



England's Economic Heartland Board

19 March 2026

Item 3: Managing Director's Update

Recommendation:

It is recommended that the Board:

- a) Notes the update on funding for the financial year ahead**
- b) Notes the proposal to delay final agreement on local contributions until June 2026, to allow them to be confirmed on alongside a fully developed business plan.**
- c) Receives a progress update on the set of actions agreed by elected leaders at the Regional Leaders Summit, held on 25 February 2026.**

1. Purpose

- 1.1. To update the Board on the progress for a longer-term funding settlement for EEH and to feedback actions from the recent Regional Leaders Summit.

2. Key points to note

- 2.1. DfT has confirmed longer-term funding for EEH and a desire to work collaboratively on support arrangements for the Oxford–Cambridge corridor, recognising EEH's convening role and specialist transport expertise—though future funding is expected to be lower.
- 2.2. To support the work, a Board Subgroup met twice in November 2025 to consider EEH's future focus, funding, governance and organisational approach, leading to a final funding submission to Government in December 2025.
- 2.3. DfT's proposed settlement is still being finalised. As a result, finalisation of the Business Plan and approval of local contributions are proposed to be deferred until June 2026, pending clarity on the funding settlement.
- 2.4. On 25 February EEH held the Regional Leaders Summit, which was attended by ministers Lord Vallance and Matthew Pennycook.
- 2.5. A number of collective actions were agreed at the summit.

3. Context

- 3.1. Between September 2025 and December 2025, the EEH Board considered DfT's ambition to work collaboratively to develop successor arrangements that would enable transport connectivity and integration as well as wider partnership working to continue in the Oxford to Cambridge Growth Corridor. The work following confirmation from DfT of its intention to provide some longer-term funding to support EEH, reflecting our "respected convening ability, along with our valuable specialist local knowledge on how to improve integrated transport along the corridor".

- 3.2. The commitment from DfT means EEH will continue to play an important role in supporting partner authorities – and the wider region – achieve its ambitions into the future. However, Board members were also cognisant that while EEH would still receive funding from DfT, the source would be different and the amount was likely to be less.
- 3.3. The Board agreed to establish a Subgroup to consider all aspects of EEH’s evolution. The Subgroup included representatives from seven local authorities within the EEH partnership. It met twice, on 6 and 20 November 2025. The first meeting considered EEH’s future focus; the second examined funding, governance and organisational approach.
- 3.4. As a result of this work, in December 2025, the EEH Board met and agreed a final submission to Government regarding future funding requirements for EEH.

4. Business Plan 2026/27 and Funding

- 4.1. In December 2025, this Board agreed a series of principles on which EEH would continue to operate. These included:
 - **Name** – that, despite the changed funding position for STBs and changed expectations on this body, the partnership would remain known England’s Economic Heartland
 - **Geographical coverage** – that EEH would operate on the same consistent geography, because it made economic sense to do so.
 - **Focus** – that EEH’s future focus would become increasingly specialised on fewer areas, reflecting the priorities of both the government and local partners.
 - **Partner contributions** – that partner contributions would remain an important part of EEH’s funding model. Total partner contributions would remain proportionately the same, but that annual contributions would be subject to inflationary increases.
 - **Organisational approach** – that EEH would remain democratically accountable, while becoming increasingly customer-centric and agile.
 - **Governance** – that EEH would remain, at its core a partnership of local and combined authorities.
- 4.2. In addition to these core principles, in December 2025, the Board agreed the proposed work programme for 2026/27 and the overall resources required to deliver it. Reflecting the commitment to maintain local contributions at current rates (with inflationary increases), the Board agreed and submitted to DfT the funding request required to deliver the agreed work programme.
- 4.3. In January 2026, DfT provided a proposed funding settlement for EEH. While this was welcomed—particularly because it included an indicative three-year allocation—the proposed funding level was lower than the business plan required. This would have meant taking decisions on work and resources that would no longer be able to be supported by EEH. Given the priority of the Oxford to Cambridge Growth Corridor to Government, discussions are continuing whether the overall settlement for 2026/27 can be reviewed further.
- 4.4. As a result, and until Officers are certain on the final settlement for EEH for 2026/27, it is not possible to present a fully developed business plan to the Board.
- 4.5. Officers therefore propose that the 2026/27 work plan for EEH be presented for Board agreement in June 2026. This will be supported by a three-year Business Plan, reflecting the three-year indicative funding settlement that we have received.



4.6. Members will also recall the Board's in principle agreement in December 2025 to continue local contributions towards EEH's programme and operating costs. Given the final approval for local contributions should be met with assurance about the proposed work plan for the year ahead, it is proposed that this approval also be postponed until June 2026.

5. Regional Leaders Summit

- 5.1. Oxford-Cambridge Growth Corridor ministerial champion, Lord Patrick Vallance, and Housing and Planning minister Matthew Pennycook joined local leaders, chief executives, national agencies, and education and business representatives at the Oxford-Cambridge Growth Corridor Regional Leaders Summit on 25 February.
- 5.2. The event, organised by EEH and overseen by EEH Chair, Cllr Adam Zerny, demonstrated the energy and momentum which has grown since the Chancellor launched the Growth Corridor a year ago.
- 5.3. It included presentations on the progress of regional partners and Government: next steps and actions were discussed to continue that momentum (see 5.7)
- 5.4. Speaking during the meeting, Lord Vallance, said he was impressed with the partnerships which have been formed in the region to make progress on issues such as investment, skills and connectivity.
- 5.5. He added that other countries 'would fall over themselves to get hold of' a region as significant as the Oxford-Cambridge Growth Corridor. "It is an extraordinary opportunity for the UK, that should benefit everyone across the corridor."
- 5.6. Collective actions will be progressed by regional partners with support from the Oxford-Cambridge Growth Unit over the coming weeks and months.
- 5.7. The actions agreed were as follows:

Economic growth

- A more unified Oxford-Cambridge Growth Corridor proposition to investors to help land high value projects. This includes exploring development of a cross regional model similar to MIDAS in Manchester that has pan-regional involvement and adds value to activities happening at a local level.
- Skills England to engage positively engage with regional Skills for Growth Commission.
- Economic, skills and other data to be mapped into a dashboard to inform long term skills and spatial planning approaches.

Connectivity and infrastructure

- A regional innovation accelerator for local connectivity.
- Collaboration across Whitehall with local and regional delivery partners to address specific connectivity issues, such as an A1 Taskforce and a commitment to unlocking mass transit solutions in the corridor – connecting as many people to economic opportunities and to the rail network as possible
- Establishment of financing focus group with from NISTA and Treasury, to create the right conditions for success for alternative financing models and to explore whether a revolving infrastructure fund across the Oxford to Cambridge Growth Corridor could be established.

Quality of life

- Production of regional strategy, with input from local, regional and national partners, for how social value commitments embedded in infrastructure delivery projects can be better targeted towards strategic priorities including 'green corridor' and skills.

Naomi Green
Managing Director
March 2026

