

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

Top items this week

Local government finance policy statement 2026-27 to 2028-29

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East Midlands Railway launch new bi-mode Aurora train



Housebuilding around train stations will be given default "yes"

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Local Authority Housing Fund: Round 4

Local government finance policy statement 2026-27 to 2028-29

MHCLG has published its policy statement for 2026-27 - 2028-29 provisional local government finance settlement, alongside the government's response to the Fair Funding Review 2.0 consultation and further detail on the delivery of the <u>Business Rates Retention reset.</u> The publication of the Policy Statement details the government's commitment to deliver reform through the first multi-year settlement in a decade. The statement outlines the upcoming multiyear settlement covering 2026-27 to 2028-29, with £3.4bn extra grant funding, alongside an updated funding formula using recent data (e.g., 2025 Indices of Multiple Deprivation, service demand and delivery costs), a simplified funding landscape, & protections for councils. This publication precedes the upcoming Provisional Local Government Finance Settlement for 2026 -2027, which the government will consult on later this year. READ MORE

East Midlands Railway launch new bi-mode Aurora train

Transport UK and East Midlands Railway confirmed that the first of EMR's new £400 million Aurora trains will enter service on the Midland Main Line this December. The Hitachi-built bimode fleet will offer more seats, improved accessibility and stronger onboard connectivity, alongside lower emissions when running on electric overhead lines. Sir Peter Soulsby, Chair of Transport for the East Midlands, attended the launch with EMC colleagues to see the new trains and hear more about their introduction. READ MORE

Housebuilding around train stations will be given default "yes"

This week, the government announced that housebuilding near well-connected train stations will receive a default "yes" in future if they meet certain rules. Housebuilders will be encouraged to build more homes near these transport links, and councils in England will also now be required to inform the government when they intend to reject new housing developments over a certain size, with the Housing Secretary able to have the final say on whether they should go ahead. Planning reforms will be proposed through a new National Planning Policy READ MORE Framework, which will be consulted on later this year.

Local Authority Housing Fund: Round 4

This week, MHCLG allocated £950 million of government funding for the fourth round of the Local Authority Housing Fund (LAHF). The funding will help councils in England to increase their supply of better-quality temporary accommodation for families with children. The fund will also provide safe and suitable housing for some families on the Afghan Resettlement Programme. LAHF investment will provide councils with a lasting affordable housing asset for the future, increasing the number of homes in the wider social and affordable housing system. Councils will have been notified via email if they have been offered an initial allocation, or alternatively, they will be invited to submit an expression of interest (EOI) to participate in the event future funding READ MORE becomes available.

Consultation on Earned Settlement

The government is consulting on how the current settlement system should be reformed and how those reforms should be implemented. The 2025 UK Immigration White Paper, Restoring Control over the Immigration System, introduced significant reforms to how migrants can settle in the UK. Settlement will no longer be granted automatically after a fixed period. Instead, migrants will need to earn it by demonstrating sustained good conduct, contribution and integration. We would encourage all stakeholders, including LAs, to participate in the consultation.

Renters' Rights Act 2025

Last week, MHCLG published the Renters' Rights Act 2025: Implementation roadmap setting out the phases of the reform measures and commencement dates. The Investigatory Powers provisions will automatically commence on 27 December 2025. The first phase of the reforms will commence on 1 May 2026. MHCLG has published guidance to help enforcement officers prepare for the changes.

New policy statement proposes changes to UK asylum and returns approach

The Home Office has published a policy statement titled Restoring Order and Control, setting out the government's approach to asylum and returns. It outlines planned reforms across protection routes, support arrangements and enforcement. The statement proposes changes to the UK's protection system. Refugees would move from the current five-year route to an initial 30-month period of leave, renewable only where protection needs continue. Access to settlement would lengthen to a minimum of around 20 years' residence. Automatic family reunion rights would not apply under this model, which would introduce tighter eligibility rules. A new Protection Work and Study route is proposed to support integration through employment or education. The government also signals a shift in how asylum support operates. The legal duty to provide accommodation for destitute claimants would be removed, with support offered on a discretionary and more conditional basis. The statement also reiterates plans to phase out hotel use and expand largesite accommodation. On returns, the government highlights the gap between refused claims and actual removals, and sets out plans to strengthen enforcement. Measures include exploring enforced returns to more countries, tightening the appeals framework, revising modern slavery processes and using visa sanctions on states that do not cooperate on returns. Safe and legal routes remain part of the system, with continued use

Safe and legal routes remain part of the system, with continued use of capped resettlement programmes and an increased emphasis on community sponsorship.

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Pay and Rewards

Youth and Community Workers: The National Employers made a 3.2% pay offer to the Trade Union Staff Side, which - following consultation - has been agreed.

Soulbury Officers: The National Employers made a 3.2% pay offer to the Officers' Side, which following consultation - has been rejected. The National Employers will meet shortly to consider and respond to this.

EMC Leadership

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