



Executive Board Meeting

10.00am, Wednesday 24th September 2025

AGENDA

1. Welcome and Introductions
2. Apologies
3. Declarations of Interest
4. Minutes of the Executive Board Meeting 27th June 2025 *
5. Chair's Report - Summary of Key Issues *
6. Working on Behalf of Local Government – LGA Chair, Cllr Louise Gittins *
7. National Energy System Operator – Regional Energy Strategic Planning *
8. Infrastructure and Growth *
9. Asylum and Refugee Resettlement in the East Midlands *
10. Local Authority Workforce and Pay – Regional Employers' Board *
11. Report of Management Group *
12. Any Other Business

*Papers attached



**EAST MIDLANDS COUNCILS EXECUTIVE BOARD
MINUTES OF THE MEETING HELD ON 27TH JUNE 2025**

Present:

Cllr Sarah Russell (Chair) – Leicester City Council
Cllr Jewel Miah – Charnwood Borough Council
Cllr Craig Leyland – East Lindsey District Council
Cllr Stuart Bray – Hinckley & Bosworth Borough Council
Cllr Dan Harrison – Leicestershire County Council
Cllr Sean Matthews – Lincolnshire County Council
Cllr Paul Peacock – Newark & Sherwood District Council
Cllr Martin Griffiths – North Northants Council
Cllr Gale Waller – Rutland County Council
Cllr John Doddy – Nottinghamshire County Council

Stuart Young – East Midlands Councils
Brein Fisher – East Midlands Councils
Sam Maher – East Midlands Councils
Andrew Pritchard – East Midlands Councils
Lisa Hopkins – East Midlands Councils (Minutes)

Apologies:

Cllr Tricia Gilby (Vice Chair) – Chesterfield Borough Council
Cllr Nadine Peatfield – Derby City Council
Cllr Alex Dale – Derbyshire County Council
Cllr Phil King – Harborough District Council
Cllr Neghat Khan – Nottingham City Council
Cllr Mick Barton – Nottinghamshire County Council
Cllr Ashley Baxter – South Kesteven District Council
Cllr Mark Arnull – West Northants Council

		ACTION
1.	Welcome and Introductions	
1.1	Cllr Sarah Russell welcomed new members to the meeting.	
1.2	Cllr Russell placed on record her thanks to Cllrs Martin Hill, David Bill & Cllr Kate Foale.	
2.	Apologies	
2.1	Apologies were received as noted above.	
3.	Declarations of Interest	
3.1	None.	
4.	Minutes of Executive Board Meeting held on 28th March 2025	
4.1	The minutes were agreed as a true and accurate record.	
5.	Election Results and EMC Governance	
5.1	Stuart Young introduced this report and highlighted the key areas from the summary from the recent Local Authority Election results	
5.2	The Reform UK party is now the largest political party in the East Midlands.	
5.3	Stuart highlighted EMC's constitution, and the recommendation of EMC Management Group that the constitution is amended to include a 5% threshold (to align with the LGA's threshold) for the recognition of separate political groups once this threshold is reached.	
5.4	<u>Resolution</u> Members of the Executive Board: <ul style="list-style-type: none"> Noted the changes of leadership and political control in the region. Recommended to the EMC AGM at its meeting on 11th July 2025 that it endorses the proposed introduction of a 5% threshold rule for the recognition of political groups that once met, the political party should be offered status as a separate political group within EMC's governance. In 	

		ACTION
	<p>this instance, the Reform Party would therefore be offered status as a separate political group.</p> <ul style="list-style-type: none"> ▪ Considered any wider outcomes and implications of the local government elections. 	
6.	Spending Review 2025	
6.1	Stuart Young introduced this report and highlighted the headlines from this.	
6.2	Grant funding for Local Government has increased by approx. £3.5bn. Local Government core spending power is estimated to increase at around 2.5% per year. The assumption is that council tax will be increased by the full 5%.	
6.3	In relation to the housing fund, Stuart highlighted that there is a further funding round which is positive.	
6.4	However, there is disappointment that the East Midlands continues to lose out in terms of funding.	
6.5	Cllr Dan Harrison asked how the UK shared prosperity fund will be shared in Leicestershire. Cllr Sarah Russell stated it is likely that the detail behind this will follow on from the announcement.	
6.6	Cllr Jewel Miah expressed concern that may lose out as a whole area due to fairer funding model that the Government proposes to introduce.	
6.7	Stuart Young stated that there is continued frustration that funds are announced and nationally managed rather than genuinely devolved. In terms of the shared prosperity fund and successor to it, confirmation is awaited on distribution but there are pointers as to how the funding is to be used.	
6.8	Cllr Craig Leyland feels there needs to be caution on the application of deprivation metrics across the East Midlands.	
6.9	Cllr Gale Waller stated that the methodology for deprivation is being reviewed. In relation to LGR she stated that proposals are difficult to agree when funding is not known.	

		ACTION
6.10	<u>Resolution</u> Members of the Executive Board: <ul style="list-style-type: none"> Noted the report and the implications of the Spending Review on Local Government. 	
7.	Infrastructure, Housing & Growth	
7.1	Andrew Pritchard introduced this report and updated Members on latest developments.	AP/SY
7.2	He stated that the regional economy has been growing at or around the UK average for the last 20 years, but work and productivity has been below the UK average and falling. Levels of public investment in the East Midlands are very much below UK average.	
7.3	The mismatch between levels of growth and levels of investment are of concern.	
7.4	In relation to Housing and Planning, the new targets introduced by the government are a significant uplift over housing delivery numbers that have been delivered in recent years.	
7.5	East Midlands is vulnerable to river and coastal flooding. Government has published a consultation on reforms to funding of flood defences. It is proposed that EMC pull together a consultation response and put this to the AGM in July for consideration.	
7.6	TfEM met for the first time recently since the elections and the board considered updates from Network Rail and East Midlands Railway and agreed the annual report for the Rail Collaboration Agreement.	
7.7	Cllr Dan Harrison highlighted that Leicestershire have growing problems in relation to flooding. He feels that engineering works are needed to be undertaken to alleviate the problems.	
7.8	Cllr Craig Leyland stated there is an issue for the Environment Agency in relation to maintenance backlog.	

		ACTION
7.9	Cllr Sarah Russell suggested that some of the studies are reviewed and look in order to identify the holding back of growth in the region, both for housing and employment, that would result from the lack of investment.	AP
7.10	Cllr Jewel Miah highlighted the need to look at the infrastructure on A1. He also highlighted the Midland Mainline. With all the growth he feels the rail capacity needs to be increased.	
7.11	Andrew Pritchard stated that in terms of funding consultation in relation to flooding, the Environment Agency are looking to review the current partnership model. Comments made by Members will be brought together in a draft consultation response to Government.	
7.12	He continued that the lack of transport and infrastructure investment has a reality in terms of ability in securing economic and housing growth.	
7.13	<u>Resolution</u> Members of the Executive Board: <ul style="list-style-type: none"> ▪ Endorsed proposals for an EMC consultation response on flood defence flooding. ▪ Endorsed the work of the TfEM Board. ▪ Noted the rest of this report. 	
8.	Local Authority Workforce and Pay – Regional Employers’ Board	
8.1	Cllr Gale Waller updated Members on the report and highlighted the key issues currently being considered by the Board and also outlined what the Regional Employers’ Board covers.	SM
8.2	Sam Maher updated members on the latest position in relation to the pay award. The Unions are consulting with members on the latest offer from employers’. Unite have rejected this offer. Unison met on Wednesday and GMB are meeting today. Sam will update authorities on any developments when known.	
8.3	Cllr John Doddy highlighted the pay for county councillors and feels there is a need for some unanimity as to how this is approached.	

		ACTION
8.4	Cllr Sarah Russell stated that this could be discussed at a separate session. Members felt this would be useful.	SM
8.5	Cllr Jewel Miah highlighted the pay increase and expressed concerns around the funding of this. He stated there is a need for funding of this from national government.	
8.6	Cllr Martin Griffiths suggested the potential for a region-wide independent remuneration panel, delivering consistency and greater value for money.	
8.7	Stuart Young confirmed that EMC will pick the issue up of members allowances.	
8.8	Sam Maher confirmed that last year the pay award that was offered by employers' was the one that was finally accepted by the Unions, even though this was initially rejected.	
8.9	<u>Resolution</u> Members of the Executive Board: <ul style="list-style-type: none"> ▪ Considered the issues highlighted in the report. 	
9.	Asylum and Refugee Resettlement in the East Midlands	
9.1	Stuart Young introduced this report and highlighted a number of current Government programmes. These are national schemes which are delivered at the local level and a number of which are mandatory.	
9.2	Brein Fisher summarised key points from the programmes.	
9.3	There are currently 6,350 asylum seekers in the East Midlands. There has been an increase in the number of dispersal areas with 28 local authority areas now included.	
9.4	In relation to UASC, this scheme was mandated in 2022, and the East Midlands have transferred 872 UASC children since November 2021.	
9.5	The Regional UASC programme has been launched, and the aim of this programme is to look at the recruitment of foster carers and to improve the effectiveness of age	

		ACTION
	assessments of young people applying for asylum. This also includes the recruitment of a specialist legal advisor to support local authorities.	SY/BF
9.6	Cllr John Doddy enquired around the funding and how long this funding is for.	
9.7	Briefing papers to be shared with members and a short summary to be prepared on all the different packages and funding for these. This is attached as appendix 4(a)	
9.8	<u>Resolution</u> Members of the Executive Board: <ul style="list-style-type: none"> ▪ Considered the impact of asylum and refugee resettlement programmes and provided advice in relation to the on-going work of EMC in addressing the concerns of local authorities. ▪ Advised on the impact of the Full Dispersal plan in Local Authority areas. ▪ Advised on impact of the proposed Afghan Resettlement Programme (ARP). 	
10.	Report of Management Group	
10.1	Cllr Sarah Russell introduced this report and highlighted the responsibilities of the Management Group.	
10.2	She confirmed that budgets and the delivery of the business plan remain on track and there are no concerns to report.	
10.3	<u>Resolution</u> Members of the Executive Board: <ul style="list-style-type: none"> ▪ Noted delivery against the agreed Business Plan for 2025/26. ▪ Noted progress in meeting the external and internal audit requirements. 	
11.	Any Other Business	
11.1	Stuart Young reminded members of the EMC AGM meeting on 11 th July.	SY
11.2	Cllr John Doddy asked for information on decisions and nominations of EMC board places. Stuart confirmed how the nomination process will work. He will also provide further guidance prior to the AGM.	

Item 4

		ACTION
11.3	Cllr Gale Waller placed on record her thanks to Cllr Sarah Russell who is standing down as Vice Chair of EMC.	
12.	Date of Next Meeting	
12.1	Wednesday 24 th September 2025, 10.00am	

Updated September 2025

Local authority funding streams available for 'resettlement and humanitarian routes'

- Funding is available UK-wide and will be paid to whichever tier applies for funding, unless specified otherwise.

Afghan Citizens' Resettlement Scheme and Afghan Relocations and Assistance Policy - delivered by the Home Office

- **£20,520 per person** over 3 years for integration Year 1 (£10,500) is ringfenced, paid in three instalments: 40% once the household/person has settled accommodation; 30% at the end of month 4, 30% at the end of month 8. Years 2 (£6,000) and 3 (£4,020) un-ringfenced. Claimable following move into settled accommodation.
- **£2,600 per person for health Year 1 only.** Claimable following move into settled accommodation.
- **£850 per person for adult ESOL Year 1 only.** Claimable following move into settled accommodation.
- **Up to £4,500 for education per child. Year 1 only.** Claimable following move into settled accommodation.
- **£28 per person per day wraparound support.** Arrivals before 1 September 2023 (existing funding): While in bridging (now closed) or interim accommodation. Paid quarterly in arrears. Funding is still available for the few households with complex medical needs that remain in interim accommodation. Arrivals from 1 September 2023 to 31 March 2024. While in transitional accommodation provided and paid for by the Home Office (e.g., hotels) or Ministry of Defence (transitional Service Family Accommodation, TSFA) whilst they are matched to a suitable property. For TSFA or RSOM sites, funding is only available if the local authority is providing the full suite of orientation support, in place of MoD/Mears.
- Funding cannot be claimed where MoD or Mears is:
 - Providing reception, staging and onward movement support at RSOM sites. This includes, for example, food provisions (3 meals a day) and ongoing provision of personal items (toiletries, baby items, etc).
 - Providing the main support at transitional sites, such as providing food and basic necessities or providing on-site medical support, while the local authority is fulfilling statutory duties such as regarding safeguarding or school registration. Paid in the same way as previously.
- **£7,100 flexible housing fund.** Arrivals before 1 September 2023 (existing funding): Per person, to support moves from bridging accommodation (now closed) or temporary accommodation into settled accommodation, provided that they were in bridging accommodation as at 1 April 2023. Paid as a lump sum to any tier that claims. Arrivals from 1 September 2023 to 31 March 2024 (new funding): Per person for councils sourcing

settled accommodation or helping to support a household to secure settled accommodation; including to help a household find their own accommodation in the Private Rented Sector or to match fund Local Authority Housing Fund properties (rounds 1 and 2 only). Capped at £35,000 per household.

- For ARAP, funding is only available if the household does not have a suitable property match and local authority support is needed, for example where Mears are struggling to find a property for a large family. Funding cannot be claimed where: MoD is directly leasing SFA or is leasing PRS sourced by Mears, and therefore the council is not supporting the household to secure the accommodation.
- Local authorities will be required to provide information regarding the use of this fund for monitoring and evaluation purposes. As previous, we will not require evidence of itemised spend but will require supplementary information in addition to tenancy agreement evidence.
- **£9,150 Homelessness funding.** Arrivals before 1 September 2023. Per household who has become homeless as a result of bridging hotels closing, for temporary accommodation and admin costs. Paid in lump sum to LTLAs from 1 April 2023. Arrivals from 1 September 2023 to 31 March 2024. Per household who has become homeless following placement into transitional accommodation. Funding can be claimed where the local authority has accepted a homelessness duty and provided temporary accommodation support; and the household's last address when making a homelessness application was transitional accommodation.
- Funding cannot be claimed where:
 - The household's last address when making a homelessness application was SFA or any other form of settled accommodation.
 - In cases where a LAHF resettlement property is being provided as temporary accommodation, and the local authority has accepted the homelessness duty and chosen to offer the property as a non-secure tenancy or license. Paid in the same way as previously.
- **£28 per person per day temporary integration support.** Per person per day for households in temporary accommodation under homelessness duties for up to six months. Claimed quarterly in arrears and based on number of days that support provided.

Asylum Accommodation Funding

Funding Provided: for financial year 2025-26. This payment will be delivered quarterly for each new and occupied (net increase) bed space in IA, DA, ODA and CA, along with any medium sites and LA-led accommodation.

- £1,200 per occupied bedspace (calculated using 30 March 2025 occupancy)
- £100 monthly payment for each occupied, net increase bedspace baselined against 30 March 2025 occupancy in both new and existing dispersal areas, from 1 April 2025 to 31 March 2026.

Local Authority Housing Fund (LAHF) - England only - delivered by DLUHC

Provides capital funding directly to local authorities via S31 un-ringfenced grant. To ease local homelessness pressures, reduce spending on unsuitable B&B accommodation, and provide safe and sustainable housing for those on Afghan resettlement and Ukrainian sponsorship schemes.

- **LAHF Round 1, £500 million.** To obtain accommodation for families at risk of homelessness who have arrived in the UK via Ukrainian sponsorship and Afghan resettlement schemes.
- **LAHF Round 2, £250 million.** To house Afghans on resettlement schemes and to ease existing homelessness pressures. Full information in the fund prospectus. Expect delivery of remaining LAHF 2 units by end March 2024.
- **LAHF Round 3, £450 million.** To support local authorities to obtain better quality temporary accommodation and provide safe and suitable housing for Afghan resettlement schemes. Round 3, like previous rounds, will not be a bid-based programme.

UK Resettlement Scheme - delivered by the Home Office

- **£20,520 per person integration tariff.** Funding over years 1-5. UK-wide. First year is ringfenced, the remaining four years are not ringfenced. Claimable following move into settled accommodation.
- **£2,600 per adult for health Year 1 only.** Claimable following move into settled accommodation.
- **£850 per adult for ESOL.** Single payment in year 1. Claimable following move into settled accommodation
- **£4,500 up to for education** per child. Year 1 only. Claimable following move into settled accommodation.

Hong Kong British National (Overseas) - delivered by DLUHC (NB: No upfront funding or tariff)

- **Up to £2,720 destitution support.** Per household (dependent on No Recourse to Public Funds' condition being successfully lifted by the Home Office)
- **Up to £850 per adult for ESOL.** One course per learner for financial year. Paid to whichever tier makes the claim.

Homes for Ukraine (HfU) - delivered by MHCLG

- **£5,900 tariff Per person** per arrival in an LA from 1 Jan 2023. Unringfenced grant for e.g., homelessness costs, PRS support, ESOL, and integration. Paid each quarter via DELTA to UTLA on basis of number of arrivals the previous quarter.
- **Sponsor 'thank you' payments.** £350 per month for first 12 months, £500 once guest has been in UK for 12 months until 36 months.

- **£120m homelessness funding, FY24/25.** Supporting Ukrainians and others to move into their own homes and reduce risk of homelessness. This funding can be spent on all cohorts including domestic.
- **£10,500 unaccompanied eligible minors tariff.** For those arriving after 1 Jan 2023 to UTLAs. Where sponsorship breaks down, £64,150 is available per year where an eligible minor is placed into LA care, and £16,850 care leavers tariff per year.

UASC Tariff FY 2025/26

The Home Office provides additional funding contributions to the costs incurred by local authorities for looking after UASC.

- From 1 April 2025 local authorities receive the UASC funding tariff of **£143 per child per night** for all UASC in their care.
- Incentivised funding 2025. Incentivised funding will be available for any child transferred through the National Transfer Scheme within the specified timeframes, from any local authority, during the period that the incentive is being offered. Specifically: From 14 April to 31 October transfers in five working days are eligible for **£5,000 additional funding** per child. From 1 June to 30 September transfers in two working days are eligible for **£10,000 additional funding** per child.
- **Former UASC Care Leavers Tariff FY 2024/25.** Funding of £270 per week will be provided for each eligible person.



Executive Board
24th September 2025

Chair's Report

Cllr Sean Matthews

Summary

The following report provides a summary information on recent developments relating to EMC governance, devolution and LGR, and the Government's proposed funding reform.

Recommendation

Members of the Executive Board are invited to consider the issues highlighted within this report, the implications for the sector and for EMC.

1. Confirmation of EMC Membership, Leadership Roles and Boards

1.1 EMC membership is now confirmed, including Board chairs, vice chairs and wider board membership. Particular thanks to all political group leaders for the efforts.

1.2 EMC's Executive Board membership is confirmed below. The full EMC membership is included within Appendix 5(a); with board membership, Chairs and Vice Chairs included within Appendix 5(b).

Cllr Sean Matthews EMC Chair	Leader (Reform UK)	Lincolnshire County Council
Cllr Neghat Khan	Leader (Labour)	Nottingham City Council
Cllr Martin Griffiths Reform UK Group Leader	Leader (Reform UK)	North Northants Council
Cllr Alan Graves	Leader (Reform UK)	Derbyshire County Council
Cllr Nadine Peatfield	Leader (Labour)	Derby City Council
Cllr Mick Barton	Leader (Reform UK)	Nottinghamshire County Council
Cllr Gale Waller Lib Dem Group Leader	Leader (Liberal Democrats)	Rutland County Council
Cllr Dan Harrison	Leader (Reform UK)	Leicestershire County Council
Cllr Elly Cutkelvin EMC Principal Vice-Chair	Deputy City Mayor (Labour)	Leicester City Council
Cllr Mark Arnull	Leader (Reform UK)	West Northants Council
Cllr Craig Leyland	Lincolnshire Districts Rep (Cons)	East Lindsey DC
Cllr Stuart Bray	Leicestershire Districts Rep (Lib-Dem)	Hinckley & Bosworth BC
Cllr Tricia Gilby EMC District Vice Chair	Derbyshire Districts Rep (Labour)	Chesterfield BC
Mayor Andy Abrahams	Nottinghamshire Districts Rep (Labour)	Mansfield DC
Cllr Jewel Miah Labour Group Leader	Leader (Labour)	Charnwood BC
Cllr Phil King Conservative Group Leader	Opposition Group Deputy Leader (Conservative)	Harborough DC
Cllr Ashley Baxter Independent Group Leader	Leader (Independent)	South Kesteven DC

2. Devolution – The English Devolution and Community Empowerment Bill

2.1 The English Devolution and Community Empowerment Bill sets out how Government intends to deliver on its promised 'devolution revolution' over the course of this Parliament. Headlines include plans to extend devolution to all parts of England, additional powers and funding flexibility for mayors, and the replacement of two-tier local government with unitary authorities.

2.2 The Bill is at the start of the legislative process, introduced to the House of Commons and given its 1st Reading on Thursday 10th July and its 2nd Reading commenced on Tuesday 2nd September 2025.

2.3 As part of these reforms, the Government has already established:

- a) The Council of the Nations and Regions, chaired by the PM, and brings together First Ministers of Devolved Governments and the Mayors of Strategic Authorities to collaborate across the national missions.
- b) The Mayoral Council, chaired by the DPM, and brings together England's Mayors. The Council will be the key forum for engagement between central government and Mayors on Local Growth Plans.
- c) The Leaders Council, bringing together a representative group of local authority leaders with the DPM and other ministers. The council aims to be a 'regular forum for the key sector representatives to discuss strategic questions impacting local government, to share key and evolving challenges, and co-design solutions'. This Leaders Council has met 4 times, most recently on 21st July 2025.

2.4 Organisations represented on the Leaders Council include the Local Government Association, Special Interest Group of Municipal Authorities, Core Cities Group, Key Cities, County Councils Network, District Councils' Network, and London Councils. There are no regional representatives, and concern that it lacks inclusivity.

The Devolution Architecture - Strategic Authorities

2.5 The Bill establishes the proposed role of Strategic Authorities that will have a statutory basis, with the following levels:

- a) Foundation Strategic Authorities: these include non-mayoral Combined Authorities and Combined County Authorities automatically, and (in 'exceptional circumstances') any Local Authority designated as a Strategic Authority without a Mayor.
- b) Mayoral Strategic Authorities: the Greater London Authority, all Mayoral Combined Authorities and all Mayoral Combined County Authorities will automatically begin as Mayoral Strategic Authorities.
- c) Established Mayoral Strategic Authorities: for those Mayoral Strategic Authorities that meet specified eligibility criteria, and a status that will unlock further devolution, most notably an Integrated Settlement.

- 2.6 The Bill clarifies the principles it will use to decide upon the geography for future devolution agreements: scale (with a preference for more than 1.5m people), economic geography, alignment to public service footprints and local identity.
- 2.7 It has also introduced a ‘Ministerial directive’ to compel areas to establish strategic authorities if they are unable to agree – or to prevent small devolution ‘islands’ being left out of the process.

New Powers for Combined Authorities

- 2.8 Substantial new powers were announced in relation to spatial development and planning. All areas will be required to develop Spatial Development Strategies over a strategic geography including the apportionment of housing targets across local areas. In Mayoral Strategic Authorities, Mayors will be empowered to develop and propose the Spatial Development Strategy for their areas, working closely with Strategic Authority members.
- 2.9 Mayors will also be granted call-in powers, allowing them to override local planning decisions in some circumstances.
- 2.10 The Bill also confirms additional control over employment support and plans for new innovation funding for combined authorities with the role of mayors expanded in areas such as health, energy and net zero.
- 2.11 The Bill announced proposals for how combined authorities take key decisions including for mayors to be able to exercise their functions with simple majority support from other local leaders ‘wherever possible’. This is perhaps intended to make it easier to implement spatial development, transport and investment strategies, where many existing current arrangements would require unanimous or two-thirds approval of combined authority boards.
- 2.12 ‘Established’ Mayoral Strategic Authorities are granted single-pot ‘integrated settlements’ that can be allocated flexibly in line with local preferences. EMCCA and GLCCA are among those less advanced Mayoral Strategic Authorities that will get separate consolidated funding pots covering local growth, place, housing, and regeneration, non-apprenticeship adult skills and transport.

Devolution by Default

- 2.13 The Government will pursue an ambition to realign public authority boundaries, so that over time, public services are delivered over the same areas as Strategic

Authority boundaries. The long-term aim is for public service boundaries – including those of police, probation, fire and health services – and those of Strategic Authorities, to align.

- 2.14 Strategic Authorities will be considered as the default delivery institution for new programmes or activity where these are appropriate for local delivery and in their areas of competence.
- 2.15 Despite this, it is interesting to note that the first realignment in public service boundaries since the Government announced its devolution proposals and the publication of the ‘devolution bill’ run counter to this.
- 2.16 In order to meet the 50% cost reductions required by NHS England, DHSC recently announced the reform integrated care boards through ‘clustering’ arrangements, and in the East Midlands, 5 ICBs have agreed the following 2 clusters:
 - Leicester, Leicestershire and Rutland with Northamptonshire
 - Derbyshire, with Nottinghamshire and Lincolnshire
- 2.17 Those ICB clusters that receive ministerial approval will prepare to legally merge into new organisations from April 2026. They do not align with strategic authority boundaries, specifically in relations to the 2 MCCAs recently established.

Local Government Reorganisation

- 2.18 LGR will be implemented for two-tier areas and for those unitary councils where there is evidence of failure or where their size or boundaries may be hindering their ability to deliver services.
- 2.19 Government has placed an emphasis on new unitary councils being required to have populations of at least 500,000, although there may be exceptions given specific local circumstances. The Government is clear that individual local authorities will not be eligible for mayoral devolution so the new unitary authorities will need to join with neighbouring areas to form mayoral strategic authorities across one or several county areas.
- 2.20 All two-tier areas were expected to submit an interim plan on or before 21st March 2025, in line with published guidance, with final proposals to be submitted by 28th November 2025. Across the region, while local authorities continue to work together in the development of proposals, there remains a lack of consensus regarding the scope of final proposals.

- 2.21 The Government has proposed a phased approach to delivery, with implementation in Devolution Priority Programme areas by April 2027, or for the majority of councils – and all those in the East Midlands, by April 2028.
- 2.22 it is not clear whether there will be any change in Government's approach or timings as a result of the recent Ministerial reshuffle.

3. Local Government-led Governance

- 3.1 The implications of the Bill are far reaching, and as one of the most two-tier regions, will have a significant impact on the East Midlands. It will also impact upon EMC as an organisation, in terms of the work we do, and our resource base. These issues will be considered with member councils over the course of 2025/26 once the LGR proposition becomes clearer. *If combined authorities structures are to be the sole mechanism for local government collective work, then the architecture will be complete in that regard.*
- 3.2 However, if councils have an expectation that future unitary arrangements would benefit from a partnership structure to support collective work separate from the combined authority construct, then this is a matter for local authorities to consider and agree, including on its form, its function and associated timings.
- 3.3 Initial discussion suggest that proposals in support of this should be explored. Any revised governance structures will need to align with the new local government architecture and therefore unitary facing.
- 3.4 The region's improvement work is recognised as successful and so there should be consideration of the balance between service based support, e.g. children's services, scrutiny, organisational transformation, with the delivery of national policy and programmes, e.g. asylum and refugee resettlement.
- 3.5 To avoid duplication, any focus should be on those work areas that are not solely the reserve of Strategic Authorities but would benefit from collective approaches either in development of policy, or delivery of programmes. Nevertheless, to have traction, any 'regional governance' should engage with Strategic Authorities.
- 3.6 Looking ahead to LGR, it is clear that EMC's subscription base will need to fundamentally change. With the possible creation of c10 unitary councils in the region, instead of the current 39 councils (10 upper-tier and 29 districts), subscription income would fall from £294,000 (2025/26) to approx. £120,000 (at estimated 2026/27 rates).

3.7 Without changes, even assuming a ‘mandate’, EMC would cease to be viable. Therefore, the development of revised governance and offer would require an entirely new subscription and wider funding model to be put in place.

3.8 In summary, the approach going forwards is suggested to be:

- 2025/26 rolling forward EMC’s current business plan with revisions to reflect national policy, e.g., support on implementation of NPPF and housing delivery, devolution, and development of proposals for future EMC arrangements (as presented in business plan section of Corporate Governance report).
- 2026/27 support to the sector in the development and preparation for implementation of devolution and LGR proposals, and agreement of EMC future arrangements.
- 2027/28 implementation of new arrangements and consideration of business modal based upon a small number of unitary authorities and with 2 or more Mayoral Combined Authorities.

4. Local Government Funding Reform

4.1 The Government propose to change the way total funding for local authorities is distributed, aiming to make it fairer and simpler.

4.2 On 20th June 2025, the Government published a consultation ‘The Fair Funding Review 2.0’. This consultation proposed significant changes to the grant funding system for English Local Government, which aim to simplify how central funding is distributed to local authorities and ensure funding is more based upon need. These changes are expected to take effect on 1st April 2026, for the 2026/27 financial year and funding allocations will be phased in over 3 years (2006 to 2009).

4.3 Under the new system, local government funding will be distributed according to:

- An assessment of relative need (based on numerous social indicators).
- Costs adjustment to take into account variations in the costs of providing services.
- A resource assessment, taking into account each council’s capacity to raise council tax.
- The system will also change how business rates revenue is redistributed between councils.

4.4 As a result, central government funding for some councils will increase, and for others it will decrease. Funding is set to increase most for councils in the East

Midlands and Yorkshire & the Humber (albeit there will be winners & losers), likely as a result of these regions having more properties in lower tax bands (and so gaining from equalisation) and benefiting from updates to spending needs assessments.

- 4.5 Cash-terms changes in funding compared with current financial year (2025-26) resulting from proposed reforms, by region:

North East	+2%	West Midlands	+3%
North West	+1%	East	+1%
Yorks & Humber	+4%	South East	-2%
East Midlands	+6%	South West	-1%

- 4.6 Areas that are set to be the biggest winners from the reforms are likely to be those with relatively high population densities in urban unitary authorities and benefitting from equalisation, e.g. Derby, Lincoln, Nottingham and Mansfield.
- 4.7 The biggest losers are set to be district councils that will see their business rates revenue redistributed or losing out as a result from equalisation. It is our understanding that this impacts particularly upon North West Leicestershire, Harborough, Rushcliffe, South Derbyshire.
- 4.8 Members are reminded that the consultation proposals fail to include the financing of Internal Drainage Boards, which continue to be an issue of concern for the region. Nor does the consultation fully consider the implications of devolution and local government reorganisation, including ensuring future unitary councils are financially viable, and indirect implications for town and parish councils.
- 4.9 As the outcome of the consultation and the final settlement have not been published, with lobbying from councils most affected (particularly from those in London), and uncertainty arising from the recent Ministerial reshuffle, there remain risks that the redistribution may further alter to the detriment of the region.
- 4.10 Management Group recommended that a letter be sent by EMC Chair and Vice-Chairs to the MHCLG Secretary of State affirming support for the rebalancing of local government funding and to counter the build-up of political pressure from other areas for the Government to change course. For example, Members are reminded that London Councils has been vocal in expressing its concern that Government proposals will adversely affect the capital's funding. The draft letter is attached as Appendix 5(c).

5. East Midlands All-Party Parliamentary Group

- 5.1 East Midlands Councils, in conjunction with East Midlands Chambers of Commerce (EMCC), has worked with MPs in re-establishing the East Midlands APPG.
- 5.2 The inaugural meeting was held on 27th November at Portcullis House, and elected James Naish MP (Rushcliffe) as its Chair. Rosie Wrighting MP (Kettering), Jonathan Davies MP (Mid-Derbyshire) and Lord McLoughlin, former MP for Derbyshire Dales and Secretary of State for Transport, were elected as officers.
- 5.3 MPs agreed the range of issues that they wish to work collectively on, with support from both EMC and East Midlands Chambers of Commerce, with an initial focus on securing investment and growth funding as part of the forthcoming Comprehensive Spending Review (published in June 2025).
- 5.4 The APPG also invited stakeholders to make written submissions to inform its work and the publication of an ‘investment options’ prospectus for Government. In total, 36 submissions were received, and the APPG agreed its final report (as led by EMC) in June 2025.
- 5.5 James Naish MP (Lab, Rushcliffe), Chair of EM APPG wrote to the Chancellor of the Exchequer and the Chief Secretary to the Treasury to highlight the chronic underinvestment in the region and the need to rebalance growth. This letter is attached as Appendix 5(d). As part of this work, on 11th September, Catherine Atkinson MP (Lab, Derby North) secured at Parliamentary debate on regional transport inequality with EMC providing advisory support.
- 5.6 It was agreed that the Chair and Vice-Chairs of EMC will invite the EM APPG Chair and office holders to a future meeting of the Executive Board to support joint work going forwards.

6. Recommendation

- 6.1 Members of the Executive Board are invited to consider the issues highlighted within this report, the implications for the sector and for EMC.

Cllr Sean Matthews
Chair
East Midlands Councils

Labour	Amber Valley BC	Cllr Chris Emmas-Williams
Ashfield Independents	Ashfield DC	Cllr Jason Zadrozny
Labour	Bassetlaw DC	Cllr Julie Leigh
Conservative	Blaby DC	Cllr Ben Taylor
Labour	Bolsover DC	Cllr Jane Yates
Independent	Boston BC	Cllr Dale Broughton
Independent	Broxtowe BC	Cllr Milan Radulovic
Labour	Charnwood BC	Cllr Jewel Miah
Labour	Chesterfield BC	Cllr Tricia Gilby
Labour	Derby City Council	Cllr Nadine Peatfield
Reform UK	Derbyshire CC	Cllr Alan Graves
Lib Dem	Derbyshire Dales DC	Cllr Steve Flitter
Conservative	E Lindsey DC	Cllr Craig Leyland
Labour	Erewash BC	Cllr James Dawson
Labour	Gedling BC	Cllr John Clarke
Lib Dems	Harborough DC	Cllr Phil Knowles
Labour	High Peak BC	Cllr Anthony McKeown
Lib Dem	Hinckley & Bosworth BC	Cllr Stuart Bray
Labour	Leicester City Council	Cllr Elly Cutkelvin
Reform UK	Leicestershire CC	Cllr Dan Harrison
Labour	Lincoln City Council	Cllr Naomi Tweddle
Reform UK	Lincolnshire CC	Cllr Sean Matthews
Labour	Mansfield DC	Mayor Andy Abrahams
Labour	Melton BC	Cllr Pip Allnatt
Labour	Newark and Sherwood DC	Cllr Paul Peacock
Labour	NE Derbyshire DC	Cllr Nigel Barker
Conservative	North Kesteven DC	Cllr Richard Wright
Reform UK	North Northants Council	Cllr Martin Griffiths
Conservative	NW Leicestershire DC	Cllr Richard Blunt
Labour	Nottingham City	Cllr Neghat Khan
Reform UK	Nottinghamshire CC	Cllr Mick Barton
Liberal Democrat	Oadby and Wigston BC	Cllr Samia Haq
	Peak District National Park	Mr James Berresford
Conservative	Rushcliffe BC	Cllr Neil Clarke
Liberal Democrat	Rutland County Council	Cllr Gale Waller
Labour	South Derbyshire DC	Cllr Robert Pearson
Conservative	South Holland DC	Cllr Paul Redgate
Independent	South Kesteven DC	Cllr Ashley Baxter
Conservative	W Lindsey DC	Cllr Jackie Brockway
Reform UK	West Northants Council	Cllr Mark Arnull

Added Places		
Conservative	Boston BC	Cllr Claire Rylott
Conservative	Charnwood BC	Cllr Jenny Bokor
Conservative	Derbyshire County Council	Cllr Alex Dale
Conservative	Harborough District Council	Cllr Phil King
Conservative	Leicestershire County Council	Cllr Deborah Taylor
Conservative	North Kesteven District Council	Cllr Mary Green
Conservative	North Kesteven District Council	Cllr Mark Smith
Conservative	Nottinghamshire County Council	Cllr Sam Smith
Conservative	Rushcliffe Borough Council	Cllr Jonathan Wheeler
Conservative	Rutland Couty Council	Cllr David Wilby
Labour	Bassetlaw District Council	Cllr Jonathan Slater
Labour	Broxtowe Borough Council	Cllr Peter Bales
Labour	East Lindsey District Council	Cllr Claire Arnold
Labour	Derby City Council	Cllr Sarah Chambers
Labour	Leicestershire County Council	Cllr Beverley Gray
Labour	Leicester City Council	Cllr Elaine Pantling
Labour	Nottingham City Council	Cllr Ethan Radford
Labour	Nottingham City Council	Cllr Corall Jenkins
Labour	Rushcliffe BC	Cllr Jen Walker
Labour	Rutland CC	Cllr Ramsay Ross
Liberal Democrat	Leicestershire CC	Cllr Michael Mullaney
Liberal Democrat	Rutland CC	Cllr Andrew Johnson
Liberal Democrat	Derbyshire Dales D C	Cllr Peter Dobbs
Independent	Charnwood BC	Cllr Laurie Needham
Independent	North East Derbyshire DC	Cllr Frank Adlington-Stringer
Independent	North Northants Council	Cllr James Hakewill
Independent	Rushcliffe Borough Council	Cllr Jason Billin
Independent	Rutland County Council	Cllr Rosemary Powell
Reform UK	Derbyshire County Council	Cllr Robert Reaney
Reform UK	Leicestershire County Council	Cllr Michael Squires
Reform UK	Leicestershire County Council	Cllr Helen Butler
Reform UK	Lincolnshire County Council	Cllr Alex McGonigle
Reform UK	Lincolnshire County Council	Cllr Tom Catton
Reform UK	Nottinghamshire County Council	Cllr James Walker-Gurley
Reform UK	Nottinghamshire County Council	Cllr Dr John Doddy
Reform UK	Nottinghamshire County Council	Cllr Martin Wright
Reform UK	North Northamptonshire	Cllr Elizabeth Wright
Reform UK	North Northamptonshire	Cllr Chris McGiffen
Reform UK	North Northamptonshire	Cllr Graham Cheatley
Reform UK	West Northamptonshire	Cllr Charlie Hastie

Regional Employers' Board

Cllr Mary Green	North Kesteven District Council		Conservative
Cllr Sam Smith	Nottinghamshire County Council		Conservative
Cllr Jonathan Wheeler	Rushcliffe Borough Council		Conservative
Cllr David Wilby	Rutland County Council		Conservative
Cllr Jason Billin	Rushcliffe Borough Council		Independent
Cllr Rosemary Powell	Rutland County Council		Independent
Cllr Jonathan Slater	Bassetlaw District Council		Labour
Cllr Jane Yates	Bolsover District Council	Chair	Labour
Cllr Peter Bales	Broxtowe Borough Council		Labour
Cllr Jen Walker	Rushcliffe Borough Council		Labour
Cllr Gale Waller	Rutland County Council		Liberal Democrat
Cllr Helen Butler	Leicestershire County Council		Reform UK
Cllr Tom Catton	Lincolnshire County Council		Reform UK
Cllr Graham Cheatley	North Northamptonshire Council		Reform UK
Cllr James Walker-Gurley	Nottinghamshire County Council		Reform UK

Regional Migration Board

Cllr Alex Dale	Derbyshire County Council	Vice-Chair	Conservative
Cllr Craig Leyland	East Lindsey District Council		Conservative
Cllr Mark Smith	North Kesteven District Council		Conservative
Cllr Neil Clarke	Rushcliffe Borough Council		Conservative
Cllr Frank Adlington-Stringer	North-East Derbyshire District Council		Independent
Cllr James Hakewill	North Northants Council		Independent
Cllr Sarah Chambers	Derby City Council		Labour
Cllr Elly Cutkelvin	Leicester City Council	Vice-Chair	Labour
Cllr Beverley Gray	Leicestershire County Council		Labour
Cllr Corall Jenkins	Nottingham City Council		Labour
Cllr Phil Knowles	Harborough District Council		Liberal Democrat
Cllr Michael Squires	Leicestershire County Council		Reform UK
Cllr Alex McGonigle	Lincolnshire County Council		Reform UK
Cllr Elizabeth Wright	North Northants Council		Reform UK
Cllr Dr John Doddy	Nottinghamshire County Council	Chair	Reform UK

Rt Hon Steve Reed OBE MP
Secretary of State for Housing, Communities and Local Government
House of Commons
London
SW1A 0AA

Dear Secretary of State

As Chair and Vice Chairs of East Midlands Councils, the membership body for all councils in the region, we write in relation to the outcome of the Government's proposed funding reforms, as part of the Fair Funding Review 2.0.

Councils welcome the commitment from Government to target money to where it is most needed and are supportive of the objective of the fair funding review to make the system fairer and simpler, to better reflect relative need and other factors including accessibility and the costs of providing local services.

It is inevitable that any review of the redistribution of local government funding will see some winners, and some losers. Here in the East Midlands, there are a number of councils that may be adversely affected, and we emphasise the need for Government to review mitigation measures for those most affected.

However, it is positive to note that in cash terms, initial indications highlight that the proposed reforms are set to benefit councils in the East Midlands to a greater extent than other regions. This support for the region is long-overdue.

As we await the outcome of the consultation and the final settlement, we commend Ministers to press on with a genuine reform in the distribution of local government funding. Of course, we remain mindful that other areas that have been more generously resourced in the past may now push back against these reforms in urging Government to reconsider key elements of its plans, but we believe their position ignores the long-standing failure to equalise the system properly and the historical under-funding of councils and communities in the East Midlands.

The Public Expenditure Statistical Analysis published annually by HM Treasury (2025) confirms the longstanding historical underfunding of the region and provides irrefutable evidence of the on-going low levels of public investment. Council Leaders and our MPs have previously written to the Chancellor highlighting our concerns. It is within the context of historic underfunding that we have the opportunity to now address this imbalance by implementing the proposed redistribution of funding.

We look forward to your assurances on these matters and the final outcome of the fair funding review.

Yours sincerely

Cllr Sean Matthews
Chair, East Midlands Councils
Leader, Lincolnshire County Council

Cllr Elly Cutkelvin
Vice-Chair, East Midlands Councils
Deputy Mayor, Leicester City Council

Cllr Tricia Gilby
Vice-Chair, East Midlands Councils
Leader, Chesterfield Borough Council



James Naish MP

Member of Parliament for Rushcliffe
House of Commons, London SW1A 0AA

The Chancellor of the Exchequer and Chief Secretary of the Treasury
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

XX August 2025

Dear Rachel and Darren,

Rebalancing investment in the East Midlands

We are writing to draw your attention to the clear and persistent disparities in public investment in the East Midlands, as evidenced in the most recent data (PESA 2025) published by the Treasury and analysed by East Midlands Councils.

Despite being home to over 5 million people and 368,000 businesses, the East Midlands continues to receive consistently lower levels of public funding across nearly all major spending areas. Between 2019-20 and 2023-24, total identifiable expenditure on services in the region remained below both the UK and England averages. Compared to the Northern Powerhouse regions and even the neighbouring West Midlands, the East Midlands has been underfunded by £1,422 and £924 per head respectively.

The disparity is especially stark in investment in economic affairs and transport infrastructure. In 2023-24, the East Midlands received only £881 per head for economic affairs – £451 less than the UK average and nearly 30% less than the West Midlands. Over the five-year time frame covered by the PESA 2025 data (2019-20 to 2023-24), transport investment per head fell to just 54% of the UK average, the lowest of any UK region or nation. In monetary terms, this equates to a shortfall of £7 billion over five years, had the region merely received the England average for transport spending.

Rail investment is an even greater concern. At just £175 per head in 2023-24, East Midlands rail funding stood at barely 40% of the English average, and was a third of that received by the West Midlands. The recent indefinite pausing of the Midland Main Line electrification threatens to deepen this imbalance. As you know, this is something that the East Midlands All-Party Parliamentary Group campaigned for vociferously given the proposed Midlands Rail Hub project won't realistically stretch to the East Midlands during this parliament.

Office of James Naish MP

House of Commons, London SW1A 0AA
james.naish.mp@parliament.uk



James Naish MP

Member of Parliament for Rushcliffe
House of Commons, London SW1A 0AA

We are extremely mindful, given large amounts being spent elsewhere (for example, on HS2, the TransPennine Upgrade, East-West Rail and large road projects like the Lower-Thames Crossing), the comparative position for the East Midlands is likely to worsen over the course of this parliament without purposeful intervention.

It should be noted that this chronic underinvestment has significant implications for productivity, which in the East Midlands stood at just 84.8% of the UK average in 2023, and for regional growth. While population growth in the region has been strong – on par with London – the local economy has grown primarily through demographic expansion rather than increased productivity. This has to change.

We know you are both working very hard to reorientate our economy after years of poor performance and we wholeheartedly welcome many of the steps you're taking. However, we must urge the Treasury to take purposeful steps to address the persistent funding disparities impacting our region. The case for rebalancing investment into the East Midlands is not just about fairness – it is also about unlocking the region's economic potential and improving national productivity, for the benefit of the country as a whole.

We would welcome a meeting to discuss how the Treasury can support a more equitable distribution of future public investment.

Kind regards,

James Naish MP

MP for Rushcliffe and Chair of the East Midlands All-Party Parliamentary Group

Dr Adam Thompson MP

MP for Erewash and Chair of the East Midlands Parliamentary Labour Party

Catherine Atkinson MP

MP for Derby North and Regional Mission Champion

Dr Jeevun Sandher MP

MP for Loughborough and Regional Mission Champion

Attached: *Growth-Productivity-Investment-in-the-East-Midlands-2*

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House of Commons, London SW1A 0AA

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Executive Board

24th September 2025

Cllr Louise Gittens

Chair of the Local Government Association

Cllr Louise Gittens (Labour), Chair of the Local Government Association is attending the Executive Board meeting.

It provides a helpful opportunity for senior Member engagement between EMC Leaders and the Chair of the LGA, and in part, to support discussion to inform the priorities of the LGA from an East Midlands perspective.

EMC Officers have shared specific regional priorities and challenges with LGA colleagues.



Executive Board

24th September 2025

Strategic Regional Energy Planning: Presentation by the National Energy Systems Operator (NESO)

Summary

The Government has established the National Energy Systems Operator (NESO) to ensure the nation has access to 'reliable, clean and affordable energy'. NESO is also charged with developing Regional Energy Strategic Plans (RESPs).

NESO is keen to engage with local authority leaders regarding its plans to develop the East Midlands RESP which will cover the whole of the EMC geography except for Northamptonshire which forms part of a 'Central England' RESP. However, many of the issues discussed will be similarly relevant to North and West Northamptonshire Councils.

The presentation will be led by Jack Brereton, NESO Head of Corporate Affairs for Nations and Regions and Melanie Taylor, Head of RESP Regions (North).

Recommendations

Members of the Executive Board are invited to:

- Consider this report and to receive a presentation from the National Energy Systems Operator.
- Consider and agree specific issues at both the local and regional level, as the basis for on-going engagement with NESO, and to inform the development of an appropriately focused Regional Energy Strategic Plan.

1. Introduction

- 1.1 The Government has established a new independent public corporation the National Energy Systems Operator (NESO) to ensure the nation has access to ‘reliable, clean and affordable energy’. NESO is also charged with developing Regional Energy Strategic Plans (RESPs).
- 1.2 NESO is keen to engage with local authority leaders regarding its plans to develop the East Midlands RESP, which will cover the whole of the EMC geography except for Northamptonshire, which is part of a ‘Central England’ RESP region. However, many of the issues discussed will be similarly relevant to North and West Northamptonshire Councils.

2. National Context

- 2.1 NESO is responsible for strategic planning of Great Britain’s electricity and gas networks, operating the electricity transmission system and informing and recommending the approach for future whole energy system. Great British Energy was established in May 2025 to invest in clean, home-grown energy.
- 2.2 The NIC’s second National Infrastructure Assessment found that electricity demand in Great Britain will increase by around 50% by 2035. A 35% annual rise in heat pump installations is needed to decarbonise 7 million buildings and a 30% annual growth in deployment is needed to deliver 300,000 public EV charging points.¹
- 2.3 In 2020, data centres in the UK consumed up to 35 TWh of electricity. The Government’s new AI Opportunities Action Plan places further demand on supply. NESO estimates that high levels of development in AI and off-site computation are expected to increase data centre electricity demand by fourfold from today to 2030.
- 2.4 The first major ask of NESO has been in advising Government on how to achieve Clean Power by 2030, advice which the Government has used to develop its [Clean Power Action Plan](#)². NESO highlighted two pathways to achieve clean power by 2030. The first relies heavily on a surge of new renewable energy projects, including plans to more than triple the UK’s offshore wind capacity to 50 gigawatts in the next six years. The second path depends on extending the life

¹ [Second National Infrastructure Assessment - NIC](#)

² <https://www.gov.uk/government/publications/clean-power-2030-action-plan>

of existing nuclear reactors and building new ones, alongside developing first-of-a-kind technology such as gas plants fitted with carbon capture technology or hydrogen power.

3. East Midlands Regional Energy Strategic Plan

- 3.1 NESO will lead the development of Regional Energy Strategic Plan (RESP) for the East Midlands that is intended to enable the coordinated development of the energy system across multiple sources, provide confidence in system requirements and enable network infrastructure investment ahead of need. Ultimately, the RESP is designed to support the energy system's transition to net zero in a cost-effective manner. RESPs are intended to provide a more bottom-up approach to help inform GB wide strategic energy planning and ensure future energy infrastructure is better aligned to local growth and net zero ambitions.
- 3.2 The regulator Ofgem has decided to base its RESP geography around the boundaries of Sub-National Transport Bodies (STBs). As a result, whilst there will be an East Midlands RESP it will not cover Northamptonshire – which is part of the 'England's Economic Heartland' SNTB. It is worth considering whether using SNTB areas the basis for RESP geography is the most appropriate approach and whether it will endure over time.
- 3.3 NESO is keen to engage with local authority leaders on the development of the East Midlands RESP. NESO has established an on-line Regional Energy Strategic Planning Forum, intended to help organisations, businesses, and individuals stay informed. Details of how to sign up for the East Midlands RESP Forum are available at [East Midlands RESP Forum](#). An East Midlands RESP Strategic Board will also be created to oversee the process, which it is understood will include local authority representation.
- 3.4 Some aspects of the RESP are likely to be locally controversial because of the visual and environmental impacts of major new infrastructure in predominately rural areas. Local government has been particularly concerned about the impact of proposed new overhead lines on the visitor economy and the local environment, and about the loss of farmland from new solar energy and battery storage developments.
- 3.5 Much of this infrastructure is determined by Ministers through the Nationally Significant Infrastructure Planning (NSIP) process, although the number and scale of applications can have significant resource implications for some local authorities.

- 3.6 More generally there has been concern about the extent to which an over reliance on intermittent forms of renewable energy could undermine energy security and increase costs. Finally, the East Midlands APPG has previously highlighted the challenges of securing grid connectivity for new housing and employment developments across the region³.

4. Recommendations

Members of the Executive Board are invited to:

- 4.1 Consider this report and to receive a presentation from the National Energy Systems Operator.
- 4.2 Consider and agree specific issues at both the local and regional level, as the basis for on-going engagement with NESO, and to inform the development of an appropriately focused Regional Energy Strategic Plan.

Key Contact: Andrew Pritchard
Andrew.pritchard@emcouncils.gov.uk

³ [EM APPG REPORT 2023](#)



Executive Board

24th September 2025

Infrastructure & Growth

Summary

This report provides a summary analysis on the mismatch between levels of growth and levels of public investment in the East Midlands, as confirmed by the recent HM Treasury PESA publication (July 2025).

It also provides an update on the work of Midlands Connect and the Government's decision to cease funding Sub-National Transport Boards, and seeks endorsement for the work of the TfEM Board.

Recommendations

Members of the Executive Board are invited to:

- Endorse the work of the TfEM Board.
- Consider the rest of this report.
- Direct officers accordingly.

1. Growth, Productivity & Investment in the East Midlands

- 1.1 HM Treasury publishes an annual Public Expenditure Statistical Analysis (PESA) every July on where public money (capital and revenue) is spent and on what, in the previous financial year. The data has the status of 'National Statistics' as defined by ONS and has been published on a broadly consistent basis over several years.
- 1.2 The latest publication in July 2025 covers the period 2019-20 to 2023-24. EMC undertakes a summary analysis, attached as Appendix 8(a). The figures demonstrate a persistent and widening gap between levels of growth and levels of public investment in the East Midlands compared to other regions.
- 1.3 A media release including a quote from the Chair of EMC Cllr Sean Matthews was also published on the 29th July 2025, available at: [Official Statistics Show £10.8 Billion Funding Deficit in East Midlands](#).
- 1.4 In summary:
 - Funding per head in the East Midlands has been significantly below the UK average across all functions over the last 5 years
 - Funding per head in the East Midlands on economic affairs now 66% of the UK average (compared to 94% for the West Midlands)
 - Funding per head in the East Midlands on transport now 54% of the UK average (compared to 103% for the West Midlands)
 - Funding per head in the East Midlands on rail is now just over 40% of the UK average and only a third of the that in the West Midlands.
- 1.5 By way of comparison, over the last 20 years, the East Midlands has delivered 7% more housing than the West Midlands, despite being around 20% smaller in population terms.
- 1.6 The cash impact of the PESA data can be estimated by multiplying the per capita funding gap by the East Midlands population of 5 million. In broad terms:
 - The East Midlands lost out by around £2.3bn on economic affairs last year and by around £10.1bn over that last 5 years (compared to the UK average)
 - The East Midlands lost out by around £1.6bn on transport last year and around £7bn over the last 5 years (compared to the UK average)
 - The East Midlands lost out by around £1.3bn on rail last year compared to the UK average, and around £5.2bn over the last 5 years (compared to the UK average).

- 1.7 The location of major transport infrastructure priorities can have a major impact on the relative funding position of the East Midlands. On rail, Government has made a strategic choice to prioritise capital spend delivering HS2 to Birmingham, the TransPennine Upgrade and East-West Rail (Oxford-Cambridge). On roads, the top priority is the Lower-Thames Crossing. The size of these schemes will inevitably crowd-out other priorities and distort the regional spending figures for some years.
- 1.8 EMC has been working with local MPs to try and convince Government there is a problem with how Westminster and Whitehall allocate public investment to the regions, and that fundamental change is required.
- 1.9 Catherine Atkinson MP (Derby North) secured a backbench debate on Regional Transport Inequalities, which eventually took place on 11th September 2025. EMC circulated a comprehensive briefing note for all East Midlands MPs ahead of the planned debate, which is set out in Appendix 8(b). A transcript of the debate, in which several East Midlands MPs spoke, is available at: [Regional Transport Inequality - Hansard - UK Parliament](#)

2. Transport for the East Midlands (TfEM)

- 2.1 Transport for the East Midlands brings together the Region's Local Transport Authorities under the auspices of East Midlands Councils to provide collective leadership on strategic transport issues and meets on a quarterly basis. TfEM is chaired by Sir Peter Soulsby the City Mayor of Leicester.

Transport Infrastructure Priorities

- 2.2 Since 2017 TfEM and Midlands Connect have identified, developed and promoted a programme of shared strategic transport infrastructure priorities to support growth and productivity and help to address the historic underfunding of the East Midlands - which has endured under all Governments for the last 25 years.
- 2.3 These priorities have flexed from time to time to reflect changing circumstances and Government policy. The current version was published in March 2024 and includes the following:
- Midland Main Line Electrification
 - Nottingham-Leicester-Coventry Rail Connectivity
 - Midlands-Leeds & North East Rail Connectivity
 - A46 Growth Corridor & Newark
 - A50/A500 Growth Corridor

- A5 Growth Corridor
 - Improving Safety Reliability on the A1
 - M1 Junction 24 & Surrounding Area
- 2.4 The Spending Review confirmed funding for the delivery of the A46 Newark Bypass, subject to confirmation of the Development Consent Order (Decision due 1st October 2025) and value for money assessments. Funding was also confirmed for the A38 Derby Junctions, subject to value for money assessments. Whilst locally controversial, this scheme is essential to the delivery of local plan housing allocations across the Derby Housing Market Area.
- 2.5 In addition, funding was confirmed for the A511 Growth Corridor (Leicestershire and the North Hykeham Relief Road (Lincolnshire), and for the West and Central elements of the Midlands Rail Hub for delivery in the mid-2030s (subject to planning consents and value for money assessments). The additional enhancements required to deliver MRH East (serving Derby, Leicester and Nottingham) will be subject to a further business case and funding decision at a future date to be determined.
- 2.6 Ministers have indefinitely paused the electrification of the Midland Main Line at South Wigston just short of Leicester. As a result, the Chair and Vice Chairs of EMC along with the Chair of TfEM wrote to the Transport Secretary, closely aligned with a joint letter from the Rail Forum and Rail Industry Association.
- 2.7 A copy of the Joint EMC/TfEM letter and the subsequent reply from the Rail Minister are set out in the Appendix 8(c) and Appendix 8(d) of this report. The Government had decided to prioritise investment over the spending review period in HS2 to Birmingham, the Trans-Pennine Upgrade and East West Rail (Oxford to Cambridge) in preference to the Midland Main Line.

Rail Service Enhancements.

- 2.8 In 2020 TfEM signed a Collaboration Agreement with the Department for Transport to provide local input into the management of rail services provided by East Midlands Railway (EMR). The Agreement is joint funded and has enabled the recruitment of a TfEM Head of Rail Improvement who is accountable to the TfEM Board but sits at the interface with the DfT Rail Markets Team managing EMR's contract. In recent years the influence of this role has been extended to include services in the East Midlands run by CrossCountry and Northern.
- 2.9 The impact of the Covid pandemic precipitated the collapse of the rail franchising system in 2021 and resulted in DfT assuming all passenger revenue risk and

directly specifying rail services to train operating companies through new contracts linked to an annual business planning regime. As a result, the focus of the RCA changed substantially towards working closely with DfT to secure as much of the original EMR franchise agreement as possible in the new financial climate. Over time, this has resulted in some positive outcomes:

- The procurement of brand new Auroa 810 Inter-city rolling stock has continued – albeit deployment has been delayed and is now due to commence in December 2025.
- Refurbishment of regional (C170 & C158) and commuter (C360) rolling stock has now commenced.
- A programme of service enhancements above the 2019 baseline has been progressively rolled out, including the ‘Project Abraham’ improvements which will result in the doubling of the train service between Lincoln, Newark and Nottingham from December 2025 and a range of other local service enhancements. Together these changes will generate additional net revenue of about £1m pa (reducing taxpayer subsidy), and wider economic benefits of £2.4m pa.

- 2.10 The RCA has also enabled TfEM to develop independent regional evidence to support the case for DfT investment in strategic enhancements, including Midland Main Line Electrification¹; and improved regional rail services².
- 2.11 The RCA is currently funding a comprehensive refresh of regional transport and economic evidence to inform a revised ‘Rail Strategic Statement’ and a suite of supporting documents to inform the emerging Great British Railways (GBR).
- 2.12 The first product will focus on the case for sustaining and improving rail connectivity to Lincoln and is expected to be completed shortly. TfEM is liaising with the Greater Lincolnshire Combined County Authority on arrangements for publication.
- 2.13 The TfEM Board will next meet on the 29th September 2025 to discuss the following agenda items.
- Confirmation of Chair and Vice Chair arrangements for TfEM.
 - A presentation by National Highways on road investment in the East Midlands.
 - Further Implications of the 2025 Spending Review.

¹ [TheFuturesElectric.pdf](#)

² [A-Platform-for-Growth.pdf](#)

- A progress update on delivery of new and refurbished rolling stock and service enhancements by the MD of East Midlands Railway.

3 Midlands Connect

- 3.1 The Midlands Connect Strategic Board last met on the 14th November 2024 with Sir Peter Soulsby, Cllr Richard Davies and Mayor Claire Ward in attendance representing the East Midlands. The next meeting is scheduled for the 25th November 2025.
- 3.2 Following the recent Spending Review, DfT have decided to cease funding sub-national transport bodies from the end of 2026/7. Whilst the Midlands Connect budget for 2025/26 remains untouched, DfT has told all STBs to expect transitional funding only for 2026/27, and at a substantially lower level.
- 3.3 It is understood that DfT has made this decision in the context of both the changing devolution landscape and the level of funding provided directly to local areas focusing on making sure locally elected leaders are empowered to lead on regional collaboration. The spending review also confirmed a 5% cut in resource (RDEL) funding for DfT.
- 3.4 DfT have tasked Midlands Connect with engaging with its Strategic Board and the wider Midlands Connect partnership to consider the future model of collaboration, and then to present any proposals to the DfT by the end of 2025. These proposals will inform discussions about the level of transitional funding Midlands Connect will receive for 2026/7.
- 3.5 As a result, the Midlands Connect CEO will be reaching out to mayors and council leaders over the coming weeks to seek views prior to resolving a collective position at the November meeting of the Midlands Connect Strategic Board. There will also be engagement with officers through MCs Transport Advisory Group and Steering Group.

4 Recommendations

Members of the Executive Board are invited to:

- 4.1 Endorse the work of the TfEM Board.
- 4.2 Consider the rest of this report

4.3 Direct officers accordingly.

Key Contact: Andrew Pritchard
Andrew.pritchard@emcouncils.gov.uk

GROWTH, PRODUCTIVITY & INVESTMENT IN THE EAST MIDLANDS

Headline Regional Overview

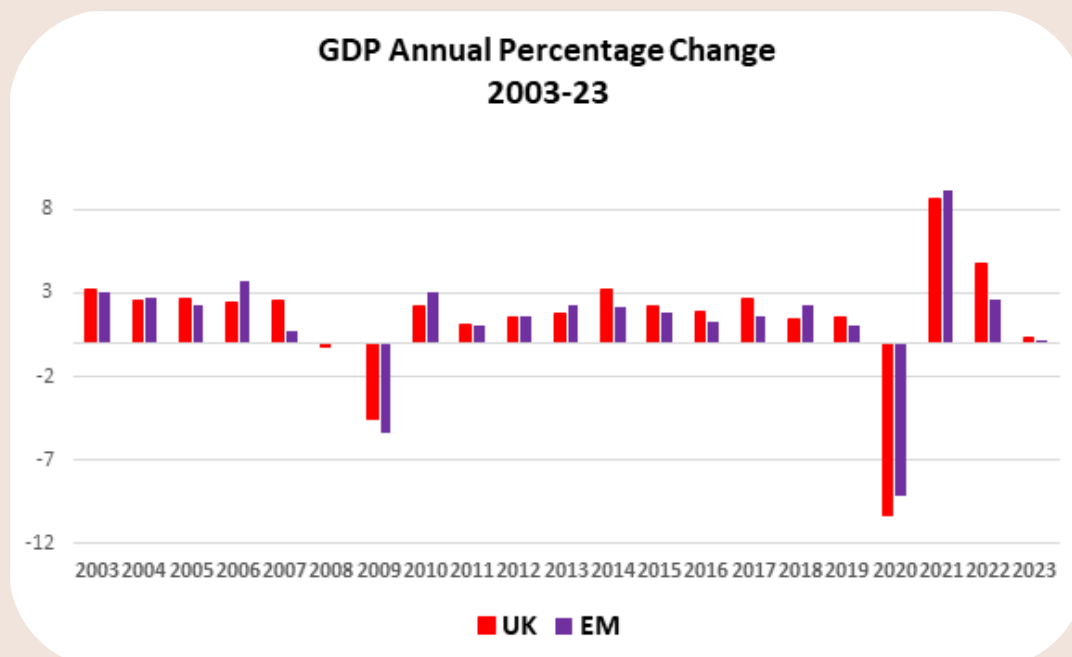
Population:	➤	5 million	➤	Bigger than Wales + NI
Businesses:	➤	368,000	➤	6.5% of the UK total
GDP (2022):	➤	£157bn	➤	5.8% of the UK total
Employment Rate:	➤	74.3%	➤	UK = 75.2%
Median weekly earnings:	➤	£684	➤	UK = £728
Manufacturing jobs:	➤	10.6%	➤	UK = 7.0%
Unemployment:	➤	5%	➤	UK = 4.7%

- The East Midlands is now a region of 5.0 million people (bigger than Wales & Northern Ireland combined) and 368,000 businesses^[1].
- Total regional output in 2022 (as measured by GDP) was £157bn, equivalent to 5.8% of the UK economy.
- The East Midlands employment rate has recently (May 2025) slipped just below the UK average at 74.3% (UK=75.2%).
- Median weekly earnings are below the UK average: £684 pw compared to £728pw 2024).
- 10.6% of the workforce work in manufacturing, compared with 7.0% for the UK – although this percentage has declined significantly over the last 20 years.
- The region's unemployment rate has risen recently to just above the UK average: currently at 5% compared to 4.7%. (May 2025).

[1] Regional and National Economic Indicators – House of Commons Library.
(parliament.uk).

Growth

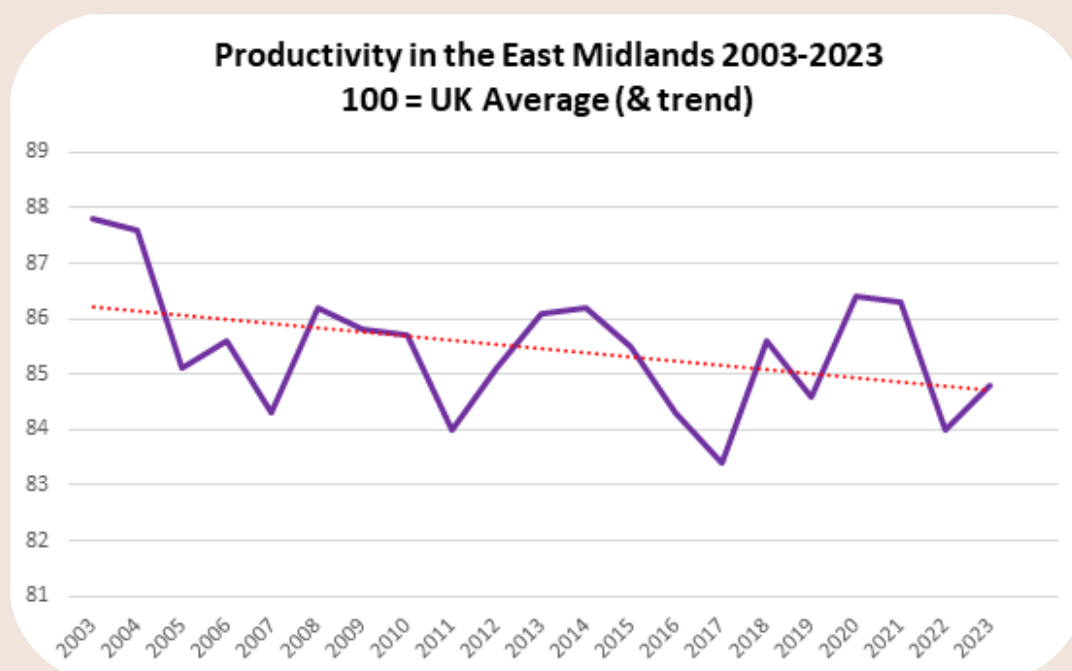
GDP growth in the East Midlands over the last 20 years has been better than most other regions/ nations and generally close to the UK average.



Source: [Regional gross domestic product: all ITL regions](#) - Office for National Statistics

Productivity

Productivity has remained below the UK average over the last 20 years and has been on a declining trajectory relative to the UK - currently to 84.8% in 2023[2].



Source: [Annual regional labour productivity](#) - Office for National Statistics (ons.gov.uk).

Growth

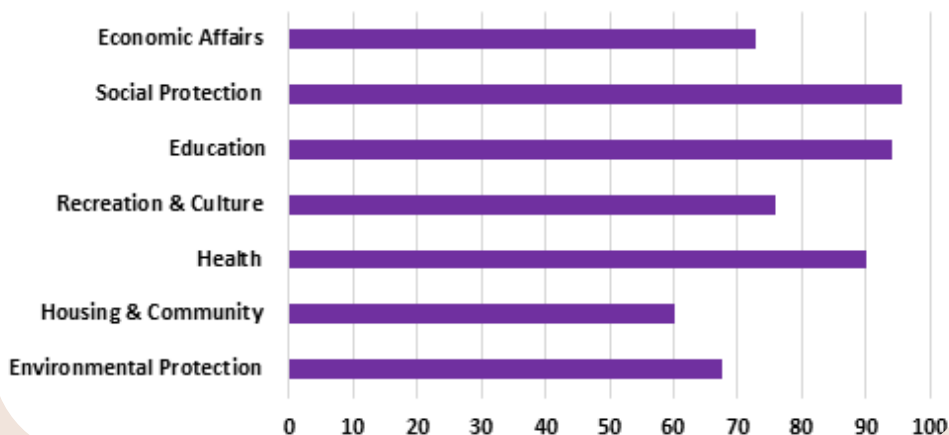
The population of the East Midlands grew by 7.7% in the period 2011-21: at the same rate as London and faster than the South East and the West Midlands. The latest sub-national population projections suggest that above English average growth is set to continue, with the East Midlands population expected to rise by 6.75% between 2022 and 2023[3].

The region has therefore been growing its economy by growing its population – not by becoming more productive.

Public Investment

The Treasury publishes an annual Public Expenditure Statistical Analysis (PESA) every July on where public money (capital and revenue) is spent and on what, in the previous financial year[4]. The data has the status of 'National Statistics' as defined by ONS and has been published on a broadly consistent basis over several decades. Over period 2019-24 total spend per head in the East Midlands on the functions listed below were all below the UK average.

Spend per capita in the East Midlands 2019-24
100 = UK average



Source: CP 1363 – Public Expenditure Statistical Analyses 2025

Table 1 shows the total identifiable expenditure on services per head in real terms, 2019-20 to 2023-24; examples include spending on health, transport, economic affairs, education, and social protection.

Between 2019-20 to 2023-24, total expenditure on services has remained consistently below the UK and England averages.

If the Northern Powerhouse is seen as a primary competitor, then it's certainly out in front (£1,422 per head better funded than the East Midlands).

And there's an imbalance within the pan-Midlands partnership with the West Midlands, at a £924 per head better off, faring comparatively better.

[3] Subnational population projections for England – Office for National Statistics

[4] CP 1363 – Public Expenditure Statistical Analyses 2025

Table 1: Total Expenditure on Services (Real Terms, £ per head)

	2019-20	2020-21	2021-22	2022-23	2023-24
London	11,059	15,583	13,711	14,425	14,842
North East	10,470	13,518	12,121	13,035	13,593
North West	10,100	13,469	12,126	12,919	13,297
UK	9,947	13,370	11,852	12,572	12,958
England	9,650	13,095	11,491	12,243	12,625
West Midlands	9,582	12,765	11,369	12,158	12,527
Yorks & Humber	9,363	12,504	11,001	11,847	12,185
South West	9,190	12,541	10,799	11,480	11,936
East	9,042	12,395	10,645	11,378	11,730
South East	8,934	12,278	10,608	11,285	11,613
East Midlands	8,884	12,037	10,470	11,245	11,603

Table 2 show the level of expenditure on economic affairs, per head for 2019-20 to 2023-24. This area of expenditure includes enterprise and economic development, science and technology, employment policies, agriculture, fisheries and forestry, and transport. For this important element of public investment, it is not solely that the East Midlands is the lowest funded region per head of the population, it is the consistently wide gap between East Midlands' levels and the national average (£451 less per head at 2023-24 prices), and 30% less than the West Midlands.

Leaving aside 2021-22 data that is inflated for all regions as a result of Covid support programmes and funding, the overall trend remains a concern with the significant gap between the East Midlands and England as a whole now evidently 'baked in'.

Table 2: Expenditure on Economic Affairs (£ per head)						Per Head (indexed)
	2019-20	2020-21	2021-22	2022-23	2023-24	
London	1,412	4,334	2,367	2,687	2,139	161
UK	959	3,051	1,472	1,827	1,332	100
England	928	3,054	1,440	1,796	1,311	98
West Midlands	843	2,708	1,325	1,702	1,249	94
South East	1,025	3,087	1,441	1,779	1,300	98
North West	784	2,747	1,334	1,726	1,261	95
East	965	3,090	1,392	1,723	1,252	94
North East	742	2,538	1,138	1,624	1,118	84
Yorks & Humber	710	2,625	1,114	1,488	1,025	77
South West	771	2,808	1,138	1,454	991	74
East Midlands	659	2,543	1,011	1,385	881	66

In monetary terms, over the 5 year time frame covered by the PESA 2025 publication, the difference between East Midlands levels of funding against the UK average equates to be approximately **£10.8bn in loss of funding**, and £6.7bn less than the level received by the West Midlands region.

Table 3 shows levels of transport investment. There are a number of evident trends:

1. Transport spend per head has been very significantly below the UK average level for all of the last 5 years, and previous PESA publications show this to be trend for 10+ years.

2. Transport spending in the East Midlands has now declined to just 54% of the UK average for 2023/24, the lowest level of any UK region or nation.

3. The disparity in levels of investment spend per head between the East Midlands (£368) and the West Midlands (£687) continues to widen. This is likely due to large-scale infrastructure programmes including HS2, several new local rail stations and related highways investment.

4. If the region was funded at a level equivalent to the England average over the 5 years (2019-20/2023-24), a not unrealistic target, the East Midlands would have received an extra £7bn to spend on transport investment and services.

Table 3: Expenditure on Transport (£ per head)						Per head (indexed)
	2019-20	2020-21	2021-22	2022-23	2023-24	
London	827	1,410	1,244	1,279	1,313	191
West Midlands	466	592	626	468	706	103
UK	496	729	656	655	687	100
England	487	736	652	651	693	101
North West	361	595	629	676	729	106
South East	529	479	646	584	628	91
East	468	692	609	556	599	87
North East	361	568	469	541	541	79
Yorks & Humber	331	525	419	432	495	72
South West	338	479	405	387	429	62
East Midlands	299	459	369	349	368	54

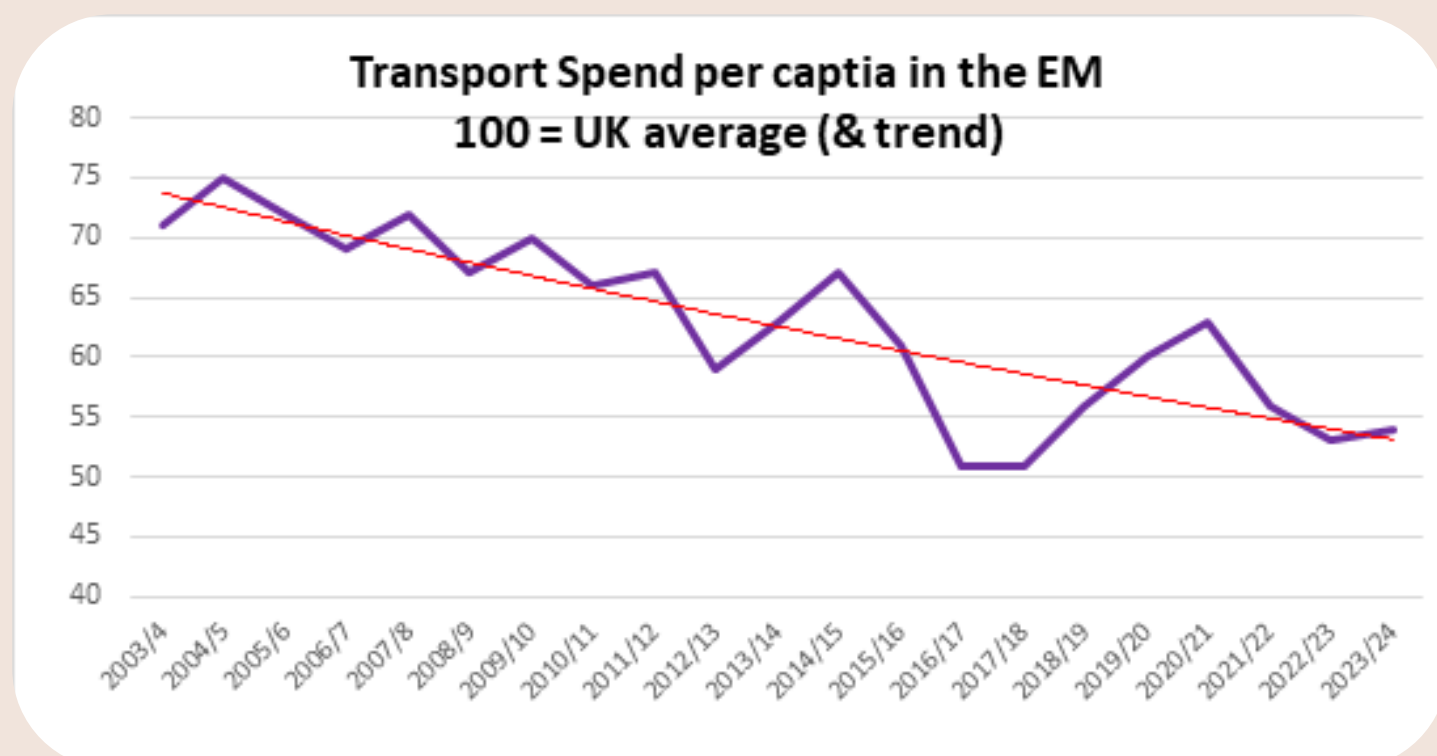


Table 4 shows levels of rail investment over the period 2019-20 to 2023-24. The disparities here are even greater. In 2023-24 the East Midlands spending on rail was only just over 40% of the English average and barely a third of that in the West Midlands. In cash terms compared to the English average, the East Midlands lost out by a little under £1.3b last year and by about £5.2b over the last 5 years.

The recent indefinite 'pausing' of Midland Main Line electrification is likely to reinforce these disparities.

Table 4: Expenditure on Railways (£ per head)

	2019-20	2020-21	2021-22	2022-23	2023-24
London	653	925	842	952	1,047
West Midlands	288	388	473	510	477
England	275	427	388	403	432
North West	243	338	352	384	440
South East	249	446	328	321	327
East	233	433	363	320	359
North East	111	201	183	213	264
Yorks & Humber	130	240	228	206	223
South West	148	230	195	163	178
East Midlands	119	213	190	185	175

The figures and analysis set out in this note present a challenge to the Government, new and emerging combined authorities and Government funded transport bodies to demonstrate the impact of a collective approach.

Briefing Note: Regional Transport Inequalities

1. Introduction

- 1.1 This note sets out some background information on growth, productivity & investment in the East Midlands through a transport lens.

2. Context

- 2.1 The East Midlands is now a region of 5.0 million people (bigger than Wales & Northern Ireland combined) and 358,000 businesses¹. Total regional output in 2023 (as measured by GDP) was £157bn, equivalent to 5.8% of the UK economy.
- 2.2 The East Midlands employment rate has recently (May 2025) slipped just below the UK average at 74.3% (UK=75.2%). Median weekly earnings are below the UK average: £684 pw compared to £728pw 2024).
- 2.3 10.6% of the workforce work in manufacturing, compared with 7.0% for the UK – although this percentage has declined significantly over the last 20 years
- 2.4 The region's unemployment rate has risen recently to just above the UK average: currently at 5% compared to 4.7%. (May 2025)².

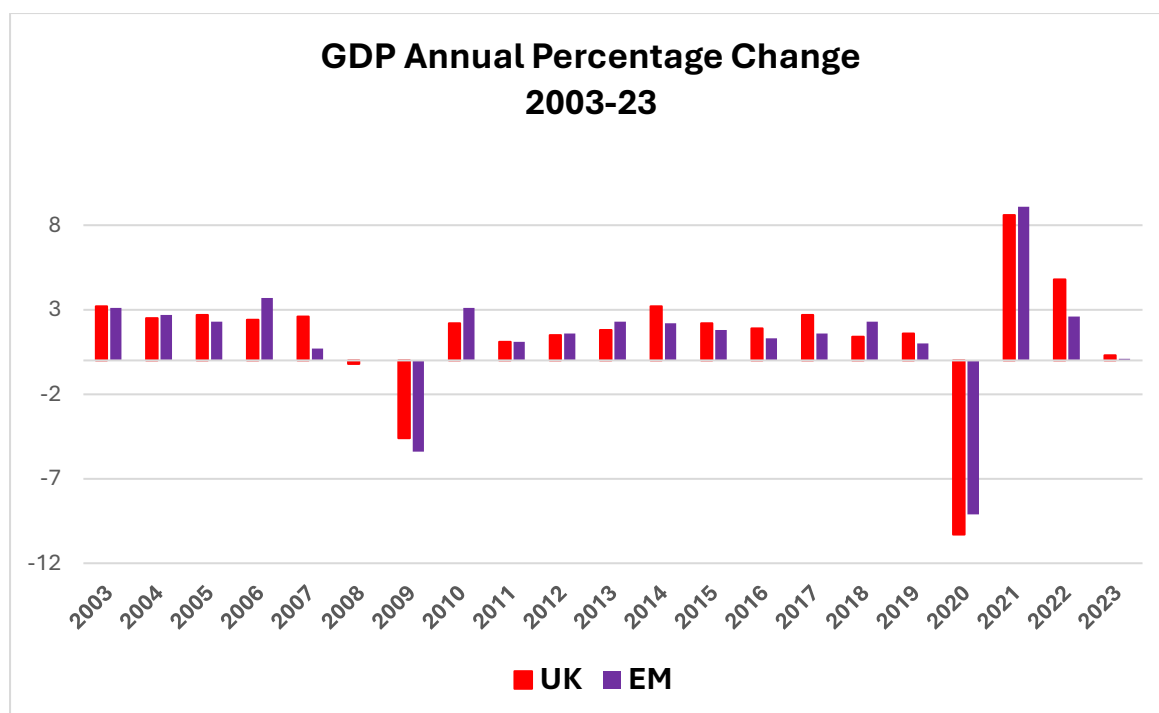
3. Growth & Productivity

- 3.1 GDP growth in the East Midlands over the last 20 years has been better than most other regions/nations and generally close to the UK average. Productivity has remained below the UK average over the last 20 years and has been on a declining trajectory relative to the UK - currently to 84.8% in 2023³.

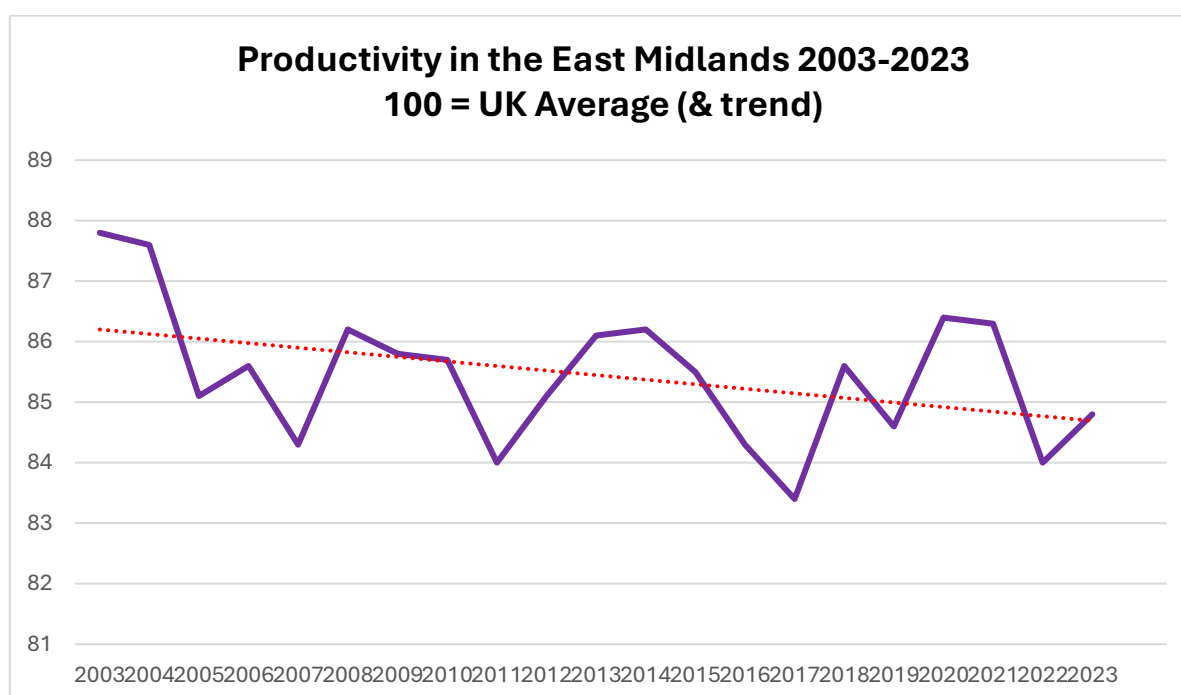
¹ [Regional and National Economic Indicators - House of Commons Library \(parliament.uk\)](https://www.parliament.uk/research-summaries/2023/04/regional-and-national-economic-indicators/)

² Some of these figures may have been updated by the time the debate takes place in September.

³ [Annual regional labour productivity - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/economy/productivity/labourproductivity/articles/annual-regional-labour-productivity)

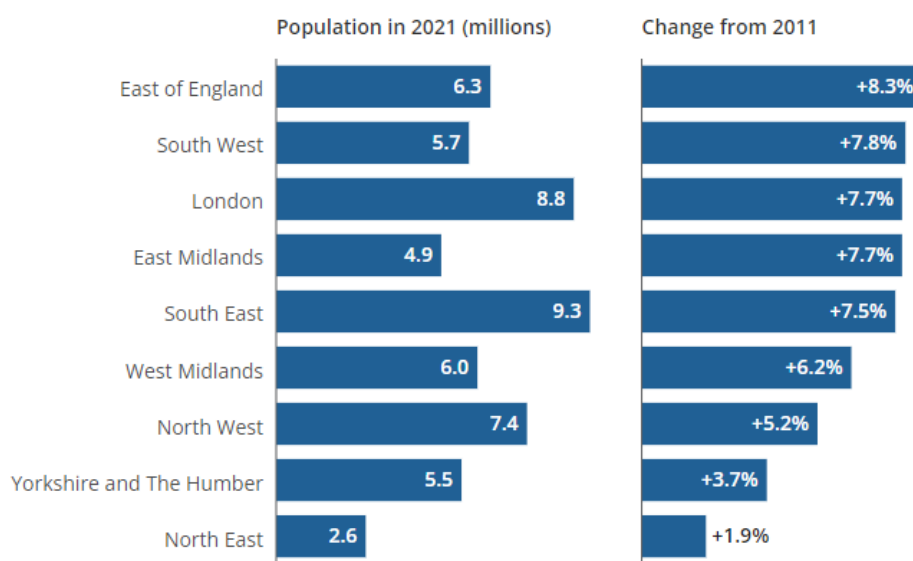


Source: [Regional gross domestic product: all ITL regions - Office for National Statistics](#)



Source: [Annual regional labour productivity - Office for National Statistics \(ons.gov.uk\)](#)

- 3.2 The population of the East Midlands grew by 7.7% in the period 2011-21: at the same rate as London and faster than the South East and the West Midlands.



Source: [Population and household estimates, England and Wales - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/populationandhousehold/population/populationinenglandandwales/bulletins/populationandhouseholdestimatesforenglandandwales/2021)

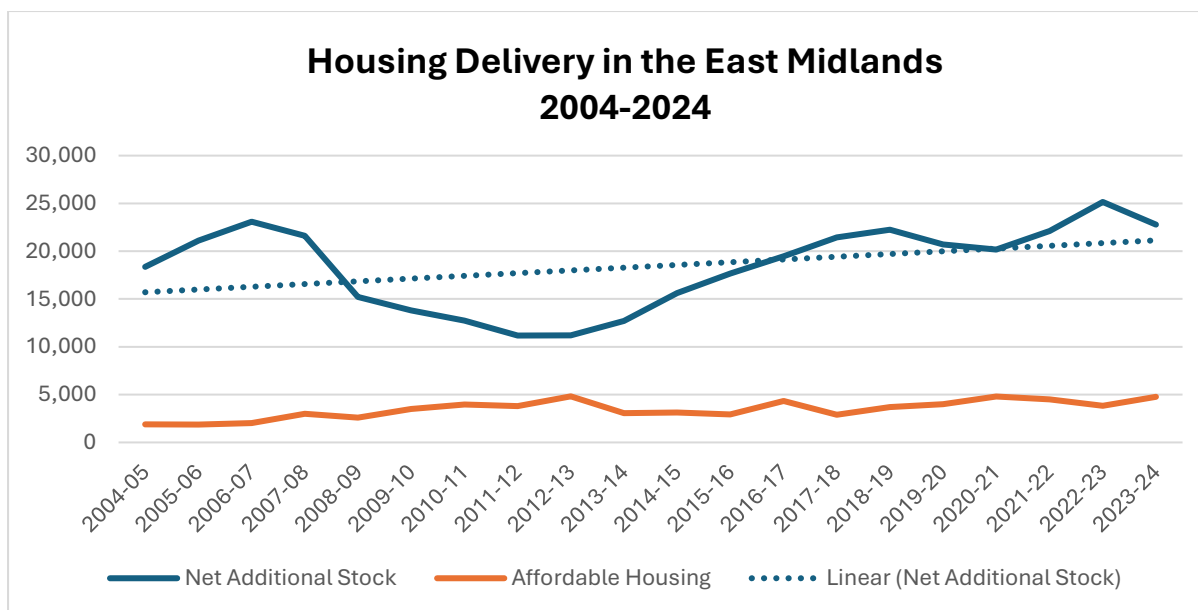
- 3.3 The region has therefore been growing its economy by growing its population - not by becoming more productive. The latest sub-national population projections suggest that above English average growth is set to continue, with the East Midlands population expected to rise by 6.75% between 2022 and 2032⁴

4. Housing

- 4.1 Housing delivery in the East Midlands over the last 20 years is set out below. As elsewhere, the scale of delivery has been largely determined by macro-economic conditions (such as the banking crisis and covid) rather than local policies. However, delivery has been robust relative to other regions. For instance, the East Midlands has delivered 7% more homes than the West Midlands over the period - even though the West Midlands has a substantially higher population⁵.
- 4.2 Levels of affordable housing have been more consistent, although the definition of what constitutes 'affordable' has changed radically over this time.

⁴ [Subnational population projections for England - Office for National Statistics](https://www.ons.gov.uk/populationandhousehold/population/populationinenglandandwales/bulletins/populationandhouseholdestimatesforenglandandwales/2021)

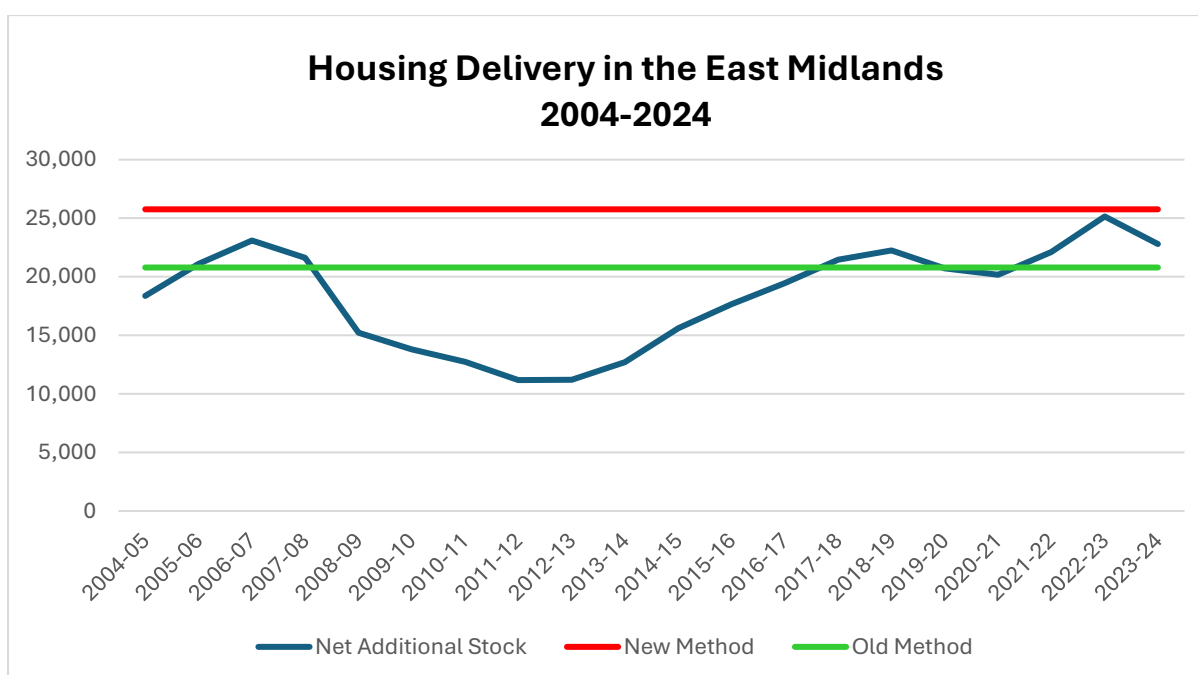
⁵ [Live Table 118.ods](#)



Net Stock Source: [Live tables on dwelling stock \(including vacants\) - GOV.UK](#)

Affordable Housing Source: [Live tables on affordable housing supply - GOV.UK](#)

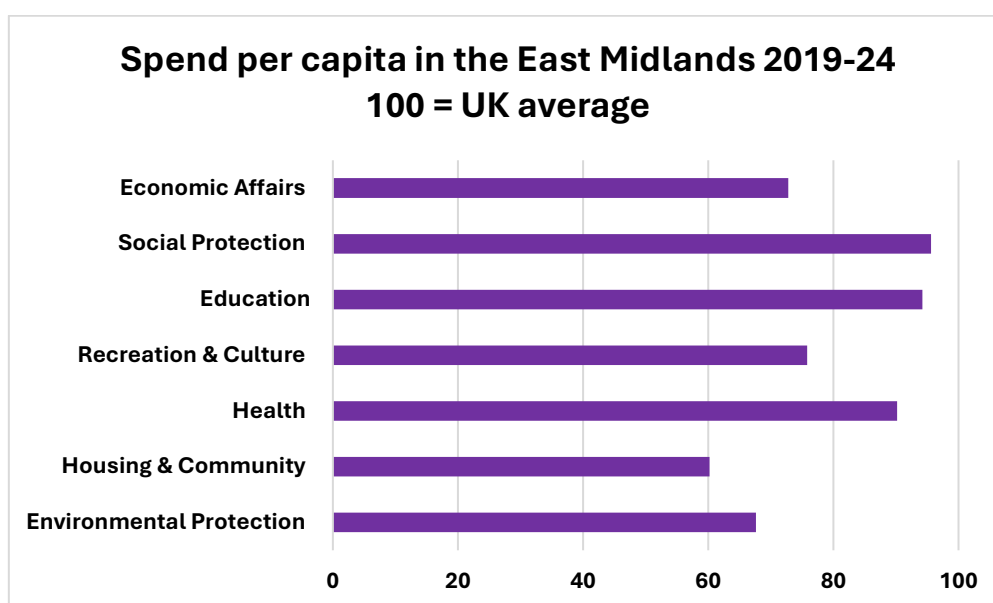
- 4.3 In December 2024 the Government confirmed its New Standard Method to determine the number of houses that Local Planning Authorities should plan for. This implies regional delivery of just over 25,760 new homes a year, significantly above both the old Standard Method and levels of delivery for most of the last 20 years – although slightly less than that implied by earlier Proposed Method (27,383).



- 4.4 The new Standard Method does not rely on demographic data or household projections. Instead, it comprises an annual 0.8% growth rate based on existing housing stock and an uplift adjustment to address affordability. As well as raising numbers overall, the net affect has been to direct more development to sub-urban and rural areas where transport connectivity is less developed, particularly public transport - which could lead to more car dependent development.

5. Public Investment

- 5.1 The Treasury publishes an annual Public Expenditure Statistical Analysis (PESA) every July on where public money (capital and revenue) is spent and on what, in the previous financial year.⁶ The data has the status of 'National Statistics' as defined by ONS and has been published on a broadly consistent basis over several decades. Over period 2019-24 total spend per head in the East Midlands on the functions listed below were all below the UK average.



Source: [CP 1363 – Public Expenditure Statistical Analyses 2025](#)

- 5.2 Table 1 show the level of expenditure on economic affairs, per head for 2019-20 to 2023-24. This area of expenditure includes enterprise and economic development, science and technology, employment policies, agriculture, fisheries and forestry, and transport.

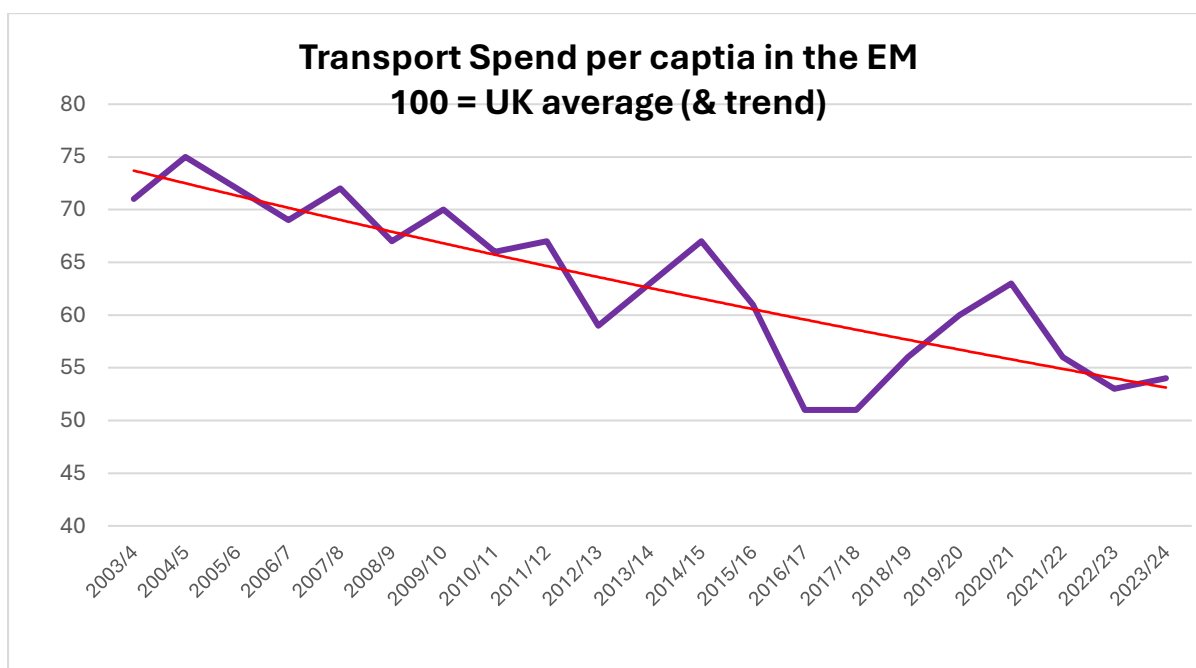
⁶ [CP 1363 – Public Expenditure Statistical Analyses 2025](#)

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- 5.1 For this important element of public investment, it is not solely that the East Midlands is the lowest funded region per head of the population, it is the consistently wide gap between East Midlands' levels and the UK average (£451 less per head at 2023-24 prices), and 30% less than the West Midlands. Leaving aside 2021-22 data that is inflated for all regions as a result of Covid support programmes, the overall trend remains a concern with the significant gap between the East Midlands and England as a whole now evidently 'baked in'.
- 5.2 In monetary terms, over the 5 year time frame covered by the PESA 2025 publication, the difference between East Midlands levels of funding against the UK average equates to be approximately **£10.8bn in loss of funding**.
- 5.3 Table 2 shows levels of transport investment. There are a number of evident trends:
- Transport spend per head has been very significantly below the UK average level for all of the last 5 years, and previous PESA publications show this to be trend for 10+ years.
 - Transport spending in the East Midlands has now declined to just 54% of the UK average for 2023/24, the lowest level of any UK region or nation.
 - The disparity in levels of investment spend per head between the East Midlands (£368) and the West Midlands (£687) continues to widen. This is likely due to large-scale infrastructure programmes including HS2, several new local rail stations and related highways investment.
 - If the region was funded at a level equivalent to the England average over the 5 years (2019-20/2023-24), a not unrealistic target, the East Midlands would have received an **extra £7bn** to spend on transport investment and services.

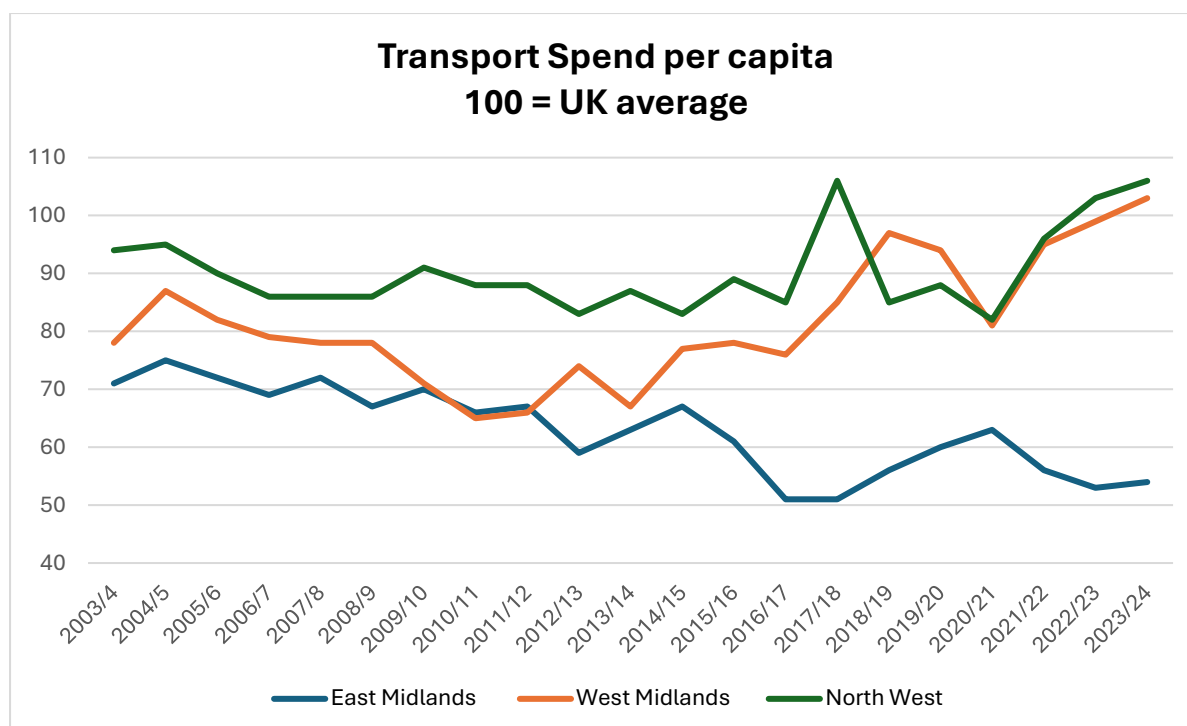
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5.5 The disparity between the East and West Midlands has grown significantly over the last 10 years and is likely to continue as a result of funding confirmed by the Spending Review for HS2 and the Midlands Rail Hub. Whilst the North of England tends to emphasise the gap with London, funding the East Midlands at the same level of the North would represent an uplift of compared to current levels⁷.



Source: [CP 1363 – Public Expenditure Statistical Analyses 2025](#) & previous releases

⁷ North of England lost out on £140bn for transport in 'decade of deceit' – study | North of England | The Guardian



Source: [CP 1363 – Public Expenditure Statistical Analyses 2025](#) & previous releases

5.6 Table 3 shows levels of rail investment over the period 2019-20 to 2023-24. The disparities here are even greater. In 2023-24 the East Midlands spending on rail was only just over 40% of the English average and barely a third of that in the West Midlands. In cash terms compared to the English average, the East Midlands lost out by a little under £1.3b last year and by about £5.2b over the last 5 years. The indefinite ‘pausing’ of Midland Main Line electrification is likely to reinforce these disparities.

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East Midlands	119	213	190	185	175

- 5.7 Recent announcements by Government to commit funding to the A46 Newark Bypass and the A38 Derby Junctions schemes delivered by National Highways are very welcome. However, the PESA figures for 2023-4 confirm that East Midlands received just 54% of the English average per head for 'national' roads.
- 5.8 Funding for 'local' roads managed by Local Transport Authorities appears more equitable and in fact the East Midlands funding per head was slightly above the English average - the lagging outlier in this case being London.

6. The State of Transport in the East Midlands

- 6.1 The persistent low levels of funding in the East Midlands for transport has real world implications. The East Midlands is one of the most car dependant of the English regions and has one of the lowest levels of bus usage (the exception being Nottingham which has a well-developed bus and tram network)⁸.
- 6.2 From a rail perspective, research undertaken by TfEM has demonstrated that compared to the national average, our regional rail network is sparse, infrequent, unreliable, and poorly used⁹.
- The East Midlands has just 108 rail stations serving a population of almost five million people. As a result, the region has the lowest proportion of people who live within a 15 –20-minute walk of rail station in England.
 - Around 75% of stations in the region are served by just one train per hour or fewer, with even lower levels of service levels on Sundays and increasingly overcrowded trains on Saturdays.
 - Taking punctuality and cancellations together, overall reliability in the East Midlands has been declining.
 - On average each person in the East Midlands uses the train around 7 times per year, In the West Midlands this is nearly 15, in the East of England it is around 22. The East Midlands has the lowest rate of station usage per head in England.

Andrew.pritchard@emcouncils.gov.uk

Draft: 30th July 2025

⁸ [Missions: Impossible? Levelling Up the East Midlands](#)

⁹ [A Platform for Growth: Regional Rail in the East Midlands](#)



Rt Hon Heidi Alexander MP
 Secretary of State for Transport
 Great Minster House
 33 Horseferry Road
 London
 SW1P 4DR
dft.ministers@dft.gov.uk

22nd July 2025

Dear Secretary of State

MIDLAND MAIN LINE ELECTRIFICATION & RAIL IN THE EAST MIDLANDS

We are to writing express our dismay at the Government's decision to 'pause' indefinitely Midland Main Line electrification, and the lack of any strategic alternatives for improving rail infrastructure in the East Midlands identified in the Spending Review.

The Government's decision is the latest in a long line of delays and cancellations to a project that has so far taken 44 years to extend from London to just south of Leicester – only 60% of the length of the line through to Sheffield.

Halting the project now appears to make little sense in terms of the Government's objectives for the Spending Review. It is a 'shovel-ready' project that could have been largely delivered within this Parliament, it supports highly skilled jobs in the strategically important but vulnerable rail supply chain sector and contributes to the Government's core missions of growth and de-carbonisation.

Recent sections from Kettering to South Wigston have been delivered on time and on budget and at a substantially lower unit cost than previous electrification projects, in sharp contrast to rail schemes elsewhere in the country which have spiralled out of control, but which continue to be funded – most notably HS2 in the West Midlands.

The Government's decision will have significant consequences. As Rail Forum and the Rail Industry Association have articulated¹, there is a real threat to local jobs, skills and business viability. Councils have spent time and money working with Network Rail to demolish and rebuild road bridges along the route for now no obvious purpose. We are also very concerned about the impact on Network Rail's renewals programme in the East Midlands, which is predicated on sharing the cost of track access with the electrification project.

¹ [Rail industry bodies urge action on Midland Main Line electrification, after 'pause' - Rail Forum](#)

Over the longer term, full electrification of the Midland Main Line would enable the introduction of next generation battery-electric regional trains (already deployed in Merseyside) across the whole of the East Midlands. We are currently the most diesel-dependent region in Great Britain. EMR is being forced to refurbish its fleet of 25–35-year-old diesel regional trains to keep services running for another decade because of the lack of any alternative.

Despite having a robust economy and experiencing rapid population growth over the last decade, the East Midlands has received the lowest level of transport funding per head of any UK region or nation for much of the last 20 years – currently just 58% of the UK average². Consequently, our rail network is ‘*sparse, infrequent, unreliable, and poorly used*’³. It is also on a cost-per-mile basis, amongst the most expensive to use in the country - particularly on the Midland Main line.

This all begs a fundamental question; if electrification does not proceed within this Parliament, what is the Government’s vision for the future of rail in the East Midlands?

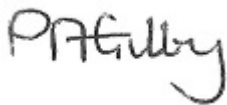
Yours sincerely



Cllr Sean Matthews
Leader of Lincolnshire CC & Chair of EMC



Sir Peter Soulsby
City Mayor of Leicester & Chair of TfEM



Cllr Tricia Gilby
Leader of Chesterfield Borough Council &
Vice Chair of EMC

² [Public Expenditure Statistical Analyses 2024 - GOV.UK](#)

³ [A-Platform-for-Growth \(3\).pdf](#)



**Department
for Transport**

Councillor Sean Mathews
Leader of Lincolnshire CC & Chair of EMC

Sir Peter Soulsby
City Mayor of Leicester & Chair of TfEM

Councillor Cllr Tricia Gilby
Leader of Chesterfield Borough Council &
Vice Chair of EMC

Lord Hendy of Richmond Hill
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Our Ref: MC/00045219

15 August 2025

Dear Cllr Mathews, Sir Peter and Cllr Gilby,

Thank you for your joint letter of 22 July, to Rt Hon Heidi Alexander MP, Secretary of State, about Midland Main Line (MML) electrification and rail in the East Midlands. I am replying as the Minister for Rail.

I appreciate the continuing support received from East Midlands Councils and Transport for the East Midlands for electrification of the MML and understand that the decision to pause the next phase of electrification will be disappointing.

The Spending Review settlement has shown the Government's commitment to investment in rail and in schemes that support economic growth. It represents an increase in funding compared to what has been spent on rail enhancements in recent years. However, Network Rail's enhancements portfolio was significantly oversubscribed and we needed to make difficult decisions to reach an affordable and sustainable position.

The remaining section of MML route electrification to Nottingham and Sheffield, via Derby, is lower value for money, partly due to rising costs, and partly as a consequence of having already delivered substantial electrification. I want to reassure you that the decision to pause this work does not mean that I am not committed to full electrification of the MML, but schemes that would have a more significant impact on economic growth have been prioritised as part of this Spending Review.

As you will appreciate, there is not a 'one-size-fits-all' approach to decarbonising our railways and we will require a range of options to achieve our goals. Continued electrification is part of that strategy and I will ensure that electrification of this final section of MML is kept on our pipeline of enhancement projects for further consideration when funding discussions are being held. I have asked that Network Rail conclude its current activities in a way that enables work to be subsequently utilised, as and when electrification on the route is re-started.

The benefits of electrification can only be fully realised when the rolling stock strategy is aligned with the traction strategy and this Government has committed to develop a long-term strategy for rolling stock and associated infrastructure. This work will include consideration of the likely long-term future rolling stock needs across the network, including the East Midlands Railway regional diesel multiple units and the opportunities for different traction types including battery electric trains.

It is important that we have a resilient and productive rail supply chain that invests in skills, technology, and innovation to reduce costs and increase competitiveness. Under the strategic leadership of Great British Railways, there will be more coordination between track and train, a centralised point of contact and more certainty for rail suppliers.

Despite the pausing of further electrification of the MML, support for other transport schemes in the East Midlands was confirmed as part of the Spending Review, specifically the following road schemes: A38 Derby Junctions scheme, A46 Newark Bypass scheme, and the A511 Growth Corridor. We are also continuing to invest in upgrades to the East Coast Main Line. These upgrades will deliver increased capacity and frequency on long distance services, a reduction in journey times and support the rollout of electric rolling stock along this vital route.

Thank you again for your letter and I hope you find this response helpful.

Yours sincerely,



Peter, Lord Hendy of Richmond Hill

MINISTER OF STATE FOR RAIL



Executive Board

24th September 2025

Local Authority Workforce and Pay – Regional Employers’ Board

Summary

This report provides an update to Members on significant issues relevant to local government as employers and provides a regional perspective.

Recommendation

Members of the Executive Board are invited to consider the issues highlighted in this report.

1. Introduction

- 1.1 East Midlands Councils (EMC) through its role as the region's Employers Organisation, has the responsibility of supporting employment relations for the sector. The Regional Employers' Board provides political leadership on employment issues and councillor development and forms the Employer's side of the Regional Joint Council, which meets with joint trade unions to support employment relations on behalf of councils in the East Midlands.
- 1.2 At the time of writing, the Regional Employers Board and Regional Joint Council are due to meet on 18th September 2025. The Employers Board will be discussing councillor development, and the Regional Joint Council will receive a presentation on the local government recruitment campaign and will discuss developments in pay, including reviewing allowances for caretakers.
- 1.3 This report provides information for members on the significant issues affecting councils as employers and includes progress on key regional priorities such as:
 - Pay and Rewards
 - Attracting, Developing and Retaining Talent
 - Local Government re-organisation
- 1.4 An update is also provided on significant employment law developments and regional support to councils, including councillor development.

2. Pay and Rewards: Local Government Pay Negotiations for 2025

- 2.1 The national pay negotiations for 2025 have been concluded for all the main bargaining groups of staff in local government. Details and copies of the agreements reached for Local Government Services employees (those on "Green Book" terms and conditions), Chief Officers and Chief Executives can be found through the following link: [Pay and Rewards](#).
- 2.2 In summary, the agreements increased pay by 3.2% with effect from 1st April 2025. There was also agreement to delete the bottom point of the national pay spine with effect from 1st April 2026.

- 2.3 Agreement remains outstanding for Craftworkers.
- 2.4 In addition to pay negotiations, work is continuing at national level to jointly reviewing the national pay spine. EMC will continue to keep authorities updated on progress and support the flow of information between councils and national colleagues.
- 2.5 Through the Employment Rights Bill, the Government is proposing to establish two new national negotiating bodies for school support staff and for adult social care staff. Given the complexity, these will take time to put in place and it is likely that 2028 is a realistic timescale for their implementation.
- 2.6 In June and July, the Department for Education (DfE) ran a consultation on the scope of the School Support Staff Negotiating Body (SSSNB) alongside a call for evidence on current terms and conditions for support staff.
- 2.7 It is anticipated that the Government will be starting consultation imminently on the establishment of the Adult Social Care negotiating body. Councils are urged to respond to the consultation to help ensure that Government are aware of the importance of local government as employers within the adult social care sector.
- 2.8 EMC will liaise with the LGA to arrange a regional virtual meeting to discuss the consultation to discuss the implications and help inform responses.
- 2.9 A potential implication for local authorities of the establishment of separate negotiating bodies relates to equal pay. Equal pay issues could arise, for example, if the SSSNB results in school support staff being paid more than other local authority staff who had previously been undertaking roles rated as equivalent under job evaluation, in circumstances where there is no substantive change in the roles. In responding to consultations local authorities may wish to raise this issue.

3. Attracting, Developing and Retaining Talent

- 3.1 Attracting, developing and retaining talent has been agreed as a regional priority by the Regional Employers Board. It is also reflected in the workplan for the Regional Joint Council, where there is an agreed priority to raise the profile of local government as an employer.

- 3.2 EMC has been working in partnership with the LGA to roll-out a national recruitment campaign for the sector across the East Midlands over 2024 and 2025. The campaign was funded by Government and led by the LGA.
- 3.3 The campaign was originally piloted in the North East and following the positive impact it generated, it was rolled out to other regions. The campaign ran from 4th November 2024 until February 2025, but the resources produced remain available for councils to use and adapt. EMC ensured councils in the region were able to inform how the campaign was developed by hosting meetings with HR and Communications lead officers.
- 3.4 Additionally, EMC has updated the regional jobs portal, East Midlands Jobs, by improving its design and functionality. East Midlands Jobs has been provided free of charge for councils to use for the duration of the national campaign.
- 3.5 Following a positive evaluation of the campaign last year, further funding has been provided by Government for a campaign for 2025-2026. EMC hosted a meeting in July for councils to share how they benefited from the campaign in 2024/25 and to inform the new campaign. The meeting was well-attended and feedback from councils has been positive, with many councils adapting the resources provided to meet their local needs and feature their own employees.

4. Local Government Reform (LGR)

- 4.1 Given the significant workforce implications arising from LGR, EMC is ensuring that support is being provided to councils in the region through its business and service plan for the coming year.
- 4.2 The county-based HR networks that EMC co-ordinates and supports are being used as forums to share workforce-related information and approaches in preparation for LGR. The networks have provided a steer on learning and development requirements arising from LGR which have been used to inform EMC's development programmes over the coming year – particularly in relation to leadership and transformation.

- 4.3 LGR is a standing item for the Regional Employers' Board and Regional Joint Council. The Regional Joint Council will provide a useful mechanism to look at the implications from a joint perspective. There will be an opportunity to hear from employers and unions on their experience and insights from the reorganisation in Northamptonshire.
- 4.4 EMC's development programmes are featuring programmes for senior leadership teams and middle managers on leading change and transformation.
- 4.5 The Cyber Security network that is organised by EMC now features LGR as a standing item, so that Councils can discuss implications relating to data security and systems arising from LGR.

5. Employment Rights Bill

- 5.1 As employers, councils will be significantly affected by the Employment Rights Bill, which was published in October 2024 to provide new rights and changes to the employment relationship. The Bill proposes sweeping changes, including as mentioned in paragraph 2.5, the establishment of new national negotiating bodies for school support staff and adult social care employees.
- 5.2 The Bill is currently going through the parliamentary process. On 1 July 2025, the Government released its "roadmap for delivering change" which sets out the expected timeline for implementation of measures within the Bill. This is summarised at Appendix 10(a).
- 5.3 The provisions relating to "fire and rehire" will put a greater emphasis on the need to agree variations to contracts. EMC is working with the LGA to inform a national training programme for HR officers in councils on negotiating and working to reach collective agreements.
- 5.4 EMC is hosting regular employment law update seminars on the developments in employment law, which are tailored to local government. This will help ensure that HR leads are kept informed and can prepare for the changes. The next seminar will be on 5th November 2025, by when there will be greater clarity on proposals following the parliamentary process.

6. Regional Activity and Support

6.1 Councillor Development

- 6.1.1 EMC's councillor development programme for 2025/6 focuses on popular events that are particularly valuable for new councillors to complement in-house induction programmes, as well as training for councillors who are taking up new roles, along with policy briefings on key issues facing the sector.
- 6.1.2 The programme includes the popular "Hitting the Ground Running Workshop" provided in partnership with the LGA which will take place following EMC's AGM in July. Also included are training for Civic Heads, chairing skills, and cyber security.
- 6.1.3 EMC organised an event for Members and senior officers on 5th June on Planning Reform, Devolution and LGR – "The Perfect Storm". Over 120 delegates attended the event.
- 6.1.4 The next meetings of the Regional Employers' Board and councillor development network will be used to discuss councillor development and to inform and steer the regional programme of support for councillors' development. Themes already identified by Members have been LGR from a councillor perspective, learning from the past experience of LGR in the region, and AI.

6.2 Network Updates

- 6.2.1 In addition to supporting county-based HR networks mentioned above, EMC provides a range of other regional networking opportunities to enable councils to share information, good practice and resources. Recent network meetings are outlined below.
- 6.2.2 The Scrutiny Network – for councillors and officers – meets quarterly to share information and inform development for councillors to support them in their scrutiny role. The last network meeting took place in June and was hosted by West Northamptonshire Council and focused on scrutiny for medium term financial plans and scrutiny for partnerships.

- 6.2.3 EMC arranged a meeting in September for officers whose roles include responsibilities relating to equality and inclusion to share information on a regional campaign for foster carers and supported lodgings providers for unaccompanied asylum-seeking children. This is a partnership between councils across the East Midlands to promote such fostering. The network also discussed approaches to meet legal requirements for equality impact assessments relating to LGR.
- 6.2.4 The Performance Network met in June and was attended by a lead officer of the LGA on its Improvement, Assurance and Accountability guidance and framework. This provided an opportunity for officers to provide feedback and suggestions to the LGA. The network also shared information on performance systems they use, in the context of LGR.
- 6.2.5 The cyber security network (EMGWARP) met in September and was attended by 27 officers from 24 different councils to share information and practice in relation to cyber security.
- 6.2.6 EMC also runs a regional coaching network, which enables councils to share resources and a pool of qualified coaches – again reducing costs and adding capacity. A free training programme is also provided for coaching network members. This ensures that coaches maintain and update their skills and knowledge to support the quality assurance of coaching that is available through the network.

6.3 Consultancy

- 6.3.1 Councils can access individual support from EMC on a not-for-profit basis on a range of workforce issues and in-house training/development. Since April 2025, over 19 separate assignments have been completed for councils, with 16 projects currently ongoing. Assignments have included:
- Chief Executive appraisal facilitation
 - Restructuring support
 - Mediation
 - Advice and support on complex cases
 - Job evaluations and job evaluation appeals
 - Disciplinary investigations
 - Advising a Member Panel for a Grievance appeal

- Grievance investigations
 - Code of conduct investigations
 - Psychometric testing
- 6.3.2 In addition to this work, EMC is supporting the delivery of a national programme of events for the Association of Democratic Services Officers (ADSO). Feedback from the events is extremely positive – both from delegates and tutors, with additional sessions being held due to demand.

7. Recommendation

- 7.1 Members of the Executive Board are invited to consider the issues highlighted in this report.

**Cllr Jane Yates
Chair
Regional Employers' Board**

Road Map for Implementation of the Employment Rights Bill

Timeframe	Proposal
Being phased in from Autumn 2025	Trade union reform including enhancing rights and protections in areas such as political funds, balloting, industrial action and recognition. The Bill also gives Trade Unions a right to access workplaces.
April 2026	Statutory sick pay (SSP) to be paid to all workers from first day of absence at a rate of either 80% of weekly earnings or the flat rate, whichever is lower. (Currently, employees need to earn at least the lower earnings limit to get SSP and it's paid from the fourth day of sickness absence.)
	Parental leave to become a day one right. (Currently 1 year's service is required to qualify for this.)
	Paternity leave to become a day one right. (Currently, to qualify for this, 26 weeks' service is required at the point of 15 weeks' before the expected week of childbirth or in the week their partner is notified of being matched for adoption.)
	A new Fair Work Agency will be established to bring together different government enforcement bodies. The agency will have the powers to enforce payment of statutory payments, bring employment tribunal claims on behalf of individuals, and provide legal assistance, support, or representation where individuals have raised a claim themselves.
	Increase the maximum protective award a tribunal can make when a business has failed to follow their obligations on collective consultation. The maximum award will increase from 90 days' pay to 180 days' pay.
	"Bullying" fire and rehire practices will be brought to an end. "Fire and rehire", where an employer dismisses and re-engages an employee to push through changes to terms and conditions, will be an automatic unfair dismissal except where a business is in serious financial trouble affecting its continuation, and the employer could not reasonably have avoided the need to make the change.
	The time limit for employees to bring a claim to a tribunal will be increased from three to six months.
October 2026	Employers will be required to take all reasonable steps to prevent sexual harassment in the workplace. It strengthens the current legal requirement for employers to take "reasonable steps" to prevent sexual harassment at work.
	Employers to be liable for third party harassment, eg from a client, customer, member of the public etc.

Timeframe	Proposal
	Employers will be under a requirement to provide a statement to an employee, at the same time as their statement of main terms and conditions of employment, to inform them that they have the right to join a trade union.
2027	Unfair dismissal protection from day-one, but a statutory probation period will apply to allow for a light touch process.
	A new right to unpaid bereavement leave of at least one week to apply from day one of employment.
	Flexible working will be made the default unless the employer can show it is unreasonable.
	The threshold for when collective redundancy procedures are triggered will include redundancies across a wider area, where currently redundancies are counted within an establishment.
	Employees will be given more protection from dismissal whilst pregnant, on maternity leave and within six months of returning to work.
	Zero hours workers (including agency workers) will be entitled to reasonable notice of shifts and changes to their shifts, and compensation for shifts which are cancelled, moved or ended early.
	Those working on zero hours or 'low hours' contracts (including agency workers) will have the right to be offered a guaranteed hours contract to reflect regular hours they have worked over a defined period.
	Large employers (likely to be defined as those employing 250+ employees) will be required to create action plans on supporting employees through menopause and reducing their gender pay gap.



Executive Board

24th September 2025

Report of Management Group

Summary

The following report of the Management Group provides a summary on the following issues performance management and corporate governance.

Recommendation

Members of the Executive Board are invited to consider the issues detailed in this update report, including the assurance on financial, audit and corporate governance matters.

Management Group papers are available on EMC's website or on request to the Executive Director.

1. Membership

1.1 The membership of EMC Management Group is confirmed as:

Cllr Elly Cutkelvin (Chair)
 Cllr Sean Matthews (Vice-Chair)
 Cllr Tricia Gilby (Vice-Chair)
 Cllr Gale Waller (Lib Dem Group Leader)
 Cllr Martin Griffiths (Reform UK Group Leader)
 Cllr Phil King (Cons Group Leader)
 Cllr Jewel Miah (Labour Group Leader)
 Cllr Ashley Baxter (Ind Group Leader)
 Cllr John Doddy (Chair, Regional Migration Board)
 Cllr Jane Yates (Chair, Regional Employers' Board)

2. Budget Report Period Ending August 2025

2.1 The budget set for 2025/26 includes provision for a marginal surplus (£600).

2.2 Members are reminded that EMC's income is split between:

- Membership Subscriptions.
- Grants and Contracts, principally from the Home Office, DfT, Midlands Connect.
- Earned Income, which consists of a mix of consultancy work, services, events and courses provided to member authorities.

2.3 Members are advised that in securing the anticipated budget out-turn, the following financial risks continue to be managed:

- a) The Earned Income budget is vulnerable to the demands and capacity of the sector. The budget has been largely constant for a number of years and maintaining income generation remains a challenge, but achievable.
- b) Staffing costs account for approx. 75% of the total expenditure, with pressure placed on non-staffing expenditure.
- c) Government grant funding, while confirmed and programmes delivered in line with grant conditions, remain vulnerable to Departmental spending pressures.

3. Performance Management

- 3.1 The Business Plan was developed in consultation with Members and agreed by Executive Board at its meeting in March 2025. The agreed KPIs reflect the revised approach of the current business plan, where EMC will work across four themes: evidencing, influencing, collaborating and delivering.
- 3.2 Performance against the KPIs in the 2nd quarter is on track although additional activity will be focused upon supporting the member development programme to encourage engagement, particularly in relation to new councillors.

4. Corporate Governance

- 4.1 Management Group noted the completion of EMC's external financial audit and statement of accounts 2024/25. This is a statutory requirement, as required by HM Certification Office.
- 4.2 Alongside external audit requirements, Members noted the outcome of the internal audit review on the efficacy of financial transactions process and asset management. The audit report provided an opinion of 'moderate assurance' and Members supported the actions of management in response to the recommendations.
- 4.3 Risk management continues to be considered in the context of local institutional changes (e.g., devolution and combined authorities) and external grant programme funding.

5. Recommendation

- 5.1 Members of the Executive Board are invited to consider the issues detailed in this update report, including assurance on financial, audit and corporate governance matters.

Cllr Elly Cutkelvin
Vice-Chair
East Midlands Councils