

Remaking the State

Wednesday 1 July 2026

London

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Agenda

09.00 - 09.45	Registration and refreshments
09.45 - 09.55	Welcome and introduction Charlotte Pickles, Chief Executive, <i>Re:State</i>
09.55 - 10.35	Keynote address The Rt Hon Darren Jones MP, Chancellor of the Duchy of Lancaster and Chief Secretary to the Prime Minister
10.35 - 11.35 In partnership with 	Panel one - ‘The technological State: government transformed by technology’ Emily Middleton, Interim Director General for Digital Transformation, Government Digital Service James Wise, Chair, Sovereign AI Unit, UK Government Tom Newby, Head of Office for Quantum, UK Government Colin Bannon, Chief Technology Officer, BT Business and BT International
11.35 - 12.00	Coffee break
12.00 - 13.00	Keynote ‘in conversation’ Nick Timothy MP, Shadow Secretary of State for Justice and Shadow Lord Chancellor Danny Kruger MP, Head of Preparing for Government, Reform UK
13.00 - 14.00	Lunch break
14.00 - 15.00 In partnership with 	Panel two - ‘The delivery State: rewiring government to deliver change’ Satvir Kaur MP, Parliamentary Secretary, Cabinet Office Gareth Davies CB, Permanent Secretary, Home Office Dr Jo Farrar CB OBE, Permanent Secretary, Ministry of Justice James Taylor, Global Government & Public Services, Digital and AI Growth Leader, Deloitte
15.00 - 16.00 In partnership with 	Panel three – ‘The decentralised State: rebalancing power and accountability’ The Rt Hon Steve Reed MP, Secretary of State for Housing, Communities and Local Government Amy Harhoff, Chief Executive, East Midlands Combined County Authority Justin Galliford, CEO, Norse Group
16.00	Conference close

Our mission

Britain continues to face era-defining challenges: rising geopolitical tensions and risks, an ageing and increasingly sick population, sluggish growth and crumbling infrastructure, and deep polarisation and distrust. To tackle these and secure a prosperous future, a radically different approach is needed that remakes the State.

The public service institutions and approaches we rely on – modified versions of those built as part of the post-war settlement – are no longer fit for purpose. The challenges that faced 1940s Britain are not those of today. At *Re:State* we understand that if the challenges we face are era-defining, so too must our response be.

In practice, that means rejecting the status quo. It means overhauling the centre; dismantling top-down bureaucracies and building local capabilities; rethinking outdated institutions; and challenging existing models. It means facing up to the twin challenges of poor outcomes and unsustainable spending, and being comfortable with making trade-offs and upsetting vested interests.

That is precisely what our 'Re:Imagining the State' programme is focused on: putting

forward radical but implementable ideas to build state capacity. From filling in the regional governance map to providing a plan for fiscal devolution, setting out the route to overhauling civil service performance to identifying the pathology of everythingism, and proposing a world-first virtual hospital as well as a blueprint for sustainably funding later-life social care, we have taken on the biggest issues and provided detailed answers.

Today's conference brings together experts, officials, regulators, and public service and business leaders to discuss how a remade State can deliver for citizens, realise the potential of advancing technologies, and embrace a new model of decentralised governance. Remaking the State is a necessary precondition to building a prosperous Britain. We're excited to be hosting this conversation, and grateful to you for joining us.



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The technological State: government transformed by technology

The State can either make the future, or watch it happen



Joe Hill
Director of Strategy
Re:State

The science fiction writer William Gibson said that “the future is already here – it’s just not evenly distributed.”

Technologies that are powerful enough to reshape the world already exist – to say nothing of more transformative ones which have yet to be discovered. Artificial intelligence, quantum computing, synthetic biology, autonomous vehicles, and new energy sources are transforming the economy and society. Yet the State still operates with many systems, processes, and assumptions that belong to an earlier age.

The consequences are increasingly obvious. Public services struggle to meet rising expectations. Administrative costs remain stubbornly high. Technological sovereignty remains elusive. Other countries turbo-charge their regulatory environments to allow broad adoption of new discoveries.

As well as changing the operating environment for modern states, technology can and will transform the way that countries work. It is fast becoming a defining source of state capacity. Countries that use it effectively will

make better decisions, deliver better services, and adapt more quickly to changing circumstances. Those that fail to do so will find governing only gets harder.

But that adaptation presents significant challenges. Whitehall still struggles to recruit and retain technical and scientific talent. Procurement systems remain difficult for innovative firms to navigate. Legacy technology consumes resources that could be directed elsewhere. Many organisations continue to treat basic digital capability as a specialist function rather than a core leadership responsibility.

The technological State will emerge gradually through thousands of decisions about capability, infrastructure, leadership, and institutional design. Success will depend less on individual technologies than on whether government develops the capacity to absorb and use them effectively.

For Britain to succeed, it needs to ride the rising tide of technological change, or its institutions will find that same tide sweeps them away.

Sovereignty for national resilience



Colin Bannon
Chief Technology Officer
BT Business
and BT International

Digital sovereignty is no longer a fringe policy debate. It’s becoming central to how the UK grows, competes, and stays resilient in an increasingly uncertain world.

At its core, this is about control where it matters. Not just where data sits, but who governs it, who can access it, and whether organisations can continue to operate when disruption hits. For BT, sovereignty isn’t a compliance exercise, it’s a design principle.

The UK’s digital economy is now highly dependent on a small number of global

providers. That scale has driven efficiency, but it has also introduced systemic risk. Outages and cyber incidents can cascade across sectors, exposing gaps in resilience and costing billions.

At the same time, organisations are navigating fragmented guidance across data, cloud and AI, with no clear model for how much sovereignty is required. The question isn’t whether we use global technology, we will and should. It’s how to balance innovation with control, and flexibility with accountability.

That requires a more pragmatic approach to sovereignty.

Done properly, sovereignty gives organisations the confidence to move faster. It enables them to protect sensitive data, meet regulatory requirements, and adopt technologies like AI at scale, without restricting choice or adding unnecessary complexity. Today, too many organisations hold back because that confidence is missing. Address it, and you unlock growth.

This is not just a technology shift. It's an economic one.

Sovereign infrastructure, cloud and AI are not defensive plays. They are growth enablers, supporting domestic capability, attracting investment, and helping ensure that more value created in the UK stays in the UK.

The UK has an opportunity, but also a risk. Other regions are embedding sovereignty into regulation and procurement, creating clarity and momentum. Here, fragmentation continues to drive complexity, cost, and dependency.

The answer is flexibility, not one-size-fits-all.

Every organisation faces different risks, regulations and priorities. Sovereignty should be applied where it matters most, focused on critical workloads, with clear governance and oversight, while still enabling access to global innovation. This is where UK infrastructure providers have a critical role to play.

At BT, we are building sovereignty into the core of our network and platforms, sovereign by design. That means UK-based control, trusted operations, and resilience engineered from the outset. It's about reducing friction, particularly in regulated sectors, and making trusted approaches easier to adopt.

But the bigger shift is moving beyond sovereignty as a feature, to resilience as a capability.

Because ultimately, this is what boards and governments care about: when disruption happens, can we keep operating, and how quickly can we recover?

This is where trust at the core of cloud and AI becomes critical. Not added on, but designed in, with clear accountability, auditable governance, and confidence in how systems perform under pressure.

The direction of travel is clear. The market is moving beyond compliance and infrastructure towards assurance, enabling confidence that systems are secure, governed and resilient by design.

For the UK, the choice is not between global innovation and sovereignty. It's about combining both: strengthening domestic control while continuing to benefit from global technology.

Sovereignty isn't a constraint. It's one of the most important strategic opportunities the UK faces.

Keynote 'in conversation'



Danny Kruger MP
Head of Preparing for Government
Reform UK

Tackling Whitehall's democratic deficit

Every few years, the British people elect a new Parliament. The reasonable expectation is that this matters – that the winning party will take charge of Whitehall and find a bureaucracy willing to implement their mandate.

We know that's not how it works. Ministers of all parties have entered office, pulled the levers of power, and found the levers aren't

connected to anything. What follows is a brief public tantrum before they quietly join the Civil Service in what one observer called a "tepid bath of managed decline". The democratic mandate gets watered down or abandoned.

This is Whitehall's democratic deficit. It's caused by structural decay and institutional overreach – and the British public feels the

consequences. Some in the Civil Service would resolve the problem by simply formalising it: grant senior officials independent constitutional powers and remove elected ministers from the equation altogether. That would be a serious mistake.

The only real solution is to restore ministerial accountability. That means reforming staffing, skills, incentives and processes to tackle institutional inertia. But politicians must own their share of the blame too.

They have deliberately handed power to over 300 quangos, removing entire sectors from democratic control. When things go wrong, ministers blame the regulator, regulators blame the department, and no one is accountable to anyone.

Here is what we propose. We will abolish the bloated Cabinet Office and replace it with a smaller, focused Office of the Prime Minis-

ter, led by a politically appointed Chief of Staff and designed to coordinate strategy and deliver the mandate across Whitehall. A new Department of the Civil Service, led by an externally recruited CEO, will drive productivity reform, AI integration and necessary headcount reductions.

Individual ministers must also have the tools to lead – including the power to hire, fire and reward senior officials, and to bring in external talent aligned with the democratic mandate. We will return responsibilities from quangos to departments, and we will ensure ministers are properly trained before taking up their roles.

No party takes the reform of the government machinery as seriously as we do. If the people's vote is to mean anything, the next government must restore its own power to govern.

The delivery State: rewiring government to deliver change

Governing beyond process



Joe Hill
Director of Strategy
Re:State

Governments are judged by outcomes.

Citizens care about whether homes are built, trains run on time, neighbourhoods feel safe, and public services work. They experience the State through results rather than grids of ministerial announcements, machinery of government changes or the complex web of approvals that makes up any modern public institution.

This isn't new, but increasingly voices from all parties and corners of the State believe the challenge of delivery is getting harder. In many areas, ambitions have fallen out of step with what is actually achievable. Governments are expected to strengthen economic growth, improve public services, embrace sustainable energy, enhance national security, and respond to technological change, often simultaneously. Yet many public institutions were designed for a world with fewer priorities, lower expectations, and slower rates of change.

The result is a persistent gap between

ambition and delivery.

Many of the country's most important challenges cut across departmental boundaries. Housing depends on planning, infrastructure, local government, skills, and finance. Economic growth depends on transport, energy, education, innovation, and regulation. Health outcomes are shaped by employment, housing, and social care as much as by the NHS itself.

A stronger delivery State requires sustained focus on outcomes that matter to the public. Clear priorities, measurable objectives, and consistent leadership all matter. So does the willingness to stop doing things that no longer contribute to those priorities. Capability matters just as much. Large-scale delivery requires expertise in project management, operations, commercial negotiation, data analysis, and organisational leadership. These skills often determine success or failure long before political obstacles arise.

Information is another essential ingredient. Effective organisations know whether they are succeeding. They identify problems early, adapt when circumstances change, and learn from failure. Governments need the same capacity. Better performance management and stronger feedback loops can help maintain momentum long after initial announcements have faded from the headlines – making officials and ministers accountable for seeing their work through

rather than just starting it off.

The coming years will test the capacity of government to deliver on an increasingly demanding agenda. Building a delivery State will mean creating institutions that can sustain focus, coordinate effort, and turn political objectives into tangible results. That is ultimately how governments earn public confidence and how lasting change is achieved.

A State designed to deliver



Satvir Kaur MP
Parliamentary Secretary
Cabinet Office

When the Chief Secretary to the Prime Minister, Darren Jones MP, outlined our plans to promote innovation across Whitehall in January, the mission was clear: move fast, fix things, and reverse years of low public sector productivity. However, remaking the state is not just about moving boxes on an organisational chart – true transformation demands a Civil Service equipped with the skills, capability, and culture to deliver in a fundamentally different way.

Working across departmental silos has shown us the power of collective delivery – but it has also exposed where the gears still grind in the traditional machinery of state. We have seen that setting clear, long-term national targets can powerfully unite different departments and sectors. At the same time, we have also learned that top-down instructions only succeed when they empower those on the frontline. Real delivery requires us to trust local expertise and adapt to the reality of our communities, rather than imposing rigid frameworks. To successfully deliver, we have to fundamentally rework how central government operates, shifting from a culture of risk-aversion to one of agile, collaborative execution.

To build a true Delivery State we must first clear the path. That is why the Attorney General and the Minister for the Cabinet Office launched our ‘sludgebusting’ mission in March 2026. The premise is simple: to deliver for the public, we must strip back the disproportionate, burdensome processes slowing down decision-making across government.

Let me be clear: sludgebusting is not about

cutting corners on ethics, legality, or constitutional standards. Good governance isn’t what slows us down - bad governance is. AI analysis found 131 hidden consultation and reporting requirements across just ten pieces of legislation – often trapping minor, routine changes in miles of bureaucratic red tape. By stripping away this dead weight, we can build a dynamic, continuous link with our people. We want to design policy with you in real-time, rather than handing down finished products from on high.

We are already changing how policy is designed and delivered. Through our Test, Learn and Grow programme, we are moving from fragmented, transactional policymaking to a model that is iterative, place-led and collaborative. We are running ten ‘Accelerator’ sites across the country to tackle complex, systemic challenges from economic inactivity to violence against women and girls. These accelerators place greater trust in local partners innovating on the front line. The feedback they provide is key to rewiring the centre of Government and reforming how public services are delivered.

This iterative approach extends to our digital transformation. The Prime Minister has committed to ensuring one in ten civil servants work in tech and digital roles within the next five years, backed by an additional £1.2 billion for cross-cutting digital priorities. This means fundamentally redesigning public services to improve outcomes for citizens, using digital tools and AI to unlock a step-change in our performance.

The Chief Secretary to the Prime Minister also wants us to use the opportunity of

technology to deliver change now – not in years’ time. That’s why, in January, he announced an expansion of the No10 Innovation Fellows programme, which has brought in top talent from the likes of CERN, NASA and Y-Combinator to build in-house solutions with a data-first, digital-first approach. The programme has already delivered a number of tools and put them into public-facing service within a matter of months – an unprecedented pace until now. For example, the Best Start in Life childcare checker which provides parents with personalised estimates of childcare costs and the government support available.

Ultimately, performance and talent are inseparable. The newly established National

School of Government and Public Services will provide the foundation to make this stick. Our ambition is a world-class institution for public sector learning. For too long, professional development across government has been fragmented. That changes now. Through greater collaboration between departments and across sectors, the National School will develop brilliant leaders, strengthen professional skills - from core policy to AI competency - and build a culture where continuous learning is a necessity, not a luxury.

Together, we can build a state that doesn't just manage the status quo, but rewires the government to deliver the future.

Transforming for the modern era: transforming the Future Civil Service



Gareth Davies CB
Permanent Secretary
Home Office

Throughout my career, leading government departments and working on policy issues ranging from transport, energy, business, and now safety and security, I have seen what it takes to make progress. For change to be effective, it must be underpinned by a clear north star, collective leadership, and executive discipline. This has never been more important. In the Home Office, we are dealing with some of the hardest policy challenges at a time of global uncertainty and rapid technological change.

The Cabinet Secretary has set out a clear vision for a world-class Civil Service, famous for excellence in delivery, its use of technology and AI, and trusted by the people we serve. As the senior leadership of the Civil Service, we and our teams are collectively stepping up to own it. Lasting transformation cannot be delivered in silos, it must be a collective endeavour.

Our call to action is ‘make it happen’, ‘make it better’, and ‘make it count’.

‘Make it happen’ means delivery on ministers’ priorities to make a real difference for the public. This is about breaking down barriers to delivery. This requires the right expertise, effective experience, and performance management. We are transforming

our talent and leadership model to make the Civil Service a magnet for the best and brightest, and expanding capability with digital, analytical, and operational skills.

‘Make it better’ means continually asking ourselves how we can have a bigger impact. AI adoption will be central to fundamentally changing how we anticipate the complex landscape in which we operate.

In the Home Office, we are already leading some of the most advanced transformation programmes. Our border – the first interaction with the state for visitors to the country – is now world-leading. Our successful pilots of contactless borders show the potential of biometric data and AI.

With new frontier tools and in-house AI engineering teams, we will explore automating routine processing and supporting high-volume casework whilst keeping a human in the loop. We will simplify delivery, allowing us to strip away administrative friction. These changes will let us break out of departmental silos and redesign our services around the citizen.

‘Make it count’ means earning the public's trust and showcasing this through excellent delivery. We need to consistently recognise

and reward high performance. It also means tackling underperformance. We will only build trust in the Civil Service through our actions, not our words.

Through this work, we will renew the Civil Service so it has the capability and capacity to deliver for ministers and the public.

Closing the gap between ambition and outcome



Dr Jo Farrar CB OBE
Permanent Secretary
Ministry of Justice

The challenge for government is rarely a lack of ambition. Rather, it is the difficulty of balancing ambition with the need to maintain everyday delivery, often in rapidly evolving environments that can make responses, at times, feel reactive. These pressures consume our attention and resources, and it is all too easy for ambitious, long-term reform to suffer.

This is particularly evident in the criminal justice system, where we must balance structural reform of the system with the day-to-day realities of increasing demand in courts, prisons and probation. Striking this balance requires more than strong policy.

A clear sense of purpose is fundamental to effective delivery. We know people perform at their best when they understand the mission, how their work contributes to it and what matters most. But, in complex systems, competing priorities can easily pull attention in different directions. A clear, central strategy that speaks to frontline delivery is therefore important. At the Ministry of Justice, we work to ensure our 95,000 colleagues across prisons, probation and courts are working towards the same goal: improving outcomes for victims, families and communities while keeping the justice system running effectively every day.

Technology and data have a vital role to play in helping public services do more with finite resources while improving outcomes. For example, Justice Transcribe is a speech-to-text AI-driven assistant that automatically summarises meetings, helping probation staff focus on people, not paperwork. Beyond technology, data is one of our most powerful assets, but only when it is used effectively. Harnessed well, it can help steer decision making, ensuring that practical choices are informed by evidence and

grounded in facts of the real-world.

Delivery at this scale also depends on operating across organisational boundaries. I have spent the best part of my career working across public services and the best results I've seen have been those delivered in partnership. As Chief Executive of a council, I worked with local organisations to build communities, grow business and keep people safe. As Chief Executive of NHS Blood and Transport, I knew we could only find new treatments and cures by working right across the health system. And now, in justice, we are working to reduce reoffending by ensuring those leaving prison have access to jobs, homes and treatment – all impossible to deliver as one department alone. Within the Ministry of Justice, I have set a clear commitment and expectation that we operate as a whole-system leader, recognising that lasting improvement depends on shared ownership and collective problem-solving.

Ultimately, translating ambition into outcomes comes down to leadership. In complex systems, progress rarely depends on a single decision or intervention. It relies on leaders creating clarity, maintaining focus and helping people navigate competing pressures while keeping sight of the long-term goal. Across the Ministry of Justice and our partners, sustained progress rests on individuals and teams taking ownership, working together and remaining relentlessly focused on outcomes.

Closing the gap between ambition and outcomes is not straightforward. But with clarity, innovation and collaboration, it is possible to deliver change that is both immediate in its impact and enduring in its effect.

The State of the State: delivery matters



Ed Roddis
Director of Government &
Public Services
Deloitte

Government and public services in the UK do amazing things, day-in, day-out. But at the same time, the public sector can struggle to deliver its high-profile, big-ticket initiatives. Even the Prime Minister has vented his frustration on the pace of delivery, and he's not alone: public confidence in the state's ability to get things done is low.

The annual State of the State survey, conducted by Ipsos for Deloitte and *Re:State*, asked the public how much they trust government across a range of capabilities. It finds people relatively trusting that government can use technology effectively, take environmentally responsible decisions and work well with businesses. But the lowest levels of trust are around delivery – especially when it comes to major projects.

Take 'Levelling Up' for example. Announced in 2019, it was billed as a flagship policy and an impressive 2022 white paper set out a detailed framework for its delivery. Two years later, the Institute for Fiscal Studies assessed progress as "glacial" and some metrics had even gone into reverse. It's little wonder the public is cynical.

For our latest *State of the State* report, Deloitte and *Re:State* interviewed officials to explore what can be done to improve the public's faith in government's ability to get things done. Across 118 interviews, three foundational suggestions came up time and time again.

The first is that good delivery starts with good announcements. Energised ministers have been known to announce grand projects before Whitehall has had the chance to define their scope, identify budgets and figure out delivery. Unfortunately, those announcements can set government up for a fall if the system is unable to deliver on the promise. Major initiatives need to be front-loaded with detailed costings, plans and timelines before they are announced.

The second is to act on what government already knows about major projects. If you ask one of the officials who successfully deliver complex, major programmes, they will give you a list of the elephant traps they avoid. Big projects in government tend to fail for the same reasons: there's optimism bias, no-one wants to give bad news to a minister, too many gifted amateurs are involved and so on. There are reams of academic literature on this very topic. Officials we interviewed for *The State of the State* argued that government and public services need to absorb those well-known reasons for failure and bake them into project leadership.

The third is that government should deliberately and explicitly invest in improving the citizen experience of the state. That could include putting senior customer services people in decision-making positions. It could include more funding for public engagement, communications and marketing which is too often an early casualty in spending cuts. And inevitably it could include prioritising and accelerating digital transformation in public services. It's no coincidence that governments with buoyant levels of public trust are those with slick digital experiences of public services (see the Nordics).

The UK public sector delivers incredible services and programmes every day. But the public's faith in its ability to make good on its big-ticket promises is too low, and that matters: if you want the public to pay taxes, vote in elections and play by the rules, they deserve confidence in government's ability to make things happen.

Delivery matters – and Deloitte is proud to work with *Re:State* to explore this topic at today's conference.

The State of the State: delivery matters is available at deloitte.co.uk/stateofthestate.

The decentralised State: rebalancing power and accountability

Ending centralism for good



Dr Simon Kaye
Director of Policy and Research
Re:State

Our overcentralised country has finally embarked upon the path, uphill though it is, toward a genuinely rebalanced system.

The long experiment in Whitehall micro-management of complex and distant places is now being seen for the failure that it is. Central government has held the money, set the rules, designed the programmes, monitored the returns and too often expected local institutions to make sense of fragmented national initiatives.

That system will not be ended overnight. But the opportunity now exists to change it, and the assumptions that created it, for good.

The signs are everywhere. Strategic Authorities are being spread and strengthened. Local government reorganisation is seeking to standardise the basic form of English local authorities. Neighbourhood-centred approaches are moving from the margins into the mainstream of public service reform. The NHS is being pushed toward strategic commissioning, place-based working, and community health. Policing reform, too, increasingly raises questions about the role of local leaders and the communities they serve. Even fiscal devolution, for so long treated as impossible, may now be on the way.

That means strong regional institutions capable of shaping economic strategy and infrastructure. It means resilient local authorities with the scale, capability, and financial stability to run major services. It means neighbourhood institutions that give communities real voice and practical agency. And it means public services designed around places and people, not departmental boundaries.

Councils are not entering this new era from a position of comfort. Adult social care, children's services, SEND, homelessness, and temporary accommodation continue to

place immense pressure on the sector. Even with recent changes, finances in many places remain unsustainable.

Decentralisation must therefore come hand in hand with public service sustainability. Giving places more responsibility without the tools to reshape services, or the financial autonomy to address priorities in their own way, would simply relocate failure.

This is why fiscal devolution matters so much. Places need a clearer stake in the value they create. If local and regional institutions invest in transport, housing, skills, employment support, prevention, and public service reform, they should retain a meaningful share of the fiscal benefits that follow. The Treasury's fiscal devolution roadmap is therefore potentially significant. But it will only matter if it becomes more than a re-badging of a grant-based model.

The deeper relationship with Whitehall is critical. The centre will not let go simply because local leaders ask it to, or even because it is the right thing to do. Whitehall wants reassurance about the maturity of the local State.

The answer is not to create a constellation of mini-Whitehalls across England. It is to build forms of local and regional accountability that are stronger, clearer and closer to the public than the centralised model they replace.

That also means a different concept of delivery. The next phase of decentralisation will be won by proving that local institutions can run modern public services better: more integrated, more preventative, more responsive, and founded upon more effective partnerships beyond the State.

Making that happen, making the decentralised State real, will be the work of a generation.

Harness the heft of the region: team East Midlands



Amy Harhoff
Chief Executive
East Midlands Combined
County Authority

With 2.3 million people, 74,000 businesses and an economic output of £60 billion, the East Midlands is a region of scale, character and opportunity, and one defined by contrasts.

Across Derbyshire and Nottinghamshire, anchored by the cities of Derby and Nottingham, our industrial muscle memory sustains high performing, globally significant industry such as Rolls-Royce Submarines, Toyota, Alstom and Boots. Our beautiful natural heritage draws 77 million people every year to places including the Peak District and Sherwood Forest.

However, the heft of today has not yet balanced, the challenges of the past. More than 54,000 jobs were lost across Derbyshire and Nottinghamshire in the 1990s and early 2000s and fewer than half had been replaced by 2004. Two decades on, the region's productivity still lags behind the national average by over 15 per cent.

Confidence is building and delivery is scaling. In May 2024, the East Midlands Combined County Authority elected its first Mayor, extending devolution beyond England's metropolitan areas, uniquely inclusive of a Core City and functional connectivity with both the North and wider Midlands.

We have regional leadership and a vision for inclusive economic growth – strategic enough to bridge into government and close enough to our places to wrap our arms around our communities. We are Team East Midlands, built on strong collaboration with our local authorities, anchor institutions and businesses.

In a short time, we have moved from establishing foundations to delivering at pace:

- We established the region's Transport Authority and secured £2.2 billion to improve connectivity.
- £93m Brownfield Housing Fund investment is unlocking up to 5,700 homes (37

per cent affordable).

- Devolved control of the £50m annual Adult Skills Fund is shaping opportunity.
- A £107 million Local Growth Fund allocation will drive inclusive growth, through business support, digital infrastructure and local centre regeneration.

Within two years, national confidence in our region is also growing. Investments such as £1.3 billion for STEP Fusion underline the East Midlands' role in the UK's clean energy future. We have an exemplary sports district anchored by £300 million Nottingham Forrest investment, Trent Bridge and the world leading University of Nottingham. Derby city, the home of rail, is preparing to welcome Great British Rail headquarters.

Wrapping our arms around our communities, we have invested £3 million in a Mayor's Community Development Fund to strengthen local resilience and empower communities. Our Youth Guarantee Trailblazer has supported over 1,600 young people in its first year, helping them take the next step in life.

As we welcome the Government's continued commitment to deeper devolution, we know that this is only the beginning. Now it is time for the pace, scale and depth of devolution to meet the moment as the East Midlands moves to secure 'Established Status' and towards an integrated settlement which will give further flexibility in how we invest in our communities and businesses. The development of a roadmap towards fiscal devolution announced at the Chancellor's Mais lecture marked the single biggest opportunity for deeper devolution in the 21st century.

Alignment on public sector reform such as policing, fire and Integrated Care Boards must have much more regard and alignment to the geography of Mayoral Strategic Authorities and the mandate of mayors, the right to request further devolved powers needs to be a serious offer that all departments are required to consider through a

‘devolution by default’ lens. Put bluntly this has to include harder to reach departments, break out of siloed Whitehall decision making and deliver one coherent approach to deeper devolution.

We have a collective duty as Government and Mayoral Strategic Authorities to avoid piecemeal and small-scale efforts. Now is the time to be brave, considered, and share risk taking at scale.

For a rebalanced State, there must be scope for autonomy and innovation



Justin Galliford
CEO
Norse Group

The ambition to devolve power to the regions and reduce the influence of Whitehall is a worthy one: successful devolution in England can, in theory, revolutionise health and social care by bringing them together, solving one of the great, and ever-increasing, problems of our time – the demands of an ageing population. It can also lead to greatly improved services, responsive to local needs, giving communities a direct say and making authorities more democratically accountable; and it can present opportunities for significant economies of scale, increased productivity, and greater efficiency.

However, decentralisation will succeed only if the new combined authorities are granted genuine autonomy, including the power to raise revenue; if local government reorganisation is carried out effectively, creating the conditions to transform services through upfront capital investment and adequate funding; if elected mayors can bring the new councils together despite ideological differences; and if local government, the blue light services, and the NHS can work in a joined-up way.

Getting it right will help government achieve the core objective of economic growth, meet housing targets, improve productivity and GDP per capita, reduce regional inequality and increase satisfaction among our citizens. This will require not just the will to move power to the regions, but fresh thinking in how we deliver key services: this means moving away from traditional outsourcing and insourcing, adopting different delivery models and welcoming innovation. As well as merging backroom operations such as HR and Finance, the new authorities must

consider frontline activities like waste collection, facilities management and property services.

Treating the corporate buildings across all of these public sector bodies as a single entity will lead to huge cost savings and improved services, and the most efficient use of the combined estate. Moving people from these different organisations together under one roof will free up large numbers of buildings for sale, rental and – perhaps most importantly – housebuilding. It is important that the right service delivery approach is chosen, and I believe that in many areas the authorities will find some form of the well-established LATCo model highly attractive; it offers the greatest flexibility and direct control, and at the same time fosters a commercial culture and develops income streams which can contribute to the public purse.

Local government reorganisation, along with the creation of strategic combined authorities, is founded on collaboration – the new unitary councils will need to work together and align services as much as possible; and at some point they will come under pressure to integrate with the NHS trusts, police and fire services in their region. This may be politically difficult, and it may come up against vested interests, but it is essential to success. Without a true partnership approach, the new combined authorities will miss the opportunity to raise standards, re-configure services to meet the public need, and deliver major cost savings.

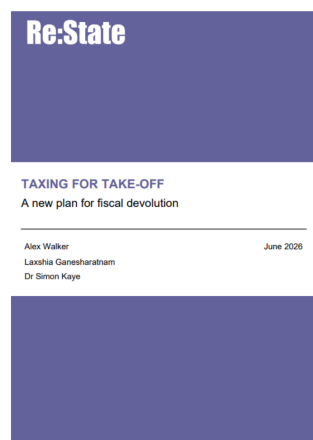
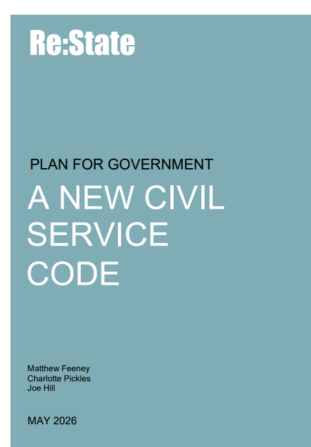
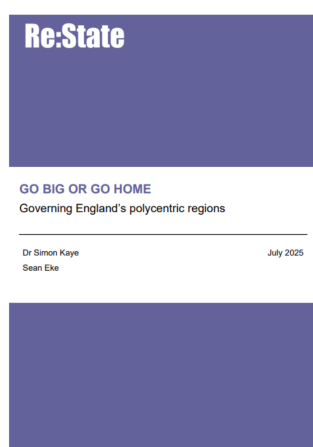
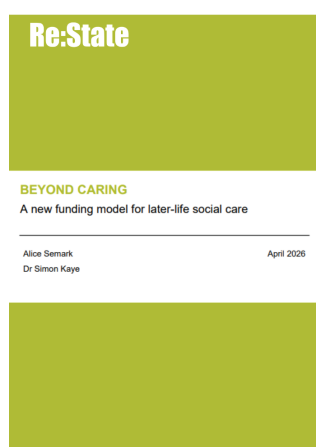
The question is: will they get it right?

Our work

Re:State's mission is remake the State because we believe that Britain's prosperity is inextricably linked to the health of our public services and the effectiveness of our state institutions.

Our strict, non-partisan independence means we follow the evidence. We approach policy challenges without fear or favour, pursuing the right – not an easy, or politically viable, or ideological – answer. We are clear-eyed about trade-offs, committed to laying out how policy change can be achieved, and actively seek different perspectives in order to make the strongest arguments – and we are comfortable saying the quiet thing out loud.

All of that means our research shapes the debate. Across our three work streams – Local State, Whitehall, and Health and Care – we focus on the biggest challenges to find bold but implementable solutions. Our policy papers have direct impact on decision-makers, and has redefined the terms of the conversation in all three areas.



Join us

As an educational charity, *Re:State* conducts robust, evidence-led research to produce innovative but practical policy solutions. We convene reform-minded people from across the political spectrum to advance debate and generate fresh thinking.

In a nutshell, we are home to bold ideas and big conversations.

Our Corporate Partnership programme brings together individuals and organisations who share our commitment to tackling major public policy challenges with radical but workable solutions. It provides a space to engage with new ideas, connect with influential thinkers, and gain insight into our shaping of the reform agenda.

We value the commitment of our partners very highly. We pride ourselves on building strong and mutually beneficial relationships, and work with our partners so they can get the most out of joining our network.

To find out more, please contact beth.bradbury@re-state.co.uk



