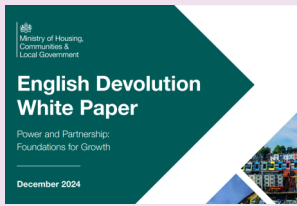




A weekly round up of local government news in the East Midlands brought to you by East Midlands Councils

Top items this week

20 DECEMBER 2024



English Devolution White Paper published



Local Government Finance Settlement Announced



Closure of office for local government (Oflog)



EA's National Flood Risk Assessment 2024

ENGLISH DEVOLUTION WHITE PAPER

The English Devolution White Paper outlines a comprehensive plan to deepen devolution in England and reform local government structures. Central to the proposals is the ambition to extend devolution to all parts of the country, enhancing powers for mayors and replacing two-tier local government with single-tier unitary authorities. Below are some of the key takeaways:

Mayoral Powers and Responsibilities

The government plans to equip mayors with an expanded set of powers in areas such as planning, housing, transport, skills, and energy. These changes aim to enable local leaders to drive growth, boost housebuilding, and improve infrastructure. Notably, mayors will:

- Develop spatial development strategies to allocate housing targets.
- Exercise call-in powers to override local planning decisions in specific circumstances.
- Implement locally integrated transport networks.
- Influence skills development and employment support to meet regional needs.

Funding Reforms

The government will streamline local authority funding. 'Established' Mayoral Strategic Authorities, such as Greater Manchester and the West Midlands, will receive single-pot integrated settlements. Less advanced authorities will be given consolidated funding pots for local growth, housing, and transport post-spending review. The aim is to reduce the complexity of competitive bidding and align funding with local priorities.

Local Government Reorganisation

A significant component of the White Paper is the proposed replacement of two-tier county and district councils with unitary authorities. These single-tier councils will serve populations of at least 500,000.

Devolution Framework and Geographic Coverage

The government's three-tier devolution framework prioritises creating large 'strategic' mayoral authorities serving populations over 1.5 million. Areas willing to adopt mayoral devolution will be prioritised for agreements by 2026. A ministerial directive will incentivise consensus in regions where agreements stall.

Implications for the East Midlands

With the region historically underfunded, the introduction of strategic authorities and enhanced funding mechanisms could address long-standing disparities in the East Midlands. The potential creation of unitary authorities would impact most of the East Midlands region, with Lincolnshire, Nottinghamshire, Derbyshire and Leicestershire all currently operating in a two-tier system.

LOCAL GOVERNMENT FINANCE SETTLEMENT ANNOUNCED

Councils in England will receive a share of £2bn additional funding next year under the provisional Local Government Finance Settlement announced today. The Settlement confirmed £69 billion in funding for councils across England in 2025-26.

This includes a 3.5% real-terms increase in Core Spending Power and a new £600 million Recovery Grant to assist areas with the greatest need.

Social care authorities will receive £3.7 billion, including £880 million for the Social Care Grant, to support adult and children's care services, reduce pressures on the NHS, and strengthen preventative measures, while the Children's Social Care Prevention Grant will rise to £263 million to fund Family Help services aimed at keeping children with their families or in safe, stable environments.

The total includes £515m towards the increase in employer National Insurance contributions, which will be allocated based on 'each council's share of relevant net service expenditure'.

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CLOSURE OF OFFICE FOR LOCAL GOVERNMENT (OFLOG)

A letter from Jim McMahon OBE MP, Minister of State for Local Government & English Devolution to Josh Goodman, Chief Executive, Oflog, confirms the closure of Oflog.

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EA'S NATIONAL FLOOD RISK ASSESSMENT 2024

The Environment Agency (EA) has released a National Flood Risk Assessment (NaFRA), using the best available data from the EA and Local Authorities.

The EM has greatest share of properties at risk of flooding from rivers or the sea in England (18.4% - 127,500), and the highest proportion of properties at risk of flooding of any English Region (4.6%). This is the current risk – and does not include the impact of future climate change. Floodrisk was raised by MPs as concern at first meeting of the new East APPG on 27th November 2024.

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NEW HOMELESSNESS FUNDING FOR COUNCILS

Nearly £1 billion will be allocated to councils to tackle homelessness and rough sleeping by supporting frontline workers to move rough sleepers into secure housing and reducing reliance on temporary accommodation for homeless families.

Councils will also have additional resources to intervene early, preventing evictions through landlord mediation, helping households find new homes, and offering deposits for private renting.

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HIGHWAYS MAINTENANCE FUNDING ALLOCATIONS

DfT has today announced individual local authority Highways Maintenance Funding allocations for the financial year 2025-26 (total funding c£1.6bn).

The Department for Transport (DfT) has introduced a new incentive element in 2025 to 2026 “to ensure that best practice in sustainable highways asset management is followed....25% of the funding uplift will be held back until local authorities can prove that they are meeting certain criteria, further details of which will be shared with local authorities in due course.”

For Derby, Derbyshire, Nottingham and Nottinghamshire, their funding is included within City Region Sustainable Transport Settlements (CRSTS) that consolidates transport capital funding allocations, including allocation of highways maintenance allocated to EMCCA.

	Allocation base-line 2025 to 2026 (£)	Allocation new funding 2025-26 (£)	Total funding 2025-26 if incentive met
East Midlands CA	£55,786,000	£19,948,000	£75,735,000
Leicester	£3,996,000	£1,368,000	£5,364,000
Leicestershire	£21,128,000	£7,661,000	£28,789,000
Lincolnshire	£44,207,000	£16,235,000	£60,441,000
North Northants	£9,094,000	£3,283,000	£12,377,000
Rutland	£2,760,000	£1,010,000	£3,770,000
West Northants	£10,733,000	£3,885,000	£14,618,000

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EMC Leadership

Chair: Cllr Martin Hill OBE
Vice Chair: Cllr Sarah Russell
Vice Chair: Cllr Tricia Gilby
Conservative Group: Cllr Phil King
Labour Group: Cllr Jewel Miah
Liberal Democrat Group: Cllr David Bill MBE
Independent Group: Cllr Matthew Relf
Executive Director: Stuart Young



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