



Hunting in Packs

Collective work in the East Midlands

Stuart Young
Executive Director





EAST MIDLANDS



DERBYSHIRE

LINCOLNSHIRE

NOTTINGHAMSHIRE

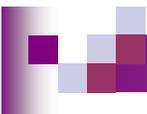
RUTLAND

LEICESTERSHIRE

NORTHAMPTONSHIRE

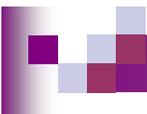






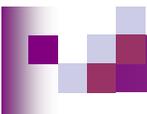
Keep a careful watch!

- With a shrinking cake, expect life to get tougher and the scramble for resources more bloody
- Expect to see more winners and losers, with London in league of its own and imbalances worsening
- Expect more focus on city-regions and LEPs; and
- Expect more financial freedoms and ‘earned autonomy’



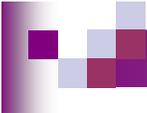
Some 'Challenges'

- Economic downturn is longer, more acute and geographically uneven
- Labour productivity in the region is worsening
- Disproportionately low share of national investment funding (and falling!)
- Total expenditure on services per head consistently below England and West Midlands
- Housing delivery – fallen for 6 years in a row
- 3rd highest population growth between 2001-2011



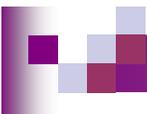
Our Response

- Further analysis; explore and propose solutions
- New approach to collaboration between partners
- Better demonstrate the economic benefits to UK plc of investing in the region



Who are East Midlands Councils?

- A politically led membership body
- Focused on supporting economic growth and sector-led improvement
- Councillor and officer training and development (eg housing and planning, welfare reform)
- Not solely 'voice' for local government but a means of engaging with the sector
- Support joint working between councils
- Regional migration partnership, ERDF projects, climate change mitigation and adaptation



About the East Midlands

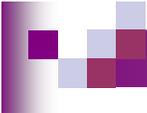
- 46 councils & 7 LEPs (4 overlapping)
- Highest proportion of manufacturing employment in England
- Competitive advantage in transport equipment, food & drink & construction
- High proportion of exports to non-EU countries
- Excellent track record in housing delivery
- **A good fit with Coalition Government policy objectives?**

View from the Top...

“The East Midlands is the ‘bell weather’ of the UK Economy”



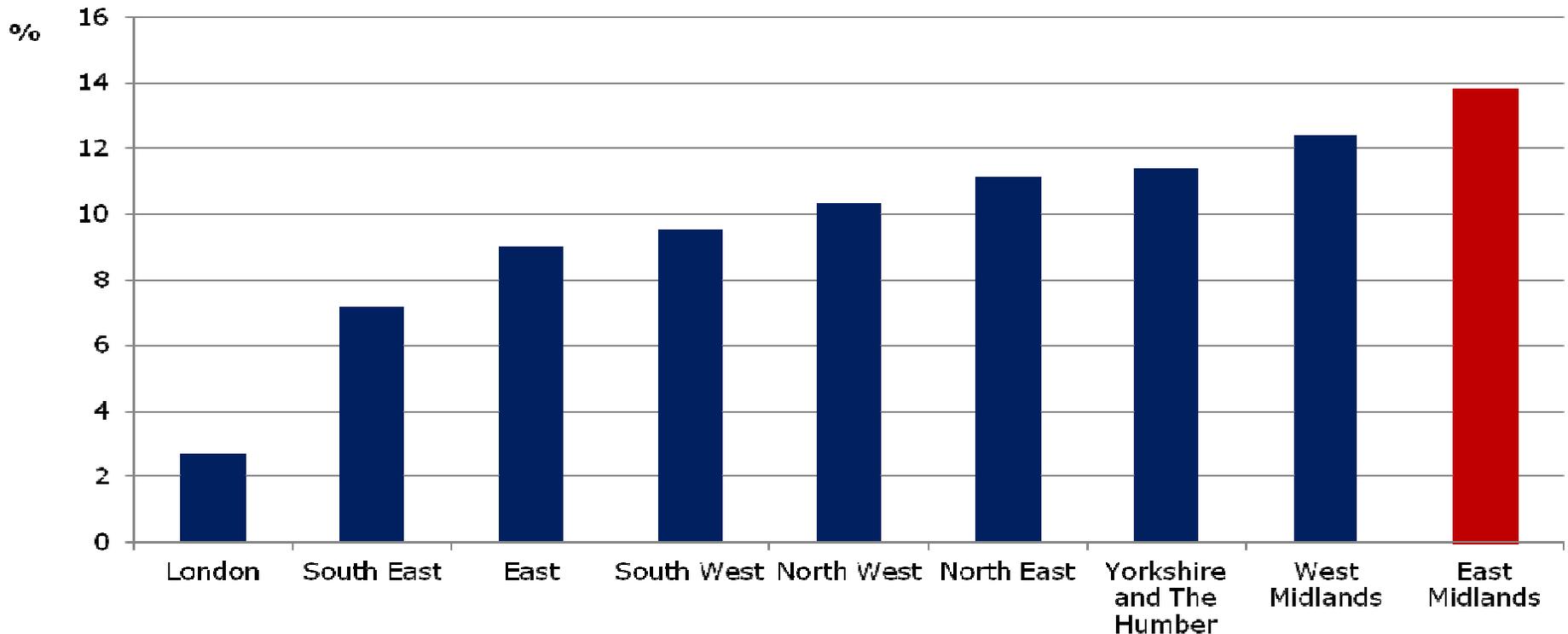
Mark Carney, Governor of
the Bank of England
(28th August 2013)



Economic Growth Opportunities

- Manufacturing GVA £13.2 billion pa
- Highest proportion of manufacturing employment of any region in England
- 20% of total GVA exported
- Highest proportion of exports to Asia & Oceania of any region in England

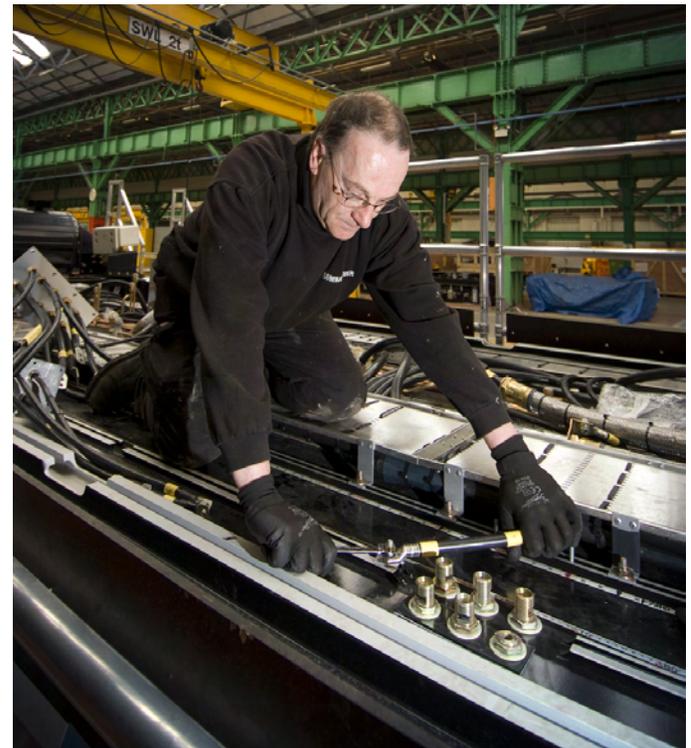
The Heart of Manufacturing



***Proportion of Manufacturing
Employment 2012 (ONS)***

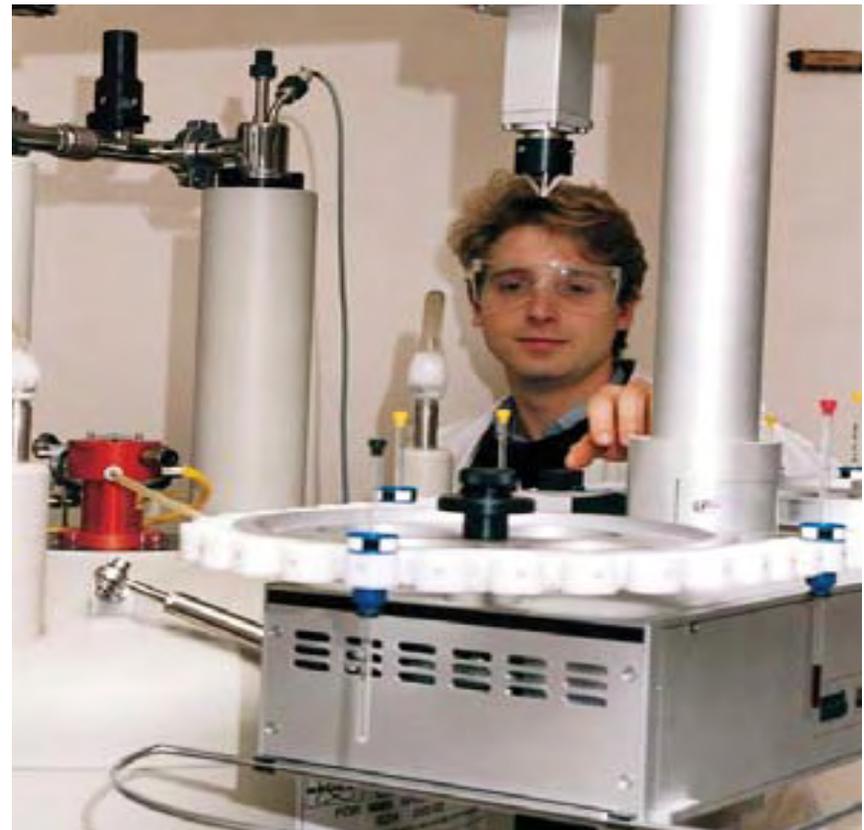
Competitive Advantages...

- **Transport equipment manufacturing** (26,000 jobs, £2.4 billion GVA)
- **Food & drink manufacturing** (57,000 jobs, £3.6 billion of GVA)
- **Construction** (60,000 jobs, £5.9 billion GVA)



Other Strengths...

- Power generating machinery
- Life Sciences
- Logistics
- Low carbon goods & services
- Visitor economy



Housing Growth Opportunities...

- Plans for 400,000 homes over the next 20 years
- Pressures on affordable housing



Big Hole in the Public Finances



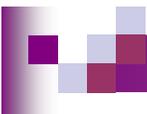
HM TREASURY

Dear Chief Secretary,

I'm afraid there is no money.
Kind regards - and good luck!

Liam

A handwritten signature in black ink that reads "Liam Byrne".



Local Government Funding Pressures

- East Midlands:

Projected Expenditure £4.63bn (2019/20)

Projected Funding £3.39bn (2019/20)

Funding Gap £1.23bn (73%)

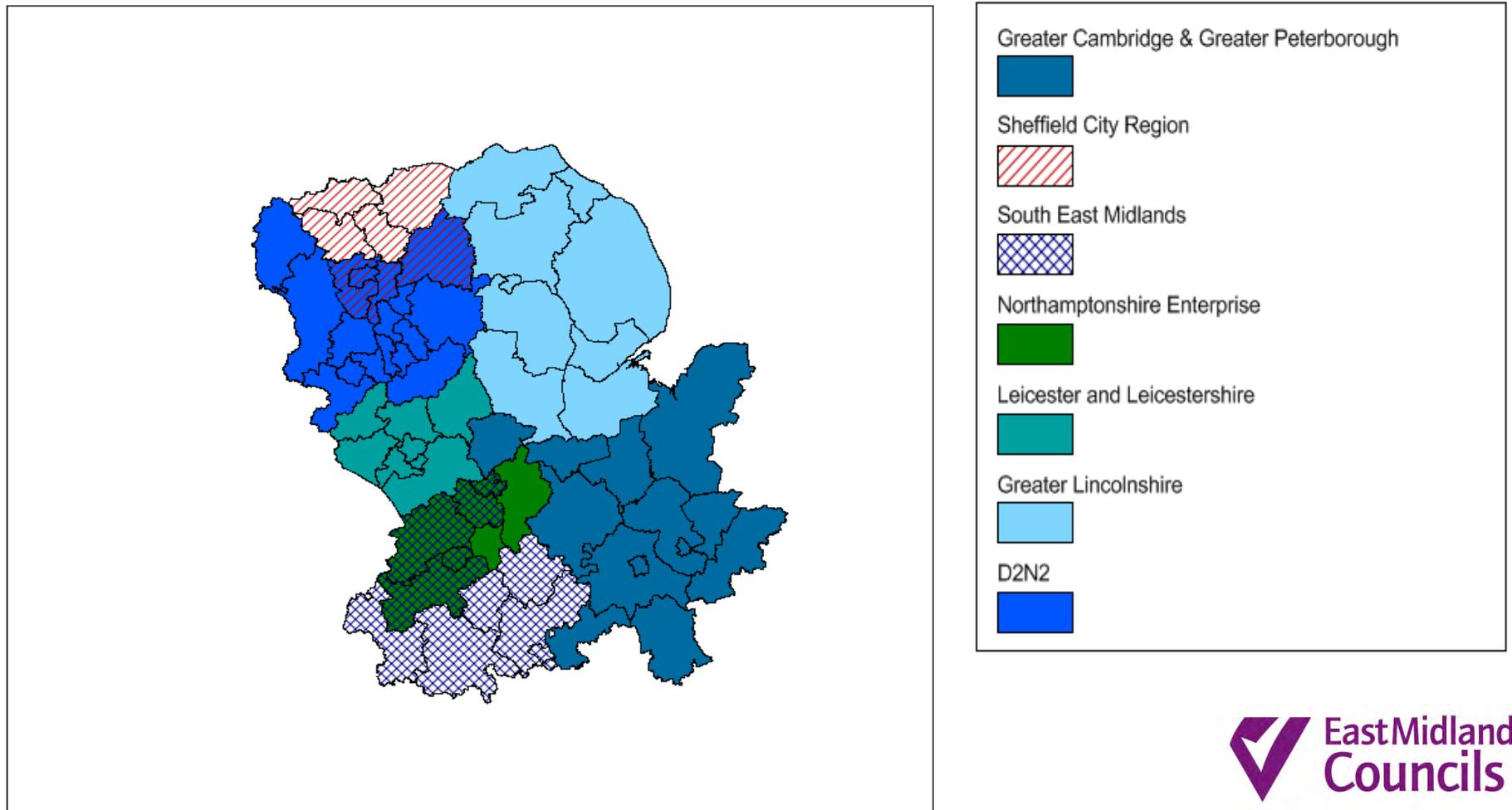
But other funding sources.....

“Show me the money”

- EU Growth Programme = €6.2 billion
- UK Local Growth Fund = £2 billion



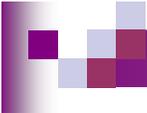
LEPs in the East Midlands



EU Indicative Allocations in EM

D2N2:	€249.7
GLLEP:	€133.5
LLEP:	€126.3
NEP:	€55.0
SEMLEP:	€88.3
GC&GP:	€75.5





UK Local Growth Fund

New Homes Bonus	£400m
LA Major Transport Scheme	£819m
Local Sustainable Transport Fund	£100m
Integrated Transport Block	£200m
Further Education Capital Fund	£330m
ESF Skills Match Funding	£170m

Some Bad News!

- EM has lost out on funding for affordable housing & regeneration since 2010
- Government does not appear to recognise the potential of the EM (TAFKAAR)
- Fragmented nature of the EM makes it difficult to articulate a case
- Graduates, skills, productivity

making the most of
housing and growth
in the East Midlands
a report on removing the barriers to
low public investment in the region

By Diana Gilheary and Richard Clark



Some Good News!

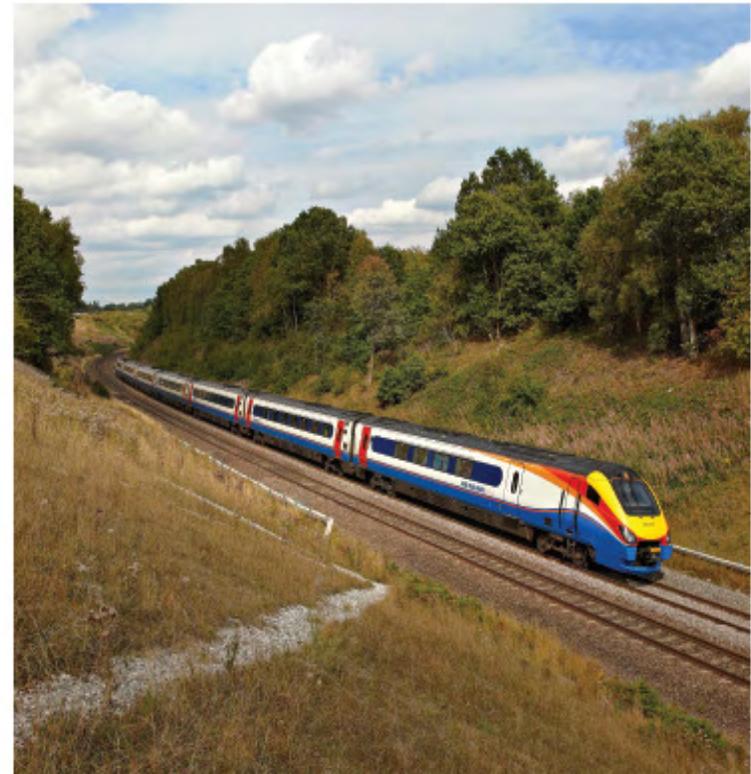
- £800 million investment in MML announced by DfT in July 2012
- Councils, LEPs, MPs and businesses all singing the same song
- Intervention of BIS in highlighting the direct and wider economic benefits was crucial



ARUP

The Case for Upgrading and Electrifying the Midland Main Line

November 2011



Working together...

- LEP Chairs
- Council Leaders (through EMC)
- MPs (through East Midlands APPG)
- First joint Parliamentary event on the 10th December 2013
- Productive Partnerships - putting the jig-saw puzzle back together
- Role of VCS?



...to compete with the rest!

GMCA

GREATER MANCHESTER
COMBINED AUTHORITY





And finally...

Thank you for listening!

Stuart Young

Executive Director

stuart.young@emcouncils.gov.uk