East Midlands Councils POLICY BRIEF

A weekly round up of local government news in the East Midlands brought to you by East Midlands Councils

Top items this week



Budget 2024: East Midlands Impact



New Chief Executive for East Midlands Combined County Authority



ICIBI: An inspection of contingency asylum accommodation

1 NOVEMBER 2024



Home Secretary launches new support for Windrush victims

BUDGET 2024: IN THE EAST MIDLANDS

On Wednesday 30 October, The Chancellor of the Exchequer, Rt Hon Rachel Reeves MP, presented the government's budget to parliament.

For the local government sector, the budget confirmed £1.3bn of new grant funding in 2025/26 to deliver core services, of which £600m is for social care and £700m to support general pressures. Authorities were also promised £1.1bn of new funding in 2025-26 through the implementation of the Extended Producer Responsibility for packaging scheme.

In addition to the £1.3bn new grant, the Chancellor also announced:

- A £1bn uplift to special educational needs and disability (SEND) and Alternative Provision funding.
- £233 million in additional resource funding for 2025-2026 for homelessness pressures.
- £1 billion to extend the Household Support Fund (HSF) in England and Discretionary Housing Payments (DHPs) in England and Wales in 2025-2026, building on the previous investment of £500 million to extend the HSF in England to 31 March 2025.
- £5bn government investment to deliver housing commitments. Promised an affordable homes programme, and confirmed reduction of right to buy discounts and let councils retain the full receipts to reinvest.
- £4m to create hundreds of new foster placements by ensuring that every local authority has access to a regional recruitment hub.
- £640m in Bus Service Improvement Plans funding to support locally-led initiatives to improve local bus services, such as service support, fares initiatives and capital schemes.
- £500m investment in the road network.

East Midlands Implications:

Even in a monster-sized budget, the East Midlands received limited mention.

The Chancellor did propose to spend almost £1bn on the aerospace sector in the East Midlands and South West over the course of the next 5 years, but with no further detail.

The Chancellor also confirmed approval of a £160m East Midlands Investment Zone that will support advanced manufacturing and green industries. The proposed sites include the former Staveley Chemical Works site and former Harington Colliery site.

While there were no specific announcements relating to investment on key transport infrastructure, EMC is pleased that the MML electrification and the upgrade/dualling of A46 was not included in the list of cancelled schemes.

At this stage, EMC is unable to confirm whether the capital budget for 25-26 is already fully allocated to investment decisions e.g. meaning MMLe or A46 can only come from new money in 26-27 and beyond.

BUDGET 2024: IN THE EAST MIDLANDS

It was announced that the Government "is minded to cease funding for the functions previously delivered by Local Enterprise Partnerships and the Business Board Network, and will consult on ending funding for pan-regional partnerships." It is confirmed that this includes the Midlands Engine. Consultation is to commence within weeks.

The upcoming English Devolution White Paper will set out more detail on the Government's Devolution Plans, including "working with councils to move to simpler structures that make sense for their local areas, with efficiency savings from council reorganisation helping to meet the needs of local people". This is of particular interest to councils in the East Midlands, given its prevalent two-tier structure.

Workforce

The Chancellor also announced:

- The National Living Wage will increase by 6.7% from April 2025.
- The National Minimum Wage for 18 to 20-year-olds will also rise from £8.60 to £10.00 an hour.
- National insurance employer contributions will increase from 13.8% to 15% from April 2025, and the current threshold will be lowered from £9,100 to £5,000. How this will be applied to the sector, and its impact, is still to be confirmed.

NEW CHIEF EXECUTIVE FOR EAST MIDLANDS COMBINED COUNTY AUTHORITY

Amy Harhoff has been appointed as the first permanent Chief Executive for the East Midlands Combined County Authority (EMCCA).

Amy will join EMCCA from Durham County Council, where she has been Corporate Director for regeneration, economy and growth for the past four years. She has also worked at senior level at Sandwell Council in the West Midlands, South Yorkshire Combined

Authority and Transport for Greater Manchester.

ICIBI: AN INSPECTION OF CONTINGENCY ASYLUM ACCOMMODATION

The Independent Chief Inspector of Borders and Immigration has published a report on "An inspection of contingency asylum accommodation November 2023 - June 2024".

The report analysed the Home Office strategy for dealing with an increased need for contingency accommodation while reducing costs, as well as processes for monitoring performance of the accommodation service providers and the experiences of those in the accommodation.

The Home Office has accepted all 7 of the report's recommendations.

HOME SECRETARY LAUNCHES NEW SUPPORT FOR WINDRUSH VICTIMS

This week the Home Secretary set out the first steps that the new government is taking to support victims of the Windrush scandal apply for compensation through a £1.5m fund.

In a written statement, Yvette Cooper has published details of £1.5m in government grant

funding, which will be used to increase advocacy support for victims applying to the Windrush Compensation Scheme.

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