin costs, but also other key budget headings (such as an innovation pot).</p> <p>ASF commissioning strategy, including 'indicative' and 'final' provider allocations</p> <p>In-year budget changes where funding is transferred between the main budget Categories</p> <p>Strategic direction and priorities (including those identified through stakeholder consultation activities).</p> <p>Policy decisions that cannot be aligned to the overall strategic direction.</p> <p>Annual agreement of 'draft' and 'final' ASF Funding Rules and Rates.</p> <p>Termination of an ASF contract for services/grant agreement.</p> <p>Substantive in-year changes to ASF Funding Rules and Rates to improve provider management or to implement new EMCCA policies,</p> <p>Any novel, contentious or repercussive decisions, and any decisions referred to EMCCA Board.</p>	<p>In year changes (budget reprofiles) that remain within budget allocations</p> <p>Transfers between sub-categories within the Administration budget line</p> <p>Agreement of research and evaluation priorities, consideration of findings and approval to publish final reports.</p> <p>Approval of any formal stakeholder consultation exercise(s) designed to inform Strategy and/or Policy.</p> <p>Procedural matters relating to contracts/grant agreements:</p> <p>Agreeing the standard form of contract/grant agreement.</p> <p>Entering into provider contracts/grant agreements.</p> <p>Significant variations to terms of contract/grant agreement) i.e. variation to the standard form of contract/grant agreement;</p> <p>Changes to individual provider allocations (payment profiles/deliverables) including:</p> <ul style="list-style-type: none"> Approval of payment profile (in line with previously agreed policy) Significant variations to the value of a contract for services/grant agreement. Significant' growth requests and reduction statements. 	<p>Day-to-day delivery of ASF Programme in accordance to agreed policies, processes, and procedures.</p> <p>Procedural matter relating to contract/grant agreements.</p> <p>Minor variations to the standard form of contract/grant agreement</p> <p>Variations to a payment profile (where the overall contract/grant value remains unaltered)</p> <p>Non-significant growth or reduction requests</p> <p>Changes to volumes or services which do not impact on the value of a contract of Services/Grant ASF</p> <p>Minor changes to EMCCA Funding Rules to improve consistency or to correct a clerical error or to ensure compliance with evolving legislation.</p> <p>Table below shows non-significant values that the EMCCA may follow:</p> <table border="1"> <thead> <tr> <th>Commitment Value</th> <th>Max change in value %</th> <th>Mac Change</th> </tr> </thead> <tbody> <tr> <td>£<300k</td> <td>30</td> <td>n/a</td> </tr> <tr> <td>£300k - £1m</td> <td>20</td> <td>£100k</td> </tr> <tr> <td>£1m - £3m</td> <td>15</td> <td>£300k</td> </tr> <tr> <td>>£3m</td> <td>10</td> <td>£500k</td> </tr> </tbody> </table>	Commitment Value	Max change in value %	Mac Change	£<300k	30	n/a	£300k - £1m	20	£100k	£1m - £3m	15	£300k	>£3m	10	£500k
Commitment Value	Max change in value %	Mac Change															
£<300k	30	n/a															
£300k - £1m	20	£100k															
£1m - £3m	15	£300k															
>£3m	10	£500k															

DRAFT SUBJECT TO EMCCA APPROVAL

EMCCA ASF Operational Structure Chart



	<h2>2. Financial</h2>
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The EMCCA is required to appoint an audit committee and one or more overview and scrutiny committee. These are statutory committees. [The EMCCA Constitution](#) sets out how the audit committee and overview and scrutiny committees will work and provides ToFR for both committees.

The function of the Audit & Governance Committee is to:

- Review and scrutinise the EMCCA financial affairs
- Review and assess the EMCCA risk management, internal control and corporate governance arrangements.
- Review and assess the economy, efficiency and effectiveness with which resources have been used in discharging the EMCAA functions.
- Make reports and recommendations to the EMCCA in relation to reviews conducted under paratha bullets above.
- Implement the obligation to ensure high standards of conduct amongst Members.

The function of the Overview & Scrutiny Committee is to:

- Review or scrutinise any decision made, or other action taken, in connection with any Non-Mayoral Function or Mayoral Function of the EMCCA.
- Make reports or recommendations to the EMCCA, with respect to any Non-Mayoral Function of the EMCCA.
- Make reports or recommendations to the Mayor, with respect to any Mayoral Function of the EMCCA.
- Make reports or recommendations to the EMCCA or the Mayor on any matter that affects the EMCCA area or the inhabitants of the area.

[The EMCCA Assurance Framework](#) sets out the EMCCA approach to Risk Management. The EMCCA's Chief Executive will be responsible for the identification and management of risk for the overall investment programme. Key risks for the ASF will be added to the Corporate Risk Register and will be monitored (alongside the performance monitoring procedures) by Internal Audit & Risk and reported to the Audit and Governance Committee.

The CCA will establish a comprehensive risk management framework (RMF), which supports the identification and management of opportunities and risks across the ASF. This process will be robust, transparent and invite and support challenge, innovation and excellence across the investment programme and its deliverable outcomes.

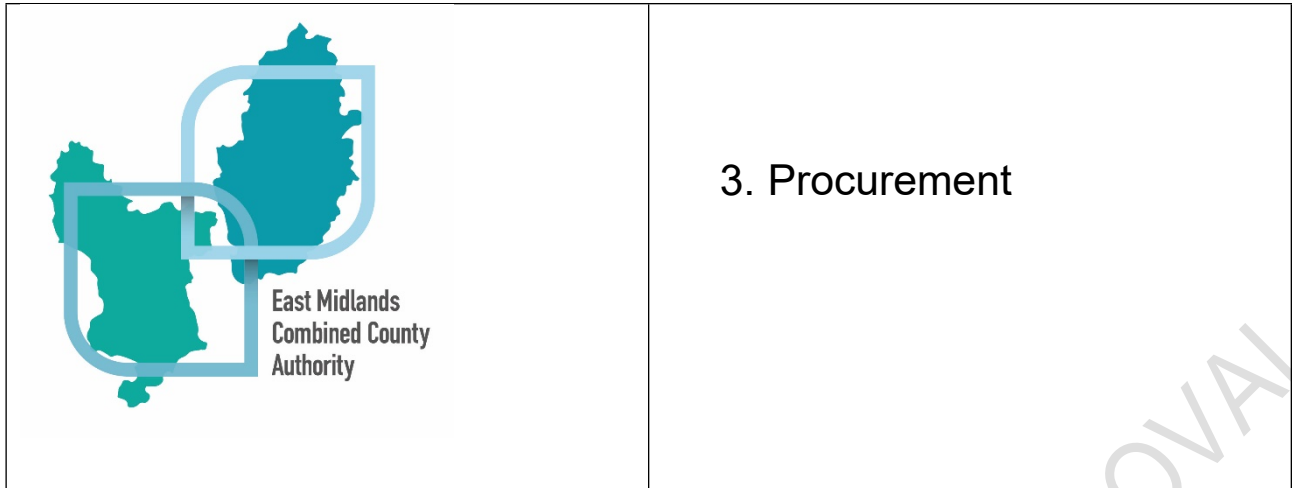
The EMCCA RMF is currently being designed and will embody the recommended principles (HMT Orange Book 2020) ensuring effective risk management is integral. This will include:

- RMF will be incorporated into the EMCCA governance and leadership.
- RMF will be an integral element of the evaluation and decision-making processes at all levels.
- Be collaborative and transparent with the appropriate level of expertise.
- Will include risk identification & assessment.
- Identification & treatment of risk options
- Risk monitoring
- Risk reporting & management oversight
- Subject to continual review & improvement

The EMCCA will begin attending the ASF Devolution Audit, Assurance, Fraud and Investigation (AAFI) Network that comprises of DfE and other CA's. This will support the development of the strategic and operational Audit and Assurance approach to ASF.

As the EMCCA is currently developing its first Audit and Risk Register we ask that the information required in the Readiness Self- Assessment check list will be submitted. This will include:

- Audit Plan
- Risk Management Approach.
- Risk Register
- Minutes of meetings



The following identifies the plans, systems and processes EMCCA will deploy to procure /commission ASF provision and compliance with the appropriate legal regulations for procurement.

At its inaugural meeting the EMCCA Board agreed to undertake all its Commissioning and Procurement via a Service Level Agreement with Nottinghamshire County Council (NCC).

As a Public Sector organisation NCC runs all its procurements under Public Contract Regulations 2015 (PCR 2015) and move under the Procurement Act 2024 once this is implemented. All decisions will also comply with NCC corporate governance, financial, legal and procurement frameworks and processes.

NCC procurement policy is for all procurement to be based on value for money. The key principles under the Procurement Act are delivering value for money, maximising public benefit, and acting with integrity which we will adhere to through all our procurement activity.

NCC spend approximately £620 million each year with external organisations, their procurement is considered transparent and fair when conducting business with suppliers and contractors.

For more information on NCC Procurement Policies relating to advertising contracts, pre-qualifications questionnaire, selecting a contract and awarding a contract please see - [Procurement policies | Nottinghamshire County Council](#)

Procurement Design:

The EMCCA will undertake all its procurements including the ASF through a full Procurement Lifecycle as advised by NCC ensuring it uses an open, fair and transparent process.

NCC will design the EMCCA procurement/commissioning of ASF with a robust outcome focused and market ready specification. NCC will ensure the ASF procurement delivers value for money and high-quality skills training. To ensure stronger delivery of contracts, NCC will use evaluation questions to meet needs of EMCCA residents, and be outcome focused and introduce robust Key Performance Indicators and hold providers to account with robust contract management arrangements.

NCC contract management process aligned to procurement:

Contract management encompasses three key areas – service delivery management, relationship management and contract administration. The development of sound contract management processes and support from the Procurement Centre will enable a consistent corporate approach to contract management is embedded into the Council through;

- using clear and robust evaluation criteria;
- monitoring and reviewing contract management performance within the Council;
- identifying risks which exist in the performance of contracts;
- monitoring expenditure of supplier spend on an annual basis

We will work with our supplier chain to ensure that both parties are delivering against the commitments within contracts and build upon mutual experience and knowledge to embed continuous improvement practices throughout the contracted period. We will work with commissioners to ensure the development of effective Key Performance Indicators for all contracts. We will implement contract management guidance across the EMCCA to ensure that all contracts across the EMCCA are managed to a consistent standard and on a risk basis.

As the EMCCA is currently developing its first Procurement for ASF we ask that the information required in the Readiness Self- Assessment check list. This will include:

- EMCCA Commissioning Strategy



The following information is to provide DfE with relevant information to meet ASF Devolution Readiness: Self-Assessment Checklist relating to contracting and funding agreements.

Financial Due Diligence

Section 4.2.3 of [the EMCCA Assurance Framework](#) sets out the EMCCA commitment to undertaking due diligence activities to support effective decision making. The EMCCA will be responsible for determining how to apply its due diligence processes and with regard to the ASF this process is to be determined. It is noted that effective and comprehensive due diligence will be conducted prior to taking any final decision to fund ASF providers, and before the first payment will be released. This will be to ensure the EMCCA does not place itself, learners or public money at risk.

Contracting and Funding Agreements

Subject to approval it is currently expected that the EMCCA will adopt a dual approach to contracting the ASF. This will involve a combination of grant funding agreements and procured contracts for services. For year one it is expected that the EMCCA will take a roll over approach from the ESFA.

Key Considerations

Some key considerations for each approach are set out below and will be further developed.

Grant Agreements

Pending approval, the EMCCA will establish grant funding agreements utilising existing DfE agreements and tailoring to EMCCA's requirements with Further Education (FE) Colleges based in the EMCCA region and the EMCCA Local Authorities which currently deliver ASF funded provision, on the grounds that:

1. They form part of the EMCCA area state-maintained system of public education and its associated asset base and infrastructure which is funded wholly, or mainly, from the public purse and which has the EMCCA area residents and "place" as the primary focus of their activity;
2. These providers cannot choose to disengage with policy changes, nor can they substantially shift their core business focus or suddenly cease operating; the FE

regulatory framework and FE insolvency regime recognise the particular position/status of colleges and provides additional protection for learners which does not apply to learners in other institutions;

3. Ensuring compliance with legal requirements and obligations regarding educational provision.
4. Tailoring learning opportunities to meet the specific needs and goals of the East Midlands.
5. Aligning curriculum offerings with identified skill requirements and development goals within the region.
6. Recognising the need for adaptability to respond to changing circumstances and emerging priorities over time.
7. Aligning provision to delivery plans for EMCCA's Strategic Skills Plan.

The above approach could change over time, although it will enable short to medium term continuity of funding and certainty for FE colleges and Local Authorities.

The EMCCA will also need to assess the role of Specialist Designated Institutions who currently hold ASF Grant Agreements

The EMCCA will develop a regular process with local Further Education Colleges and Local Authorities to determine the scale and balance of provision that will continue to deliver the legal entitlements whilst offering a range of learning opportunities that take account of local priorities and links with other initiatives.

It is expected that grant funded providers will be required to submit a delivery plan as part of the allocations process, setting out their curriculum offer, including how it will align with the Strategic Skills Plan, LSIP priorities, delivery models etc.

Grant agreements will include delivery targets over the course of the agreement and performance will be monitored against regular performance points as part of the (still to be developed) provider management and audit arrangements.

The EMCCA has yet to agree its approach to under-performance, but at the very minimum it is expected that the EMCCA will reserve the right to rebase providers' allocations. Where providers have identified and worked with the EMCCA to manage any underperformance, EMCCA may discuss the requirement for re/-basing, where providers do not declare underperformance EMCCA may rebase allocations automatically.

The EMCCA is considering an approach where it will pay providers operating under grant agreement a standard national DFE profile. The EMCCA will continually engage with providers during each academic year on the appropriateness of this profile and will consider alternative arrangements should they be proposed or needed.

The EMCCA will hold performance management meetings (to be determined under the provider management arrangements). It is envisaged such meetings will focus on strategic plans and whether providers are progressing in achieving the activity set out in their delivery plan, and funding returns. At these points, significant under/over delivery, re-deployed and re-profiling of funding will be discussed.

The EMCCA has yet to agree its approach to 'in year' growth and there is no guarantee that EMCCA will be able to award growth. Any growth requests will need to follow a yet to agreed process, but will need to be in line with EMCCA ASF Investment Plan/SSP. Equally, there is no guarantee that any over delivery will be funded.

The EMCCA will consider the appropriateness of retaining the 97% tolerance that the ESFA has applied in recent years and will confirm its approach to funding tolerances as part of developing its funding rules.

Procurement and Contract for Services

All non-grant funded providers that wish to deliver ASF funded provision to EMCCA residents from 2025/26 will be required to participate in a competitive tender, in accordance with relevant legislation.

The EMCCA will award contracts for services following a comprehensive procurement exercise. The length of contracts are still to be agreed. Each contract for service will be awarded in line with a detailed specification for the relevant lot.

The EMCCA is considering an approach that will pay contract for service providers on actual delivery, paid monthly in arrears. Individual delivery profiles will be developed for each provider in receipt of a contract in order to monitor performance.

The EMCCA will hold monthly performance management meetings (to be determined under the provider management arrangements), which will focus on how providers are progressing in achieving the activity set out in relevant delivery plan, and funding returns.

The EMCCA's approach to under/over delivery for providers delivering contracted services is yet to be agreed.

The EMCCA have yet to agree its approach to 'in year' growth and there is no guarantee that EMCCA will be able to award growth. Any growth requests will need to follow a yet to be agreed process but will need to be in line with EMCCA priorities. Equally, there is no guarantee that any over delivery will be funded.

Irrespective of route it is expected that the EMCCA will require providers to:

- Develop an Annual Delivery Plan for year 1, including expected volumes of learners by Sector Subject Area, level, tailored learning, qualifications (subject to contract type), Local Authority Area, delivery method, learner and learning support profiled delivery volumes and all planned subcontracting arrangements.
- Providers with a significant contract value will be expected to co-develop an Accountability Agreement with the EMCCA that demonstrates their commitment to EMCCA's strategic aims or to ensure that this is covered in their Annual Accountability Statement produced for DfE.

Subcontracting arrangements

The EMCCA understands that subcontracting can play a critical role in providing outreach to communities, supporting alternative routes to learning, enabling specialist and niche provision, and creating partnerships which benefit learner progression.

Acknowledging the benefits that subcontracting can provide, the EMCCA is currently considering its approach and is using the ESFA subcontracting standard to inform this approach.

Irrespective of initial subcontractor approach in year one, the EMCCA will closely monitor subcontracting activity throughout 2025/26 and beyond to identify if any subcontracted activity would be more appropriate to be directly delivered by main providers.

Contracting Documentation

The EMCCA will make use of the current 2023-24 and then the 2024/25 ESFA contract and grant agreements and modify them to align with the EMCCA requirements for the delivery start date of 2025/26. Final contracting arrangements/documents will be checked by appropriate Legal colleagues to ensure validity prior to issue.

The exemplar documents that will be used to base EMCCA documents will be:

Contract for Services	ESFA Education and Skills agreements 2022 to 2023 - GOV.UK (www.gov.uk)
Grant contract – Local Authority	ESFA Adult Education Budget ASF Local Authority Accountability Agreement 2023 to 2024 Schedules 2 and 3.pdf (publishing.service.gov.uk)
Grant Contract – College	ESFA Adult Education Budget ASF College Accountability Agreement 2023 to 2024 Schedules 2 and 3.pdf (publishing.service.gov.uk)

The following sets out a draft contents page for a Grant/Contract of Services that shows the key points currently being considered and will potentially be included in the EMCCA documents.

Contents

PART 1: PRELIMINARIES

Definitions

PART 2: THE SERVICES

Commencement and duration
 Service delivery – ASF and FCFJ
 EMCCA obligations
 Significant incidents or emergencies
 Change in service.
 Performance monitoring
 Health & safety
 Learner welfare
 Equality of opportunity
 Quality assurance and raising standards
 Financial health
 Inspections
 Fraud and irregularity
 Rectification

PART 3: CONTRACT GOVERNANCE

Relationships
 Representative
 Dispute resolution procedure

PART 4: IPR DATA AND CONFIDENTIALITY

Intellectual property rights
Assignment of ipr in databases
Data protection and protection of personal data
Submission of learner data
Security
Freedom of information and confidentiality

PART 5: WORKFORCE

Employees
Key staff
Tupe

PART 6: PAYMENT AND AUDIT

Payment, funding and audit
Review of contractual performance and reconciliation of contracts
Contractor's records and audit
Subsidy control

PART 7: CORPORATE GENERAL

Sub-contracting
Indemnities and liability
Insurance
Change in control
Prohibited acts

PART 8 - TERMINATION AND EXIT MANAGEMENT

Withholding, suspension and repayment of funding
Sustainability
Termination
Consequences of termination and expiry
Exit arrangements

PART 9 - GENERAL PROVISIONS

Provision of information
Service of notices
Entire contract
No agency
Exercise of statutory authority
Public relations and publicity
Amendments to this contract
Waiver
Severability
Law and jurisdiction
Interest on late payments
Mitigation
Further assurance
Third party rights
Continuing obligations

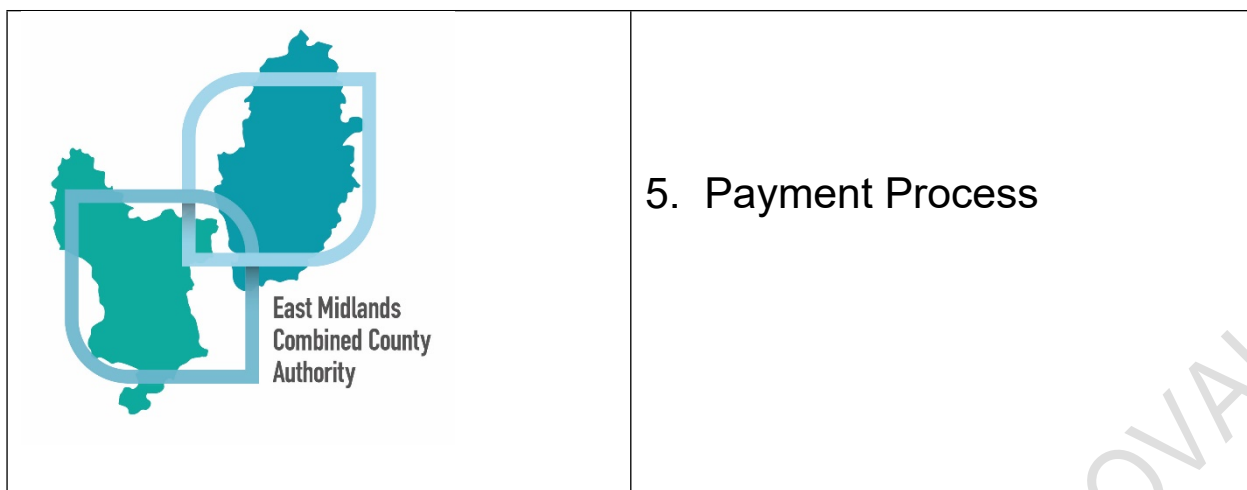
Examples of Schedules

Schedule 1: Monitoring schedule
schedule 2: Payment
schedule 3: Change control procedure
schedule 4: Tupe

schedule 5: Uk GDPR and data protection
schedule 6: Security & EMCCA policies
schedule 7: Exit arrangements
schedule 8: Sub-contracting
schedule 9: Sustainability
schedule 10: Rectification plan
schedule 11: Growth and adjustment of allocations
schedule 12: Open book contract management
schedule 13: Transparency reports
schedule 14: Contractor's response/proposals
schedule 15: Volumes and values
schedule 16: KPI's and social value

As the EMCCA is currently developing its contracting and funding agreements we ask that the information required in the Readiness Self- Assessment check list can be submitted. This will include:

- EMCCA Grant Funding Agreement
- EMCCA Contract for Services.
- Detailed subcontracting plans



At its inaugural meeting on 20th March 2024 the EMCCA Board agreed to adopt the [Financial Regulations of Derbyshire County Council](#) (DCC) and its use of SAP S4Hana financial system for its budgeting, accounts receivable and accounts payable functions.

DCC budget for 2024/25 has been set at £714.8m and has extensive experience of financial managing projects/programmes at the scale in excess of the proposed ASF budget of £53m.

DCC SAP S4Hana financial system is fully integrated with the Banking Automated Clearing System (BACS). DCC makes four payment runs per week ensuring regular payments can be made. Payments are made using a two-person approval process in the vendor invoice management (VIM) system to ensure separation of duties.

A full and detailed payments process is currently being developed for devolved ASF/FCFJ. We can confirm that this will be tested to ensure it is aligned to the emerging funding rules, provider management arrangement and is reflected in relevant grant/contracting arrangements.

The following sets out the payment arrangements that are currently under development:

- The EMCCA is proposing to run a BACS payment on the 15th working day of each month, following the proposed timeline set out below:

Day of Month	Action
Workday 4	Provider submits ILR to ESFA
Workday 5	ESFA runs validation checks
Workday 6	EMCCA receives ESFA reports
Workday 7	EMCCA checks accuracy of returns
Workday 15	EMCCA Bacs run to providers

Grant Funded Providers

- The EMCCA is considering an approach where it will pay grant funded providers on a standard national profile of 12 equal instalments, except for FCFJ where providers will be paid on actual delivery in arrears. The details of this are yet to be agreed but will form part of the providers delivery plan and be included in the grant agreement.

- Process for under/over performance, growth and reconciliation are still to be determined.

- The detailed claims process between the EMCCA and grant providers and then

EMCCA and DCC are still being developed.

Contract for Services

- The EMCCA is considering an approach where it will pay procured providers / those operating under a contract for service on actual delivery each month, up to the contract value for the financial year.
- The EMCCA will calculate the value of actual delivery using the latest validated ILR and EAS data provided to the ESFA.
- Process for under/over performance and growth still to be determined.
- The detailed claims process between the EMMCA and Contract for Services Providers and then the EMCCA and DCC is still being developed.


Cross border funding and learners

The EMCCA will only have responsibility and funding to support EMCCA learners. Learners travelling into the EMCCA area from other regions will require the provider to have a national contract or grant agreement with ESFA, or the MCA/CCA in which the learner is a resident.

We are aware that the DfE are developing national guidance on these issues and the EMCCA will take due regard to this guidance and will enter into discussions with its neighbouring MCA's to develop cross-border agreements as they implement their own devolved budgets.

As the EMCCA is currently developing its payments processes we ask that the information required in the Readiness Self- Assessment check list can be submitted. This will include:

- A detailed payment process.
- Evidence that the process has been tested and works.
- Agreed approach to cross border funding.

	<p>6. ASF policy: funding rules and learner eligibility.</p> <p>Provider allocations and Funding Formula and Rates</p>
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In year one of ASF delivery the EMCCA is proposing to build on the foundations of the current EFSA documentation. The ESFA have recently released the new Adult Skills Fund funding rules [Adult skills fund: funding rules 2024 to 2025 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/adult-skills-fund-funding-rules-2024-to-2025), which replaces the ASF funding rules. The impact of these changes will need to be scrutinised to help develop the EMCCA funding rules for 2025/26 academic year.

The EMCCA will publish its funding rules on an annual basis and in a timely manner and in advance of the start of each funding year. These rules will be published in a format that is accessible and downloadable and will confirm how funding is earned, learner eligibility, contracting and subcontracting, evidence requirements, payment and performance management arrangements.

Draft Funding Rules:

The following provides an example contents page for the EMCCA Funding Rules to show the key points currently being considered for inclusion.

Contents

1. Introduction to the Adult Skills Fund
2. Purpose of the document
3. Understanding the terminology
4. Contact us
5. Section 1 - General funding requirements
6. Principles of funding
7. Who we fund
8. Residency eligibility
9. Learners who live in Wales, Scotland or Northern Ireland
10. Temporary residence in the UK for educational purposes
11. Temporary absences from the UK
12. Learners who have applied for an extension or variation of their immigration permission
13. Learners with limited length visas
14. UK nationals and other persons with right of abode
15. UK nationals in the EEA and Switzerland
16. EEA and Switzerland nationals in the UK
17. EEA and Switzerland frontier workers
18. Family members of EEA or Swiss nationals
19. Irish citizens in UK or Republic of Ireland
20. Irish citizens in EEA and Switzerland

21. Other non-UK nationals
22. Family members of an eligible person of Northern Ireland
23. Long residence
24. Individuals with certain types of immigration status and their family members
25. Children of Turkish workers
26. Asylum seekers
27. No recourse to public funds conditions
28. Individuals who are not eligible for funding
29. Learners in the armed forces
30. Fees and charging
31. Qualifying days for funding
32. Recognition of prior learning (RPL)
33. Breaks in learning
34. What we will not fund
35. Evidence
36. Section 2 – ESFA funded ASF
37. Learning for Level 2 and below (including the full level 2 entitlement)
38. Learning at Level 3 legal entitlement and the level 3 free courses for jobs
39. Level 3 free courses for jobs offer
40. English, maths and digital for those aged 19 or older
41. General funding principles for English, maths and digital entitlement
42. Government contribution charts
43. Chart 1: 19 to 23-year-olds
44. Chart 2: 24+
45. Earnings threshold
46. Heavy goods vehicle (HGV) driver training
47. Work placement for 19 to 24 year olds
48. Sector-based work academy programme (SWAP)
49. Prince's Trust Team programme
50. English for speakers of other languages (ESOL)
51. Learners with learning difficulties and/or disabilities
52. Learners with an education, health and care (EHC) plan
53. Tailored learning
54. Funding for developing innovative provision
55. Support funding
56. Learning support
57. Exceptional learning support claims above £19,000
58. Learner support
59. Hardship
60. 20+ Childcare
61. 19-year-olds Care to Learn
62. Residential access funding
63. ICT devices and connectivity
64. Job outcome payments
65. Annex A: eligibility for funding
66. Annex B: Devolution of adult education functions
67. Annex C: Government contribution charts – text version
68. Annex D: Qualifications
69. Full Level 2 Qualification
70. Full level 3 Qualification
71. Approved qualifications
72. Annex E: Evidence
73. Evidence Pack
74. Confirmation and signatures

75. Starting, participating and achieving
76. Leaving learning
77. Individualised learner record (ILR)
78. Self-declarations by learners
79. Glossary

As the EMCCA is currently developing its Funding Rules we ask that the information required in the Readiness Self- Assessment check list can be submitted. This will include:

- A copy of the EMCCA draft funding rules.

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The EMCCA has established Data Sharing Agreements (DSAs) with the DfE for access to the

- Localities Cube
- DfE ASF Data

The EMCCA will continue to work proactively with DfE by attending the Devolution Data Governance Group to identify data needs. Where it is recognised that additional data requirements go beyond what is currently in existing DSAs, the EMCCA will work collaboratively with DfE on any new data requirements.

The EMCCA will wish to develop a formal relationship and meet with the DfE Place Based Team to enable a partnership approach to understand the impact of all commissioning decisions by both parties and establish timely exchanges of information to enable both the EMCCA and DfE to take account of the cumulative effect on both providers and learners.

In addition, the EMCCA will also review data needs from other Government Depts such as the Department for Work and Pensions (DWP) as programmes the EMCCA will be accountable for such as Universal Support may need to be reflected in ASF delivery to ensure economies of scale, avoid duplication and value for money for both funding streams.

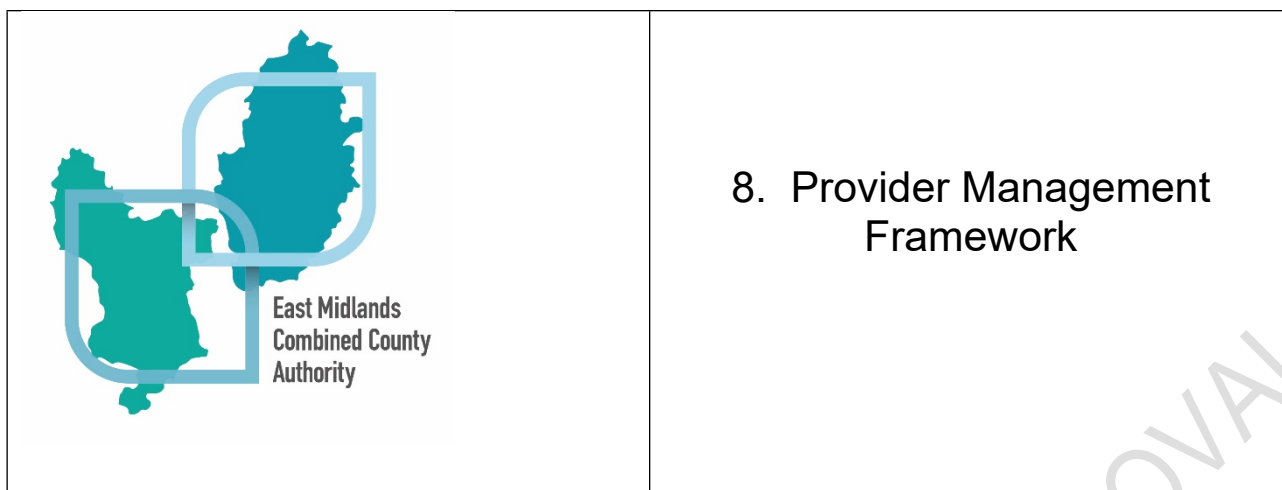
Monitor and evaluation the effectiveness of the education and training funded through the ASF

The EMCCA is committed to measuring the impact of provision and value for money funded through its Adult Skills Fund (ASF) and to evaluating the impact of changes it will make to policy and management. The EMCCA is currently developing a programme and suite of evaluation tools it may utilise to measure impact and identify areas for improvement.

We use insight from learner survey, monitoring visits and outcomes to:

- Inform, refine and improve ASF processes, systems and policies
- Demonstrate the impact of the ASF to citizens, government and other stakeholders
- Help build the case for further ongoing investment in adult education
- Inform the design of other EMCCA programmes.

Evaluations for Community/Tailored Learning will commence at the end of year 1 of devolution, and a further ASF wider impact evaluation will commence at the end of year 3 of devolution.



The EMCCA is currently developing its Provider Management arrangements which are being informed by our MCA ASF Buddy (Liverpool) and also the DfE College oversight: support and intervention guidance [College oversight: support and intervention - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/guidance/college-oversight-support-and-intervention). [In addition we are reviewing best practice across other devolved MCA's.](#)

The EMCCA Provider Management Framework (PMF) document will inform all providers delivering ASF funded provision of the performance management arrangements and monitoring framework that will be applied to their ASF delivery. This will not be a standalone document and will need to be viewed as guidance document with the full terms and conditions contained within the Grant Funding Agreement, Contract for Services and EMCCA Funding rules.

The information below provides details of the areas that will be considered as part of the PMF:

Governance

Performance and Partnership

Agreement Types

Grant funded providers.

Financial Intervention Regime for Grant providers

Contracts for service providers

Financial due diligence.

Performance Management

Performance Management Principles

Performance Management Approach

Performance Reviews

Interventions

Local EMCCA ASF Funded Intervention

Link to National Intervention

Subcontracting

Data

Data submissions

Individualised Learner Record (ILR)

Provider ILR requirements

Data validation undertaken by EMCCA

Payments and Reporting

Payment timeline

Audit & Assurance

Policies and Insurance

As the EMCCA is currently developing its Provider Management Arrangements we ask that the information required in the Readiness Self- Assessment check list can be submitted as per Gantt chart attached. This will include:

- A copy of the EMCCA Provider Management Arrangements

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Forward Plan

The following Gantt Chart sets out the key tasks the EMCCA will undertake and the completion timescales.

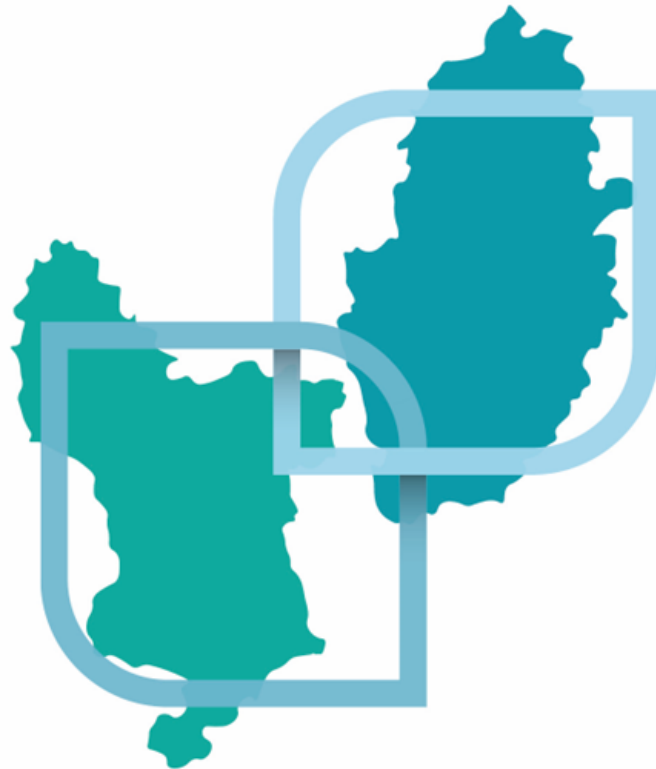
Task	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25
Stakeholder/Consultation																	
Initial LO and wider stakeholder engagement																	
Grant LO individual																	
Resident engagement/survey																	
Wider Stakeholder engagement, DWP, Chambers (LSIP), Voluntary etc																	
Strategic Skills Plan																	
Detailed analysis of localities Data Cube																	
Commissioning approach																	
Approved																	
Governance																	
Draft all relevant AEB policies																	
Approve all relevant AEB policies																	
Approve and adopt AEB operational delivery structure																	
Recruit Delivery Team																	
Financial																	
Draft Audit Plan																	
Approve Audit Plan																	
Draft approach to Risk																	
Approve approach to Risk																	
Share relevant documents with DfE																	
Procurement																	

Draft Commissioning Strategy																			
Approve Commissioning Strategy																			
Prepare all Tender Documentation																			
Start Procurement																			
Establish evaluation teams.																			
Tender Window																			
Award Grants/Contracts																			
Share relevant documents with DfE																			
Contracting and Funding Agreements																			
Review the role of Specialist Designated Institutions																			
Draft Grant Agreements																			
Approve Grant Agreement																			
Draft Contract for Services																			
Approve Contract for Services																			
Share relevant documents with DfE																			
Onboarding LO's																			
Payment Process																			
Draft payment process.																			
Approve payment process.																			
Test payment process																			
Agree approach to cross border working																			
Share relevant documents with DfE																			
AEB policy funding rules																			
Draft Funding Rules																			

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Appendix 4: Draft AEB Strategic Skills Plan



East Midlands Combined County
Authority

DRAFT ASF Strategic Skills Plan

Version 1.3

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DRAFT EMCCA ASF Strategic Skills Plan

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Section 1 - Introduction

Context

This document sets out the long-term Adult Skills Fund (ASF) Strategic Skills Plan for the East Midlands Combined County Authority (EMCCA). It highlights strengths, opportunities and challenges across the region and sets out key priorities for the devolved Adult Skills Fund (ASF) to ensure it supports the EMCCA's strategic vision.

To achieve its vision, EMCCA's focus will be on productivity, pay and jobs; spreading opportunity; community pride; and empowering local leaders and communities. In support of this:

- Our ambition is that the devolved ASF will contribute to increased productivity for our region through the delivery of high-quality skills provision which enables our residents to enter the labour market or secure in-work progression.
- We will use the ASF, funding to develop robust progression pathways to reduce inequality, promote social mobility and allow people to achieve their potential.
- In addition we will ensure that the ASF works in tandem with other DfE funding sources such as Free Courses for Jobs (FCFJ) and Skills Bootcamps to offer routes to upskilling across the region.

EMCCA's vision: Making our region more prosperous, sustainable and fairer. Helping our people and businesses to create and seize opportunities.

EMCCA covers an area of 4,784 square kilometres, comprising 19 local authorities including the two counties of Derbyshire and Nottinghamshire and the cities of Nottingham and Derby.

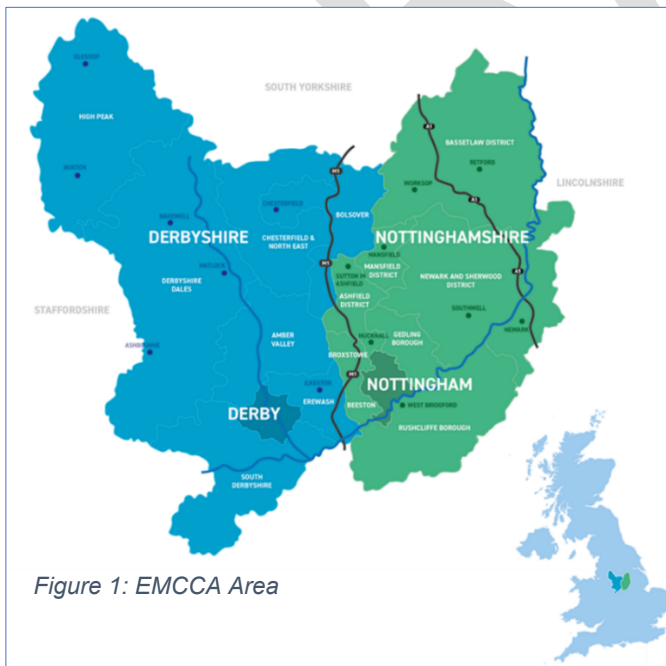


Figure 1: EMCCA Area

The area has a population of 2.2m, of which 1.4 million people (63%) are of working age (16-64)¹.

EMCCA is home to 367,400 businesses, 89% of which employ less than 10 people.

The area accounts for 45% of the East Midlands Economy and less than 3% of the GVA of England. In 2020, EMCCA's economy generated 50bn gross value added.²

In 2020 GVA per filled post in EMCCA was £50,769, which was below the national average. Over the past

¹ Source: ONS Annual Population Survey








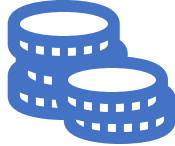

² Source: ONS Regional Accounts. Note: Gross value added (GVA) is a measure of the increase in the value of the economy due to the production of goods and services.

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decade the economy of D2N2 has lagged behind the national average

From its origins as the birthplace of the first industrial revolution, manufacturing continues to play an important role in the EMCCA, accounting for 11.8% of all jobs, much higher than the equivalent figure of 7% for England as a whole.³ Recent technological advances are also bringing new sectors into the area, such as the STEP nuclear fusion plant at West Burton and the launch of East Midlands Hydrogen – a proposition for the East Midlands to become the UK’s largest inland hydrogen cluster.

The area also has strong natural assets in the Peak District National Park, leading to a vibrant tourism and hospitality sector.

 <p>4,784 Square kilometres</p>	 <p>1.4 million people of working age</p>	 <p>Large and diverse region, with an urban and rural mix</p>
 <p>80% of UK population within 4 hour drive of EMMCCA</p>	 <p>Largest employment sectors are health, manufacturing, retail and education</p>	 <p>11.8% of those employed work in manufacturing, compared to 7% for England as a whole</p>
 <p>Significant future growth in nuclear and hydrogen power</p>	 <p>Average pay of people living in D2N2 lower than regional and national averages</p>	 <p>Strong and collaborative FE and HE sectors</p>

³ Source: Business Register and Employment Survey (accessed via NOMIS)

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Figure 2 EMCCA Economic Indicators

The Adult Skills Fund

Currently administered through the Education and Skills Funding Agency (ESFA) this funding has been known as the Adult Education Budget but in August 2024 the name will change to the Adult Skills Fund (ASF). The Fund aims to engage adults and provide the skills and learning they need to progress into, or within, work; or equip them for an apprenticeship or other learning. It enables more flexible tailored programmes of learning to be made available, which may or may not require a qualification, to help eligible learners engage in learning, build confidence, and/or enhance their wellbeing.

The budget is split into two funds: Education and Training which is qualification-based funding and Tailored Learning which is a fixed allocation that can be spent by learning organisations in the education and support of disadvantaged learners, or in subject areas not covered by recognised qualifications. Additionally, the EMCCA will also be in receipt of Free Courses for Jobs (FCFJ) funding, a targeted level 3 offer to support adults without an existing full level 3 qualification and adults who meet the definition of 'low wage' or 'unemployed'.

The Government will fully devolve the ASF to the EMCCA from the academic year 2025/26 subject to the demonstration that it is able to carry out the functions of these devolved powers improve the delivery of ASF in the area.

Much of the Adult Skills Fund is spent meeting statutory entitlements of learners, including fully funded provision for basic English, Maths and Digital skills and any entitlement to a first full Level 2 or Level 3 qualifications.

ASF funding is also used to deliver the pre-employment training element of the Sector-Based Work Academy Programme⁴, designed to help Job Centre Plus claimants build confidence to improve their job prospects and enhance their CV, whilst helping employers in sectors with current local vacancies to fill them.

Skills Bootcamps will also form part of EMCCA's portfolio of government funded skills programmes including the grant for delivery of Skills Bootcamps previously held by the D2N2 LEP. Skills Bootcamps are flexible training courses up to 16 weeks, with a guaranteed job interview (where a candidate is being recruited to a new job) or new opportunities. Developed in conjunction with employers, Skills Bootcamps equip adults with technical skills at Levels 3-5 that enable them to access in-demand jobs, apprenticeships, and new opportunities leading to increased income and productivity.

With the transfer of funding to EMCCA will come the ability for us to be able to shape adult education provision in the area in a way that best suits the needs of our residents and the local economy. We recognise that there is excellent provision currently being delivered in our area, with all of our FE colleges rated 'good' or better by Ofsted and recognise the importance of maintaining a stable post-16 learning organisation base. However, this does not preclude the drive to align delivery more closely with the needs of the area.

Notwithstanding this a substantial part of the devolved funding will have to be used to fund the statutory entitlements.

⁴ <https://www.gov.uk/government/publications/sector-based-work-academies-employer-guide/sector-based-work-academies-employer-guide>

Section 2 - Strategic Vision and Priorities

EMCCA Economic Vision

EMCCA Economic Vision:

Making our region more prosperous, sustainable and fairer. Helping our people and businesses to create and seize opportunities.

To deliver our economic vision, we have created a set of shared objectives or priorities, which will guide our work and act as the basis for effecting change across the region.

Our focus will be on productivity, pay and jobs; spreading opportunity; community pride; and empowering local leaders and communities. More specifically, we will:

- Grow our economy faster, through targeted long-term investment, so that it is resilient enough to withstand future challenges.
- Match skills to economic need to increase productivity and wellbeing.
- Support businesses to create more and higher paid sustainable jobs so that our citizens access the jobs they want within the area.
- Create a net-zero economy with a resilient energy supply.
- Create modern and robust infrastructure that releases the private sector to grow businesses, and deliver high quality, sustainable new homes in the places they are needed.
- Build new and coherent transport links to facilitate better and more sustainable movement across the area, connecting our cities, towns and rural areas, linking employers to skills and our people to opportunities.
- Reduce inequality and promote social mobility to allow people to achieve their potential.
- Improve healthy life expectancy and reduce inequalities, especially in communities and groups who are most disadvantaged.
- Support enhanced green spaces to welcome nature back into our communities.
- Use our devolution powers to bring decision-making closer to those who live and work here, increasing the visibility of these decisions.
- Strengthen the ability of the East Midlands to maximise the benefits of collaborating with neighbouring regions.

Priorities for the Adult Skills Fund

The Adult Skills Fund forms part of the wider skills landscape. The advent of the EMCCA offers an opportunity for the region to develop a coherent, connected and place-focused skills system for the region, utilising both national and devolved funding to align delivery to meet our objectives.

Specifically, in support of the EMCCA stated objectives, the devolved Adult Skills Fund will enable us to:

DRAFT EMCCA ASF Strategic Skills Plan

- Maintain a stable and high-performing learning organisation base focused on meeting learner and employer needs.
- Work more effectively with DWP to support those who are economically inactive or unemployed to gain and sustain good employment.
- Continue to develop clear progression pathways for all residents particularly those on low wages and with insecure work.
- Utilise Free Courses for Jobs and Skills Bootcamps to enable learners to progress to higher level qualifications which meet employer skills needs.
- Reduce levels of low attainment and increase opportunities for in-work progression including Skills Bootcamps and Apprenticeships and access to the Lifelong Learning Entitlement.
- Develop innovative and collaborative delivery models focused on enabling residents to achieve their full potential and increase levels of social mobility.
- Identify and deliver the transferable skills needed to enable a resilient regional economy.
- Better match skills provision to economic need to increase productivity and wellbeing.
- Develop a commissioning strategy which will enable improvements in the quality and relevance of provision, for example through reducing the 'long tail' of subcontracted provision.

In developing the plan EMCCA has considered existing data and research from the D2N2 LEP produced using Skills Advisory Panel funding and also ensured that where appropriate the plan's aims reflect the findings and recommendations of the Local Skills Improvement Plan published in August 2023.

Section 3 – EMCCA Area Profile

Opportunities and Challenges

Opportunities	Challenges
<p>Multiple major infrastructure developments are in development including the STEP Fusion Plant, East Midlands Freeport, Smartparc and Queens Medical Centre redevelopment which will bring with them a demand for jobs and skills.</p> <p>Innovation, research and development hubs based in our three universities together with a concentration of world-leading advanced manufacturing businesses.</p> <p>Strong place-based cross institutional collaboration among our eight FE colleges, all rated 'good' by Ofsted and our three universities.</p> <p>Robust progression pathways already in place across the region for certain sectors</p> <p>The region is at the forefront of the development of emerging nuclear and hydrogen technology sectors.</p>	<p>Higher economic inactivity than the national average</p> <p>Significant place-based disparities with pockets of deprivation</p> <p>Lower productivity than the national average</p> <p>Proliferation of low-skilled, low paid jobs</p> <p>Proportion of working age adults qualified to Level 4 or above is lower than the national average.</p> <p>The area was ranked 9th out of 38 LEPs for worsening deprivation in education, skills and training in EMCCA Districts since 2015</p> <p>Average pay of people who work in D2N2 is lower than those who live there, suggesting that people are commuting out of the area to higher paying jobs.</p> <p>Workplace wages are below the national and regional averages.</p>

Figure 3 Education and Skills Opportunities and Challenges

Employment by Sector

In terms of employment, the four largest sectors in EMCCA are health, manufacturing, retail and education. The continued prominence of manufacturing (13% of employment compared to 7% nationally) makes the EMCCA economy distinctive. The area's central location contributes to the importance of the logistics sector, and activity in this sector is likely to increase as a result of the establishment of the East Midlands Freeport within the EMCCA footprint. The visitor economy is also an important contributor locally, particularly in the northwest of the area.

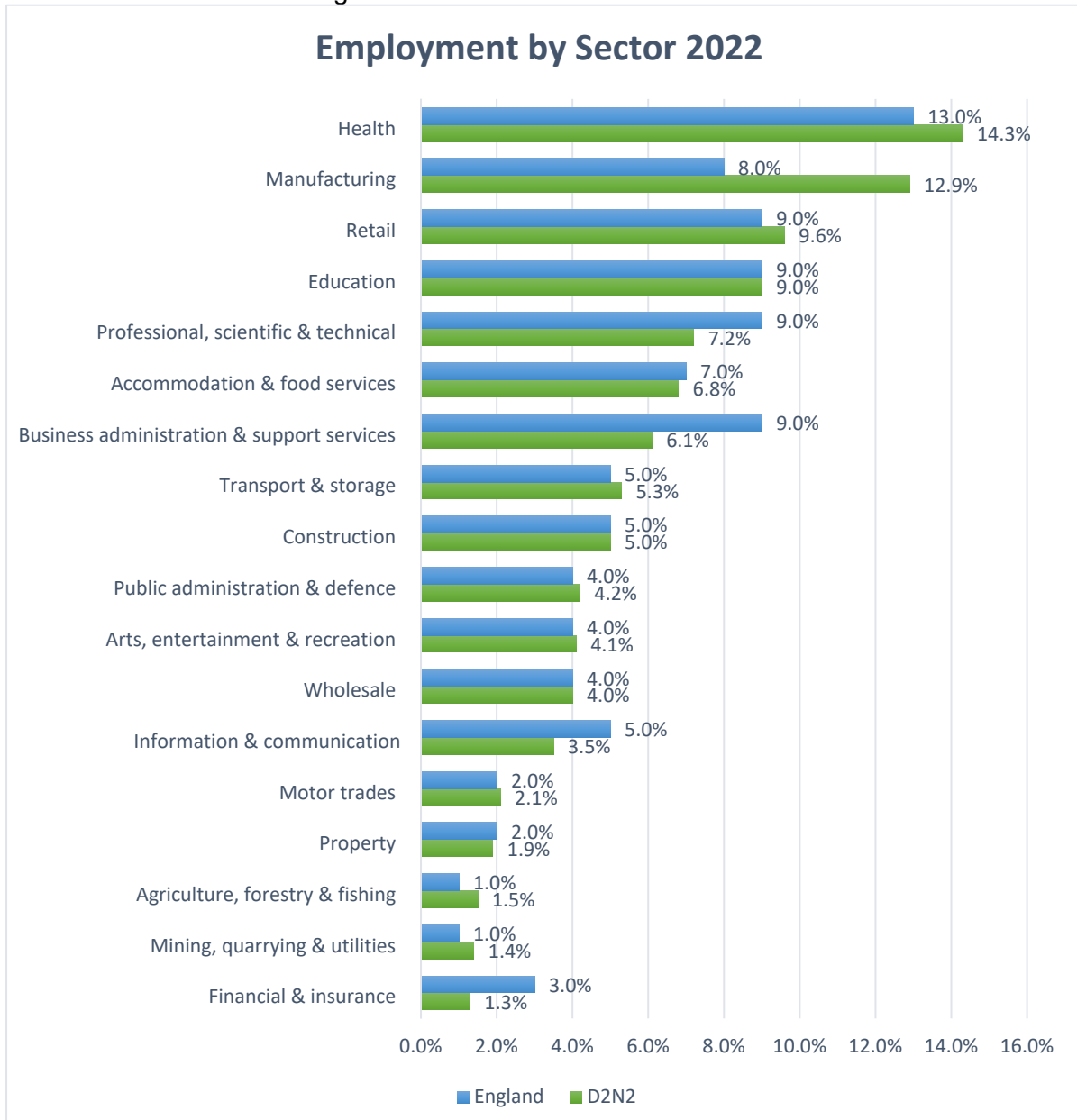


Figure 4 Source: Business Register and Employment Survey, 2022

Almost all sectors are expected to grow in terms of employee numbers by 2030. Planned infrastructure projects such as the STEP Fusion Plant, Freeport and redevelopment of Queens Medical Centre, together with increased investment in transport infrastructure are likely to result in an increased demand for construction skills. Highest percentage increase

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is expected to be seen in Electricity, Gas, Steam and Air Conditioning Supply – reflective of the shift to zero carbon emissions.

Description	2022 Jobs	2030 Jobs	2022 - 2030 Change	2022 - 2030 % Change
Human Health and Social Work Activities	146,166	155,384	9,218	6%
Wholesale and Retail Trade	148,662	156,585	7,924	5%
Accommodation and Food Service Activities	71,921	77,590	5,669	8%
Professional, Scientific and Technical Activities	65,757	69,560	3,803	6%
Transportation and Storage	48,977	52,555	3,578	7%
Construction	49,286	52,471	3,185	6%
Information and Communication	34,772	37,450	2,678	8%
Public Administration and Defence; Compulsory Social Security	42,621	45,192	2,571	6%
Electricity, Gas, Steam and Air Conditioning Supply	10,203	12,601	2,398	24%
Manufacturing	115,732	117,331	1,599	1%
Administrative and Support Service Activities	69,056	70,526	1,469	2%
Other Service Activities	16,537	18,003	1,466	9%
Financial and Insurance Activities	13,639	14,861	1,223	9%
Arts, Entertainment and Recreation	21,396	21,991	595	3%
Agriculture, Forestry and Fishing	5,357	5,670	313	6%
Water Supply; Sewerage, Waste Management and Remediation Activities	5,768	6,002	234	4%
Mining and Quarrying	1,405	1,459	54	4%
Education	84,911	84,326	(585)	(1%)
Real Estate Activities	11,356	9,581	(1,775)	(16%)

Figure 5 Projected Employment Growth to 2030. Source: Lightcast Analyst

Economic Inactivity

The inactivity rate in EMMCA has increased faster than the national average in the last five years. In the 12 months to June 2023, 24% of the working age population in the EMCCA area were inactive compared to 21% in England.

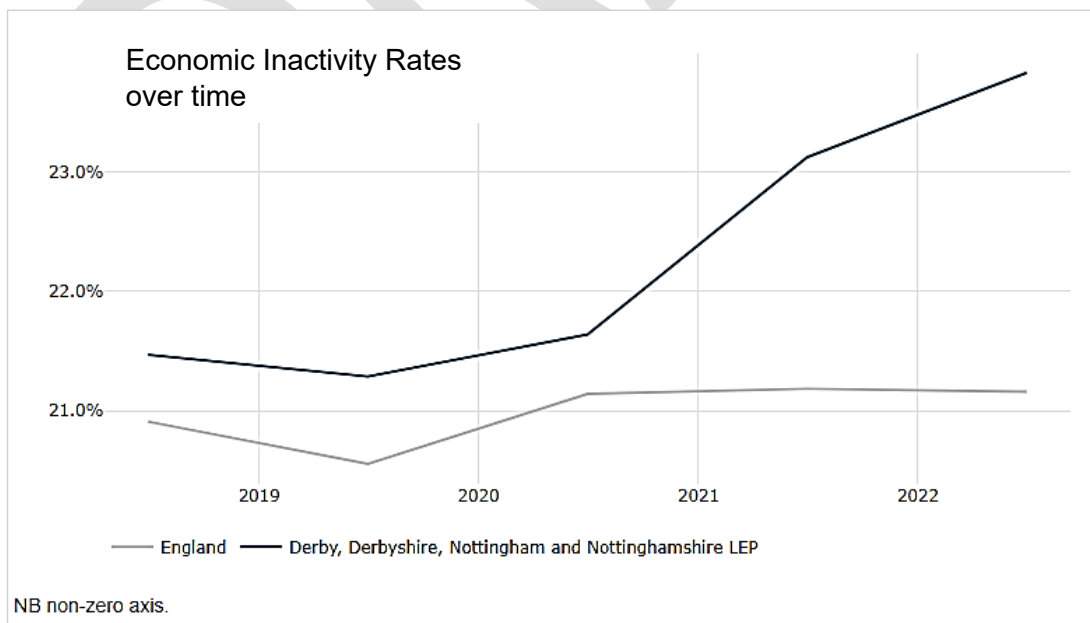


Figure 6 Source: Unit for Future Skills <https://department-for-education.shinyapps.io/local-skills-dashboard/>

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Economic inactivity is slightly higher than the national rate for all age groups except for 16–19-year-olds. The biggest difference is in the 20–24 age group, with 33% of the age group inactive compared to the national average of 27%.

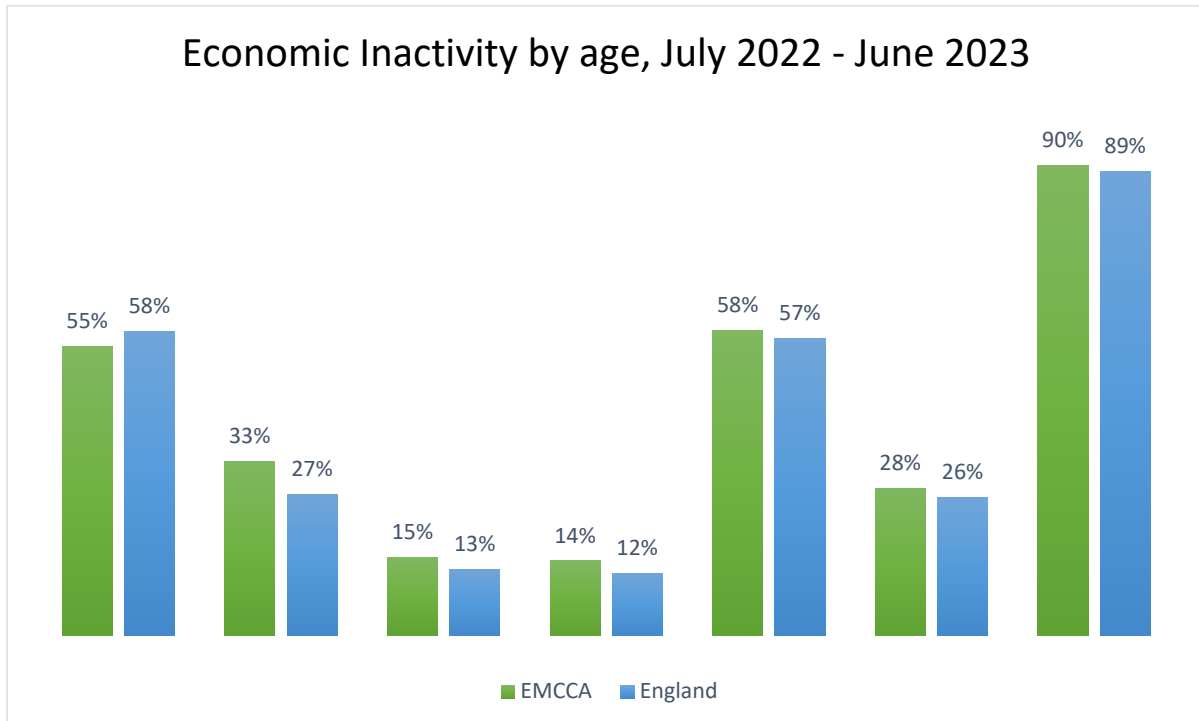


Figure 7 Source: Annual Population Survey

Just 13% of those who were economically inactive wanted a job, equating to 42,400 people.

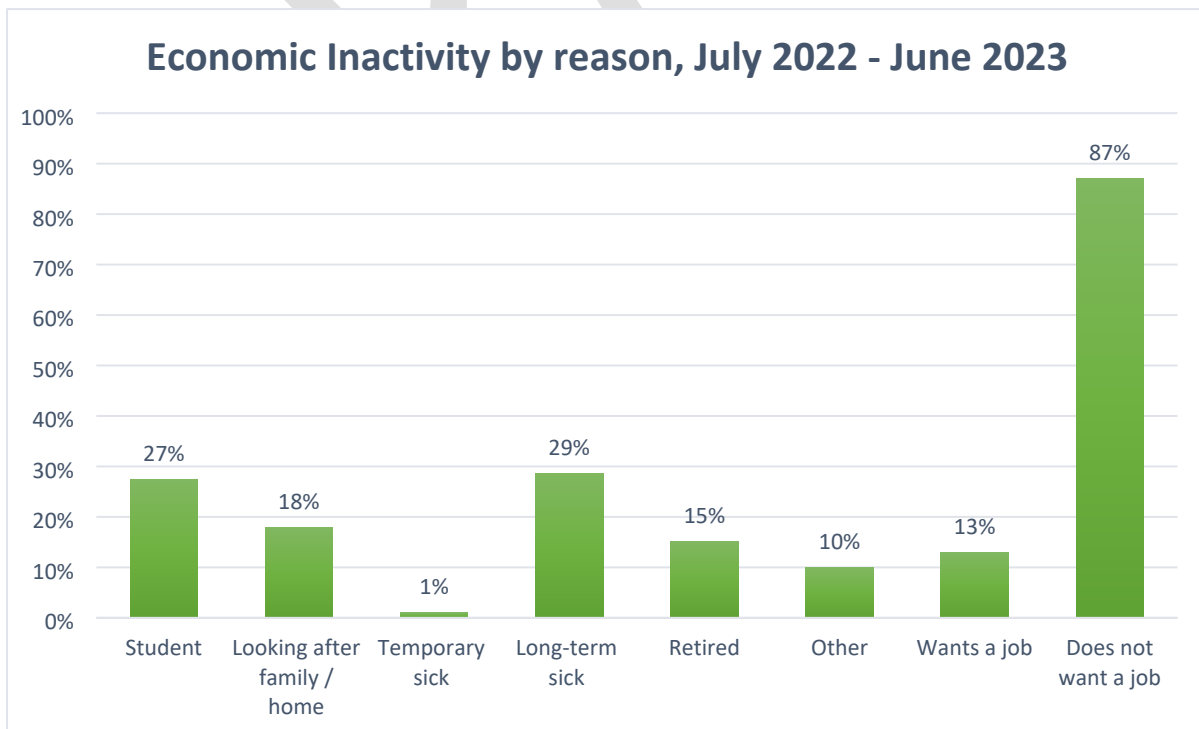


Figure 8 Source: Annual Population Survey

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Employment

Employment in EMCCA has decreased whilst nationally it has increased over the last five years. The employment rate for EMCCA was 73% in June 2023, which was three per cent below the national rate.

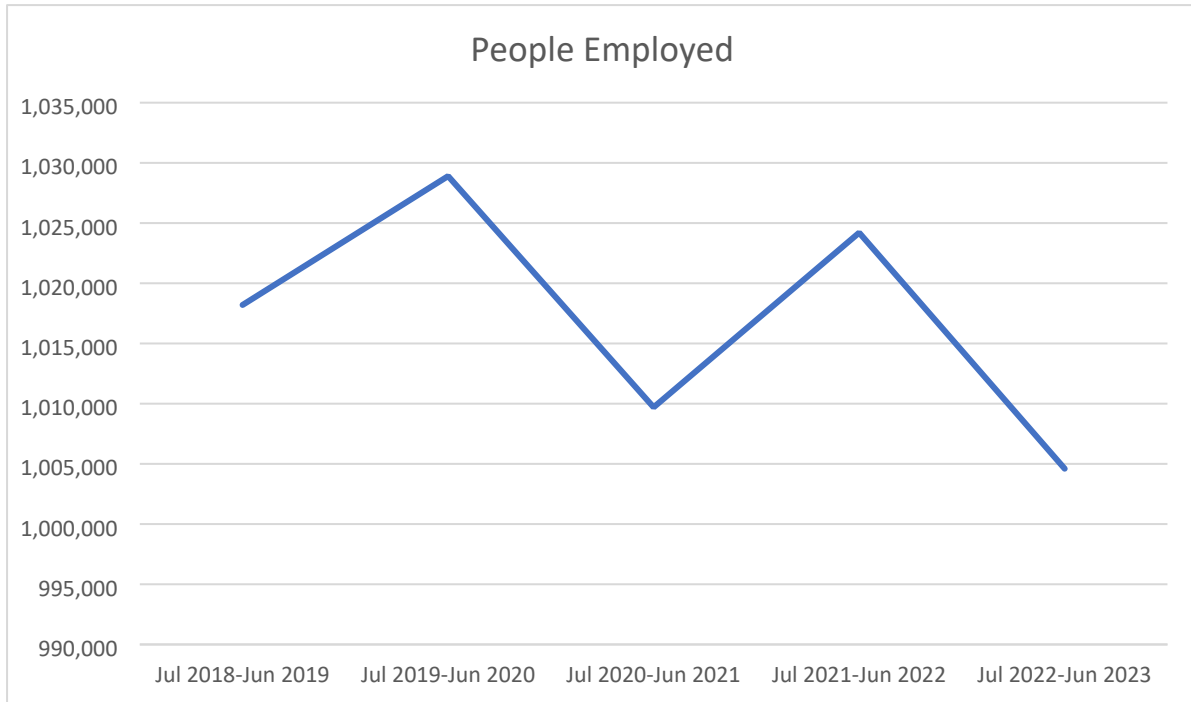


Figure 9 Source: Unit for Future Skills; Annual Population Survey

Wages

In 2022, the median annual pay of people *living* in EMCCA was £30,200, lower than the regional and national averages. Average wages differ considerably across the region, with the highest in Derby City (£36,100) and the lowest in Bassetlaw and Bolsover (£25,800).

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Job Openings

The number of online job postings is highest in Nottingham and lowest in North East Derbyshire.

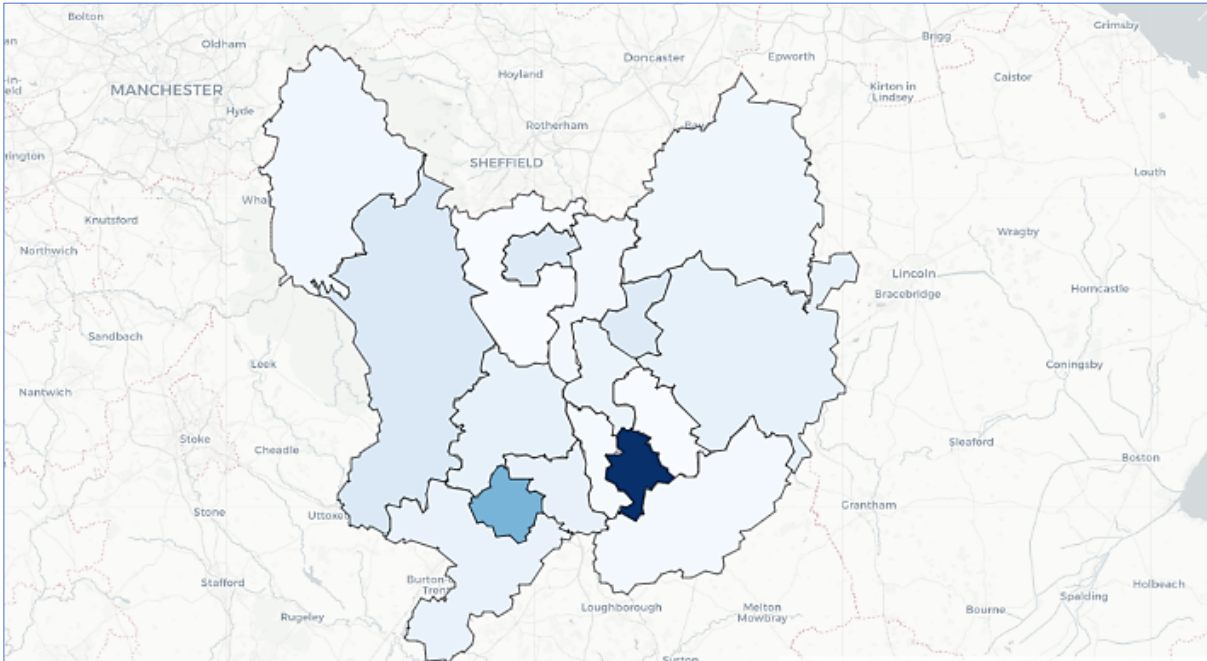


Figure 10 Density of Online Job Postings. Source: Unit for Future Skills <https://department-for-education.shinyapps.io/local-skills-dashboard/>

The percentage of online job advertisements for Care Assistants, Nursing staff, Warehouse staff, engineers and drivers are above the national average.

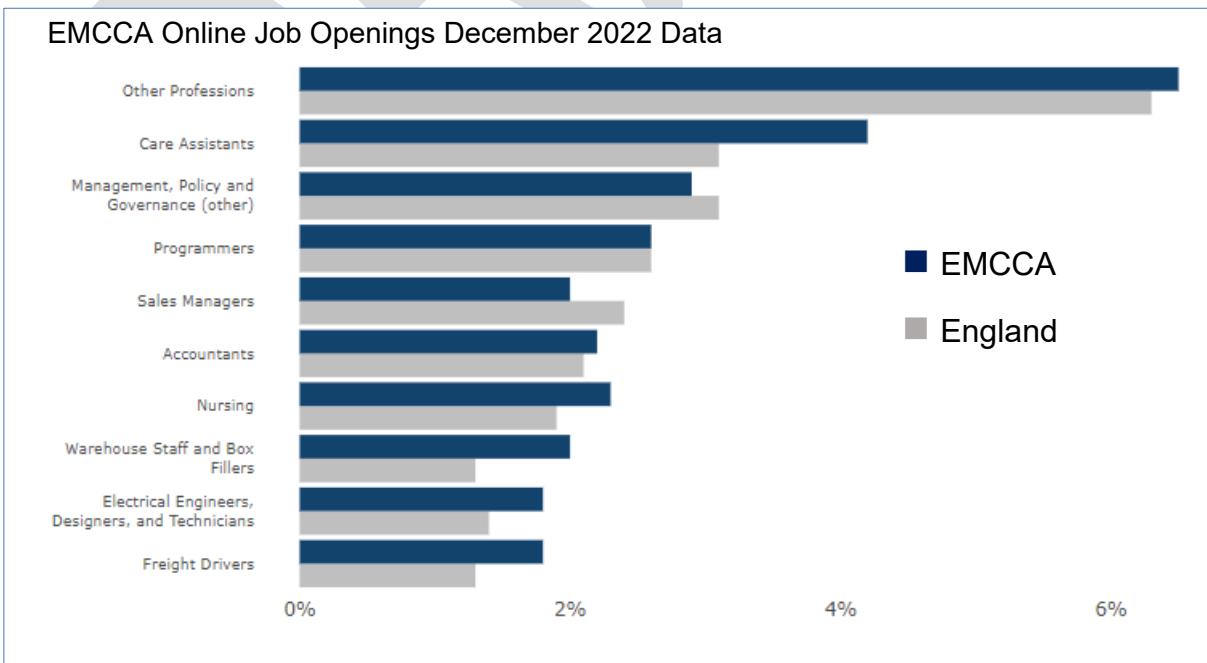


Figure 11 Source: Unit for Future Skills <https://department-for-education.shinyapps.io/local-skills-dashboard/>

EMMCA Skills Profile

Whilst residents with Level 2 and Level 3 qualifications are slightly higher than the national average, the region lags behind in terms of higher qualifications at Level 4 and above, with a five per cent difference to the national rate. This is concerning, given the future demand for advanced technical skills in the region, not just in advanced manufacturing, but in the emerging nuclear and hydrogen sectors. Around one in every fourteen people of working age in EMCCA lack any formal qualifications at all.

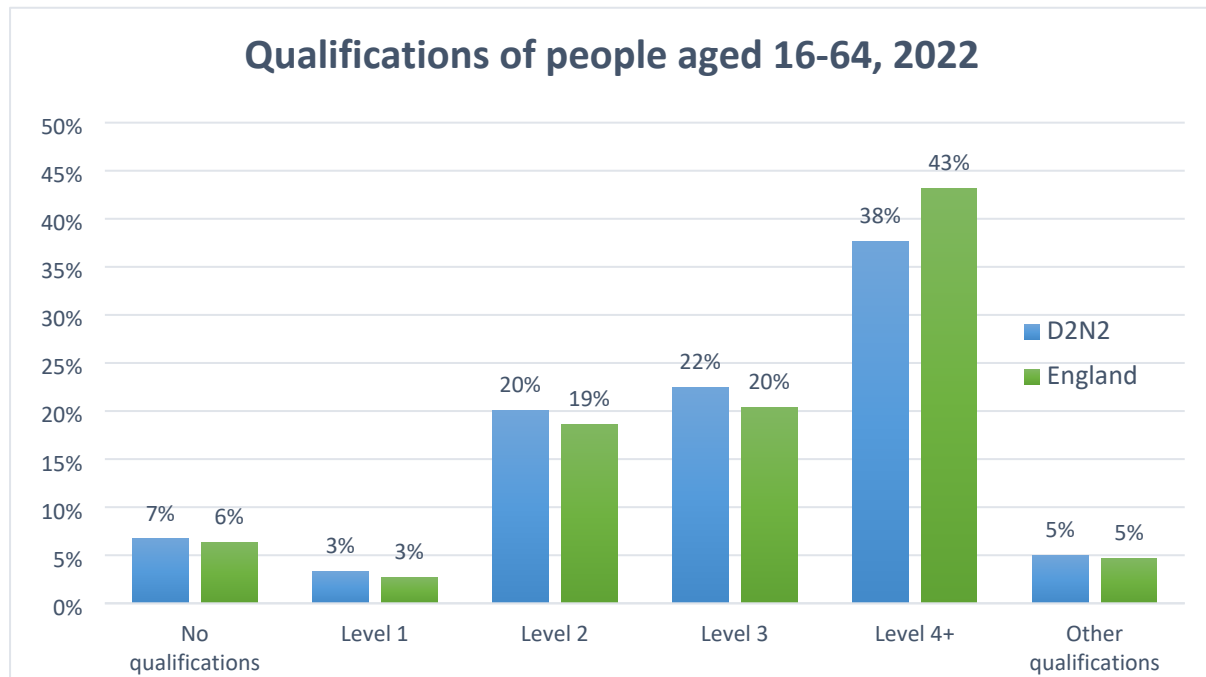


Figure 12 Source: ONS Annual Population Survey

Of the working age population in employment in the EMCCA area in the 12 months to December 2022, 44% had a qualification at Level 4 or above. 1

In contrast, just only 3% of the workforce has no qualifications. This represents 37.4% of the total number of working age people with no qualifications. (Out of 91,700 people with no qualifications only a third (34,300) were employment)

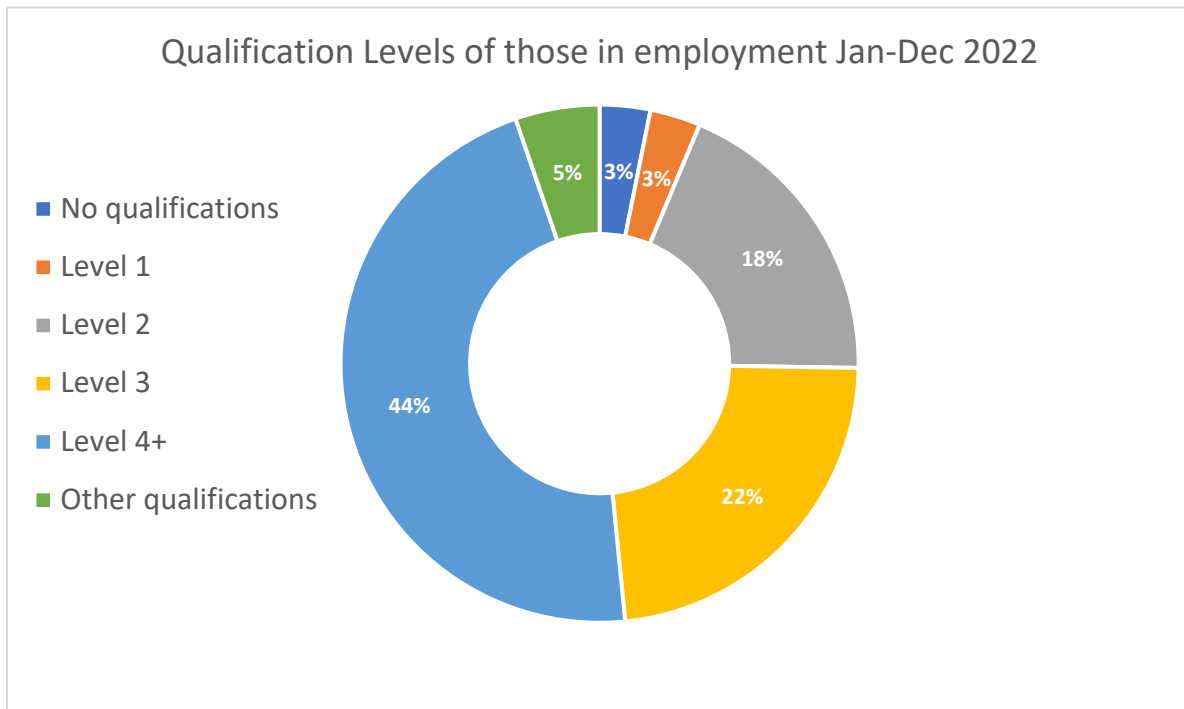


Figure 13 Source: Annual Population Survey

The relatively high percentage of working age people with a Level 3 qualification highlights the importance of providing accessible progression routes for them to access further job-related qualifications, particularly Higher Technical Qualifications at Levels 4 and 5 to meet employer demand and raise both productivity and better living standards.

Indices of Deprivation

Figure 14 shows the proportion of Lower-layer Super Output Areas (LSOAs) within each Lower Tier Local Authority within the EMCCA boundary which fall within the most deprived 10% nationally. (LSOAs are small areas designed to be of a similar population size, with an average of approximately 1,500 residents or 650 households. Local Authorities which have no LSOAs in the most deprived 10 per cent of all such areas in England have a score of zero for this summary measure.

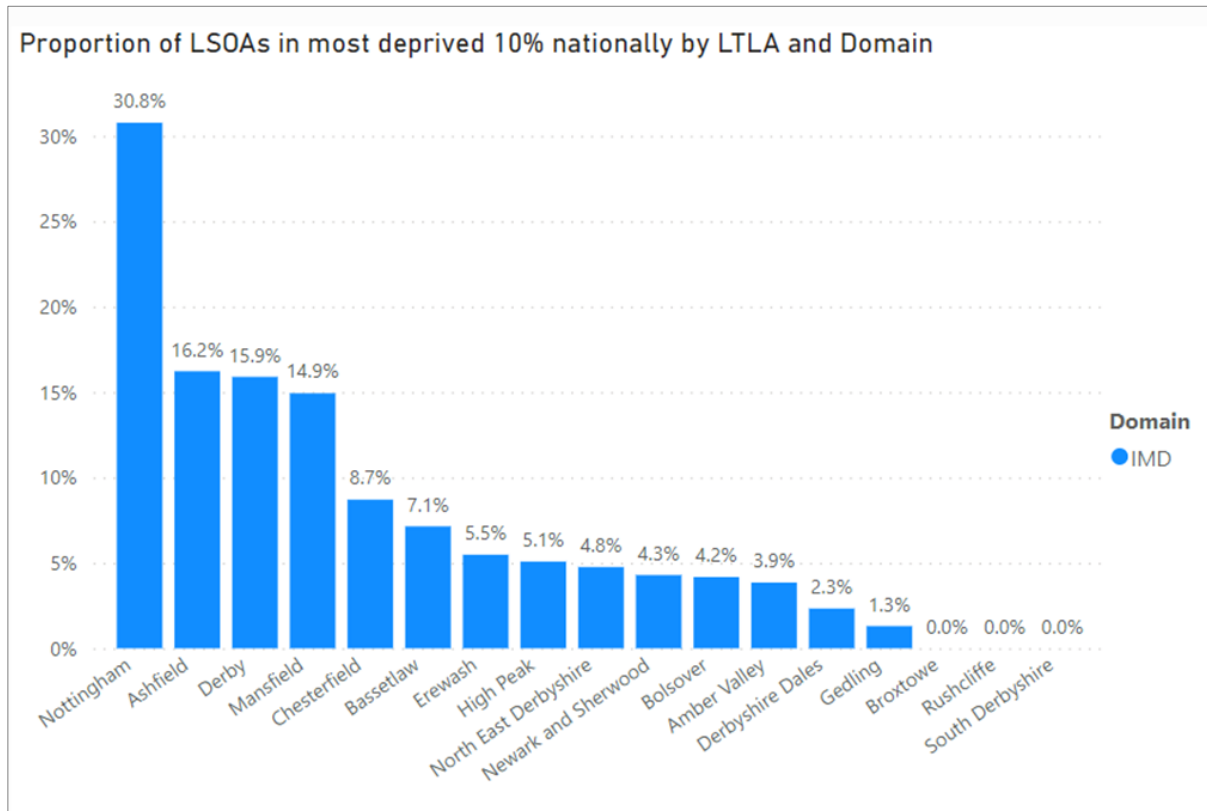


Figure 14 Source: MHCLG, English Indices of Deprivation, 2019

Section 4 – Strategic Skills Priorities

EMCCA's strategic skills priorities consider how we will support the delivery of national objectives through locally determined delivery, and we have also considered the intelligence and recommendations within both the *D2N2 LEP Local Skills Report*⁵, and more recently, the *D2N2 Local Skills Improvement Plan*⁶ developed by the Federation of Small Businesses. An economic growth plan for the new combined authority is in development but we are also

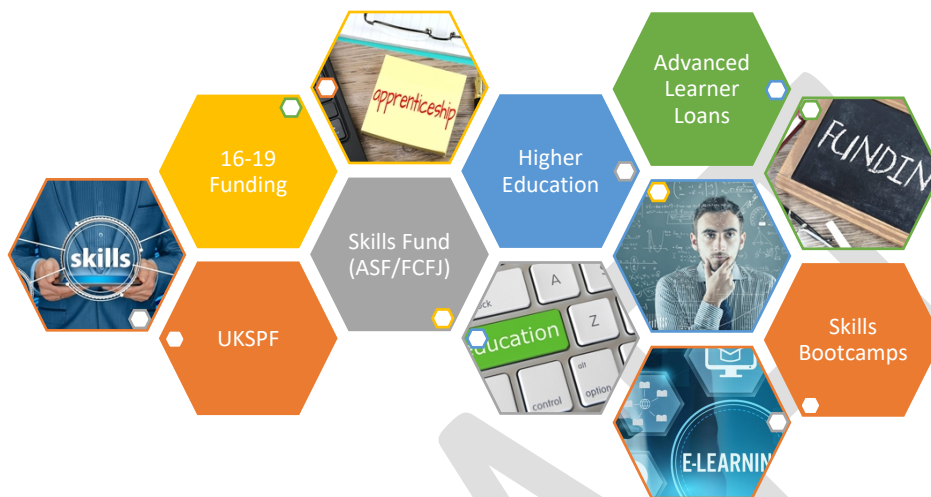
⁵ https://d2n2lep.org/wp-content/uploads/2023/02/D2N2-Local-Skills-Report-January_2022.pdf

⁶ <https://www.fsb.org.uk/derbyshire-and-nottinghamshire-lsip.html>

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able to draw on the existing D2N2 LEP Recovery and Growth Strategy⁷ which covered the EMCCA footprint and reflects the skills needs of the area.

We recognise that the Adult Skills Fund is part of a wider education landscape and our ambition as a combined authority is to ensure that funding streams are aligned to deliver the best possible results for our residents, communities and businesses. Currently the system can feel fragmented and the devolution of ASF, together with the potential afforded by linking



to other funding streams such as FCFJ, Skills Bootcamps and UKSPF will enable us to target provision and reduce duplication more effectively.

The focus of the Local Skills Improvement Plan (LSIP) was thematic, rather than sector driven

Figure 15 Government funded post-16 education framework.

and resulted in recommendations around five key themes:

- **Digital skills.** The advent of Covid-19 accelerated the adoption of digital technologies exponentially, increasing demand for digital skills from industry. There is a need to address digital skills at all levels, from basic digital skills through to advanced skills such as cybersecurity, cloud computing, and data analysis.
- **Net Zero.** The transition to a low carbon economy will require both upskilling of existing workers and integration into the current curriculum offer to ensure alignment.
- **Essential and transferable skills.** This was in the context of work readiness and soft skills such as resilience, communication, teamwork and problem solving. The LSIP identified that employers were increasingly demanding these skills from prospective employees.
- **Local skills system.** The education landscape was seen as complex by employers with a multiplicity of learning organisations and offers. The region could benefit from increasing the existing high levels of collaboration which exist across FE and between FE and HE.
- **Local socio-economic conditions.** The LSIP findings reflected the data identified in Section 3 of this document. Additionally, the LSIP identified the need for more inclusive recruitment practices among employers.

⁷ https://d2n2lep.org/wp-content/uploads/2022/11/Recovery-Strategy-2020_V4_190121-compressed.pdf

There are clearly strong synergies with the strategic skills objectives of the EMMCA, particularly in terms of the desire to create a more cohesive local skills system and the skills response to local socio-economic conditions. The EMCCA is working closely with the LSIP developer, FSB, and is also part of the Local Skills Improvement Fund working group, comprised of our FE Colleges, Local Authorities and independent learning organisations.

Section 5 - AEB Data and Delivery: contextual overview

Funding Overview 2022/23

NOTE: Any gaps in data due to ongoing analysis of Data Cube highlighted in red

The information given in this section applies to historic Adult Education Budget delivery and is therefore termed AEB rather than ASF, which does not come into effect until August 2024.

In the Academic Year 2022/23 the total amount of AEB education and training funding spent on EMCCA residents was around £36.5 million (excluding Community Learning). Of the total funding available under AEB, approximately 79% of the funding was used for AEB skills (education and training) provision and 21% for delivery of AEB Community Learning Provision. This was also reflected in the split by learning aims, Education and Training provision accounting for 87% of all learning aims and the remaining 13% was delivered through Adult and Community Learning⁸.

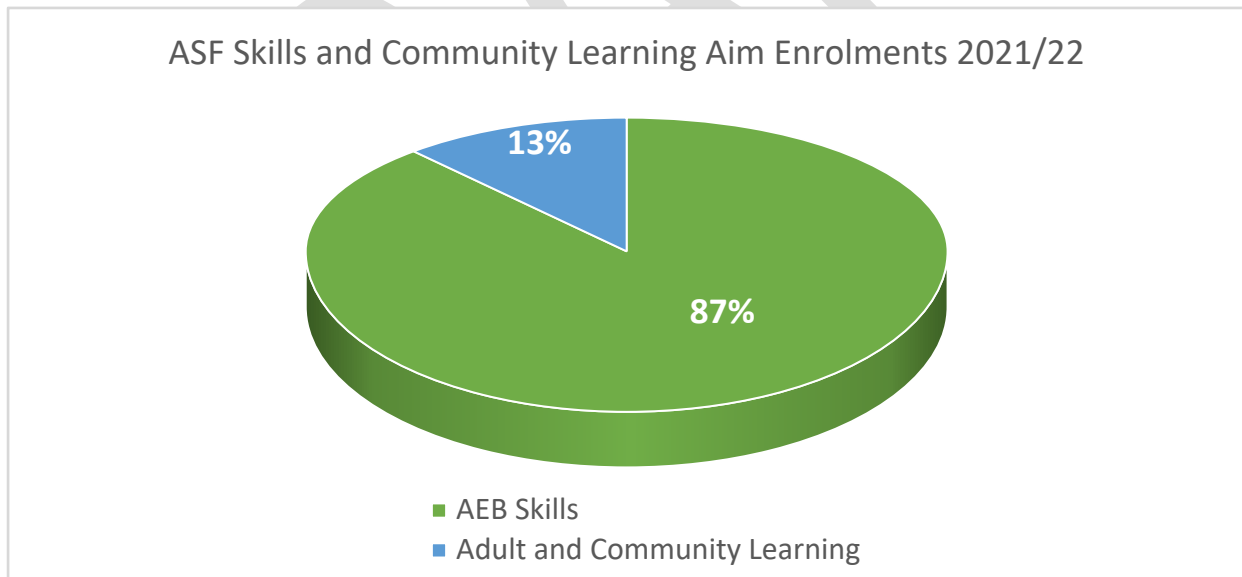


Figure 16 Source: <https://explore-education-statistics.service.gov.uk/find-statistics/further-education-and-skills/2021-22>

The majority of provision (80.7%) was delivered directly by contracted providers with the remaining 19.3% delivered through subcontracted provision.

⁸ ACL providers, including Local Authorities, may have contracts for both education and training and community learning ASF.

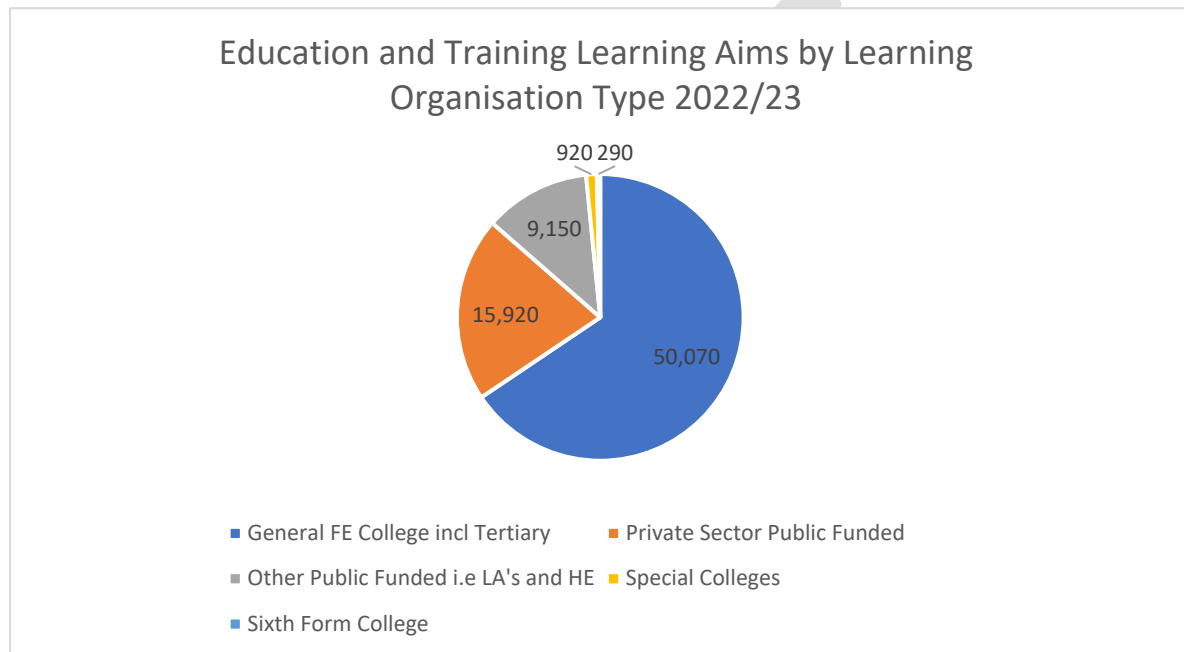
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Based on the data available, 82.3% of Adult Education Budget Funding was allocated to grant funded providers with the remaining 17.7% delivered through procured contracts for services.

It is estimated that approximately **XX%** of skills funding was used to meet statutory learner entitlements in 2022/23.

Learning Organisation Base

The learning organisation base catering for AEB Education and Training funded learners in EMCCA is large, with 229 organisations listed as prime contractors in 2022/23⁹. The funding value for most learning organisations however, was small, with a median value of around £8,000.



⁹ Localities Data Cube

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The majority of Education and training ASF provision was delivered by General FE Colleges, whereas for Adult and Community Learning the majority of provision was delivered by Local Authorities

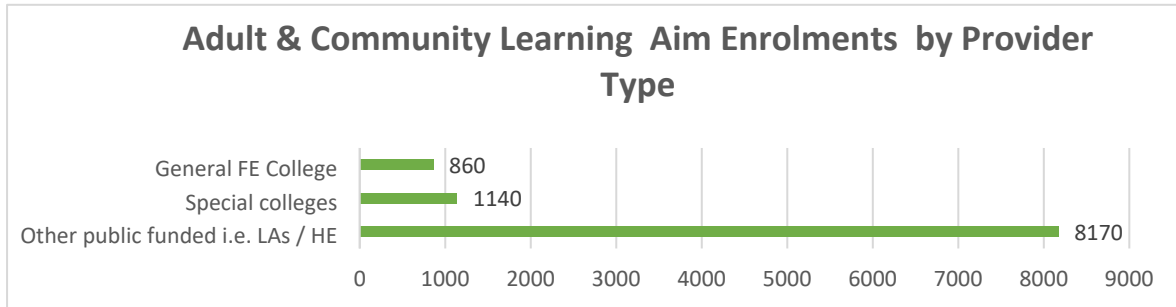


Figure 17 <https://explore-education-statistics.service.gov.uk/find-statistics/further-education-and-skills>

Figure 18 Source: <https://explore-education-statistics.service.gov.uk/find-statistics/further-education-and-skills/2021-22>

Enrolment Trends

Education and Training (AEB) aim enrolments three-year trend by age profile.

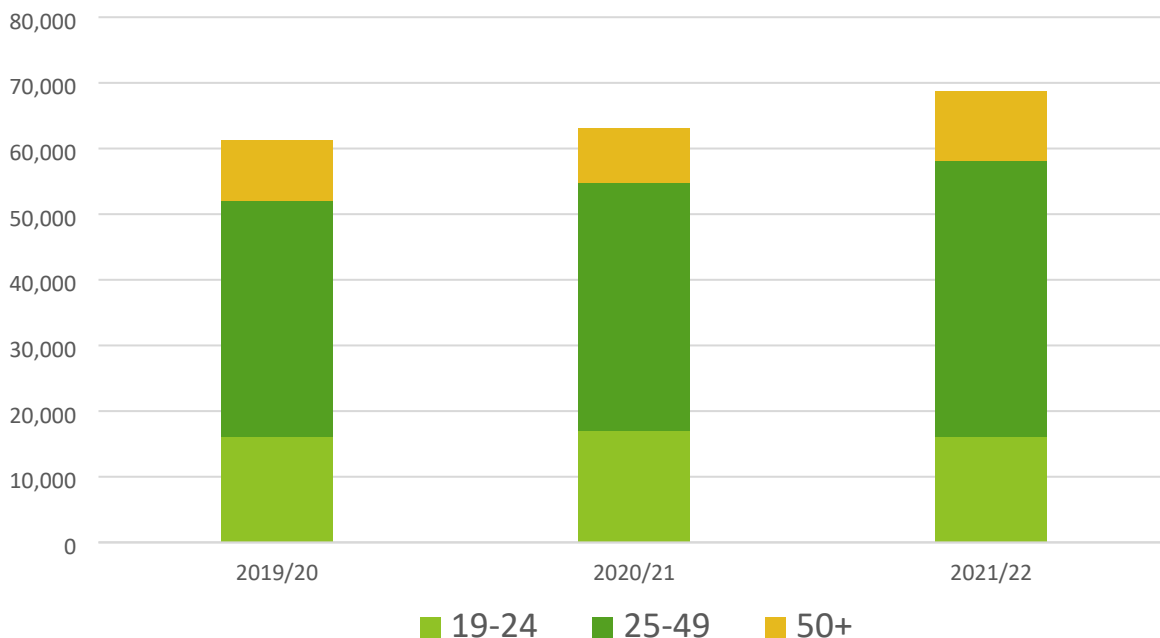


Figure 19 Source: <https://explore-education-statistics.service.gov.uk/find-statistics/further-education-and-skills/2021-22>

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Community Learning aim enrolments by type of learning

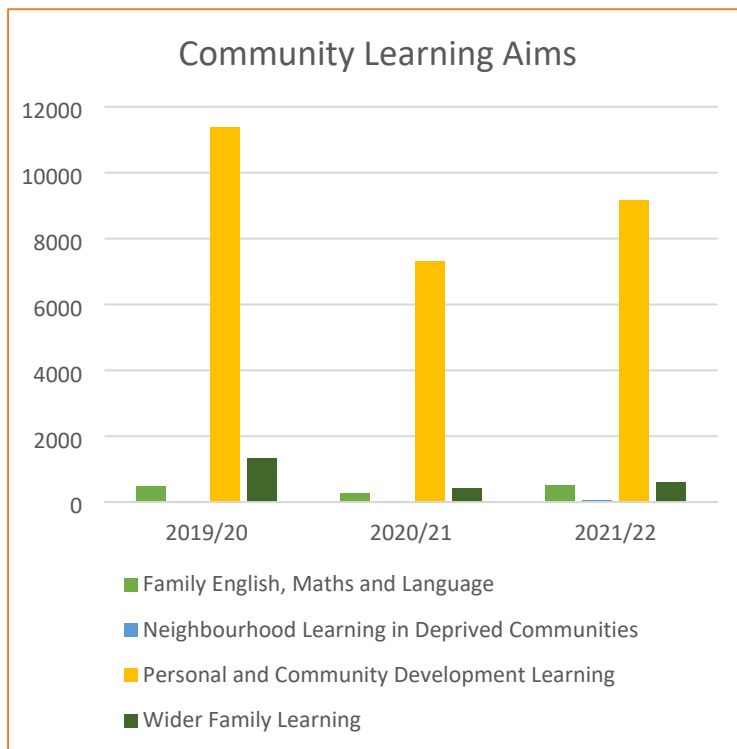


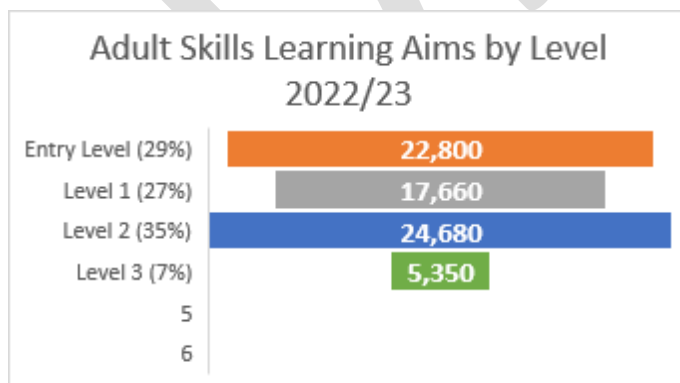
Figure 20 Source: <https://explore-education-statistics.service.gov.uk/find-statistics/further-education-and-skills/2021-22>

NOTE: Following to be inserted.

- Proportion of provision (£ and learning aims) delivered by 'out of area' learning organisations, and of those, what percentage was subcontracted?

Profile of Provision

Under the Education and Training strand of AEB there were 76,350 learning aim enrolments in 2022/23.



In terms of participation, almost all AEB funded learners were enrolled on learning at or below Level 2 in 2021/22 or at an unassigned level via Community Learning.

The range of subjects funded by AEB is narrow, of the 76,350 ¹⁰aim enrolments in 2022/23, 36,360 were for aims specifically linked to preparation for Life and Work, which includes English, Maths, Digital and

Figure 21 Source: <https://explore-education-statistics.service.gov.uk/find-statistics/further-education-and-skills>

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Employability Skills. The three biggest areas by volume of learning aims were Preparation for Life and Work, Health, Public Services and Care, and Business Administration.

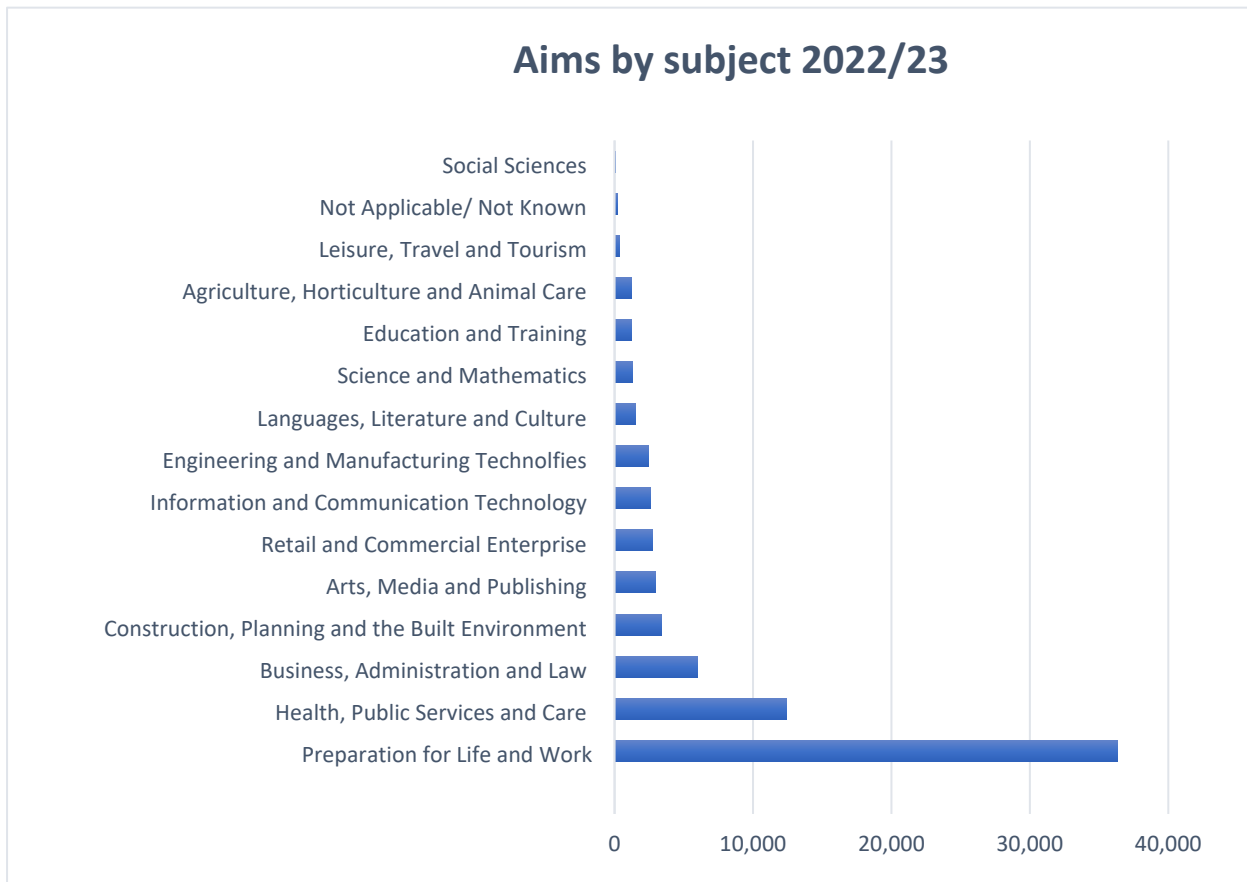


Figure 22 Source: <https://explore-education-statistics.service.gov.uk/find-statistics/further-education-and-skillsProfile of Learners>

There are notable differences in the age profile of learning aims delivered through AEB Education and Training and through Adult and Community Learning (although the numbers accessing training through ACL are lower). The percentage of aim enrolments by 50+ learners is considerably higher.

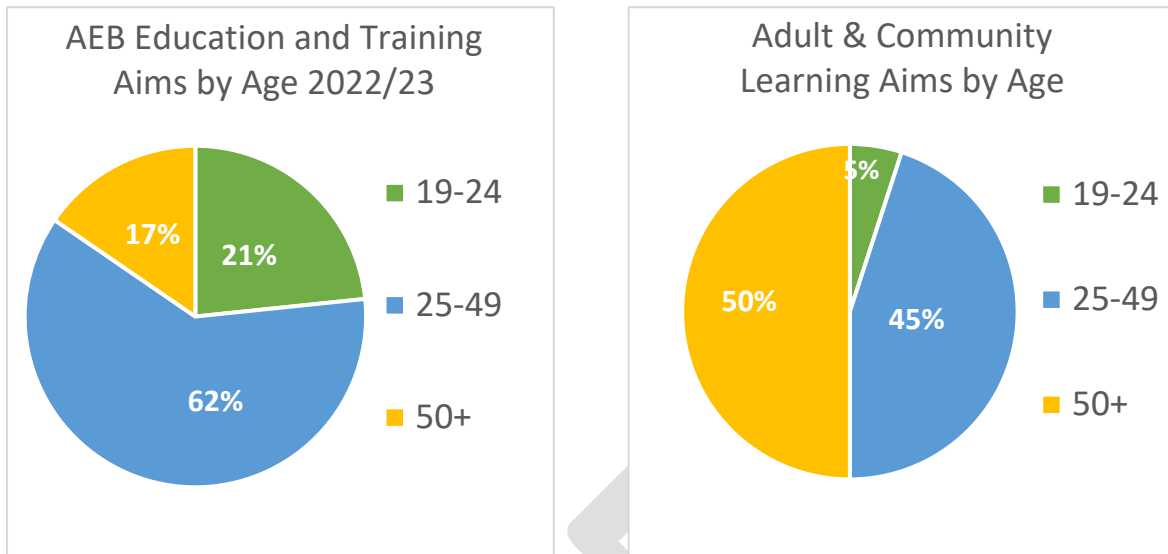


Figure 23 Source: <https://explore-education-statistics.service.gov.uk/find-statistics/further-education-and-skills>

A larger proportion of women than men accessed education and training through AEB funded provision in EMCCA in 2021/22.

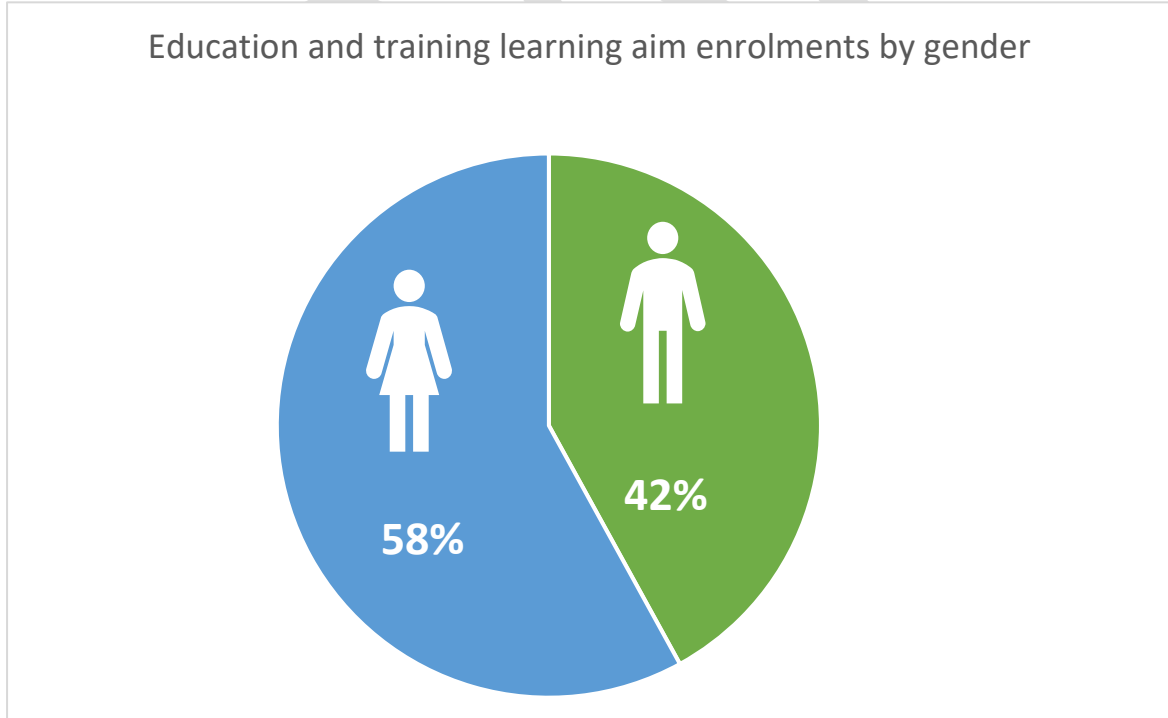


Figure 24 Source: <https://explore-education-statistics.service.gov.uk/find-statistics/further-education-and-skills/2021-22>

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Achievements

Whilst the achievement rate for AEB delivered through Education and Training is slightly higher than the national average at 63.5%, EMCCA has a lower share of FE achievements in Community Learning than the national average.

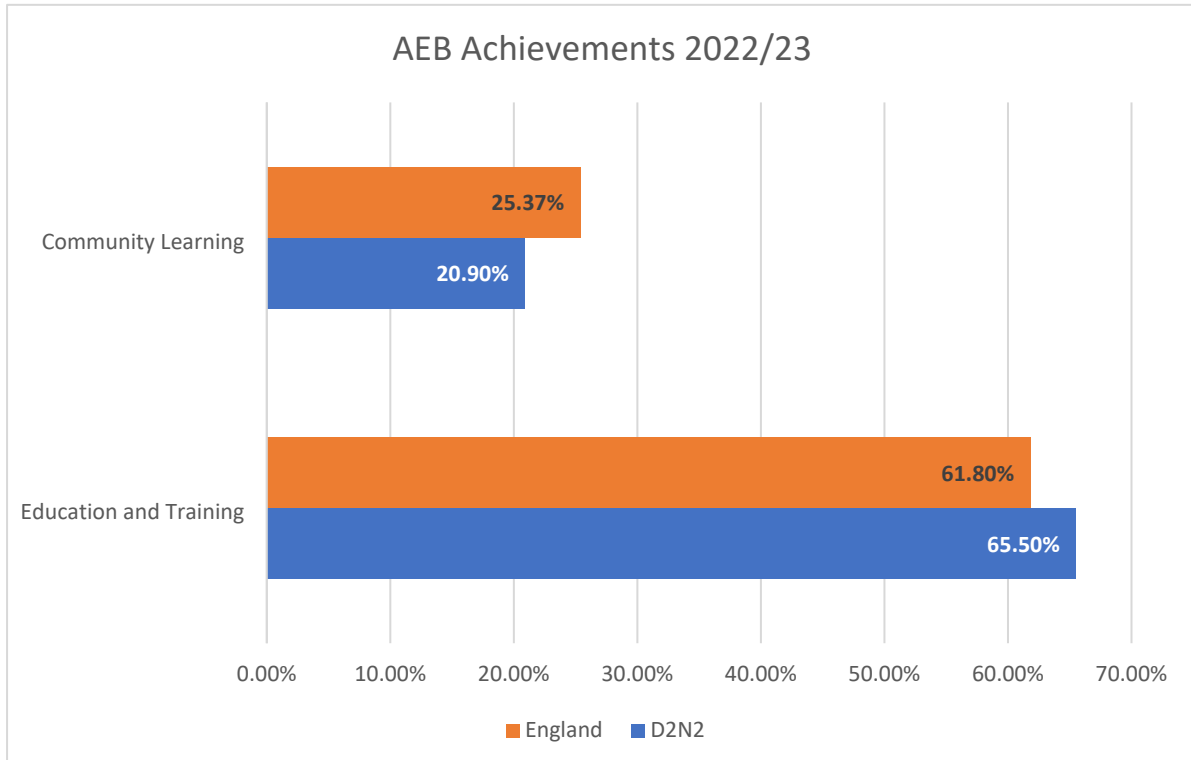


Figure 25 Source: <https://department-for-education.shinyapps.io/local-skills-dashboard/>

Free Courses for Jobs

To be inserted: data on FCFJ enrolments, funding value, achievements and type of aim delivered.

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Section 6 – Funding Overview

The EMCCA will be responsible for devolved ASF from the 2025/26 Academic Year. Our strategic approach will be informed by analysis of the full academic year data for 2023/24, robust engagement with our stakeholders and consideration of the wider skills landscape, including interfaces with other delegated (but not devolved) funding streams such as Free Courses for Jobs and Skills Bootcamps for which EMCCA will hold contracts with learning organisations.

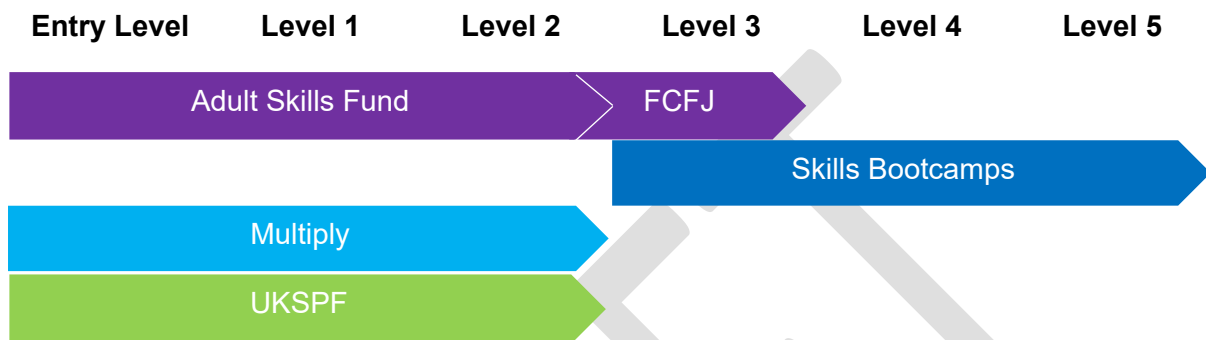


Figure 26: EMCCA Skills Funding

ASF

ESFA funded ASF aims to engage adults and provide the skills and learning they need to progress into, or within, work; or equip them for an apprenticeship or other learning. It enables more flexible tailored programmes of learning to be made available, which may or may not require a qualification, to help eligible learners engage in learning, build confidence, and/or enhance their wellbeing.

The ASF primarily funds qualifications up to and including Level 2, and although funding for Level 3 qualifications is available through the Free Courses for Jobs funding, the ASF does not fund all Level 3 qualifications or programmes at Level 4 and above, as these are funded through Advanced Learner Loans or Higher Education funding.

Much of the Adult Skills Fund is spent meeting statutory entitlements of learners, including fully funded provision for basic English, Maths and Digital skills and any entitlement to a first full Level 2 or Level 3 qualifications.

Free Courses for Jobs (FCFJ)

Free Courses for Jobs is a funding stream which sits within the ASF but is managed as a distinct delegated allocation and is part of the Lifetime Skills Guarantee. The funding is aimed at enabling those without a level 3 qualification or higher to achieve a recognised qualification for free. Those who already hold a level 3 but earn below the national living wage, and those who are unemployed are also eligible for FCFJ.

The purpose of free courses for jobs is to reduce sector skills shortages, support individuals in enhancing their career prospects within their current industry and enable individuals to reskill within a new sector. Eligible courses are available in sectors such as health and social care, childcare and early years, hospitality and catering, accounting and finance, and construction.

Adult Skills Fund

From August 2024 the ESFA Adult Skills Fund (ASF) will replace the ESFA Adult Education Budget, simplifying the funding and accountability system and giving learning organisations more flexibility to respond to local need where they have a direct contract with ESFA.

There will be 2 main parts to the ESFA ASF:

1: Adult Skills Fund Core

All formula funded regulated qualifications that include:

- the four legal entitlements
- Free Courses for Jobs
- Local flexibility

2: Adult Skills Fund Tailored Learning

- Non-regulated provision
- Provision currently termed as Community Learning
- Formula-funded ASF non-regulated learning
- And any new employer-facing innovative provision

Funding guidance for the 2024/25 academic year is expected to be published by April 2024 and clearly the EMCCA will need to ensure that its funding rules reflect the national changes. Key considerations will be the shift in eligibility from prior achievement to unemployed and low waged.

Other funding streams

In addition to ASF there are other funding streams which will transfer to the control of the devolved authority. The current DfE grant agreement for delivery of Skills Bootcamps in EMCCA is held by the D2N2 LEP but following LEP transition to the devolved authority this contract is expected to novate to EMCCA, including Wave 5 delivery from April 2024. The UK Shared Prosperity Fund (including Multiply) is also expected to revert to the EMCCA from 2025.

Skills Bootcamps

Skills Bootcamps are free, flexible courses of up to 16 weeks for adults aged 19 or over. They give people the opportunity to build up valuable sector-specific skills based on local employer demand and provide a direct path to a job on completion. Skills Bootcamps are primarily aimed at delivering flexible training at levels 3-5 (medium to higher level technical skills), and level 2 in some sectors. They are co-designed or shaped with employers to respond to their skills shortages.

This training is for adults who are either in work, self-employed, unemployed or returning to work after a break.

UKSPF/Multiply

Through the UKSPF people and skills investment priority, places can use their funding to help reduce the barriers some people face to employment and support them to move towards employment and education. Places can also target funding into skills for local areas to support employment and local growth. Currently funded via UTLAs, Multiply is a UKSPF funded programme for adults who don't already have a GCSE grade C/4 or higher in Maths to enable access to free courses that fit around their lives.

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Funding streams and programmes such as apprenticeships, offender learning and higher technical qualifications will remain funded through ESFA on behalf of DfE.

EMCCA will work proactively and collaboratively with national and strategic partners and local stakeholders ensure that delivery of ASF is aligned with other funding streams as part of a coherent education landscape for the region focusing on supporting our residents to gain the skills needed to progress towards or into productive and sustained employment.

For example, whilst not a skills programme per se, the Flexible Fund, part of the East Midlands Investment Zone (EMIZ) funding, will also offer the opportunity to access further skills funding, as will the development of the East Midlands Freeport (EMF).

ASF provision will be an important element of EMMCA's overarching skills strategy and this document will contribute towards the development of that plan which in turn will stem from the Economic Growth Strategy for the Region. It is recognised that the ASF SSP forms a part of the wider investment and skills strategy for the region, as does the LSIP. The relationship between the key strategic documents are shown in Figure 24 below.

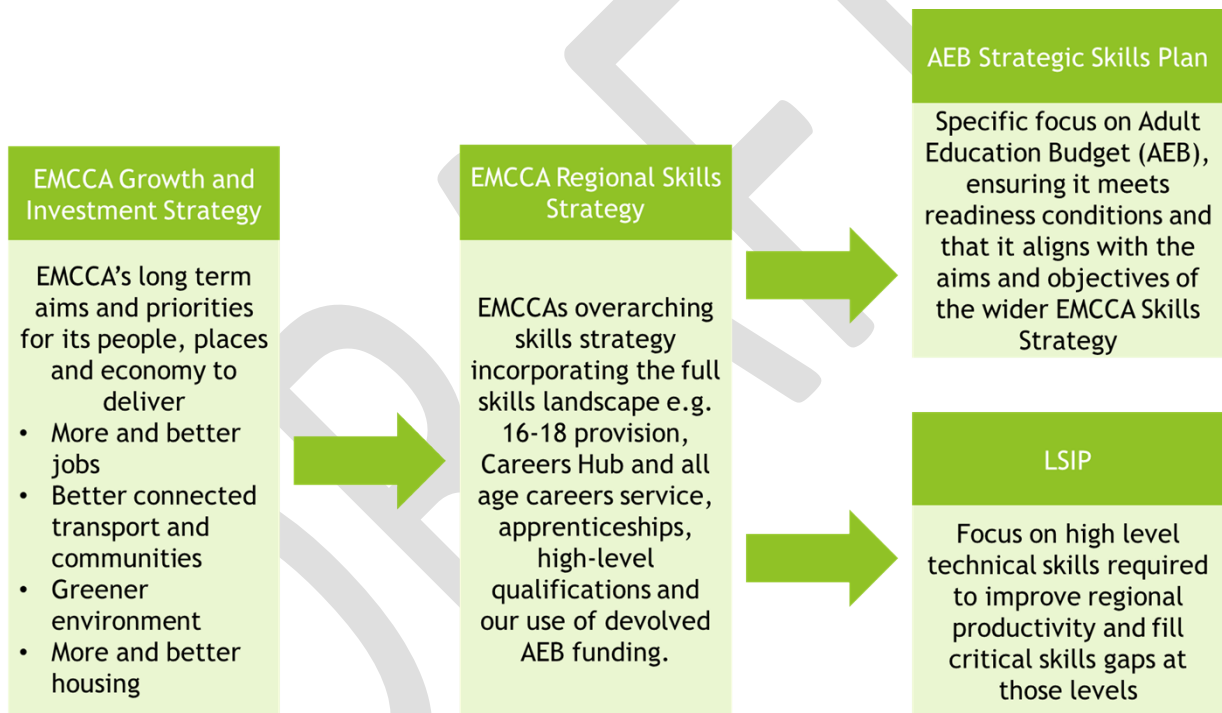


Figure 27 EMCCA Skills and Investment Strategy Overview

Section 7 – ASF Strategic Approach

Devolved ASF Flexibilities

Devolution of ASF and responsibility for other employment and skills funding streams provides an opportunity to make commissioning decisions which focus on the specific needs of our region and to ensure that we align funding streams to avoid duplication of delivery and maximise the potential to develop clear and well understood progression pathways. It will enable EMCCA to offer flexible provision to meet the needs of our residents and businesses and the agility to respond swiftly to changes in the labour market and to support residents who may need additional support to access learning or employment. This will also be

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facilitated through closer working with DWP and the opportunity to co-produce programmes to better meet the needs of the region.

Over time EMCCA expects to make full use of the freedoms and flexibilities afforded as part of devolved ASF funding in terms of funding rules, rates and eligibility criteria. However, our focus for the first year of operation has to be on maintaining the stability of existing provision. We expect that further changes will occur over time, through working strategically with the learning organisation base and other key partners and stakeholders to ensure that they are evidence based.

The devolved Adult Skills Fund will enable us to:

- Focus on the needs of place, ensuring that funded provision aligns with progression pathways addressing skills gaps specific to our area.
- Support the growth of our regional economy to impact positively on national productivity and performance.
- Deliver a more responsive and accessible adult skills offer for residents and employers.
- Utilise skills funding to promote social mobility to allow people to achieve their potential.
- Develop deeper, sustainable relationships with training learning organisations to develop provision which meets the needs of the locality.
- Ensure that our ASF provision works in tandem with other funding streams to avoid duplication, ensure value for money and maximise opportunities available to residents and businesses alike.
- Build on existing collaborative ways of working between all post-16 skills and education stakeholders to bring together planning of the wider skills and post-16 skills system across EMCCA.
- Focus on demonstrating and evidencing the impact of ASF on learner outcomes.

As previously stated, in the early phase of devolution, our intention is to maintain a stable learning organisation base to ensure that access to high quality learning and skills is secure and that the throughput of a skilled labour force continues to serve the economy. The intelligence gained by EMCCA through this early phase will then be used to inform future commissioning decisions over the medium and longer term.

To ensure continued stability in the system we have established the following commissioning principles:

Continue to fund the four statutory legal entitlements for eligible adult learners These entitlements are set out in the [Apprenticeships, Skills and Children Learning Act 2009](#), and are:

- English and maths up to and including level 2 for learners aged 19 and over who have not previously attained a GCSE grade A* to C or a grade 4 or higher.
- a first full qualification at level 2 for learners aged 19 to 23.
- a first full qualification at level 3 for learners aged 19 to 23.
- essential digital skills qualifications up to and including level 1 for learners aged 19 and over who have digital skills assessed as being below level 1.

In line with the ESFA ASF funding rules for 2023-24 we will provide full funding for the following eligible learners:

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- Unemployed learners, prioritising funding to undertake learning programmes up to Level 2 (ASF) or Level 3 (FCFJ) which support them to move into work.
- Fund low-waged learners (currently less than £20,319) to gain their first full level 2 (ASF) or level 3 (FCFJ) qualification.
- Fund unemployed or low waged learners whose first language is not English for ESOL learning, up to level 2.

Prioritise those who are facing additional barriers to enter or progress into employment.

We will work with our learning organisation base to understand the barriers faced by residents in accessing work and enable a strategic, efficient community learning offer which encourages and supports learners onto appropriate provision. This will be particularly relevant in light of the increasing volume of economically inactive residents.

Maintain consistent rules and funding availabilities for learners with learning difficulties and/or disabilities.

EMCCA recognises the difficulties faced by learners with LLDD in both accessing provision and transitioning into employment.

Make provision for the development of innovative ways of working.

Whilst it is clear the majority of the ASF will be used to meet statutory entitlements, the devolution of the funding also affords opportunities to test and pilot new approaches to delivery. In order to respond to identified need, EMMCA will set aside funding for small scale pilot activity, for example (but not limited to): delivery of qualifications which are desired by local employers but not approved on the Learning Aim Reference Service (LARS), trialling unit delivery at L3 or L4 supporting progression to qualifications available under FCFJ, Bootcamps or HTQs. We expect to work closely with the sector on this using their expertise to develop ideas and potential solutions to overcome existing barriers.

Health and Well Being

The most prevalent reason for economic inactivity within EMCCA is long-term sickness, compounded by the longer-term impact of Covid on the mental well-being of the resident population. ASF delivery to these groups of people can be used to effect a positive impact on learner's wellbeing. Learners accessing ASF funded programmes have reported that they felt significant increases in their life satisfaction and happiness and reductions in anxiety levels.¹¹

EMCCA will therefore continue to support achievement of those wider outcomes, such as improving learner confidence, mental health and wellbeing in recognition of the importance of health and wellbeing to chances of getting and sustaining employment.

¹¹ <https://data.london.gov.uk/dataset/london-learner-survey>

Alignment with national programmes

We are mindful that ASF comprises a significant element of adult funding but in commissioning activity we will consider the wider skills landscape and other programmes which will remain under the management of DfE and ESFA: National Careers Service, Apprenticeships, Higher Education (including Lifelong Learning Entitlement), and Offender Learning. Our EMCCA Skills Strategy will also include consideration of the wider skills environment including pre-and post-16 careers provision, 16-18 education provision, apprenticeships and high-level skills in transforming the EMCCA economy. The strategy will also incorporate where appropriate, those elements of skills funding administered by other government departments, e.g. some elements of skills for Net Zero managed by the Midlands Net Zero Hub, and funding for skills made available through place-based initiatives such as Towns Fund.

Governance

EMCCA's management of devolved ASF funding will evolve over time, under the direction of the elected Mayor. As the devolved skills landscape is established, we will develop further freedoms and flexibilities in response to the needs of our economy in line with financial management and planning regulations specific to Combined Authorities. Future targeting of funds will be underpinned by an evidence base which reflects labour market needs and assesses the impact of current provision.

Section 8 – Principles of Commissioning

Core Commissioning Principles

The devolution of the ASF budget to the EMCCA affords the opportunity to focus on a wider range of outcomes than qualifications alone. We are clear the budget is a key element in the drive to improve economic prosperity for the region, by reducing inequality and promoting social mobility to allow people to achieve their potential, especially in communities that are most disadvantaged. To achieve this, our commissioning approach will focus not only on achievement of qualifications, but on the wider outcomes achieved by learners (entering employment, in-work progression and progressing to higher levels of learning).

We will consider the recommendations of the LSIP, conduct ongoing labour market analysis and draw on the local knowledge of our learning organisations to ensure availability of a high-quality adult skills offer, focused on achieving outcomes directly linked to local skills needs.

The core set of commissioning principles will:

- Seek to align the Adult Skills Fund expenditure with the residents and places that are most in need, and /or that will see the greatest impact from investment in skills.
- Place learner outcomes (including securing employment, in-work progression and progression to higher levels of learning) at the heart of commissioning.
- Ensure that commissioned ASF provision is aligned with provision available under other funding streams to form cohesive progression pathways for learners.

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- Ensure contracting processes are transparent and fair, facilitating the involvement of the broadest range of suppliers, including subcontracting and consortia building, where appropriate.
- Seek to utilise learning from our existing evidence base, together with ongoing analysis and consultation with stakeholders, employers, learning organisations and learners to identify areas where investment of funds would benefit all.
- Seek to develop deeper relationships with all types of learning organisations, to understand their offer and their potential to improve skills delivery and outcomes across EMCCA.
- Sit within a wider framework of skills development, overseen by the EMCCA Employment and Skills Advisory Board
- Enable the trialling and development of innovative approaches to fund investment to meet local need.
- Support the core readiness conditions of the Adult Skills Fund contained within the devolution deal and provide stability in the system.
- Utilise existing Combined Authority networks to develop a shared understanding of good practice, performance management and management information requirements. Seek to align approaches where learning organisations have multiple delivery contracts.

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Funding Arrangements

Funding for ASF and FCFJ will be allocated through two routes.

Route 1 – Grant Funded Allocations	Route 2 – Contract for Services
<p>We will ‘roll-over ‘Grant Agreements with learning organisations who hold an existing Grant Agreement with ESFA and that:</p> <ul style="list-style-type: none"> • Are wholly or mainly funded by the public purse. • Have an established place-based approach that supports EMCCA’s strategic ambitions. • Deliver significant volumes of activity within EMCCA and support existing travel to learn patterns. • Have a head office or FE college campus within the EMCCA boundary <p>In recognition of the change in allocation values and learning organisation behaviour over time, and to maintain stability in the system, we will grant fund these learning organisations by applying the proportion of their 2023-24 allocation that was spent on EMCCA resident learners to the 2025-26 allocation.</p> <p>Grant funding agreements will initially last for one year (AY 2025/26, with the option for the EMCCA to extend for a further two years</p>	<p>The remaining ASF funds will be procured via an open and competitive procurement process.</p> <p>The majority of these funds will be procured through a commissioning round commencing in Autumn 2024 focusing on:</p> <ul style="list-style-type: none"> • Delivery of legal entitlements • Supporting unemployed and economically inactive to progress into good jobs. • Supporting in-work progression of those on low wages • Enabling employed adults to progress in the workplace. • Testing and/or piloting innovative ways of addressing skills gaps or trialling new learning methods. <p>Contracts for Services will be issued for one year (AY 2025/26) with the option to extend for further years. Th extension will be subject to learning organisation performance, skills policy and funding availability.</p>
<p>Irrespective of route:</p> <ul style="list-style-type: none"> • Learning organisations will develop an Annual Delivery Plan for year 1, including expected volumes of learners by Sector Subject Area and local authority area, profiled delivery volumes across the year and all planned subcontracting arrangements. • Learning organisations with a significant contract value will be expected to co-develop an Accountability Agreement with the Combined Authority that demonstrates their commitment to EMCCA’s strategic aims or to ensure that this is covered in their Annual Accountability Statement produced for DfE. • Growth requests will be available for year 2, subject to funding availability and learning organisation performance. • A 3% tolerance¹² will not be available on allocations, however, we will look to support growth requests in year where possible. 	

¹² ESFA’s national policy currently allows a 3% tolerance on underperformance and payment up to 3% for over-performance. Given the desire to maximise value for money and impact, alongside the limitations of the scale of budget for EMCCA, we cannot guarantee over-payments or commit to paying for under delivery.

Cross Border learners

It is understood that DfE intends to publish further guidance on how Combined Authorities should approach the issue of cross border learners. The learners in question are those learners living close to the EMCCA boundary whose nearest (and usual) place of learning is across the border, and this works both for learners resident in EMCCA whose place of learning is outside and non-residents whose nearest place of learning is within EMCCA. This could be addressed by creating reciprocal agreements with all of the following authorities which share a border with EMCCA (existing CAs have created mutual 'buffer zones' allowing learners to move between authorities:

- Greater Manchester
- West Yorkshire
- South Yorkshire
- Greater Lincolnshire

In addition, Staffordshire and Leicestershire will not have devolved funding but learners may still cross the border to access provision in EMCCA.

Out-of-Area Grant Funded Learning Organisations

Current grant funded learning organisations who do not meet the criteria listed under Route 1 will not receive continued funding for their subcontracted provision to EMCCA residents. This funding will be reallocated into the procurement allocation, recognising that such funding is ultimately delivered by independent learning organisations through subcontract arrangements.

Current grant funded learning organisations from outside of the EMCCA region will not automatically receive a grant through the devolved ASF allocations process but will have the opportunity to secure a contract for service through the competitive procurement process. Data indicates that this approach will have minimal impact on the learning organisation base, given the relative proportion of funded delivery in EMCCA compared to their overall allocations.

Out of Area Learners

The Combined Authority will only have responsibility and funding to support learners resident within the EMCCA. Learners travelling into EMCCA from other regions will require the learning organisation to have a national contract or grant agreement with ESFA. This is not withstanding any agreements which may be developed with contiguous CAs (see paragraph on cross border learners above)

Section 9 – Matrix ASF Priorities and Outcomes

EMCCA Strategic Priority	Objectives	ASF Specific Action	Outcome / Impact	Measures
Match skills to economic need to increase productivity and wellbeing.	<p>Increase number of people with basic employability skills (L2 &3)</p> <p>Increase number of people with higher level skills Supply skills for key sectors – decrease skills shortages.</p> <p>Develop a pipeline of skills for net zero and emerging technologies driving economic change.</p> <p>Maintain focus on transferable and digital skills to support inclusion and workplace progression</p> <p>Increase flexible methods of delivery</p>	<p>Ensure that ASF delivery forms part of progression pathways to deliver skills requirements to employers and allow individuals to access opportunities for progression.</p> <p>Provide people with L2 & L3 qualifications which are relevant to local labour markets.</p> <p>Facilitate progression through the provision of all-age careers support to deliver excellent information, advice and guidance.</p> <p>Commission pilots with flexible models of delivery.</p>	<p>Businesses in EMCCA can access people with the right skills to help their business flourish.</p> <p>Individuals are able to access training which contributes to an increase in living standards and career prospects.</p>	<p>Prevalence of skills gaps and shortages</p> <p>Number of qualifiers by level and subject</p> <p>Achievement rates by level and subject</p> <p>Sustained positive destination rates.</p> <p>Pay outcomes.</p> <p>Progression to apprenticeships</p> <p>Adoption of green technologies by EMCCA businesses and increase in zero carbon skills attainment.</p>
Reduce inequality and promote social mobility to allow people to achieve their potential.	<p>Increase participation and skills levels from disadvantaged communities and groups.</p>	<p>Continue to support Community Learning which enables individuals to progress.</p>	<p>People can access learning which opens up new opportunities to participate within the economy.</p>	<p>Participation in learning by disadvantaged groups</p> <p>Participation in Community Learning</p>
Improve healthy life expectancy and reduce inequalities, especially in communities and groups	<p>Extend the reach of learning opportunities to a broader range of underrepresented groups.</p>	<p>Provide foundation skills that support people to thrive and progress in society.</p>	<p>Skills development and enhanced life opportunities for the economically inactive</p>	<p>Learner perceptions of impact of learning on their confidence, capability</p>

DRAFT EMCCA ASF Strategic Skills Plan

<p>who are most disadvantaged</p>	<p>Build confidence of lower skilled learners to engage and progress in learning</p>			<p>Work with learning organisations to develop progression measures for people remaining in learning</p>
<p>Support the unemployed and economically inactive to gain and sustain employment.</p>	<p>Connect unemployment support with support with skills development, working with jobcentres</p>	<p>Provide people with English, maths and digital skills needed for employment.</p> <p>Commissioning sector-based work academies with clear line of sight to a job</p> <p>Commission progression focussed employability skills programmes with flexible delivery to build confidence of participants</p>	<p>Reduced unemployment / economic inactivity</p>	<p>Participation of unemployed in Adult Skills Fund-funded provision</p> <p>Progression from learning into employment</p> <p>Sustained positive outcome rates for benefit learners.</p> <p>Unemployment / economic inactivity rates</p>
<p>Unlock progression opportunities and career adaptability through skills, particularly for those on low wages and with insecure work</p>	<p>Improve career prospects of residents.</p> <p>Connect people to new job opportunities through increased skills</p>	<p>Commission in-work training programmes to support progression.</p> <p>Commission programmes which address skills gaps and link to sectors of opportunity within the EMCCA</p>	<p>Reduced number of people in insecure and low-paid work</p>	<p>Evidence of career progression among people in low-paid employment</p> <p>Sustained positive outcome rates for low-wage and wider employed learners.</p> <p>Pay outcomes</p>

Section 10 – Review and Evaluation

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Combined County Authority Board		
Date	17 June 2024 – Annual General Meeting	
Report Title	Brownfield Housing Fund: Selection of Schemes	
Accountable EMCCA Board Member	Mayor Claire Ward	
Accountable Chief Officer	Mark Rogers, Interim Chief Executive	
Accountable Employee	Barry Cummins, Land and Housing Lead	
Report has been considered by	Informal Board	
Key decision	No	
Public Report	Yes	
Voting Arrangements	A: simple majority including the Mayor	
Recommendation(s) for action or decision:		
The Combined County Authority is recommended to:		
A	Delegate authority to approve the preferred selection of schemes for the Combined County Authority to meet its Brownfield Housing Fund timetable obligations to DLUHC to the Mayor, in consultation with the four constituent council Lead Members.	

1. Purpose

1.1 This report seeks delegated authority for the Mayor in consultation with the four constituent council Lead Members to approve the preferred selection of schemes for the Combined County Authority to meet its Brownfield Housing Fund timetable obligations to DLUHC.

2. Background

2.1 The East Midlands Combined County Authority (EMCCA) and Homes England (HE) are working in partnership to unlock the delivery of stalled residential sites, to create high-quality homes and thriving, sustainable places.

2.2 EMCCA has secured a devolved allocation of £16.8m of Brownfield Housing Fund (BHF) investment from Central Government to support the delivery of housing on brownfield sites across the East

Midlands. The aim is to directly unlock the delivery of between 1,000-1,400 new high-quality homes across the East Midlands region. Housing delivery must commence and BHF monies must be spent by 31 March 2026. £16.8m has been committed through the Brownfield Housing Fund to EMCCA to deliver over two years with all payments being complete in 25/26 as shown in spend profile below:

Year	Year One – 2020/21	Year Two – 2021/22	Year Three – 2022/23	Year Four – 2023/24	Year Five – 2024/25	Year Six – 2025/26
Capital Spend	£0	£0	£0	£0	£8,414,744	£8,414,744

3. Requested Delegation

- 3.1 The Combined County Authority is seeking to develop a pipeline of brownfield site housing schemes which can justify a financial case for public sector grant funding support to unlock housing delivery. To inform this pipeline the Combined County Authority issued a call for schemes.

Call for Schemes

- 3.2 Expressions of Interest and a Prospectus were issued at a formal launch of the fund on 19 April 2024 with two workshops held on 22 April 2024 for interested stakeholders. The bidding window was closed on 10 May 2024.
- 3.3 The response to the scheme has been very positive with 50 individual submissions having an aggregate value of circa £76m supporting circa 9000 units. Evaluation of the submissions is currently under way and given the complexity of some of the schemes this process cannot be concluded in time to meet the deadline for papers to have the preferred scheme recommendations to be considered at this Board meeting.
- 3.4 The next steps following evaluation and nomination of the successful candidates will be to commence the preparation completion and exchange of funding agreements with EMCCA in support of the financial allocations. Funding support is conditional on commencement of start on site and the latest date for this to happen to claim outputs this year is 31 March 2025.
- 3.5 Given the following Board is scheduled for September 2024, a delegation is sought for Mayor in consultation with constituent lead members to approve the preferred selection of schemes for EMCCA to meet its Brownfield Housing Fund timetable obligations to DLUHC.
- 3.6 Approved schemes will be reported to next meeting in September.

What can Brownfield Housing Fund grant support?

- 3.7 The funding is principally designed for capital expenditure and can fund a range of interventions that unlock the development of housing on brownfield land which would otherwise not happen.
- 3.8 Eligible capital expenditure could include:
- Offsite infrastructure (if directly linked to the delivery of the dwellings)
 - Site remediation and demolition to prepare sites
 - On site infrastructure
 - Direct delivery of new homes
 - Site acquisition and land assembly
 - Placemaking infrastructure such as public realm, place making interventions
 - Capacity to support any of the capital delivery activity detailed above, where it is directly attributable to the creation or maintenance of a capital asset

3.9 It is focused on capital grant funding although EMCCA is happy to explore options for other types of intervention (such as repayable grant/loan support) where more applicable.

What are the key eligibility criteria?

- 3.10 To meet the criteria for the fund, eligible schemes must:
- Be on **brownfield** land within the East Midlands Combined Authority Boundary. The NPPF defines 'brownfield' and we will also support sites on local Brownfield Registers and those clearly designated as brownfield sites in Local Plans.
 - Demonstrate that housing is being **unlocked** (i.e. a strong additionality case they could not be delivered in the absence of BHF).
 - Be able to spend any BHF funding on a defrayed basis by **March 2026** and commence construction by then.
 - Be Subsidy Control compliant.
 - Achieve a minimum **Benefit Cost Ratio (BCR) of 1** in accordance with HMT Green Book principles.
 - Deliver a **minimum of 5 new homes**.
 - Demonstrate evidence that the **site is allocated or planning permissions/consents** have or are being applied for/secured.
 - Demonstrate evidence of **site/land ownership** or landowner consent of any land required to deliver the project.
 - Evidence **market failure** and demonstrate a clear rationale why the scheme would not otherwise be delivered.
 - Alignment with the EMCCA Strategic Objectives.

The application and decision-making process

- 3.11 Given the timeframes, the focus of this call is on deliverable schemes that can progress at pace. All applications will be appraised using HM Treasury Green Book principles and will need to demonstrate alignment to these.
- 3.12 The deadline for receipt of completed applications was 10 May 2024. Applications are reviewed against the scheme eligibility and deliverability criteria as defined above in addition to stating how they might align with or support the broad objectives set out in the EMCCA Strategic Framework (approved by EMCCA Board on 20 March).
- 3.13 The schemes are currently being reviewed by our formally appointed external agents, Cushman and Wakefield, throughout May and early June 2024 and will be assessed against compliance with the fund criteria, EMCCA strategic fit, realism of assumptions made, and overall timetable and deliverability of outputs specified.
- 3.14 Recommendations will then be made in respect of those schemes that provide the optimal balance of criteria satisfaction and deliverability to meet the requirements to commence activity in the timetable associated with the grant of the Fund both in 2024/25 and 2025/26. This may or may not have a bias in either year in terms of spend and outputs.
- 3.15 A list of ranked selections and recommendations will be presented to the Mayor for endorsement and approval, in consultation with the four constituent council lead members. It is intended, following the conclusion of this process that successful applicants will be notified in late June / early July to enable the commencement and preparation of individual Full Business Cases needed for all submissions.
- 3.16 To enable this process, delegated authority to approve the preferred selection of schemes for the Combined County Authority to meet its Brownfield Housing Fund timetable obligations to DLUHC is required. It is requested that this delegated authority be provided to the Mayor, in consultation with the four constituent council Lead Members.

3.17 Subsequent Full Business Cases will be submitted to the Combined County Authority for final Board approval under the current scheme of delegations, as and when they are ready to enable grant to be drawn down. The timetable will vary for each scheme depending upon the individual circumstances of the site.

4. Next Steps

4.1 EMCCA will be required to provide a quarterly Monitoring Report to the Department for Levelling Up Homes and Communities, following scheme selections, to demonstrate progress against key milestones and adherence to fund principles, and an annual statement.

4.2 The quarterly report will include:

- Spend against the allocated profile at a programme level
- General delivery update against the programme plan – where applicable this will include risks, by exception, and any mitigating action being or to be taken.

4.3 EMCCA will shortly commence work on a suite of templates and draft Standard Agreements required support grant allocations, reflecting the necessary overage, default and security provisions required to mitigate any risks.

5. Appendices

5.1 There are no appendices to this report.

6. Implications

Financial Implications

6.1 All costs incurred in relation to the schemes approved will fall within the funding envelope of £16,828,488 already approved and will be closely monitored. In relation to the applicants of the BHF, all activity and expenditure, up to the order being passed by Government, is undertaken at the applicant's risk.

Legal Implications

6.2 A formal funding agreement will be put in place for each approved project. The funding agreements will be developed to address any potential legal issues arising. All shortlisted projects will be required to submit a UK Subsidy Control Assessment before receiving funding to ensure compliance.

Other Significant Implications

6.3 No other significant implications have been identified.

Background Papers

6.4 Not applicable



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Combined County Authority Board		
Date	17 June 2024 – Annual General Meeting	
Report Title	East Midlands Investment Zone	
Accountable EMCCA Board Member	Mayor Claire Ward	
Accountable Chief Officer	Mark Rogers, Interim Chief Executive	
Accountable Employee	Richard Grice, Interim Strategy and Delivery Lead	
Report has been considered by	Informal Board	
Key decision	No	
Public Report	Yes	
Voting Arrangements	A: Noting, no vote required B: By simple majority including the Mayor C: By simple majority including the Mayor	
Recommendation(s) for action or decision:		
The Combined County Authority is recommended to:		
A	Note the East Midlands Investment Zone (EMIZ) has completed Gateway 5 and the progress on developing an Annual Delivery plan.	
B	Approve adoption of EMIZ funding into the EMCCA budget.	
C	Approve delegation of decisions on initial ‘sprint’ investments (as set out in paragraph 2.4) to the Mayor, in consultation with Leaders of the four constituent councils.	

1. Purpose

1.1 This report:

- a. Updates on progress towards initiation of the East Midlands Investment Zone (EMIZ).
- b. Propose EMIZ funding is adopted into the EMCCA budget.
- c. Sets out the rationale for delegation of decisions on initial investments from EMIZ funding in the absence of formal EMCCA Board meetings between June and September 2024

2. Proposal

Development and acceleration of the investment pipeline

- 2.1 An EMIZ Annual Delivery Plan (ADP) is being developed under the supervision of the EMIZ Development Board, for submission to Government in July 2024 (after the General Election). A key element of the ADP is proposals for initial investments, which are being advanced under a 'sprint initiative' to support the acceleration and coordination of a pipeline of investable projects for the EMIZ. This initiative will provide funding grants to support the development of viable and deliverable investments, aligned with the overarching aim of the EMIZ. This phase is considered essential in order to ensure proposals are of a standard that can withstand robust consideration of viability.
- 2.2 The initiative will be delivered through the following strands:
- **Strand A: Planning and Development Sprint** – funding allocations to organisations to support the development of viable and sector aligned investment proposals and business cases. Grants will be available for a range of activities (including market research, technical feasibility studies, community and stakeholder engagement and design development) subject to satisfying funding criteria. Grants of up to £250,000 will be available (more by exception) based on evidence of funding need and alignment with EMIZ objectives. Applications will be progressed to support appraisal and defrayal of funding in July/August 2024.
 - **Strand B: Research and Innovation Sprint** – funding grants will be allocated to support the development and deployment of new technologies in support of the overall objectives of the EMIZ. The programme will be coordinated and administered by the University of Nottingham (as the required EMIZ innovation partner), subject to providing a compliant business case.
 - **Strand C: Skills Sprint** – funding will be allocated to support the development and implementation of skills and training plans for Green Industries and Advanced Manufacturing related activities, coordinated under a targeted skills strategy for Green Industries.
- 2.3 The total cost of these initial investments is not expected to exceed £4m, and this is funding drawn from the total £80m available for the first five years of EMIZ that will be funded by Government as part of the agreed ADP. It is necessary to implement this sprint initiative over the forthcoming summer period to enable the production of robust business cases for further, more substantial investment decisions later in 2024 and early 2025 in order to both provide momentum for the EMIZ programme and comply with government requirements for mobilisation of investment funding.
- 2.4 The investment assurance process set out in figure 1 below requires final approval of funding decisions to be made by the EMCCA Board. To not delay progress before the next meeting in September 2024, **this paper requests delegation to the Mayor, in consultation with Leaders of the four constituent councils of any of decisions on initial 'sprint' investments that are recommended by the EMIZ Development Board prior to the next meeting of the EMCCA Board scheduled for September 2024.**
- 2.5 Delegated decisions made during this period will be reported to the next full EMCCA Board. When EMCCA Board and Committee meetings settle into a regular rhythm, from September 2024, EMIZ assurance will follow the process set out in figure 1 below.

3. Background

- 3.1 The East Midlands Investment Zone (EMIZ) proposal has successfully passed through all five approval Gateways.
- Gateway 1: Vision
 - Gateway 2: Economic geography

- Gateway 3: Governance
- Gateway 4: Interventions
- Gateway 5: Delivery

3.2 While final ministerial approval of the full proposal has been delayed by the pre-election period, the clear advice from officials is to continue with finalisation of the Annual Delivery Plan (ADP) for EMIZ, in order to facilitate early action when government decision-making resumes.

3.3 The key elements of the EMIZ are:

- A sectoral focus on green industries and advanced manufacturing.
- It covers the whole of the EMCCA area – that is, proceeds from business rates retention (BRR) on the three sites (see below) are available for investment in green industry and advanced manufacturing sectors across the whole region.
- It includes tax and business rates retention incentives for three specific sites:
 - Infinity Park Derby – support for growth of nuclear, advanced manufacturing and supply chains around the established Rolls Royce facility (tax, BRR)
 - Hartington/Staveley site, Chesterfield - brownfield site development offering potential for high quality motorway and rail linkages (tax, BRR)
 - Laing O'Rourke's Centre of Excellence in Modern Construction, Bassetlaw and Bolsover – to unlock the delivery of a modular construction hub, focused on infrastructure and energy (tax only)

3.4 The investment value of EMIZ to the region is £160m over ten years – split evenly as £80m over two blocks of five years. The majority of this funding is available as a flexible pot to be invested across the five themes in the next para – note that the total flexible funding available will be reduced by the value of tax incentives applied to the sites. **It is recommended that Members approve adoption of this funding into EMCCA's budget.**

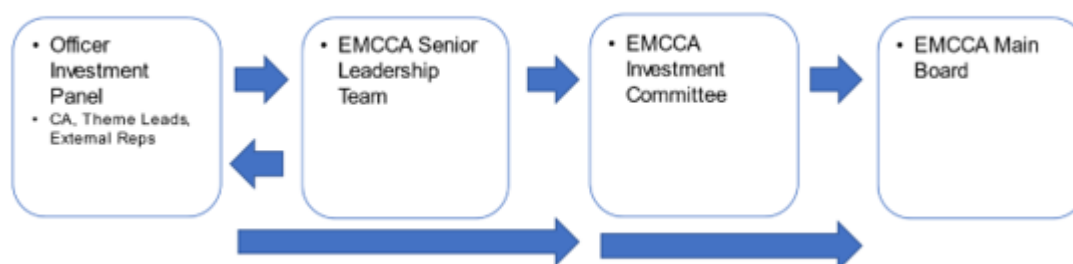
3.5 EMIZ interventions (i.e. investments) will be split across five themes:

1. Skills (c.20% of allocation)
2. Local infrastructure (c.45% of allocation)
3. Research and innovation (c.20% of allocation)
4. Business and stakeholder support (c.14% of allocation)
5. Planning capacity (c.1% of allocation)

3.6 EMCCA will act as accountable body and will ultimately be responsible for ensuring the delivery of the EMIZ in accordance with the Memorandum of Understanding with DLUHC. An Officer level Development Board brings together EMCCA and key partners on a monthly basis to oversee and co-ordinate implementation of the EMIZ. When the EMCCA process is in full implementation, this Board will be the first link in the assurance chain for investment decisions.

3.7 The process for allocating, appraising and assuring investment is fully consistent with the EMCCA Assurance Framework. Prospective projects will be invited to submit an application for funding in the form of a business case, which will be subject to appropriate scrutiny by the EMIZ Development Board to confirm alignment with the Investment Strategy and plan. The Development Board will provide a recommendation, which will inform the appraisal of the project at Officer Investment Panel and Senior Leadership Team/Investment Committee (subject to investment threshold). Member oversight will then be applied at EMCCA Investment Board, with final decisions being taken at EMCCA Board (see figure 1 below)

Figure 1: Investment assurance



3.8 The EMIZ will share EMCCA’s procurement strategy where it is the direct procuring body. All funding that is granted by EMCCA on the EMIZ programme will be subject to procurement checks and will align to public sector procurement regulations or demonstrate that best value has been sought in the process.

4. Appendices

4.1 There are no appendices to this report

5. Implications

Financial Implications

5.1 There is investment of £160m over ten years which is split evenly as £80m over two blocks of five years. This money is split equally between revenue and capital funding.

5.2 EMCCA are requesting £4m revenue funding to be drawn down in 2024/25 from the initial £80m allocation which will leave £76m to be allocated over the remaining four years. This is a piece of work which will be carried out as part of the budget setting process and the longer term more forward-looking Medium Term Financial Plan (MTFP).

5.3 Revenue grants will be awarded and will follow the approval process as detailed in the body of the report. The total cost of these initial investments is not anticipated to exceed the £4m.

Legal Implications

5.4 The adoption of funding and the delegation set out in this report fall within the powers and functions of the Combined County Authority. The implementation of the EMIZ will require engagement with relevant stakeholders, establishment of the governance structures described in this report and compliance with the Memorandum of Understanding between EMCCA and DLUHC. These requirements will be monitored by officers as implementation progresses.

5.5 A formal funding agreement will be put in place for each approved project. The funding agreements will be developed to address any potential legal issues arising. All shortlisted projects will be required to submit a UK Subsidy Control Assessment before receiving funding to ensure compliance.

Other Significant Implications

5.6 There are no other implications identified within the body of this report.

Background Papers

5.7 N/A



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Combined County Authority Board		
Date	17 June 2024 – Annual General Meeting	
Report Title	Business Advisory Board: Approach to Membership and Recruitment	
Accountable EMCCA Board Member	Mayor Claire Ward	
Accountable Chief Officer	Mark Rogers, Interim Chief Executive	
Accountable Employee	Jodie Townsend, Interim Monitoring Officer	
Report has been considered by	Informal Board	
Key decision	No	
Public Report	Yes	
Voting Arrangements	Simple majority including the Mayor	
Recommendation(s) for action or decision:		
The Combined County Authority is recommended to:		
A	Approve the revised Terms of Reference for the Business Advisory Board attached at Appendix A.	
B	Approve the recruitment process for Business Advisory Board membership set out in section 4 of this report, including appendices B and C.	
C	Delegate appointments to the Business Advisory Board to the Mayor and Chair of the Business Advisory Board, in consultation with the Appointments Panel as set out in the recruitment process in section 4 of this report.	

1. Purpose

- 1.1 The purpose of this report is to set out the proposed approach to membership of the Business Advisory Board and provide details of the intended recruitment process.

1.2 The report further seeks delegated authority for the appointment of Business Advisory Board membership in alignment with the approach set out in this report.

2. Background

2.1 The English Devolution Accountability Framework sets out requirements for a 'business voice' with all institutions with devolved powers required to embed a strong, independent, and diverse local business voice into their decision-making processes. This business board should build on the success of existing LEP boards wherever possible. Local leaders will also have the flexibility to adjust the membership of the newly integrated business board, including by inviting the participation of local economic partners outside of the business community, and can re-brand as necessary.

2.2 Any new business board members must be appointed through an open process. That process should ensure appointees are politically independent and able to provide a constructive check and challenge on local decision-making using their private sector perspective.

2.3 The Combined County Authority agreed on 20 March 2024 that a Business Advisory Board would create a strategic business advisory and engagement body in alignment with national policy on LEP integration and the English Devolution and Accountability Framework. This would create a business voice for the region that can provide that voice to the Mayor, the EMCCA Board and wider committees across the governance framework that would create an opportunity for business to influence a wide range of strategic thematic policy.

2.4 The Combined County Authority also agreed an initial terms of reference for the Business Advisory Board, with details on its approach to membership to be included following further engagement once a Mayor was elected.

2.5 The Combined County Authority did agree that there be two CCA representatives on the Business Advisory Board as non-voting members as follows:

- Mayor (or nominee)
- Combined County Authority relevant Lead Member

3. Proposal

3.1 The Business Advisory Board will be a central component in the governance arrangements of the Combined County Authority, ensuring decision-making, strategy development and investment decisions benefit from expert business input and take account of Derbyshire and Nottinghamshire's business voice.

3.2 The devolution deal for the East Midlands reflects national policy to integrate LEPs into devolved settings, as per the 2021 LEP integration guidance. The D2N2 LEP is now evolving towards a new model fully integrated into the East Midlands Combined County Authority with a remit to ensure it can be as ambitious as possible, maintaining a strong business voice at the heart of the region and maximising economic growth across the East Midlands. The D2N2 LEP is an independent limited company and EMCCA will work with it to ensure full integration in a timely manner.

Business Board Role and Purpose

3.3 In March 2024, the Combined County Authority agreed that the Business Advisory Board be established as an advisory committee to the Combined County Authority and the Mayor; seeking to provide strategy advice and guidance through representation of the 'business voice' in support of the exercise of Combined County Authority and Mayoral functions. In doing so they agreed an initial terms of reference with key functions.

- 3.4 The Board further agreed to integrate the 'business voice' into the governance arrangements of the Combined County Authority the Business Advisory Board would nominate a representative to sit as an embedded non-voting member of the following Combined County Authority governance bodies:
- Transport Advisory Committee
 - Skills & Employment Advisory Committee
 - Investment Committee
- 3.5 The Business Advisory Board will have a vital role on behalf of the East Midlands in identifying key opportunities to engage the business community in lobbying on behalf of the region alongside EMCCA, on influencing priorities with Government and maintaining a role of developing local networks to support this.
- 3.6 The initial terms of reference and agreed approach to the role, purpose and responsibilities for the Business Advisory Board creates a number of key themes for its core activity:
- **Economic strategy and strategic direction.** A core function of the Business Advisory Board, working with the CCA Board and Committees, is to use its business leadership perspective to advise the CCA Board on economic strategy, with clarity over the respective roles of the two Boards – the Business Advisory Board advising, shaping and developing, the CCA Board owning and deciding.
 - **Advisory.** Given that responsibility for funding decisions will have been moved away from the LEP to the Combined County Authority, a core purpose of the Business Advisory Board should broaden out to providing strategic advice from the perspective of the local business leadership to EMCCA, specifically in respect of funding decisions, and more widely in its delivery of an economic growth strategy and interventions. This should include bringing business expertise to unblocking relevant issues and supporting making the case for investment into the East Midlands.
 - **Clear business voice.** To strengthen the impact of this advisory role, the Business Advisory Board can make use of existing networks and professional bodies to bring a wide range of business insights to the development of ideas and advice to the CCA.
 - **Business engagement.** The Business Advisory Board will be active in helping the CCA engage with businesses, for example to promote relevant interventions or funding programmes to targeted sectors, including the third sector, and creating alignment with other business bodies such as the Chamber of Commerce and Federation of Small Business.
 - **Lobbying Government.** By focussing on this advisory role and strengthening the business voice, the Business Advisory Board could further leverage the influence of its members to strengthen the region's lobbying work with central government to secure the policy and investment needed to tackle economic growth challenges. This role will be critical in helping secure future devolution deals.
 - **Relationship with the CCA Board and ways of working.** The Business Advisory Board should aim to provide independent, business-led advice in a form and timely manner that has the greatest value to Derbyshire and Nottinghamshire and the CCA Board. To be effective regular engagement between Business Advisory Board members, the Mayor and the CCA leadership and operational management is important.

Proposed approach to membership

- 3.7 This paper sets out below proposals regarding the proposed approach to membership in order to ensure that the Business Advisory Board represents the 'business voice' of Derbyshire and Nottinghamshire and contains the membership skillsets and sector knowledge required by the Combined County Authority.

3.8 Following engagement with the Mayor, LEP and the Interim Business Representative(now designate Chair of the Business Advisory Board), specific sectors and/or areas of business have been identified to form the membership of the Business Advisory Board:

3.9 Private Sector Representation (8+)

- Upper Tier Business (minimum of 3)
- Business sectors with significant chance of investment (minimum of 4)
- Business Representation Organisations (minimum of 1)
- Wider geographical representation (at least 3)

Business Representation Organisations (1)

- East Midlands Chamber of Commerce

Employee Representation (1)

- Employee and wider trade union movement (1)

Public Sector Representation(3)

- Mayor (in context as the Mayor)
- Relevant CCA Lead Member (envisaged to be Economic Growth or Business & Innovation or similar)
- Lead Member/ Chair of the Skills & Employment Committee
- Chair of the Innovation Advisory Board of the Combined County Authority(yet to be established)

3.10 The above approach to membership is intended to deliver the required skillset and business voice to best represent the region and support the Combined County Authority in delivering its objectives. This proposed approach would deliver a minimum membership of 16 in total.

3.11 The intended business representation under each private sector membership definition can be further described as follows:

- **Upper Tier Business** – These are businesses of national or international standing that are located in Derbyshire and Nottinghamshire. They are likely to have significant profile and therefore capable of lobbying government on behalf of the region. They are likely to be significant employers and major players within their sector. The ambition is to seek individuals at Board level on upper tier businesses to be representatives on the Business Advisory Board.
- **Business Sectors with significant chance of investment** – These are business sectors that represent areas of innovation, research and development that make them more likely to receive national investment. It is proposed that 4 representatives be sought within this definition, with 1 representative for each of the following specific sectors:
 - Nuclear
 - Hydrogen
 - Digital Industries
 - Life Sciences
- **Wider geographical representation** – The intention here is to ensure that the wider areas of Derbyshire and Nottinghamshire’s small and medium sized businesses are represented on the Business Advisory Board.

3.12 The proposal in regard to Business Representation Organisations is to ensure that representatives of established organisations that already represent business on a national or regional level have a voice on the Business Advisory Board. It is proposed that the East Midlands Chamber of Commerce take this position, in taking this position the Chamber would be expected to convene with other representation organisations such as the CBI and FSB to ensure a wide range of perspectives and networks are fed into the Business Advisory Board.

- 3.13 The private sector recruitment to the Business Advisory Board would be recruited to through an open recruitment process, details of this process are set out below in section 4 of this report.
- 3.14 The Public Sector representation on the Business Advisory Board, has already been agreed by the Combined county Authority at its March meeting in terms of agreeing membership roles for:
- Mayor – The Mayor would be a member of the Business Advisory Board in the context of being the Mayor. They would therefore represent their mayoral ambitions and utilise their convening powers and influence, along with their role as Chair of the Combined County Authority, through their membership
 - Relevant Lead Member – The expectation is that the Mayor will appoint portfolio roles that align with the significant areas of devolution and funding, key functions and CCA and mayoral priorities. Board agreed that the most relevant portfolio to the role and purpose of the Business Advisory Board be the Board representative on the Business Advisory Board. It is envisaged that this portfolio would be economic growth, business & innovation or something similar.
- 3.15 It is proposed that the public sector representation on the Business Advisory Board be extended to include the Chair of the Skills & Employment Committee and the Chair of the Innovation governance body due to be incorporated into the governance framework.
- 3.16 It is envisaged that the Chair of the Skills & Employment Committee will be the Portfolio Lead Member for Skills & Employment. The skills and employment agenda and the key functions and role of the Business Advisory Board are intrinsically linked, inclusion of this position would therefore be of benefit to the remit of both governance bodies. This is also the case for the innovation agenda.
- 3.17 It is proposed that the above form the inaugural membership, with other membership requirements considered as appropriate or when identified.

Terms of Appointment

- 3.18 It is proposed that the terms of office for each private sector member be for two years, with the option to extend for a further year, to provide continuity during the initial years of activity.
- 3.19 No allowance is proposed nor included in the Allowances Scheme for members including the Chair. Members shall be able to claim travel and expenses in line with the Allowances Scheme.
- 3.20 The key themes for Business Advisory Board core activity set out in 3.6 of this report, the proposed approach to membership set out in 3.9, and the terms of appointment set out in 3.18 have been included in a revised terms of reference for the Business Advisory Board attached at **Appendix A**.
- 3.21 The Combined County Authority is recommended to approve the revised Terms of Reference for the Business Advisory Board attached at Appendix A.**

4. Recruitment Process

- 4.1 The open recruitment process for Business Advisory Board membership shall begin with an advert on the public EMCCA website (and associated channels) at the earliest opportunity. The process will be overseen by the Business Representative with support from EMCCA officers.
- 4.2 There are key skillsets that Business Advisory Board members will need to demonstrate in their role, in addition membership should be capable of utilising their skills, knowledge, and passion to drive forward and progress the work of the Business Advisory Board. The proposed role profile for

members to be included in the Constitution is attached at **Appendix B** and will be made available to candidates.

- 4.3 Members of the Business Advisory Board should be passionate about their business, their sector, the East Midlands region and devolution. Where relevant they should have a track record of achievement in business and their sector. Members will be required to adhere to the Combined County Authority code of conduct and therefore should demonstrate the Nolan Principles of behaviour.
- 4.4 To further support the recruitment process, the proposed person specification for members has been drawn up at **Appendix C** that would be published as part of the advert.
- 4.5 It is proposed that the recruitment process includes:
- Longlisting by senior EMCCA officers in consultation with Business Representative.
 - Shortlisting by Mayor and Business Representative.
 - Interviews by Panel consisting of Mayor, Business Representative, and a senior EMCCA officer.
 - Mayor and Business Representative consult Appointments Panel (4 Leaders) on recommendations (this can be done informally).
 - Appointments made by Mayor, subsequently report to Board for noting.
- 4.6 The intention is to recruit Business Advisory Board membership in time for the first meeting of the Business Advisory Board scheduled for the 2 October 2024.
- 4.7 Decisions regarding recruitment specifics such as exact timeframes, advertisement details and recruitment targeting will be determined by senior EMCCA officers in consultation with the Business Representative.
- 4.8 **The Combined County Authority is recommended to approve the recruitment process for Business Advisory Board membership set out in section 4 of this report, including appendices B and C**

5. Appendices

- 5.1 Appendix A: Revised Business Advisory Board Terms of Reference
- 5.2 Appendix B: Business Advisory Board member Role Profile
- 5.3 Appendix C: Business Advisory Board member person specification

6. Implications

Financial Implications

- 7.1. A budget will need to be allocated to cover the costs of both the recruitment exercise which is anticipated to be in the region of £15-£20k and a small budget for any travel and expenses as per paragraph 3.18. This will be covered by the Combined County Authority budget allocation.

Legal Implications

- 7.3 The EMCCA Constitution will need to be updated to incorporate the revised terms of references set out in Appendix A. These will replace the terms of reference set out in Section 5D of Part 3 of the Constitution.

Other Significant Implications

7.4 No other implications have been identified other than those within the report.

Background Papers

7.5 [The East Midlands Combined County Authority Regulations 2024 \(legislation.gov.uk\)](#)

Appendix A

Business Advisory Board Terms of Reference (revised for Board consideration)

Business Advisory Board Terms of Reference

This is an advisory committee to the Combined County Authority and the Mayor; it seeks to provide strategy advice and guidance through representation of the 'business voice' in support of the exercise of Combined County Authority and Mayoral functions.

The Committee may appoint one or more sub-committees for the purpose of discharging any of the Committee's roles or responsibilities.

Purpose

The Business Advisory Committee:

- sits as the strategic business voice to the Combined County Authority Board, the Mayor, Combined County Authority Committees and Officers. Providing strategic business advice on economy, business, skills, transport, employment, housing, UKSPF and future devolution deals
- act as the lead business voice to the Combined County Authority for the region, representing business to the Combined County Authority
- take a lead role in the development of economic growth strategy iterations for the Combined County Authority through close working with the Combined County Authority and the responsible Chief Officer, and the relevant Combined County Authority Lead Member
- develop proposals for strategy and key policy for Combined County Authority consideration, engaging key stakeholders and partners in order to assist delivery of the Combined County Authority's strategic objectives
- engage specific business sectors as and when required to provide advice, guidance and responses to consultation to the Combined County Authority
- membership will individually act as sector champions for their areas of expertise – leading on engaging with local and national networks, bringing insight into Combined County Authority discussions, and supporting stakeholder engagement with Combined County Authority officers on specific pieces of work
- work with the Combined County Authority to identify key opportunities to engage the business community on influencing priorities with Government and maintain a role of developing local networks to support this.

Membership

The membership of the Business Advisory Board shall consist of a minimum of 16 members as follows:

Private Sector Representation (At least 10 Representatives)

- Upper Tier Business (minimum of 3)
- Business sectors with significant chance of investment (minimum of 4)
- Wider geographical representation of small and medium sized businesses (minimum of 3)

Business Representation Organisations (1 Representative)

- East Midlands Chamber of Commerce

Employee Representation (1 Representative)

- Employee and wider trade union movement

Public Sector Representation (4 Representatives)

- Mayor (in context as the Mayor)
- Relevant CCA Lead Member (envisaged to be Economic Growth or Business & Innovation or similar)
- Lead Member/ Chair of the Skills & Employment Committee
- Chair of the Innovation Advisory Board of the Combined County Authority

Private Sector representation will be recruited to through an open recruitment process.

Business Representation Organisation and Employee Representation will be proposed by Officers and approved at the Business Advisory Board.

Public Sector Representation will be determined by the Combined County Authority Board.

Voting Membership

- Private Sector Representation
- Business Representation Organisation
- Employee Representation

Non-Voting Membership

- Public Sector Representation

Chairing the Committee

The Business Advisory Board Chair will be a Business Representative, who is nominated by the Mayor and confirmed by the Combined County Authority.

In the absence of the appointed Chair the Business Advisory Board will appoint a Chair for the meeting. The Chair of the Business Advisory Board will become an Associate Member of the Combined County Authority Board.

Business Advisory Board Roles

The Business Advisory Board will nominate a representative to sit as an embedded non-voting member of the following Combined County Authority governance bodies:

- Transport Advisory Committee
- Skills & Employment Advisory Committee
- Investment Committee

The role of these embedded members will be to represent the business voice and the view of the Business Advisory Board on thematic topics.

Quorum

The quorum will be 6 voting members including the Chair (or Deputy Chair)

Voting

Any matters that are to be decided by the Business Advisory Board are to be decided by consensus where possible.

When a vote is required, only voting members of the Business Advisory Board will be entitled to vote at meetings, the Chair does not exercise a casting vote.

Frequency

There will be a minimum of four Business Advisory Board meetings each municipal year, meetings are not required to be held in public with provision for Public Forum.

Key Functions

- **Economic strategy and strategic direction.** A core function of the Business Advisory Board, working with the CCA Board and Committees, is to use its business leadership perspective to advise the CCA Board on economic strategy, with clarity over the respective roles of the two Boards – the Business Advisory Board advising, shaping and developing, the CCA Board owning and deciding.
- **Advisory.** Given that responsibility for funding decisions will have been moved away from the LEP to the Combined County Authority, a core purpose of the Business Advisory Board should broaden out to providing strategic advice from the perspective of the local business leadership to EMCCA, specifically in respect of funding decisions, and more widely in its delivery of an economic growth strategy and interventions. This should include bringing business expertise to unblocking relevant issues and supporting making the case for investment into the East Midlands.
- **Clear business voice.** To strengthen the impact of this advisory role, the Business Advisory Board can make use of existing networks and professional bodies to bring a wide range of business insights to the development of ideas and advice to the CCA.
- **Business engagement.** The Business Advisory Board will be active in helping the CCA engage with businesses, for example to promote relevant interventions or funding programmes to targeted sectors, including the third sector, and creating alignment with other business bodies such as the Chamber of Commerce and Federation of Small Business.
- **Lobbying Government.** By focussing on this advisory role and strengthening the business voice, the Business Advisory Board could further leverage the influence of its members to strengthen the region's lobbying work with central government to secure the policy and investment needed to tackle economic growth challenges. This role will be critical in helping secure future devolution deals.
- **Relationship with the CCA Board and ways of working.** The Business Advisory Board should aim to provide independent, business-led advice in a form and timely manner that has the greatest value to Derbyshire and Nottinghamshire and the CCA Board. To be effective regular engagement between Business Advisory Board members, the Mayor and the CCA leadership and operational management is important.

Support the Mayor, Combined County Authority and the relevant Lead Member by:

- Providing advice and support to Mayoral and Combined County Authority activity
- Helping engage with wider stakeholder networks and activity

- Identify and scale up existing good practice within the Combined County Authority region, including cross portfolio working, improvements and initiatives
- Identify and secure resources to deliver new opportunities

Review

The terms of reference are to be reviewed on an annual basis by the Investment Committee. The role and arrangements of the Investment Committee will be reviewed on an annual basis by the Combined County Authority

Document version control	
Version:	2.0
Date:	17 June 2024
Document approved by:	EMCCA Board
To be of effect from:	17 June 2024

Appendix B

Business Advisory Board Member Role Profile

Business Advisory Board Member Profile

Business Advisory Board members should be able to demonstrate:

- High level and broad management skills, both at a strategic and operational level, utilised in a complex organisation or SME.
- An understanding of how to translate local, regional, national government policy into workable, strategically focused on delivery and improvement.
- Well networked with an extensive knowledge of the needs of specific sectors/stakeholders including barriers to business growth (e.g., skills and transport) and their impact upon the East Midlands particularly from the growth and enabling sectors.
- Political Awareness with the ability to proactively engage in influencing the shaping of policy and lobbying government.
- A knowledge of designing and implementing approaches to working to constantly assess and challenge the effectiveness and efficiency across a broad range; not limited to a single specialism.
- The knowledge and expertise to be a change management leader for the East Midlands
- Business Board members will create space to have policy and strategy discussions with the CCA Board and officers.

Business Advisory Board members should utilise their skills, knowledge, and passion to drive forward and progress the work of the Business Advisory Board:

- in providing advice and support to CCA activity
- in helping engage with wider stakeholder networks and activity
- to identify and scale up existing good practice within the CCA region, including cross portfolio working, improvements and initiatives
- to identify and secure resources to deliver new opportunities
- to work with the CCA public affairs function to identify key opportunities to engage the business community on influencing priorities with Government and maintain a role of developing local business networks to support this.
- to take a partnership approach and culture should be established between Boards whereby the Business Board can provide timely advice on decisions to be taken by the CCA Board.
- to develop the necessary relationships with other business forums in the region such as the Chamber of Commerce and that it has the capability to engage appropriate business sectors/clusters as required by the Combined County Authority for key consultations.

Business Advisory Board members will be expected to be able to individually act as sector champions for their areas of expertise, leading on engaging with local and national networks, bringing insight into CCA discussions, and supporting stakeholder engagement with CCA officers on specific pieces of work.

Appendix C

Business Advisory Board Recruitment: Person Specification

The recruitment process for Business Advisory Board membership should utilise the following person specification:

Business Advisory Board members should:

- have a strong commitment to, and understanding of, the EMCCA region and in particular the drivers of and challenges faced by the East Midlands economy
- have substantial business skills and experience gained at a senior level and be a credible individual with the stature to lead and influence
- have substantial experience of chairing groups or boards of senior executives, of providing leadership and of inspiring and motivating colleagues and stakeholders
- be independently minded – providing detachment and clarity in the development of strategy and the identification of opportunities
- have the ability to set strategic direction and to quickly understand and analyse and distil complex issues into coherent and practical actions
- have strong interpersonal and communication skills, be articulate and passionate, have an ability to influence and network, to deal with media attention and to represent the Business Advisory Board and its actions
- have experience of providing leadership in a partnership environment and have a strong commitment to collaborative and partnership working, including with the public sector
- have a genuine interest and understanding of the challenges facing the business community
- have a total commitment to equality of opportunity and diversity, including an understanding of the barriers and challenges faced by economically or socially excluded groups

It should be noted that applications will not be considered if the individual:

- is a member, officer of the Combined County Authority, or a County Council, Borough Council, District Council within the area served by the Business Advisory Board, or otherwise employed under the direction of a local authority;
- is a non-executive director or officer of an NHS Trust;
- is subject to a bankruptcy restriction order or interim order;
- is subject to a sexual risk order or be on the sexual offender's register;
- is subject to a civil injunction or criminal behavior order;

- is disqualified from acting as a director, a charter trustee or charity trustee
- within five years before the date of submission of application, have been a director or person of significant control of a company subject to a creditor's compulsory liquidation
- within five years before the date of submission of application, have been convicted of any offence and have had passed on them a sentence of imprisonment, whether suspended or not, for a period of not less than three months without the option of a fine.
- is an active member of parliament, serve as an officer in any recognised political party or make substantial personal contributions to any recognised political party.



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

Combined County Authority Board		
Date	17 June 2024 – Annual General Meeting	
Report Title	Report of the Independent Remuneration Panel	
Accountable EMCCA Board Member	Mayor Claire Ward	
Accountable Chief Officer	Mark Rogers Interim Chief Executive	
Accountable Employee	Jodie Townsend Interim Monitoring Officer	
Report has been considered by	N/A	
Key decision	No	
Public Report	Yes	
Voting Arrangements	A: By simple majority (<i>the Mayor or her deputy will be required to leave the meeting for the discussion and vote on this report</i>)	
Recommendation(s) for action or decision:		
The Combined County Authority is recommended to:		
A	Consider and approve the report of the Independent Remuneration Panel attached at Appendix A.	
B	Adopt the East Midlands Combined County Authority Mayor and Members Allowances Scheme attached to Appendix B.	

1. Purpose

- 1.1 To receive and consider the report of the Independent Remuneration Panel and its recommendations regarding allowances

2. Scheme of Allowances

- 2.1 An Independent Remuneration Panel (IRP) is a body responsible for determining the level of payments to elected officials, including the Mayor of the Combined County Authority. They are established to provide independent advice on allowances and remuneration, operating independently of EMCCA.

The Independent Remuneration Panel

- 2.2 On 20 March the Board agreed to provide the following delegation to the Interim Monitoring Officer:
- Delegate to the Interim Monitoring Officer the power to establish an Independent Remuneration Panel, including agreeing a terms of reference and reasonable allowances in consultation with the four Lead Members of the Constituent Councils, so that the Independent Remuneration Panel can, at the earliest opportunity, undertake a review and make recommendations regarding a scheme of allowances for the Combined County Authority to consider at a future meeting of this Board;
- 2.3 A paper was subsequently taken to the Informal Leaders meeting on 8 April 2024 that set out a proposal to establish an Independent Remuneration Panel, a terms of reference for the review, an approach to expenses for the review and an approach to membership. The proposal was supported unanimously by the four constituent Leaders.
- 2.4 Having agreed with Constituent Leaders that the Chair should be an external individual of high standing, the Monitoring Officer convened a panel that as follows:
- Professor Stephen Leach - Emeritus Professor of Local Government, Department of Politics & Public Policy De Montfort University
 - Peter Clay – Chair of Derbyshire IRP
 - Sir Rodney Brooke – Chair of the Nottinghamshire IRP
 - Narinder Sharma – Chair of the Derby IRP
 - Melanie Future – Citizen representative of the Nottingham City IRP
- 2.5 This terms of reference for the panel review were as follows:
- Part 1: Mayoral Allowance and Deputy Mayor Allowance**
- review of remuneration to be paid to the position of the EMCCA Mayor from May 2024 that is commensurate with the responsibilities of the position;
 - review of remuneration to be paid to the position of the EMCCA Deputy Mayor appointed by the Mayor from amongst the members of the EMCCA Board;
- Part2: Independent Persons appointments**
- review of remuneration to be paid to the position of ‘independent member’ of the Audit & Governance Committee, acting as Chair of the Committee, that is commensurate with the responsibilities of the position
 - review of remuneration to be paid to ‘independent person(s)’ for standards matters that is commensurate with the responsibilities of the position
- Part 3: Wider EMCCA Allowances**
- review of remuneration to be paid to the position of member of the Overview & Scrutiny Committee that is commensurate with the responsibilities of the position
 - review of remuneration to be paid to the position of member of the Audit & Governance Committee that is commensurate with the responsibilities of the position
- Part 4: Travel and Subsistence Allowances**
- development of proposals for a Members scheme for travel and subsistence
- 2.6 Following initial consideration, with the support of the Combined County Authority Monitoring Officer, the Panel agreed various sources of information that would be required to assist the review and in making evidence-based deliberations. This helped provide focus for the Panel in providing a wide range of comparative data, interviews, evidence and contextual factors to help inform the review, this included:
- the reports of the IRPs of existing Mayoral Combined Authorities

- comparative data regarding the allowances paid to the elected mayors of other combined authorities, elected mayors of local authorities and council leaders in the constituent authorities in the East Midlands
- the responsibilities of the different Combined Authorities
 - analysis of the existing allowances arrangements and expenses scheme in each Constituent Council
 - EMCCA Constitution – Mayoral and Non-Mayoral Functions
 - EMCCA Constitution – Committee terms of reference

2.7 The Panel also agreed that it would undertake a range of interviews with key figures that it had identified could provide useful perspective and contextual information to the review as follows:

- Leader (or Deputy Leader) of each Constituent Council
- Mark Rogers, Interim Chief Executive of EMCCA
- Jodie Townsend, Interim Monitoring Officer of EMCCA

The report of the Independent Remuneration Panel

2.8 The review undertaken by the Independent Remuneration Panel took place throughout April and May 2024 through desk-based review, Teams meetings and an in-person full day Panel deliberation session.

2.9 Attached at **Appendix A** is the full report of the Independent Remuneration Panel. The report includes details of the review, a series of recommendations and a proposed scheme of allowances for adoption and inclusion in the Combined County Authority Constitution.

2.10 The Combined County Authority is asked to consider the report and approve its recommendations.

2.11 The Combined County Authority is reminded that the East Midlands Combined County Authority Regulations 2024 state that:

- The Combined County Authority may only pay an allowance to those able to receive them if it has considered a report published by the Independent Remuneration Panel which contains recommendations for such an allowance; and
- Approved a scheme for the payment of the allowance providing that scheme does not provide for the payment of allowances of an amount in excess of the amount recommended by the Independent Remuneration Panel

2.12 The Combined County Authority must consider a report from the Independent Remuneration Panel before approving a scheme.

Recommendations of the Independent Remuneration Panel

2.13 For ease of reference the recommendations contained within the report of the Independent Remuneration Panel are set out below, the full report sets out the evidence behind the recommendations.

Mayoral Allowance

Recommendation 1 The allowance paid to the East Midlands Elected Mayor should be £93,000

Deputy Mayoral Allowance

Recommendation 2 The allowance paid to the Deputy Mayor (if eligible) should be a minimum of £18,600 and a maximum of £46,500, depending on the responsibilities involved.

- Recommendation 3 The allowance paid to the Deputy Mayor should ensure that his or her overall allowance (including those received in the constituent authority) is less than the lowest overall allowance paid to a local council leader.
- Recommendation 4 The Panel should be reconvened to make a recommendation, once a job specification has been agreed.

Recognising Constituent Councillor Commitment

- Recommendation 5 Constituent Councils consider if they wish to ask their Independent Remuneration Panels to review allowances for the Leader and other appointees to the Combined County Authority given the impact the EMCCA aspect of their role will have on their position.

Overview & Scrutiny

- Recommendation 6 An allowance of £9,500 annual payment for the Chair of the Overview and Scrutiny Committee
- Recommendation 7 An allowance of £1000 annual payment for members of the Overview & Scrutiny Committee

Audit & Governance

- Recommendation 8 An allowance of £9,500 annual payment for the Independent Chair of the Audit & Governance Committee
- Recommendation 9 An allowance of £1000 annual payment for members of the Audit & Governance Committee

Independent Person(s) for Standards Matters

- Recommendation 10 An allowance of £1000 per annum for the Independent Person(s) for Standards

Indexation of Allowances

- Recommendation 11 The criterion for the indexation of allowances should be the NJC cost of living rate increase moving forward, this would link Mayoral and other allowance increases with those of staff and provide equity in increases.

East Midlands Combined County Authority Mayor and Members Allowances Scheme

- 2.14 The Combined County Authority is required to adopt a scheme of allowances for inclusion within its constitution.
- 2.15 A proposed scheme is attached at Appendix B, drawn up by the Monitoring Officer to reflect the recommendations contained within the Independent Remuneration Panel Report.
- 2.16 The Combined County Authority are recommended to adopt the East Midlands Combined County Authority Mayor and Members Allowances Scheme attached at Appendix B.

3. Background

- 3.1 The East Midlands Combined County Authority Regulations 2024 set out requirements for the determination of allowable allowances and expenses, Leaders will be familiar with such requirements through the operation of Independent Remuneration Panels within their own Councils.

- 3.2 The regulations make it clear that no remuneration is to be payable by the Combined County Authority to its members, other than allowances for travel and subsistence paid in accordance with a scheme drawn up by the Combined County Authority.
- 3.3 The regulations also make it clear that remuneration can be payable to the Mayor and some other positions, stating that the Combined County Authority may establish an independent remuneration panel to recommend a scheme to the Combined County Authority regarding the allowances payable to:
- the Mayor;
 - the deputy mayor provided that the deputy mayor is not a leader or elected mayor of a constituent council;
 - independent persons appointed under article 5 of the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017(1); and
 - members of the overview and scrutiny committee and members of the audit committee

4. Appendices

- 4.1 Appendix A: Report of the Independent Remuneration Panel
- 4.2 Appendix B: East Midlands Combined County Authority Mayor and Members Allowances Scheme

5. Implications

Financial Implications

- 5.1 The estimated total costs for the allowances detailed in the report will be between £147.6k and £175.5k per annum depending on the deputy mayor allowance. These costs are shown below at the maximum amount payable for the allowances and do not reflect any on costs payable:

Role	No. of Roles	Total Annual Allowance £
Mayor	1	93,000
Deputy Mayor	1	(Max) 46,500
Overview and Scrutiny - Chair	1	9,500
Overview and Scrutiny - Members	7	7,000
Audit and Governance - Chair	1	9,500
Audit and Governance - Members	8	8,000
Independent Person(s) for Standards Matters	2	2,000
Total		£175,500*

**Excluding any on costs payable*

- 5.2 The total cost of these allowances (and any on costs) will be funded from the Combined County Authority budget.
- 5.3 As per recommendation 11 detailed in paragraph 2.13, the criterion for the indexation of allowances should be the NJC cost of living rate increase moving forward, this would link Mayoral and other allowance increases with those of staff and provide equity in increases. Any increase from this recommendation will be factored in as part of the budget setting process for 2025/26.

Legal Implications

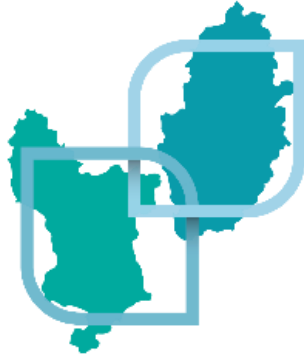
- 5.2 The approval of the matters set out in this report are part of the process of establishing the governance arrangements of the Combined County Authority. The specific legal implications are set out in the body of this report.

Other Significant Implications

- 5.3 When setting allowances, consideration is given as to how the allowances enable the Combined County Authority to attract high quality candidates to be the Independent Chair of the Audit & Governance Committee and Independent Person(s) for standards matters, from a wide variety of backgrounds, whilst also ensuring that financial barriers to anyone who wishes to apply for or accept these roles are minimised.

Background Papers

- 5.4 [The East Midlands Combined County Authority Regulations 2024 \(legislation.gov.uk\)](#)



**East Midlands
Combined County
Authority**

Report of the

Independent Remuneration Panel

May 2024

May 2024

Recommendations

The Independent Remuneration Panel makes the following recommendations for consideration by the Combined County Authority for the reasons outlines in this report:

The Panel recommends:

- 1: The allowance paid to the East Midlands Elected Mayor should be £93,000
- 2: The allowance paid to the Deputy Mayor (if eligible) should be a minimum of £18,600 and a maximum of £46,500, depending on the responsibilities involved.
- 3: The allowance paid to the Deputy Mayor should ensure that his or her overall allowance (including those received in the constituent authority) is less than the lowest overall allowance paid to a local council leader.
- 4: The Panel should be reconvened to make a recommendation, once a job specification has been agreed.
- 5: Constituent Councils consider if they wish to ask their Independent Remuneration Panels to review allowances for the Leader and other appointee to the Combined County Authority given the impact the EMCCA aspect of their role will have on their position.
6. An allowance of £9,500 annual payment for the Chair of the Overview and Scrutiny Committee
7. An allowance of £1000 annual payment for members of the Overview & Scrutiny Committee
8. An allowance of £9,500 annual payment for the Independent Chair of the Audit & Governance Committee
9. An allowance of £1000 annual payment for members of the Audit & Governance Committee
10. An allowance of £1000 per annum for the Independent Person(s) for Standards
11. The criterion for the indexation of allowances should be the NJC cost of living rate increase moving forward, this would link Mayoral and other allowance increases with those of staff and provide equity in increases.

The Panel's deliberations: Phase 1 – Pre-Mayoral Election

1 Due to the unusual circumstance of a Mayoral election taking place without details of the associated allowance, the Panel was asked initially to focus on determining the range within which the mayoral allowance should fall. This element of the review was requested to be completed prior to the election so that election agents and constituent councils could be informed of the range prior to the election.

Setting an allowance range for position of the Mayor

2 Due to the very short time scale involved, the Panel was unable to arrange any interviews with council leaders and other interested parties at this stage. In these circumstances, the Panel had to rely heavily on comparative data and considered it was appropriate to recommend a range within which the mayoral allowance should be located, rather than a single figure.

3 The Panel also concluded that it would be premature at this stage to make a recommendation for the deputy mayoral allowance, which will be influenced by whether or not the incumbent is leader or mayor of one of the constituent councils, and also what responsibilities are allocated to this position. Both these questions can be expected to be resolved soon after the election.

4 All the Panel members had a wide experience of involvement in other members allowances panels. In their experience, in assessing appropriate levels of members allowances (including elected mayors), there has always been an assumption that there should be an acknowledgement of the 'public service ethos, typically associated with such posts. It is assumed that councillors are motivated by the principle of public service and should not expect remuneration which fully covers the time commitment and level of responsibility involved.

5 The proportion of time that should be regarded as 'voluntary' and hence unpaid varied between 33% and 50%, in the Panel members' experience. The implication of recognising this principle is that a councillor or elected mayor should not expect to receive an allowance comparable to someone with equivalent levels of responsibility working in the private sector.

6 The Panel learned that all the elected mayor positions in the other combined authorities were regarded as 'full time' posts and were seen as such by the incumbents. The Panel assumed that this precedent would be followed in EMCCA.

7 There are two areas of comparison with other combined authorities and public sector agencies which the Panel chose to explore. The first was the differences in areas of responsibility allocated to the different CAs; the second was the levels of allowances paid to mayors/leaders of the other CAs and relevant public sector organisations.

8 Of the ten CAs so far established, there are two main differences in the responsibilities allocated to them. First, Greater Manchester and West Midlands have been designated as 'Trailblazer' authorities, with a wider range of responsibilities than those enjoyed by the others. Second, the elected mayors in Greater Manchester, West Yorkshire and South Yorkshire also operate as Police and Crime Commissioners, a responsibility not shared by their counterparts. The remaining CAs, including those holding elections for the first time in May, have been allocated a broadly similar range of responsibilities, which exclude those identified above.

Table 1: Mayoral Combined Authority Mayoral Allowances in England

Combined Authority	Allowance (and date of IRP report)	Current Allowance (taking on board indexation)
West Yorkshire	£105,000 – 2021	£111.217.84*
Greater Manchester	£110,00 - 2020	£110,000*
South Yorkshire	£107,000 – 202	£107,000*
West Midlands	£95,000	£100,035

North East	£92,000 - 2024	£92,000
West of England	£72,000 (2022)	£87,000
Liverpool City Region	£81,000- 2022	£86,233 **
Cambridgeshire & Peterborough	£80,000 – 2022	£86,121 **
North Yorkshire	£81,300 – 2024	£81,300
Tees Valley	£65,000 – 2023	£80,000
Average Mayoral Allowance (2024)		£94,090.68

* Includes PCC and/or Fire responsibilities

** 2024 review scheduled to be undertaken

9 The Panel reviewed the devolution deal for the East Midlands and compared with that at other Combined Authorities, using a review undertaken by the Centre for Cities as a guide before reviewing Combined Authority powers and responsibilities. This can be accessed via: [Everything you need to know about metro mayors | Centre for Cities](#)

10 In the light of these variations, the Panel’s view was that the mayoral allowance in EMCCA should be less than the three CAs noted above (Greater Manchester, West Midlands, West Yorkshire). It should certainly be much less than the allowance for the Greater London Mayor (£153K), given the much wider scope of their responsibilities, the population size of the area covered, and the high political profile associated with this position.

11 The mayoral allowance paid to the mayors without Police and Crime responsibilities in the other CAs range between £80K and £100k, and there would a prima facie consistency if the allowance in EMCCA was broadly compatible with this range, although it should be noted that EMCCA serves a much larger population and has a correspondingly larger budget than most of these comparators.

Table 2: City Mayoral Allowances in England

12 The Panel also considered it relevant to study the allowances received by elected mayors of the fourteen local authorities which have adopted one. The important distinction to bear in mind here, is that this group of elected mayors typically enjoy a greater degree of executive responsibility, (on a personal or collective cabinet basis) than do elected mayors in CAs, for a whole range of personal and environmental service that are not within the remit of CAs. In the latter, there is much more emphasis on the roles of advocate and ambassador for the area and associated networking skills, which are all much more difficult to measure and appraise.

UK City Mayor Allowances (2023)	
Bedford	£63,803
Bristol	£86,439
Croydon	£84,123
Doncaster	£67,236
Hackney	£89,224
Leicester	£78,411
Lewisham	£80,759
Mansfield	£49,377
Middlesborough	£63,560
Newham	£87,997
North Tyneside	£68,499
Salford	£69,903
Tower Hamlets	£80,579
Watford	£73,607

13 In these circumstances, the Panel considered that the upper range of the mayoral allowance should not substantially exceed the higher levels of mayoral allowances, the highest of which is £89K (London Borough of Hackney), within a range between of £89K to £64K (excluding Mansfield at £49K). However, it also noted that the London Authorities Members Allowances Panel had recently recommended a figure of £96K for elected mayors in London.

Table 3: EMCCA Constituent Council Leader Allowances

14 The leaders of the four constituent authorities within EMCCA receive overall allowances (basic and special responsibility) ranging between £51.3K and £58.5K. Although mayoral allowances

EMCCA Constituent Council Leader Allowances (2023) (SRA + basic allowance)	
Derby City Council	£51,391.50

in CAs are typically around double those in large urban councils, it is important to bear in mind the significant levels of responsibility which fall to council leaders and to be able to justify the extent of such differences.

Derbyshire County Council	£58,440
Nottingham City Council	£58,440
Nottinghamshire County Council	£53,169.60

15 Other allowances considered by the Panel were those received by MPs and those who held ministerial positions, and those that had been allocated to Police and Crime Commissioners. With regard to national government, the current MPs salary is £86.6K, that of Ministers of State £118K and that of an Under- secretary of State £106.4.

16 The Panel’s view was that an MP’s salary (which, like elected mayors, has a built in ‘public service ethos’ element) offered a useful basis for comparison; MPs had much less formal responsibility than elected mayors, but a much wider range of local representation and scrutiny duties. Ministers and (to a lesser extent) Under-secretaries, however, had nation-wide responsibilities which merited significantly higher allowances than elected mayors (with the possible exception of Greater Manchester, West Midlands and West Yorkshire).

Table 4: Other Comparator Allowances considered by the review

UK/ Devolved Nations Elected Representatives (2023)	
UK Member of Parliament (MP)	£86,584
Minister of State (UK)	£118,264
UK Parliament Under Secretary	£106,409
Member of Northern Ireland Assembly	£51,500
Member of Scottish Parliament	£67,662
Member of Welsh Assembly	£69,273
Greater London Assembly	
Mayor of London	£152,734
Deputy Mayor	£141,406
Chair of London Assembly	£70,225
London Assembly Member	£58,543
NHS Non-Executive Appointment	
NHS Non-Executive	£13,000
NHS Trust Chair	£40,000 – 63,300*
* NHS Trust Chair salary dependent upon annual turnover of the Trust	

17 In Nottinghamshire and Derbyshire, the Police and Crime Commissioners (PCCs) both receive an allowance of £78.4K. The Panel was clear that elected mayors in CAs should have a higher allowance than this, in the light of the much wider scope of their responsibilities.

18 Having digested and deliberated on all this information, the Panel concluded that the appropriate range for the mayoral allowance in EMCCA should be between £80K and £95K. The minimum figure is above what local PCCs receive in the East Midlands. The maximum figure equates with the (London based) recommended figure for elected mayors of local authorities. Within this range are to be found the allowances of all the mayors of CAs, apart from the three with enhanced responsibilities.

The Panel’s deliberations: Phase 2 – Post-Mayoral Election

Determining the allowance recommendation for the Mayor

19 The review of comparator information was built upon through a series of interviews that were undertaken which provided an opportunity for the Panel to explore views about existing and expected arrangements,

the impact decisions could have on individuals and their roles, roles and responsibilities of positions and any issues or concerns individuals wish to raise. It also provided an opportunity for discussion about any emerging situations which the Panel may need to consider in respect of its review.

- 20 It was recognised by the council leaders who were interviewed by the Panel that the leadership role of the Elected Mayor would be markedly different from that carried out by them. The role would:
- Be far more outward looking
 - Seek to influence central government and others to secure benefits for the region
 - Require significant advocacy and networking skills

- 21 The leaders were not asked to respond directly to the range of allowances recommended by the Panel in its first report, but all volunteered the view that a figure somewhere within this range would be appropriate. It was assumed that the job would involve a 'full-time' commitment, a view which was shared by the Panel.

- 22 Whilst the Panel review was underway a Mayoral allowance of £92,000 for the North-East Combined Authority elected mayor has been agreed. The West Midlands Mayoral Allowance has been updated to £100,035 and that of the Elected Mayor in the West of England Combined Authority to £87,000.

- 23 This data led the Panel to conclude that a figure towards the upper end of their recommended range would be appropriate. Comparing the responsibilities of the East Midlands and North-East Combined Authorities, it was apparent that those of the latter were wider in scope, though only to a limited extent. However, the population of the East Midlands is over a third higher than that of the North-East and its budget is significantly larger.

- 24 In these circumstances, the Panel concluded that an allowance of **£93,000** for the East Midlands Elected Mayor should be recommended, a figure exceeded only in West Yorkshire, Greater Manchester, South Yorkshire and West Midlands, and (as recommended in the interim report), significantly higher than the allowance received by the two Police and Crime commissioners in the region and comparable with the current MPs salary.

Deputy Mayoral Allowance

- 25 The Panel was given to understand that an Elected Mayor could choose to appoint a deputy, although was not required to do so, but that if such an appointment were made, it had to be one of the constituent authorities' appointments to the Combined County Authority (Board).

- 26 If it were a council leader appointed to the post, the regulations state that no allowance can be paid; otherwise, the Panel is empowered to make a recommendation, although it can recommend that no allowance be paid.

- 27 It is up to the Elected Mayor to propose what responsibilities should be delegated to the deputy, if one is appointed.

- 28 Information is currently available for only two Combined Authorities for comparison: West Yorkshire, where the deputy mayor is allocated an allowance of £72,000 and West Midlands where the allowance is £20,000. The Deputy Mayor of Greater Manchester also receives an allowance, but the Panel were not provided with details of the level.

- 29 In Greater Manchester and West Yorkshire, the Elected Mayor is also the Police and Crime Commissioner, a situation not replicated in the East Midlands. A more relevant comparator is the West Midlands Combined Authority, where the deputy has played a lead role in drawing up and managing the Combined Authority's budget, together with a range of other responsibilities.

- 30 The IRP in the West Midlands considered, all other things being equal, that the responsibilities involved in the role would have merited an allowance of half that of the Elected Mayor (which, at the time, would have been £48,000). But it felt it important to recognise the fact that the deputy, a councillor in one of the constituent authorities, was receiving allowances for his responsibilities in his own authority and that these should be taken into account.

- 31 The West Midlands Panel were clear that the total allowances received by the deputy mayor should be less than those received by the lowest paid leader of the seven West Midlands Metropolitan Councils. It was on this basis that a figure of £20,000 was recommended.
- 32 This recommendation was premised on the fact that the deputy mayor in the WMCA had a wide range of responsibilities, including portfolio holder for finance, which involved drawing up and managing the Combined Authority budget. He also played a key role as a facilitator in generating a consensus among the Elected Mayor and the Board. But other conceptions of the role are possible.
- 33 The Panel took advice on possible interpretations of the role at the East Midlands Combined County Authority, this identified three possibilities that would develop through a rising scale as follows:
1. deputising for the Elected Mayor at EMCCA board meetings, at functions and events and at meetings with partners.
 2. finding a consensus among CCA members on contentious issues: and taking a lead in steering the mayoral budget through the CCA and on matters of corporate governance.
 3. fulfilling a specific portfolio and chairing the relevant committee and/or carrying out a specific role such as leading a taskforce.
- 34 The first of these options would be the most limited interpretation of a deputy mayor's role and would be likely to be an expected feature whatever else the role involved. The second option (combined with first) would involve a wider range of responsibilities and the third (combined with the other two) an even wider range.
- 35 The Panel understands that once a deputy mayor has been appointed, further consideration will be given to his or her role, using the three categories set out above. Its view is that if the first option were to be chosen, an allowance of 20% of the mayoral allowance would be appropriate, resulting in a figure of £18,600. This can be justified on the grounds that the powers that would fall to the deputy mayor in the absence of the mayor (set out in the constitution) would be considerable.
- 36 If the responsibilities of the deputy were to be defined in a way which was equivalent to those of the deputy mayor in the West Midlands, then an allowance of 50% of that of the elected mayor i.e. £46,500 would be justified, subject to the qualification set out earlier that the overall allowance received by the deputy should be less than the lowest overall allowance received by any of the leaders of the four constituent authorities. For any role specification which fell between these two extremes, the allowance would depend on the specific nature of the responsibilities involved and the Panel would need to be reconvened to make a recommendation.

Regulatory Committees: Overview & Scrutiny and Audit & Governance

- 37 The Panel was given to understand that EMCCA would have a single Overview & Scrutiny Committee, with a membership proportionate to the political composition of the four constituent authorities. The importance of a robust Overview & Scrutiny function, effective at holding the Elected Mayor and the Board to account, was emphasised by all the leaders interviewed by the Panel and indeed in the constitution of the Combined County Authority. The Panel is supportive of this view; effective overview and scrutiny is a crucial democratic element of all local authorities, not least Combined Authorities headed by Elected Mayors.
- 38 The regulations make it possible for a Panel to recommend that allowances be paid to chairs and vice-chairs of Overview & Scrutiny committees and to each member thereof, but they are not required to recommend such allowances. There are two Combined Authorities for which comparative data is available - West Yorkshire and West Midlands
- 39 In the former, the chair of the committee receives £7,341 and other members £648 per annum. In West Midlands the comparative figures are £9,500 and £3,000 respectively.
- 40 In the light of the scope for allocating allowances to the Overview & Scrutiny in Combined Authorities, and the importance attached to it by the constituent authorities and the Panel, it would be sensible to take advantage of the opportunity. The Panel was of the view that there should be a broad equivalence between the SRAs paid to chairs of Overview & Scrutiny committees in large urban authorities, and that

paid to the chair of Overview & Scrutiny in the EMCCA. In their collective experience, the figure adopted in West Midlands for the Chair (**£9,500**) meets this criterion and is the Panel's recommendation.

41 The panel saw no case for allocating an allowance to a vice-chair, until and unless a substantive role is defined for him or her. In the Panel's collective experience, the position of vice -chair can be (and often is) a largely nominal one.

42 As regards payments to Overview & Scrutiny Committee members, the Panel identified persuasive arguments both for and against doing so. On the one hand, an allowance would be likely to act as a participatory motivation, for a function which is rightly seen as important. The regulations require Overview & Scrutiny meetings to be quorate (at least two-thirds of the total number of members of the overview and scrutiny committee must be present at a meeting of the overview and scrutiny committee before business may be transacted) before they can proceed. On the other hand, members of Overview & Scrutiny committees in local authorities who do not receive SRAs might understandably feel that the payment of allowances to colleagues who were appointed to the EMCCA Overview & Scrutiny Committee was unfair.

43 The Panel's conclusion was that, although an allowance should be paid to Overview & Scrutiny committee members, to underpin the importance of their role, it should be at a relatively modest level to mitigate concerns about the unfairness of comparisons between those on Overview & Scrutiny committees in local authorities and those in the EMCCA.

44 The Panel therefore recommends an allowance of **£1,000** – close to the West Yorkshire figure – rather than the £3,000 earmarked in the West Midlands, for members of the EMCCA Overview & Scrutiny Committee

45 The Panel recognised the importance of the role of the Audit and Governance Committee and its chair as being equivalent to that of the Overview & Scrutiny Committee, to which it carries out a similar function, but focussed on the issue of financial accountability.

46 The allowance allocated to its chair should therefore be the same as that of the Overview & Scrutiny chair, that is **£9,500**. A similar equivalence of allowances payment to members of the Audit Committee (**£1,000**) can be justified. The Panel felt it advisable to recommend annual payments in such circumstances, rather than payments per meeting attended, which would be redolent of the discredited 'attendance allowances' system.

47 It should be noted that the Chair of the Audit & Governance Committee will be an independent chair recruited through open recruitment, an appropriate allowance as recommended should be beneficial in recruitment an individual with the required skillset.

Independent Person(s) for Standards Matters

48 The allowance paid to the Independent Person for Standards matters in the East Midlands varies from £1,282 (Derbyshire) to zero (Nottingham City).

49 Comparison data with other Mayoral Combined Authorities was extremely limited, although the Panel noted that the very recent review of allowances at the new North East Combined Authority had agreed to pay the Independent Person an allowance of £1000 per annum.

50 The Panel was clear that a modest allowance should be paid in the EMCCA and considered a figure of £1,000 to be appropriate.

Indexation of Allowances

51 The principle of indexation is now generally adopted across local government and other local authorities. An annual uprating of allowances by an appropriate index ensures that they do not lose value over time and avoids the need for sizeable increases on a periodic basis.

52 There are a number of options for identifying criteria which could be applied when uprating the mayoral and other allowances in EMCCA, including 'cost-of-living' -based indices.

- 53 However, the Panel was of the view that parity with the headline figure for the annual increase in officers' salaries is the most appropriate option, not least because it avoids the tensions which would arise were there to be a disparity. This is the criterion which is used in each of the four constituent East Midlands authorities.
- 54 The Panel agreed that it would be far more appropriate to index Mayoral allowance levels to the NJC cost of living rate increase moving forward, this would link Mayoral allowance increases with those of staff and provide equity in increases. This indexation should apply to all allowances.

Scheme of Allowances: Travel, subsistence and expenses

- 55 The Panel considered options for a Mayoral Expenses scheme, noting that it was HMRC that set petrol claim levels. Similarly, the travel, subsistence and carers allowances are now relatively uniform across all authorities and the current schedule in the four constituent authorities should be applied in the EMCCA as far as is possible.
- 56 The travel and subsistence rates for Councils is standardised by HMRC as follows:
- Car travel per mile – 45p
 - Motorcycle travel per mile – 24p
 - Cycle travel per mile – 20p
 - Public Transport Rate per mile – 22.6p
- 57 The Monitoring Officer will draw up an East Midlands Combined County Authority Mayor and Members Allowances Scheme for consideration and approval by the Combined County Authority to reflect the recommendations within this report that are agreed by the Combined County Authority.

Involvement of Council Leaders and Deputies

- 58 In other Combined Authorities, the time commitment typically required of council leaders has been one day a week, that expectation has been written into the guidelines for the operation of the EMCCA. Given that their existing role of council leaders is invariably a full-time one, this level of commitments likely to create time management problems for council leaders in the East Midlands, something of which some were already well aware.
- 59 There are two possible responses: first to somehow find time (by in effect 'working overtime') in their work schedules: or second, to delegate more responsibility to their deputies, who in the East Midlands, could also be members of the CCA Board. Both options will have the effect of increasing the range of responsibilities of the council leaders and deputies, which then becomes a de facto remuneration issue.
- 60 The council leaders who sit on the Board cannot be paid an additional remuneration by the CCA itself. If a deputy council leader were appointed as deputy mayor, it would be possible to pay an allowance, but not for any other position which a deputy council leader might hold in the CCA (e.g. a portfolio holder). However, it would be possible for the IRPs of the four constituent authorities, if requested to do so, to carry out a review of the increased responsibilities of the council leader and deputy and, if minded to do so, to make recommendations for increases in their SRAs.
- 61 This process has already taken place in a few councils whose leaders have responsibilities in a Combined Authority in the West Midlands, Greater Manchester and Cambridgeshire & Peterborough. The Panel recommends that that the four constituent authorities consider whether or not they wish to embark on this course of action.

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Appendix B

East Midlands Combined County Authority Mayor and Members Allowances Scheme

This Scheme may be cited as the East Midlands Combined County Authority Members' Allowances Scheme and shall have effect for the municipal year 2024/25. It shall continue in force, as amended from time to time, until revoked or amended.

1. In this scheme:

'the Mayor'	the person elected as mayor by the local government electors for the Combined County Authority Area
'the Combined County Authority'	The Board
'EMCCA'	the East Midlands Combined County Authority
'the Constituent Councils'	Derbyshire County Council, Nottinghamshire County Council, Derby City Council and Nottingham City Council
'the Deputy Mayor'	the member of the EMCCA appointed by the Mayor to be the Mayor's deputy pursuant to section 29(1) of the 2023 Act
'the 2023 act'	the Levelling Up and Regeneration Act 2023
'The EMCCA Regulations'	(a) the East Midlands Combined County Authority Regulations 2024 (b) Such other secondary legislation made by the Secretary of State in relation to the EMCCA pursuant to the 2023 Act
'Mayoral functions'	any function of the EMCCA which is exercisable only by the Mayor (or the Mayor's delegate) by virtue of the EMCCA Regulations or any other enactment (whenever passed or made)
'Nominating body'	a body designated by the EMCCA under section 11(1) of the 2023 Act
'Non-Constituent Member'	A non-constituent member is an individual nominated as a representative by a nominating body designated as such by the CCA in accordance with section 11 of the Levelling-up and Regeneration Act 2023
'Associate Member'	An associate member is an individual appointed to be a member of the CCA in accordance with section 12 of the Levelling-up and Regeneration Act 2023

2. This scheme applies to the Mayor, all Combined County Authority Members, Non-Constituent Members, Associate Members, Business Advisory Board Members and individuals appointed to Mayoral governance functions.

3. Schedules to the Scheme:
 - Schedule A: Allowances and Remuneration
 - Schedule B: Approved Duties
 - Schedule C: Expenses

The Scheme

1. Introduction

- 1.1 This scheme sets out the entitlement of:
 - The Mayor
 - Combined County Authority Members
 - Combined County Authority Committee Members
 - Non-Constituent Members
 - Associate Members
 - Business Advisory Board Members

2. Allowances

The Allowance for the Mayor

- 2.1 The East Midlands Combined County Authority Regulations 2024 set out requirements for the determination of allowable allowances and expenses, the regulations make it clear that no remuneration is to be payable by the Combined County Authority to its members, other than allowances for travel and subsistence paid in accordance with a scheme drawn up by the Combined County Authority.
- 2.2 The Combined County Authority may establish an independent remuneration panel to recommend a scheme to the Combined County Authority regarding the allowances payable to:
 - a) the Mayor;
 - b) the deputy mayor provided that the deputy mayor is not a leader or elected mayor of a constituent council;
 - c) independent persons appointed under article 5 of the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017; and
 - d) members of the overview and scrutiny committee and members of the audit committee.
- 2.3 An independent remuneration panel must consist of at least three members none of whom:
 - a) is also a member of the Combined County Authority or is a member of a committee or sub-committee of the Combined County Authority or a member of a constituent council of the Combined County Authority or a member of a district council; or
 - b) is disqualified from being or becoming a member of the Combined County Authority.
- 2.4 The IRP has recommended an allowance for the Mayor as set out in **Schedule A** which has been approved by the Combined County Authority and is index linked to the National Joint Committee for Local Government Employees (NJC) index (the percentage annual cost of living salary increase as applied each year to staff). The increase to be applied annually reflecting the date of appointment of the Mayor.

Other Allowances

- 2.5 The IRP has recommended an allowance for:
 - Chair of Overview & Scrutiny Committee
 - Member of the Overview & Scrutiny Committee
 - Independent Member of the Audit & Governance Committee

- Member of the Audit & Governance Committee
- Independent Member(s) for standards matters

2.6 The details of this allowance are set out in Schedule A. These allowances are index linked to the National Joint Committee for Local Government Employees (NJC) index (the percentage annual cost of living salary increase as applied each year to staff). The increase to be applied annually reflecting the date of appointment of the Mayor.

2.7 With the exception of those listed in 2.5 any Combined County Authority Member is only entitled to expenses for and subsistence and no other allowances under this scheme. For clarity this includes members of the Business Advisory Board.

2.8 An individual can only receive one allowance from the Combined County Authority.

3. Travel Expenses

3.1 Subject to any exceptions or requirements set out in this Scheme, a Member, as defined above in 1.1, engaged in any of the Approved Duties set out in Schedule B, as applicable, may reclaim any travel costs they incur, in accordance with Schedule C

4. Subsistence Expenses

4.1 Subject to any exceptions or requirements set out in this Scheme, a Member, as defined above in 1.1, engaged in any of the Approved Duties set out in Schedule B, as applicable, may reclaim any subsistence costs they incur, in accordance with Schedule C

5. Childcare and Dependent Care Allowance

5.1 Subject to any exceptions or requirements set out in this Scheme, a Member, as defined above in 1.1, engaged in any of the Approved Duties set out in Schedule B, as applicable, may reclaim any costs they incur, in accordance with Schedule C

6. Implementation and Backdating of Recommendations

6.1 The allowances are implemented from the date of the Annual Meeting and paragraph 7 (Part Year Entitlements) applies.

7. Part Year Entitlements

7.1 The provisions of this paragraph shall have effect to regulate the entitlements of a Member to allowances where, in the course of a year, this Scheme is amended or that Member becomes, or ceases to be, a Member, or accepts or relinquishes the responsibilities of a role for which an allowance is payable.

7.2 If an amendment to this Scheme changes the amount to which a Member is entitled, then in relation to each of the periods:

- (a) beginning with the year and ending with the day before that on which the first amendment in that year takes effect, or
- (b) beginning with the day on which an amendment takes effect and ending with the day before that on which the next amendment takes effect, or (if none) with the year

the entitlement to such an allowance shall be to the payment of such part of the amount of the allowance under this Scheme as it has effect during the relevant period as bears to the whole the same proportion as the number of days in the period bears to the number of days in the year.

7.3 Where the term of office of a Member begins or ends other than at the beginning or end of a year, the entitlement of that Member to any allowance shall be to the payment of such part of the allowance as bears to the whole the same proportion as the number of days during which their term of office subsists bears to the number of days in that year.

7.4 Where this Scheme is amended as mentioned in paragraph 7.2, and the term of office of a Member does not subsist throughout the whole, or any period mentioned in sub-paragraph 7.2(a), the entitlement of any such Member to an allowance shall be to the payment of such part of the allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days during which their term of office as a member subsists bears to the number of days in that period.

8. Renunciation of entitlement to remuneration or expenses

8.1 Any Member may by notice in writing given to the Monitoring Officer to forego all or any part of their entitlement to any expenses under this scheme.

9. Claims and Payments

9.1 A claim for travelling and subsistence expenses under this Scheme shall be made in writing within three months of the date of the duty in respect of which the entitlement to the allowance arises.

9.2 A claim for all expenses under this Scheme or any expense under any other provisions shall include, or be accompanied by, a statement signed by the claimant that:

- the claimant has incurred the expenditure shown on the claim,
- the claimant has not made and will not make any other claim either under this scheme or to any other body or organisation in respect of the matter to which their claim relates.

9.3 No expenses will be paid under this Scheme without:

- a) a dated receipt (except in relation to car mileage claims), and
- b) in the case of travel expenses, the amount being in line with the requirements and restrictions set out in Schedule C, and
- c) in the case of subsistence expenses, the amount not exceeding the maximum authorised by the Combined County Authority in Schedule C
- d) in the case of car mileage expenses, that:
 - no suitable alternative public transport was available (claimant to provide explanation) or there were special circumstances (to be specified by claimant), and
 - it was not reasonable for the claimant to have travelled with another Member or officer (claimant to provide explanation), and,
- e) in the case of travel expenses for taxi costs incurred, that it was not reasonable to use public transport (claimant to provide explanation) and that the Monitoring Officer has agreed this in advance where reasonably practicable.

9.4 Subject to any external timing constraints, payments shall be made:

- a) in respect of allowances and remuneration payable to those listed in 2.5 in instalments of one-twelfth of the amount specified in this Scheme each month.
- b) in respect of travelling, subsistence, childcare/dependent carers' expenses, in each month for all fully completed claims received by the end of the previous week; and
- c) in respect of a large expense claim, suitable arrangements will be made where specially requested by the claimant concerned.

9.5 Where a payment of one-twelfth of the amount specified in this Scheme in respect of an allowance would result in the Member receiving more than the amount to which, by virtue of paragraph 7 (Part Year

Entitlements), they are entitled, the payment shall be restricted to such amount as will ensure that no more is paid than the amount to which they are entitled.

10. Duplication of allowances and expenses claims

10.1 No Member may receive an allowance or expenses from more than one authority in respect of the same duties.

11. Information Technology Provision

11.1 The Mayor will be provided with IT equipment to enable the discharge of their functions. No other Member will be provided with IT equipment.

12. Publishing remuneration and expenses paid

This Scheme will be published on the Combined County Authority’s website.

A summary of remuneration and expenses paid under this Scheme each year will be published on the Combined County Authority’s website.

Schedule A: Allowances and Remuneration

Mayoral Remuneration (per annum)

The Mayor	£93,000
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Deputy Mayoral Remuneration (per annum)

Deputy Mayor (role 1 as defined in IRP report 2024)	£18,600
Deputy Mayor (role 1 + 2 as defined in IRP report 2024)	£46,500

Overview & Scrutiny Committee (per annum)

Chair	£9,500
Members	£1,000

Audit & Governance Committee (per annum)

(Independent) Chair	£9,500
Members	£1,000

Independent Person(s) (per annum)

Independent Person

£1,000

Schedule B: Approved Duties

The following are specified as an approved duty for purpose of the payment of travelling and subsistence expenses and dependents carers allowance:

- (i) A meeting of the Combined County Authority, any committee or sub-committee of the Combined County Authority or of any other body to which the Combined County Authority and/or the Mayor makes appointments or nominations, or of any committee or sub-committee of such body.
- (ii) Any other meeting the holding of which is authorised by the Combined County Authority, provided that it is a meeting to which members of at least two political groups have been invited.
- (iii) (Meetings of a non-commercial, non-political and non-party political nature, (including with Ministers, Members of Parliament, European Members of Parliament, representatives of Government Departments and representatives of major companies who have an involvement in any matter relevant to functions of the Combined County Authority) attended by:
 - a. a Combined County Authority Member, or
 - b. any Non-Constituent or Associate Member who is the Chair or Deputy Chair of a relevant committee, or
 - c. any Non-Constituent or Associate Member who is a nominee of (a) or (b) above

in their capacity as a representative of the Combined County Authority, for the purpose of discussing matters which relate to the functions of the Combined County Authority or of a constituent or non-constituent council of the Combined County Authority, or any other council in which the Combined County Authority has an interest in the particular function involved.

- (iv) Conferences, seminars and study courses, only where the Monitoring Officer is satisfied that they represent value for money and are being held for the purpose of discussing non-political matters which relate to the functions of the Combined County Authority or any functions of the local authorities in which the Combined County Authority has an interest.
- (v) At representative functions, official functions, responding to invitations to meet and/or address voluntary and other organisations, site visits and meetings with officers subject to the prior agreement of the Monitoring Officer.

For the purposes of clarity where this relates to a member of the Business Advisory Board the following are specified as an approved duty for the purposes of payment of travelling and subsistence expenses and other expenses set out in the scheme:

- (i) Meetings of the Combined County Authority (Board, Committees, Business Advisory Board and others contained as part of the Governance Structure of EMCCA)
- (ii) Meetings contained within the Mayoral Governance structure (as defined by the Monitoring Officer)

- (iii) Subject to prior agreement by the Monitoring Officer other activity that:
- attendance is in the capacity as a member of the Business Advisory Board,
 - the meeting represents value for money, and
 - the function or event is being held for the purpose of discussing non-political matters which relate to the functions of the Business Advisory Board:
- (a) meetings of a non-political and non-party political nature, including with Ministers, Members of Parliament, European Members of Parliament, representatives of Government Departments and representatives of major companies, and
- (b) attending any of the following:
- conferences, seminars and study courses
 - representative function and events,
 - official functions and events,
 - responding to invitations to meet and/or address relevant organisations,
 - site visits, and
 - meetings with the Combined County Authority or other local authority officers.

Schedule C: Expenses

Travelling Expenses

1. Bus and Rail Travel

Members are expected to travel by bus or by standard class rail, or by bicycle. First class travel is considered acceptable only in the following circumstances and by prior agreement of the Monitoring Officer:

- Additional space and privacy are required during the journey in order to work or to enable confidential conferences to be held on the train.
- Where the cost of discounted first-class travel is less than that of the cheapest available standard class ticket.
- To avoid disadvantaging members when travelling with other organisations, or
- Any other special circumstances, which in the view of the Monitoring Officer, would justify first class travel.

Rail travel should be booked in advance through the Combined County Authority to take advantage of discounted tickets and special offers.

Claims for car expenses will therefore only be paid where there is no suitable alternative public transport available or there are special circumstances.

2. Car Mileage Rates - the HMRC mileage rates from time to time in force

Approved mileage rates		
	First 10,000 business miles in the tax year	Each business mile over 10,000 in the tax year
Cars and Vans	45P	25P
Motorcycles	24P	24P
Bicycles	20P	20P

3. Passenger Rates

Where a Member carries a passenger, they can claim the HMRC approved passenger mileage rate of 5p per passenger mile, in addition to the applicable mileage rates for motor cars.

4. Motorcycle Mileage Rates

24p per mile (indexed to HM Revenue and Customs approved rates).

5. Bicycle Mileage Rate

20p per mile (indexed to HM Revenue and Customs approved rates).

6. Taxi Travel

In rare circumstances (for example, cases of urgency or where no alternative mode of public transport is reasonably available), it may be necessary to travel by taxi. In such circumstances, the amount of the fare paid is reimbursable on production of a valid receipt. Where reasonably practicable, agreement should be sought in advance from the Monitoring Officer.

7. General Travel Expenses

To reduce costs to the Combined County Authority, a Member should not travel independently where it would be possible to travel with another Member or officer. A Member may claim specific reimbursement for expenditure incurred on tolls, ferries or parking fees as these are deemed to be additional to the basic car allowance rates.

Subsistence Expenses

- Day subsistence rates are based on 'meals' taken with eligibility based on the time of the day the meal is taken and time away from home as set out below.

In each instance only the actual cost incurred may be claimed with the following being the maximum rates claimable:

Day Subsistence Rates		
Breakfast Allowance	£8.28	More than 4 hours away from normal place of residence before 11am.
Lunch Allowance	£11.28	More than 4 hours away from normal place of residence including the period between 12 noon and 2pm.
Tea Allowance	£4.54	More than 4 hours away from normal place of residence including the period between 3pm to 6pm.
Evening Meal Allowance	£14.09	More than 4 hours away from the normal place of residence after 7pm.

Note: The current total daily maximum subsistence claimable (£38.19) should not be disaggregated and applied to specific meals but a 24-hour maximum claimable to be spent upon subsistence as required.

9. Overnight stays

All overnight accommodation should be booked and paid for directly through the Combined County Authority taking advantage of any corporate rates and offers to seek out the most reasonably priced accommodation available, thus avoiding any claims for reimbursement. Where, exceptionally, this is not possible, actual costs will only be reimbursed where they are supported by receipts.

10. Overseas Travel

Members are entitled to claim reasonable expenses in relation to their journey and stay, reimbursable upon production of receipts. It is expected that the necessary travel and accommodation arrangements would be booked in advance through the Combined County Authority in advance to take advantage of special rates and offers.

In the case of Business Advisory Board Members only, the Chief Executive is also required to confirm that the member of the Business Advisory Board's attendance at the overseas function or event:

- is in the capacity as a member of Business Advisory Board,
- represents value for money, and
- is required to facilitate the proper promotion or safeguarding of Combined County Authority interests.

Note: In the case of travel abroad there are sometimes difficulties in obtaining receipts. However, for the reasons given above, reimbursement will only be available where receipts are provided.

11. Meals provided free of charge

Members are required to deduct an appropriate amount from the subsistence expenses specified in the table above in respect of any meals provided free of charge by an authority or body in respect of the meal or the period to which the expense relates. Expenses cannot be claimed where a free meal has been provided.

12. Meals taken on Trains

Where main meals are taken on trains during the period for which there is an entitlement to day subsistence expenses, the reasonable cost of meals (including VAT) shall be reimbursable in full. This will then replace the specific meal allowances set out above.

Childcare and Dependent Care Allowance

13. Where a Member needs to engage a carer to enable them to carry out an Approved Duty, an allowance is payable in respect of the expenses of arranging for the care of:

- Members' children under the age of 14, or
- any dependents where there is medical or social work evidence that care is required.

The Approved Duties for which the dependent carers' allowance may be claimed are set out in Schedule B.

15. The allowance is subject to the following conditions:

- (a) The allowance is payable for the care of any dependent person within the claimant's household.
- (b) The allowance is only payable when the care is provided by someone who is not a household or family member.
- (c) The amount payable will be for the actual cost of care.
- (d) Payment will be made to the member, not the carer.
- (e) The claimant will be required to sign a declaration that they have complied with these conditions.

16. The maximum rates of such allowances are set out below and are subject to the Member observing the protocol on the claims procedure and eligibility criteria.

Childcare Element

17. For children under the age of 14:

- the real UK Living Wage, as determined by the Living Wage Foundation;
- care must be provided by a registered child-minder.

Other Dependents Element

18. Maximum rate payable = the hourly rate charged by Adult Social Services for domiciliary home care.

19. For both types of care, there is a monthly cap of £100, regardless of type or number of dependents and receipts must be provided.

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

Combined County Authority Board		Agenda Item 12
Date	17 June 2024 – Annual General Meeting	
Report Title	Amendments to the EMCCA Constitution	
Accountable EMCCA Board Member	Mayor Claire Ward	
Accountable Chief Officer	Mark Rogers, Interim Chief Executive	
Accountable Employee	Mark Kenyon, Interim Section 73 Officer Jodie Townsend, Interim Monitoring Officer	
Report has been considered by	N/A	
Key decision	No	
Public Report	Yes	
Voting Arrangements	A: To note B: By a simple majority that includes the Mayor C: By a simple majority that includes the Mayor	
Recommendation(s) for action or decision:		
The Combined County Authority is recommended to:		
A	Note amendment to constitution made by Monitoring Officer under delegated authority as set out in paragraph 2.8	
B	Amend the Officer Employment Procedure Rules as set out in Appendix A	
C	Amend the scheme of delegations as set out in Appendix B	

1. Purpose

1.1 To note and consider proposed amendments to the EMCCA Constitution.

2. Constitutional Amendments

- 2.1 The Constitution sets out how the CCA works, makes decisions, and the procedures followed to ensure its work is efficient and effective, and is transparent and accountable to residents. Some of these procedures are set by law, while others are ones the CCA has chosen to follow. The operation of the Constitution will be regularly reviewed, including an annual review to ensure that it remains fit for purpose.
- 2.2 It is important that in these early days of the Combined County Authority the Monitoring Officer can keep the Constitution under review as there will be a requirement to make amendments as required, in the light of experience, operational requirements and policy development. Developing the constitution in line with the organisation is standard practice to ensure legislation is appropriately reflected.
- 2.3 For example, following the General Election individual constituent councils and the Combined County Authority will be requested to provide consent to the making the Combined Authorities and East Midlands Combined County Authority (Borrowing) (Amendment) Regulations 2024 conferring the general power of competence for economic development and regeneration on the EMCCA.
- 2.4 The purpose of this regulation will be to make appropriate technical amendments to bring the EMCCA Regulations and the powers and functions of the EMCCA in line with the expectations of the original Proposal.
- 2.5 The Monitoring Officer will regularly monitor and review the operation of the Constitution and engage the Audit & Governance Committee when it is operational to ensure that the Constitution remains fit for purpose. This review will also ensure that the Monitoring Officer makes amendments to the constitution where they have delegated authority to do so.

Appointment of Deputy Mayor

- 2.6 The constitution allows for the Monitoring Officer to make changes to the constitution that are required to be made to remove any inconsistency, ambiguity, or typographical error. Such a change has been made at Article 1: The Combined County Authority (EMCCA) paragraph 1.9 and again in Article 2: The Mayor Section 3.
- 2.7 This paragraph refers to the appointment of the Deputy Mayor by the Mayor. Section 29 of the Levelling Up and Regeneration Act 2023 states *(1) The Mayor for the area of a CCA must appoint one of the members of the authority to be the mayor's deputy. (8) References in this section to a member of the CCA do not include a non-constituent or associate member.*
- 2.8 The constitution reads - *The Mayor must appoint one of the members of the Combined County Authority Board to be the Deputy Mayor.* To avoid ambiguity this has been amended by the Monitoring Officer under delegated authority to - *The Mayor must appoint one of the **constituent members of the Combined County Authority** ~~Members~~ to be the Mayor's deputy (the Deputy Mayor).*

Officer Employment Procedure Rules

- 2.9 In line with this review process, the Monitoring Officer recommends an amendment to Article 4.5 of the constitution: Officer Employment Procedure Rules. The officer employment procedure rules set out the governance arrangements for the recruitment of officers. The rules set out requirements for the recruitment of Chief Officers which require an Appointments Panel recommendation to Board for confirmation.

- 2.10 The rules require that where the Combined County Authority proposes to appoint a Head of Paid Service (Chief Executive), Monitoring Officer, an officer with the responsibilities set out in Section 73 (1) of the Local Government Act 1985 (Chief Finance Officer) or Chief Officer, the Combined County Authority will appoint an Appointments Panel. The Appointments Panel will then determine the pay range and duties of posts, undertake interviews and make a recommendation on appointment to the EMCCA Board to confirm.
- 2.11 The rules do not currently refer to the appointment of interim Chief Officers specifically. Therefore, it is proposed that this is a matter for the Head of Paid Service, in consultation with the Appointments Panel. This was discussed with the Appointments Panel on 8 April 2024. The proposed amendment is to revise paragraph 3.4 of the Officer Employment Procedure Rules as follows:
- Existing: *The appointment of any other officer is a matter for the Head of Paid Service.*
 - Proposed amendment: ***The appointment of any other officer is a matter for the Head of Paid Service. When appointing to interim Chief Officer positions, the Head of Paid Service must consult with the Appointments Panel before making such appointment. The Head of Paid Service must also update the Appointments Panel every six months on the position with recruiting to Chief Officer roles when an interim is in place.***
- 2.12 This approach to interim Chief Officer appointments was discussed with and supported by the Appointments Panel (consisting of the four Leaders of the Constituent Councils) on 8 April 2024.

Scheme of Delegation

- 2.13 The initial scheme of delegation was created as a starting position for the operation of the Combined County Authority, to allow the Chief Executive to build upon once EMCCA became operational.
- 2.14 The constitution of EMCCA currently requires all expenditure decisions to be made by the Chief Executive in conjunction with Mayor. For the organisation to operate effectively there needs to be an appropriate scheme of delegation across the organisation.
- 2.15 It is proposed that the following approval limits apply in the Authority incurring expenditure:

No.	Authority to incur expenditure	Approver
1	Above £1m	The Chief Executive or the Section 73 Officer in consultation with the Mayor provided it is within budget.
2	Between £0.5m and £1m	Chief Executive or Section 73 Officer provided it is within budget.
3	Up to £0.5m	Executive Directors in consultation with the Section 73 Officer provided it is within budget.

- 2.16 The limits above would be inserted in 2.2.1 of the Scheme of Delegations as outlined in **Appendix B**.
- 2.17 It is proposed that for all items of expenditure above £500,000 an officer decision notice (ODN) will be required. This will provide great transparency and accountability to officer decision-making.

- 2.18 As an interim arrangement, an ODN will be required for spend between £50k to £500k. These ODN's are not required to be published but will allow for consultation with the Chief Executive as well as advice from Finance, Legal and Procurement to ensure spend is within budget and the relevant officers have been consulted.

Grant Administration

- 2.19 It is proposed for all grant administration the Section 73 Officer has the following delegation:
- Accept grant offers on behalf of the Mayor and / or the Authority, subject to all the terms and conditions set out by the grant awarding body.
 - The submission of all claims for grant to the UK Government or other organisations that grant the Authority money.
- 2.20 This is a common delegation in established Mayoral Combined Authorities and enables Grant Funding Agreements to be agreed and executed in a timely manner rather than waiting for approvals through the Board and Committee cycle.
- 2.21 This proposal would be inserted into 4.3 of the Scheme of Delegations as outlined in **Appendix B**.

3. Background

- 3.1 The Monitoring Officer is authorised to make changes to the Constitution under part 1 section 2. The Monitoring Officer has deemed that the amendment above to the Officer Employment Procedure Rules, although supported by the Appointments Panel, should be put to the EMCCA Board for confirmation rather than being taken under delegated authority.
- 3.2 The EMCCA Board agreed on 20 March 2024 to delegate authority for making any urgent and necessary amendments to the Constitution to the Interim Monitoring Officer, in consultation with the Lead Members of the Constituent Councils, pending the Mayor taking office at which point consultation would extend to the Mayor as well, ensuring that any amendments are consistent with the provisions of the 2024 Regulations and are reported to the subsequent meeting of this Board.

4. Appendices

- 4.1 Appendix A: Proposed amended Officer Employment Procedure Rules
- 4.2 Appendix B: Proposed amended Scheme of Delegation

5. Implications

Financial Implications

- 5.1 The introduction of the approval limits in 2.15 will enable greater flexibility and improve current processes within EMCCA which will allow, particularly Executive Directors, the ability to manage spend within their own approved budgets.
- 5.2 The process for ODN's will provide reassurance that all the relevant officers have been consulted on spend and is within the approved budget. The interim arrangement for ODN's between £50k to £500k is necessary until such a time that EMCCA has sufficient controls and processes in place to more efficiently manage spend i.e., a new finance system that allows managers to approve spend within the system and for that spend to be checked against budget. It also ensures that the Chief Executive is consulted on all material spend.

Legal Implications

- 5.3 The proposed amendments will allow the Chief Executive to enable the discharge of Chief Officer functions and responsibilities and the agreed scheme of delegation whilst permanent recruitment to those posts is undertaken.
- 5.4 The Mayor has also been consulted on and supports the proposed amendments to the Constitution.
- 5.5 The proposed amendments are not contrary to the East Midlands Combined County Authority Regulations 2024

Other Significant Implications

- 5.6 N/A

Background Papers

- 5.7 [The East Midlands Combined County Authority Regulations 2024 \(legislation.gov.uk\)](#)

4.5 Officer Employment Procedural Rules

1. General

- 1.1 The Officer Employment Rules of Procedure set out the Authority's governance arrangements for the recruitment and dismissal of, and the taking of disciplinary action against, officers.
- 1.2 The functions of appointment and dismissal of, and taking disciplinary action against, officers below the level of Chief Officer must be discharged by the Head of Paid Service, on behalf of the Authority, or by an officer nominated by them.
- 1.3 The functions of appointment and dismissal of and taking disciplinary action against Chief Officers must be discharged by the Combined County Authority.
- 1.4 This section should be read in conjunction with the Scheme of Delegation of Functions to Chief Officers
- 1.5 The Combined County Authority Chief Officers are, in accordance with the Local Government and Housing Act 1989, defined as follows:
 - a. a statutory chief officer (e.g., the Head of Paid Service, the Monitoring Officer and the Chief Finance Officer);
 - b. a non-statutory chief officer (e.g., an officer who reports directly to the Head of Paid Service)

2. Recruitment and Appointment

- 2.1 The Authority will draw up a statement requiring any candidate for appointment as an officer to state in writing whether they are the parent, grandparent, partner, child, stepchild, adopted child, grandchild, brother, sister, uncle, aunt, nephew or niece of an existing Member or officer; or of the partner of such persons.
- 2.2 No candidate so related to a Member, or an officer will be appointed without the authority of the Head of Paid Service, or an officer nominated by them.
- 2.3 The Authority will disqualify any applicant who directly or indirectly seeks the support of any Member for any appointment with the Authority. The content of this paragraph will be included in any recruitment information.
- 2.4 No Member will seek support for any person for any appointment with the Authority.
- 2.5 Nothing in the above paragraphs precludes a Member from giving a written reference for a candidate for submission with an application for employment.

3. Appointments

- 3.1 Where the Combined County Authority proposes to appoint a Head of Paid Service (Chief Executive), Monitoring Officer, an officer with the responsibilities set out in Section 73 (1) of the Local Government Act 1985 (Chief Finance Officer) or Chief Officer, the Combined County Authority will appoint an Appointments Panel.
- 3.2 The Appointments Panel will draw up a statement specifying:

- a. the pay range for the post;
 - b. the duties of the Officer concerned; and
 - c. any qualifications or qualities to be sought in the person to be appointed.
- 3.3 The Combined County Authority will:
- a. make arrangements for the post to be advertised in such a way as is likely to bring it to the attention of persons who are qualified to apply for it; and
 - b. make arrangements for a copy of the written statement mentioned above to be sent to any person on request.
- 3.4 ~~The appointment of any other officer is a matter for the Head of Paid Service.~~ ***The appointment of any other officer is a matter for the Head of Paid Service. When appointing to interim Chief Officer positions, the Head of Paid Service must consult with the Appointments Panel before making such appointment. The Head of Paid Service must also update the Appointments Panel every six months on the position with recruiting to Chief Officer roles when an interim is in place.***
- 3.5 The Appointments Panel will conduct a competitive interview process and determine appointment when appointing Chief Officers, that Appointments Panel consists of:
- The Mayor (or their nominee) (to apply if a Mayor is in place)
 - The Lead Constituent Council representative for each Constituent Council
- 3.6 The Appointments Panel will undertake the following only when a Mayor is in place:
- a. Interview all qualified applicants for the post, or
 - b. Select a shortlist of such qualified applicants and interview those included on the shortlist.
- 3.7 Upon completion of this process the Appointments Panel will make a recommendation to the Combined County Authority for confirmation.
- 3.8 Prior to a final appointment offer being made to the successful applicant, all Members of the Combined County Authority must be informed of the details of the intended appointee, and have raised no objection within the specified period, (2 clear working days). Usual pre-employment checks will then commence in line with Human Resources and regulatory procedures and processes.
- 3.9 The Combined County Authority will, following the recommendation of such an appointment by the Appointments Panel, approve the appointment of:
- Chief Executive (Head of Paid Service)
 - Executive Director Resources (S.73 Officer)
 - Director of Governance, Legal and Compliance and the Monitoring Officer (direct report to S.73)
 - Executive Director Place
 - Executive Director Inclusive Growth
- 3.10 Where no qualified person has applied, the Combined County Authority shall make further arrangements for advertisement in accordance with Rule 3.3 (a)

4. Disciplinary Action

- 4.1 The Head of Paid Service, the Monitoring Officer or Chief Finance Officer, and any other Chief Officer may be suspended whilst an investigation takes place into alleged misconduct. That suspension will be on full pay and last no longer than two months.
- 4.2 No other disciplinary action may be taken in respect of any of those officers except in accordance with a recommendation in a report made by an independent person designated and acting in

accordance with Regulation 7 of the Local Authorities (Standing Orders) (England) Regulations 2001.

- 4.3 Members will not be involved in the disciplinary action against any officer below Chief Officer level except where such involvement is necessary for any investigation or inquiry into alleged misconduct, through the Authority's disciplinary, capability and related procedures.

5. Dismissal

- 5.1 Members will not be involved in the dismissal of any officer below Chief Officer level except where such involvement is necessary for any investigation or inquiry into alleged misconduct, through the Authority's disciplinary, capability and related procedures.

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6. Scheme of Delegation of Functions to Chief Officers and Schedule of Proper Officers

1 Introduction

General roles and responsibilities of Officers

- 1.1 The Combined County Authority and the Mayor approve strategies and policies which determine the framework in which operational decisions are made – see further the Budget and Policy Procedure Rules in **Part 4** of the Constitution.
- 1.2 Officers implement decisions made by the Combined County Authority (or any decision-making committee of the Combined County Authority) and the Mayor. Officers also take measures to carry out these policies and decide day-to-day operational matters, within the framework of these decisions.
- 1.3 Officers must comply with **Article 6 (Decision-making)** in **Part 2** of the Constitution when exercising authority delegated to them.
- 1.4 Decision-making by officers is subject to other control measures. These include:
- Standing Orders including the Contracts Standing Orders and Financial Regulations in **Part 4** of the Constitution
 - Officers' Codes of Conduct, gifts and hospitality policy and the Conflicts of Interest Policy and Protocols in **Part 5** of the Constitution
 - Identified organisational values
 - an anti-fraud, bribery, and corruption policy, and
 - internal audit and risk management arrangements.
- 1.5 When exercising their delegated authority, an officer must:
- ensure that the decision conforms with and furthers strategies and policies approved or endorsed by the Combined County Authority and the Mayor, and
 - follow approved practices and procedures of the Combined County Authority including the East Midlands County Combined Authority Assurance Framework, relevant Government guidance and industry/professional best practice.

Delegation to Officers

- 1.6 This Officer Delegation Scheme sets out:
- Combined County Authority Functions delegated to officers by the Combined County Authority, and
 - Mayoral Functions delegated to officers by the Mayor.
- 1.7 The Combined County Authority or the Mayor may also delegate decisions outside of this Scheme to a Combined County Authority officer in relation to any specific matter, subject to statutory restrictions.
- 1.8 The Combined County Authority's Standing Orders in **Part 4** of the Constitution including Contracts Standing Orders and Financial Regulations also delegate to specified officers or post-holders.

- 1.9 Where the Combined County Authority have appointed a committee to discharge functions, that committee may also delegate any of those functions or a decision in relation to a specific matter within the committee's terms of reference, to an officer.
- 1.10 The Combined County Authority (or a committee) or the Mayor may continue to exercise any function which it has delegated to an officer.

Sub-Delegations

- 1.11 Unless required by law or expressly indicated in the Scheme, an officer is not required to discharge their delegated authority personally (although they will remain responsible for any decision taken on their behalf). Such an officer (in their absence) may arrange for another officer of suitable experience and seniority to exercise the delegated authority on their behalf.

Referral of Matters to the Combined County Authority or Relevant Committee – Combined County Authority Functions

- 1.12 An officer may decide not to exercise their delegated authority in relation to any matter. If so, the officer shall refer the matter to the Combined County Authority or a relevant committee

Referral of Matters to the Mayor – Mayoral Functions

- 1.13 An officer may decide not to exercise their delegated authority in relation to any matter. If so, the officer shall refer the matter to the Mayor.

Key Decisions

- 1.14 The Access to Information Rules in **Part 4** of the constitution apply where an officer exercises their delegated authority to take a Key Decision.
- 1.15 A key Decision is defined in **Article 6: Decision-Making** in **Part 2** of the Constitution.

Call-in of Officer Decision

- 1.16 Any Key Decision taken by an officer under delegated authority is open to call-in, in accordance with the Overview & Scrutiny Standing Orders in **Part 4** of the constitution.

Recording Officer Decisions

- 1.17 An officer is required to complete a written record of their decision in accordance with the Access to Information Rules in **Part 4** of the Constitution. All reports and officer decisions shall be held by the Monitoring Officer.

Concurrent Functions

- 1.18 An officer proposing to exercise their delegated authority in respect of any Concurrent Function must follow any Protocol agreed by the Combined County Authority with Constituent Councils relating to Concurrent Functions, including in relation to consultation.

Statutory Consents

- 1.19 No officer may exercise their delegated authority in relation to any function which requires a Statutory Consent.
- 1.20 An officer should exercise their delegated authority in relation to any function in respect of which a Statutory Consent has been given, in accordance with the terms of that Statutory Consent.

2. Officer Delegation Scheme: Delegations

- 2.1 The Chief Executive may direct a Director not to exercise their authority delegated under this Scheme in respect of a particular matter and to refer the matter for determination:
- in respect of any Combined County Authority Function to a relevant committee to the Combined County Authority, or (where the delegated authority is of a general delegation), to the Chief Executive, or
 - in respect of any Mayoral Function to the Mayor.

General Delegations (Combined County Authority Functions) to the Chief Executive or Chief Officers

- 2.2 Each Officer is authorised to carry into effect without reference to the Combined County Authority or to any of its committees, matters of day-to-day management and administration in relation to functions within their remit. This includes the following:

(a) Expenditure

- 2.2.1 To incur expenditure within the agreed revenue budget in accordance with the Financial Regulations and Contracts Standing Orders in **Part 4** of the Constitution ***within the following approval limits:***

No.	Authority to incur expenditure	Approver
1	Above £1m	The Chief Executive or the Section 73 Officer in consultation with the Mayor provided it is within budget
2	Between £0.5m and £1m	Chief Executive or Section 73 Officer provided it is within budget
3	Up to £0.5m	Executive Directors in consultation with the Section 73 Officer provided it is within budget.

- 2.2.2 To incur expenditure on capital schemes within agreed scheme budgets, in accordance with the Financial Regulations, provided that expenditure has been authorised in accordance with the East Midlands County Combined Authority Assurance Framework.

(b) Human Resources

- 2.2.3 To appoint officers within the approved funded staffing structure in accordance with the Combined County Authority's Recruitment Policy.
- 2.2.4 To appoint officers on a temporary basis to provide cover for absences within approved budgets.
- 2.2.5 With the exception of:
- granting voluntary redundancy requests,
 - releasing preserved pension benefits on ill health grounds, and
 - payments to any officer for loss or damage to property arising out of their employment with the Combined County Authority

to determine any employment issue arising in respect of an individual officer in accordance with agreed procedures and the relevant national conditions of service as modified or extended by any

local or national agreements, following consultation with the section 73 Officer and Monitoring Officer.

Proper Officer Functions

2.2.6 Each Executive Director is appointed the Proper Officer for any function within their remit.

Miscellaneous

2.2.7 To implement and ensure compliance with requirements relating to:

- a. health and safety
- b. data protection, freedom of information and transparency,
- c. surveillance activities,
- d. human rights,
- e. risk management,
- f. equality and diversity; and
- g. safeguarding

3. Chief Executive

3.1 The Chief Executive is designated the Head of Paid Service of the Combined County Authority and is authorised to exercise the functions of the Head of Paid Service as set out in Section 4 of the Local Government and Housing Act 1989.

3.2 With the exception of any matter which the Mayor has directed should be referred to the Combined County Authority for determination, the Chief Executive is authorised to exercise any Combined County Authority Function which is not:

- expressly reserved to the Combined County Authority,
- a function of any other officer in their capacity as a statutory officer, always provided that:
 - I. exercising this authority to approve any economic development loan is subject to the conditions set out below and in consultation with the Section 73 Officer, and
 - II. any decision in respect of an application for a loan or grant from a business where a potential conflict of interest arises from the involvement with that business of any person representing the Business Voice or of non-constituent member of the Combined County Authority is taken in accordance with the Conflicts of Interest Protocol

3.3 The Chief Executive is further authorised to take decisions which would have been taken by a committee and where, for exceptional circumstances, that committee has been unable to meet, and the decisions are of an urgent nature and cannot wait until the next scheduled meeting.

3.4 The Chief Executive, in consultation with the Section 73 Officer and Monitoring Officer, may take decisions related to the approval of a detailed business case and the acceptance of a tender or quotation for the supply of goods, materials or services provided that the spend is within the Combined County Authority's approved budget. Prior to exercising this delegation, the Chief Executive must consult the Mayor, and the Lead Member, and following the decision, must publish an Officer Decision Notice.

3.5 In order to exercise 3.4 above, the business case or procurement must be approved by the Combined County Authority Board within the MTFP and, in the case of a tender or quotation, must be approved in accordance with the Authority's Contracts Procedure Rules, ie:

- the decision relates to the delivery of the agreed business plan for that business area;
- the decision accords with any officer decision making guidance issued to officers;
- once the decision has been made the officer complies with the transparency requirements of [The Openness of Local Government Bodies Regulations 2014](#).
- decisions taken will be reported to the next available Combined County Authority as part of a Delegated Authority report

- 3.6 To commit expenditure from earmarked funds and reserves in accordance with the purpose for which those earmarked funds and reserves have been approved by the Combined County Authority, save for those earmarked funds and reserves which the Combined County Authority specifically reserves the right to itself or another Committee to approve, and subject to reporting the use of those earmarked funds and reserves through the budget monitoring report at the next meeting of the Combined County Authority after the commitment is made.

4. Executive Director of Resources - Section 73 Officer

- 4.1 The Executive Director Resources is the Section 73 Chief Finance Officer of the Combined County Authority, and as such exercises any statutory function of the Chief Finance Officer, including making arrangements for the proper administration of the Combined County Authority's financial affairs.

- 4.2 The Executive Director Resources is authorised to exercise the following Combined County Authority functions with the exception of any matter:

- expressly reserved to the Combined County Authority,
- expressly within the terms of reference of a Combined County Authority committee_or
- which the Chief Executive has directed the Executive_Director, Resources to refer to the Combined County Authority or any Committee for determination

to carry out any function in relation to:

- i. Finance
- ii. Commercial and Procurement
- iii. Audit and Risk
- iv. Funding Plan & Investment portfolio
- v. Commercial and Procurement
- vi. HR, OD and Learning
- vii. Digital and Technology
- viii. Corporate Services
- ix. Corporate Development
- x. Strategic Facilities and Asset Management
- xi. Equalities and Inclusion
- xii. Marketing
- xiii. Communications and External Affairs

- 4.3 ***For all grant administration the Section 73 Officer has the following delegation:***

- ***Accept grant offers on behalf of the Mayor and / or the Authority, subject to all the terms and conditions set out by the grant awarding body.***
- ***The submission of all claims for grant to the UK Government or other organisations that grant the Authority money.***

5. Director Legal, Governance and Compliance – Monitoring Officer

- 5.1 The Director, Legal, Governance and Compliance is designated the Monitoring Officer for the Combined County Authority, and as such exercises any statutory function of the Monitoring Officer.

- 5.2 With the exception of any matter:

- expressly reserved to the Combined County Authority or
- which the Chief Executive has directed the Director, Legal, Governance and Compliance to refer to the Combined County Authority or any Committee for determination

to carry out the following functions:

Legal Proceedings and Settlements

- 5.2.1 To take any legal action to implement a decision of the Combined County Authority.
- 5.2.2 To institute, defend or participate in any proceedings or disputes where such action is necessary to give effect to a decision of the Combined County Authority or to protect the interests of the Combined County Authority, and to take all necessary steps in relation to such proceedings or disputes.
- 5.2.3 To make payments or provide other benefits in cases of maladministration
- 5.2.4 Defend and settle all actual and prospective claims made against the Combined County Authority up to £500,000
- 5.2.5 To authorise the affixing of the seal of the Combined County Authority (and to authorise any other Solicitor of the Combined County Authority to authorise the affixing of the seal) and hold a register kept for the purpose that contains a consecutively numbered entry of every sealing initialled by the person who has authorised the affixing of the seal.
- 5.2.6 Make orders or take any other steps in relation to any legislation when instructed by the officer with the relevant area of responsibility
- 5.2.7 To authorise officers possessing such qualifications as may be required by law or in accordance with the Combined County Authority's policy, to take samples, carry out inspection, enter premises and generally perform the functions of a duly authorised officer of the Combined County Authority (however described) and to issue any necessary certificates of authority.

Governance

- 5.2.8 To discharge secretarial and other functions in relation to meetings of the Combined County Authority and its committees
- 5.2.9 To make any changes to any governance document of the Combined County Authority which are required:
 - as a result of legislative change or decisions of the Combined County Authority or the Mayor,
 - to enable them to be kept up to date, or
 - for the purposes of clarification only
- 5.2.10 To make any changes to the East Midlands Combined County Authority Assurance Framework which are required:
 - as a result of legislative change or decisions of the Combined County Authority or the Mayor,
 - to enable it to be kept up to date, or
 - for the purposes of clarification only
- 5.2.11 To make any change to the membership of any committee of the Combined County Authority, provided that the appointment has no impact on the political balance for the committee and only in accordance with any nomination by the designated nominating body.

Members Allowances

- 5.2.12 To administer the Members' Allowances Scheme in **Part 6** of the constitution.

Interests in Land

- 5.2.13 To obtain particulars of persons interested in land in alignment with Section 16 of the Local Government (Miscellaneous Provisions) Act 1976

- 5.3 To act as the Combined County Authority Senior Information Risk Officer (S.I.R.O)
- 5.4 With the exception of any matter:
- expressly reserved to the Combined Authority, or
 - which the Chief Executive has directed the Section 73 Officer or the Monitoring Officer to refer to the Combined County Authority or the Governance and Audit Committee for determination
- 5.5 To secure all necessary and sufficient insurances and indemnities (including officers' and public and employer's liability).

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