



Executive Board Meeting

10.00am, Friday 27th March 2026

AGENDA

1. Welcome and Introductions
2. Apologies
3. Declarations of Interest
4. Minutes of the Executive Board Meeting 10th December 2025 *
5. Chair's Report *
6. Infrastructure and Growth *
7. Asylum and Refugee Resettlement in the East Midlands *
8. Local Authority Workforce and Pay – Regional Employers' Board *
9. Report of Management Group *
10. Any Other Business

*Papers attached



**EAST MIDLANDS COUNCILS EXECUTIVE BOARD
MINUTES OF THE MEETING HELD ON 10TH DECEMBER 2025**

Present: Cllr Sean Matthews (Chair) – Lincolnshire County Council
Cllr Elly Cutkelvin (Vice Chair) – Leicester City Council
Cllr Tricia Gilby (Vice Chair) – Chesterfield Borough Council
Cllr Jane Yates – Bolsover District Council
Cllr Shiraz Khan – Derby City Council
Cllr Craig Leyland – East Lindsey District Council
Cllr Stuart Bray – Hinckley & Bosworth Borough Council
Mayor Andy Abrahams – Mansfield District Council
Cllr Martin Griffiths – North Northants Council
Cllr Neghat Khan – Nottingham City Council
Cllr John Doddy – Nottinghamshire County Council
Cllr Gale Waller – Rutland County Council
Cllr Ashley Baxter – South Kesteven District Council
Cllr Mark Arnull – West Northants Council
Cllr Charlie Hastie – West Northants 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 Jewel Miah – Charnwood Borough Council
Cllr Nadine Peatfield – Derby City Council
Cllr Alan Graves Derbyshire County Council
Cllr Dan Harrison – Leicestershire County Council

		ACTION
1.	Welcome and Introductions	
1.1	Cllr Sean Matthews welcomed members to the meeting.	
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 24th September 2025	
4.1	The minutes were agreed as a true and accurate record.	
4.2	Stuart Young confirmed that all matters arising have been picked up in the reports with the exception of the panel reviews for members allowances, which has been considered by the Regional Employers' Board.	
5.	Local Government Reorganisation and Future Governance	
5.1	Cllr Sean Matthews introduced this report. Local propositions for LGR have now been submitted to Government.	
5.2	Stuart Young highlighted the summary of Local Government reorganisation and an overview of proposals that have been submitted by councils in the East Midlands.	
5.3	The second part of the report considers some of the implications for organisations such as East Midlands Councils.	
5.4	Structures are yet to be determined, but it is likely there will be 10-12 local authorities in place as a result of LGR.	
5.5	Members noted the tight timescales for LGR and there is concern regarding deliverability.	
5.6	Members noted the lack of consensus in the region which may pose challenges to delivery.	

		ACTION
5.7	Cllr Neghat Khan emphasised the need for focus upon delivering agreed proposals and securing the efficiency gains that LGR offers, including the reduction in top tier management is key to this.	
5.8	Cllr Mark Arnull highlighted learnings from Northamptonshire and he is happy to share that.	
5.9	Cllr Tricia Gilby highlighted the importance of maintaining strong links with the local community.	
5.10	Mayor Andy Abrahams feels there is now a better understanding of each other roles. He feels there needs to be sensible geography and once a decision is made it is up to those unitary authorities to shape and consult with areas to deliver what is best.	
5.11	Cllr Ashley Baxter enquired as to what is a neighbourhood area committee.	
5.12	Cllr Gale Waller confirmed that government has stated they will not prescribe what these are and it is up to authorities to define what they are. She advised not to make them too small and also to try and align with Police/health.	
5.13	Cllr Martin Griffiths expressed concerns in relation to civil service capacity to support the delivery of LGR across the country simultaneously.	
5.14	Cllr Mark Arnull reminded Members that historical debt is not written off as a result of LGR.	
5.15	Cllr Neghat Khan highlighted that a lot of places are overspent on SEND. Notwithstanding SEND debt write-off, this is unlikely to be the full amount, and once LGR happens, new councils are likely to inherit significant historical debt.	
5.16	Stuart Young highlighted the governance implications for EMC both in relation to LGR and devolution. The summary report is not proposing any options or way forward, but it is an opportune time to consider issues which need to be considered.	

		ACTION
5.17	Members also noted that Government has confirmed that all funding to Midlands Connect will cease from April 2027. Next year will be a transitional year.	SY
5.18	Stuart confirmed It is for councils to set funding and scope for new arrangements. He will continue to work with existing leaders, members and senior officers in the development of options.	
5.19	Cllr Martin Griffiths suggests that EMC is well placed to offer support to member councils in delivering deliver LGR and devolution. There is a need to deliver safe and secure services from day 1 of the Unitary Authority.	
5.20	<p><u>Resolution</u></p> <p>Members of the Executive Board:</p> <ul style="list-style-type: none"> ▪ Considered the range of LGR proposals from councils in the East Midlands, and wider developments relating to devolution and local government funding. ▪ Considered the issues paper on future governance that relate to EMC as a partnership organisation, for comment and advice, as attached as Appendix 5(c). 	
6.	Infrastructure, Housing & Growth	
6.1	Andrew Pritchard introduced this report and updated Members on the latest developments.	
6.2	He highlighted recent letters which have been submitted in relation to the A46 improvements. He confirmed that TfEM is currently pushing for this scheme to be expedited given its importance.	
6.3	In relation to rail, a joint piece of work has been published with GLCCA and TfEM.	
6.4	There is a TfEM Meeting scheduled for Monday and they are supporting Midlands Connect in obtaining additional funding.	
6.5	Planning reform is ongoing and highlighted to Members that Royal Assent was recently granted for the Planning Infrastructure Bill.	

		ACTION
6.6	In relation to the budget, there was a positive announcement in supporting local authorities with funding for planning officers. However, there isn't any flexibility with age limits for level 7 apprenticeships.	
6.7	Cllr Gale Waller highlighted issues in relation to water and electricity services and ensuring infrastructure is robust enough for current demand.	
6.8	Andrew Pritchard stated there are challenges around the whole issue in relation to infrastructure for planning and consents.	
6.9	Cllr Sean Matthews confirmed that Anglian Water have put in an NSIP for a reservoir in Sleaford.	
6.10	Cllr John Doddy highlighted worsening sewerage system capacity and challenges around this.	
6.11	<p><u>Resolution</u></p> <p>Members of the Executive Board:</p> <ul style="list-style-type: none"> ▪ Endorsed the work of the TfEM Board. ▪ Considered the rest of this report. ▪ Directed officers accordingly. 	
7.	Asylum and Refugee Resettlement in the East Midlands	
7.1	Cllr John Doddy, Chair Regional Migration Board introduced this report which highlights issues that have been discussed at the recent board meeting.	
7.2	Asylum briefing and migration glossary to be emailed out to members.	LH
7.3	At the recent Migration Board there was a discussion on a Government funded programme reviewing the delivery of mental health services for asylum seekers and the Board also commissioned a report from Nottingham Trent University to review the service needs of unaccompanied asylum seeking children.	
7.4	Cllr Doddy highlighted the reduction of the move-on period from 56 days to 28 days and there is ongoing concern around this due to the increase of homelessness.	

		ACTION
7.5	Government has reaffirmed its intention to end the use of hotels. Cllr Doddy confirmed there are no large sites that have been identified in the East Midlands.	
7.6	Afghan resettlement programme is moving at speed, and it is expected we will receive 390 refugees to this programme.	
7.7	There has been an increase in the number of asylum seeking children. The average cost of these children is around £100,000 which is a shortfall £78,000 per child.	
7.8	Cllr Martin Griffiths asked whether there is any data on Serco and dispersal data.	
7.9	Brein Fisher confirmed the data contained in the report is from Home Office and Serco. Numbers are monitored and officers are kept informed.	
7.10	Cllr Griffiths emphasised the need for greater fairness across areas of the East Midlands.	
7.11	Cllr Tricia Gilby highlighted HMOs and people's stereotypical view of what these are. There are a number of reasons for people living in HMOs.	
7.12	Cllr Craig Leyland stated that East Lindsey DC has a number of supported asylum seekers in hotels. He highlighted the sensitivity Serco and outside agencies need to have. ELDC does not have a housing stock, and he stressed the local rental market should not become distorted.	
7.13	Cllr Leyland further emphasised that community cohesion needs to be fully considered.	
7.14	He stressed that Government agencies have a responsibility as to where they place asylum seekers.	
7.15	<p><u>Resolution</u></p> <p>Members of the Executive Board:</p> <ul style="list-style-type: none"> ▪ Considered the role of East Midlands Councils in the delivery 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. 	

		ACTION
	<ul style="list-style-type: none"> ▪ Advised on the impact of the Full Dispersal plan in Local Authority areas including in those areas where numbers exceed agreed targets. ▪ Considered and advised of the impact on Local Authorities of the changes of the move-on period from 56 days to 28 days (singles). ▪ Advised on impact of the Afghan Resettlement Programme (ARP) and endorsed the proposed regional 'hub and spoke' model. 	
8.	Local Authority Workforce and Pay – Regional Employers' Board	
8.1	Cllr Jane Yates, Chair Regional Employers' Board, introduced this report and updated Members on the key issues currently being considered by the Board.	
8.2	A regional response is to be submitted in relation to the current consultation to establish a fair pay agreement and establishing a separate pay body for adult social care.	
8.3	National pay negotiations have started for 2026, and Unions have jointly submitted their pay claim last week.	
8.4	A Regional Pay briefing is being hosted by EMC virtually on 20 th January.	
8.5	Most councils have reported recruitment and retention difficulties, and additional resources have been provided to councils through the national campaign. This is funded by national government.	
8.6	<p><u>Resolution</u></p> <p>Members of the Executive Board:</p> <ul style="list-style-type: none"> ▪ Considered the issues highlighted in the report. 	
9.	Report of Management Group	
9.1	Stuart Young introduced this report and highlighted the roles and responsibilities of the Management Group.	
9.2	There are no significant issues to highlight from the recent meeting. The outturn for this year is as anticipated.	

		ACTION
9.3	The main focus of the management group until the end of the financial year is the development and agreement of budget for 2026/27.	
9.4	Stuart confirmed there are no corporate governance or budgetary issues to highlight.	
9.5	<p><u>Resolution</u></p> <p>Members of the Executive Board:</p> <ul style="list-style-type: none"> ▪ Considered the issues detailed in the update report, including the assurance on financial, audit and corporate governance matters. 	
10.	Any Other Business	
10.1	None.	
11.	Date of Next Meeting	
11.1	Friday 27 th March 2026	



Executive Board

27th March 2026

Chair's Report - Cllr Sean Matthews

Summary

The following report provides a summary information on recent developments relating to proposed Local Government Reorganisation, future governance arrangements and devolution.

Recommendation

Members of the Executive Board are invited to:

- Consider and comment on recent developments relating to LGR, relating to both process and timetable.
- Consider the progress in working with the East Midlands APPG.
- Note the offer to support for the holding of political group meetings, should the Political Group Leader and Members wish those to be arranged.

1. Local Government Reorganisation

- 1.1 The deadline for local authorities in the East Midlands to submit their full proposals for Local Government Reorganisation (LGR) was 28th November 2025.
- 1.2 On 5th February 2026, the Minister of State for Local Government and Homelessness, Alison McGovern MP, wrote to council leaders in 14 areas to inform them of the launch of the local government reorganisation consultations in their areas.
- 1.3 Where submissions request a boundary change together with structural change, justification for this must also be provided. The Government confirmed that for these areas, it would be appropriate to consult the Local Government Boundary Commission for England.
- 1.4 While MHCLG has undertaken a preliminary assessment of all submissions, it has not made any formal assessment against the 'invitation criteria'. This will be completed once the consultation process has concluded, so that all evidence can be considered.
- 1.5 The consultation will run until 26th March 2026. Once concluded, the Government will then formally assess the proposals against the criteria in the invitation letters and consider whether the proposals "are to be implemented, with or without modification", with final decisions expected before the summer parliamentary recess.
- 1.6 While exact structures are not yet determined, it is likely that there will be 10/12 local authorities in the region once LGR is implemented. A summary of submitted proposals, information on the LGR process and related timetable, was previously provided to Members.
- 1.7 In relation to progress being made on LGR elsewhere, Alison McGovern MP, Minister of State for Local Government and English Devolution, last week signed the structural change order (SCO) for reorganisation to take place in Surrey, with orders for Essex, Sussex and Brighton, Norfolk & Suffolk and Hampshire & Solent expected to be laid and passed later this year.
- 1.8 Tony McArdle, Senior Sector Advisor at MHCLG, led a well-received discussion at the recent EMC General Meeting. Advice was provided to Members on the overriding need for the new councils to be 'safe and legal' from day one. The required preparatory work relates to the necessity of completing the 'chores' (as termed),

i.e., the key tasks that have to be completed to enable vesting day to proceed as expected.

- 1.9 There was clear advice to not underestimate the resource and capacity constraints, and the need for engagement and joint working between councils, and to commence this work now, and in advance of formal LGR proposals being confirmed.

2. Local Authority Elections

- 2.1 The Government announced in January 2026 that it would bring forward legislation to postpone elections, scheduled for 7th May 2026, for 30 local authorities that provided sufficient evidence on how postponement would release capacity to help deliver local government reorganisation.
- 2.2 After a legal challenge to the decision brought by Reform UK, on 16th February 2026, MHCLG confirmed that following legal advice, the Government would withdraw its original decision to postpone the May 2026 elections.
- 2.3 Alongside this announcement, the Government also confirmed £63m in new funding to help local councils across the 21 reorganisation areas best deliver local government re-organisation, building on the £7.6 million provided last year.
- 2.4 Lincoln City Council is the only council in the East Midlands affected by this decision (and the only council area where an election was due to take place, with 11 seats, one from each of the 11 wards in the city, being up for election). This means that councillors elected in May 2026 will have reduced terms.
- 2.5 The reinstated elections will not affect the published timetable which sets out that new unitary councils will 'go live' in April 2028, with elections to be held for new councils in May 2027. Decisions on local government reorganisation are still planned to be announced ahead of summer recess.

3. Local Government-led Governance

- 3.1 The implications of LGR are far reaching, and as one of the most two-tier regions nationally, 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, our partnership and resource base.

- 3.2 The determination of any partnership structure to support collective work separate from the strategic authority construct is a matter for local authorities to consider and agree, including on its form, its function and associated timings. Consequently, EMC officers will work with a representative group of Chief Executives to bring forward options for future governance arrangements, with initial proposals developed in time to allow for member consideration of options by the autumn.

4. East Midlands APPG

- 4.1 James Naish MP secured a Westminster Hall debate in the House of Commons on 'East Midlands Growth, Investment and Productivity'. With good engagement from MPs from across the region, from Labour and Conservative MPs, it offered an important opportunity to highlight the ongoing concerns to the Minister and 'frontbench' representatives regarding the lack of investment in the region, particularly in relation to transport infrastructure. Alongside this, MPs took the opportunity to highlight the investment propositions in the region, and the region's potential for significant economic growth and housing delivery.
- 4.2 EMC, in its role as secretariat to the APPG, provided briefing and advisory support to MPs.
- 4.3 Following the Westminster Hall debate, the East Midlands APPG held its AGM, with James Naish MP confirmed as its Chair for 2026/27.

5. Political Group Meetings

- 5.1 East Midlands Councils supports 5 political groups - Conservative, Independent, Labour, Liberal Democrats and Reform UK. It was agreed at EMC's AGM that a political party would be recognised as a separate political group within EMC's governance once the party's proportionate share of political balance had reached a 5% threshold.
- 5.2 All political group leaders have previously been offered EMC secretariat support in the holding of political group meetings, separate from that pre-meetings at the General Meeting.
- 5.3 EMC's Reform UK political group requested support in arranging a group meeting. This was held at Leicestershire County Council on 13th March.

- 5.4 All political groups, through respective political group leaders, will again be offered support of holding a separate political group meeting. Given purdah, these will need to be arranged after the 7th May 2026 local elections.

6. Recommendation

Members of the Executive Board are invited to:

- 6.1 Consider and comment on recent developments relating to LGR, relating to both process and timetable.
- 6.2 Consider the progress in working with the East Midlands APPG.
- 6.3 Note the offer to support for the holding of political group meetings, should the Political Group Leader and Members wish those to be arranged.

Cllr Sean Matthews
Chair
East Midlands Councils



Executive Board

27th March 2026

Infrastructure & Growth

Summary

This report seeks endorsement for the work of the TfEM Board and provides an update on the Government's planning reform agenda, the future of Midlands Connect and the establishment on Regional Strategic Energy Plans (RESPs).

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. Transport for the East Midlands (TfEM)

1.1 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. Cllr Chris McGiffen (North Northamptonshire) is the Vice Chair.

Transport Infrastructure Priorities

1.2 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.

1.3 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

1.4 The Spending Review confirmed funding for the delivery of the A46 Newark Bypass, subject to the Development Consent Order (which was confirmed in October 2025) and value for money assessments. Following concerns about a delay from the most recently publicised start date of 2027 due to the number of unfinished RIS2 projects and the scale of new commitments such as the Lower Thames Crossing, the Chair of TfEM and the Chair of EMC wrote to the Secretary of State emphasising the need to expedite the scheme.

1.5 In relation to M1J24, a private sector led proposal that would allow some Freeport related development to go ahead is currently being considered through the Nationally Significant Infrastructure Project (NSIP) regime¹. Separately, National Highways hope to secure resources for major scheme development as part of the RIS3 settlement, and the Freeport itself is considering potential funding options.

¹ [East Midlands Gateway Phase 2 - Project information](#)

However, delivery of a strategic enhancement to M1J24 before September 2031 (when tax relief on the three Freeport sites expires) sufficient to allow the Freeport's full economic potential to be realised, appears to be challenging.

Rail Service Enhancements

- 1.6 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.
- 1.7 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 Electrification²; and improved regional rail services³.
- 1.8 The RCA is currently funding a comprehensive refresh of regional transport and economic evidence as the basis for a revised 'Rail Strategic Statement' and a suite of supporting documents to inform the emerging Great British Railways (GBR).
- 1.9 The first public product focuses on the case for sustaining and improving rail connectivity to Lincoln and was published on 25th November 2025 entitled Keeping Pace: Enhancing Lincoln City's rail connectivity) The associated media release included quotes from the Chair of TfEM Sir Peter Soulsby, the GLCCA Mayor Dame Andrea Jenkyns and the Chair of EMC Cllr Sean Matthews is available at [Keeping Pace: Enhancing Lincoln City's Rail Connectivity](#).
- 1.10 EMR have started the roll out the new Aurora 810 diesel electric bi-mode rolling stock. The new trains provide:
 - 24% more seats and 19% more legroom (in a five-carriage formation)
 - Plug sockets and USB points at every seat
 - Free, class-leading Wi-Fi and improved mobile signal strength through new glass technology
 - Modern, spacious interiors with improved lighting and accessible design
 - Increased luggage space (up to 136% more capacity)
- 1.11 Five of the new Aurora trains are now in service and an additional two units are being used for staff training, with full roll-out expected by the end of 2026.

² [TheFuturesElectric.pdf](#)

³ [A-Platform-for-Growth.pdf](#)

However, in the meantime the ongoing cascade to an ‘open access’ operator of EMR’s existing Meridian rolling stock is resulting in over-crowding on some services. EMR have also announced the temporary suspension of intercity seat reservations due to the complexities of operating a mixed fleet.

TfEM Board

- 1.12 The TfEM Board met on the 9th March 2026 and discussed the following agenda items:
- A presentation on East-West Rail and associated economic and housing developments by England’s Economic Heartland STB
 - An update on National Highways activity in the East Midlands and implications of the Government’s recently published Road Safety Strategy
 - A progress update on the delivery of new and refurbished rolling stock and service enhancements by the MD of East Midlands Railway.
 - An update by TfEM’s Head of Rail Improvement on work to develop and extend a regional evidence base to support revised priorities prior to the formal establishment of Great British Railways in April 2027.
- 1.13 The next meeting will take place on 8th June 2026.

2. Midlands Connect

- 2.1 The Midlands Connect Strategic Board met on the 24th March in Derby with Sir Peter Soulsby and Mayor Clare Ward in attendance. Cllr David East, Portfolio-holder for transport for Lincolnshire County Council attending on behalf of Mayor Dame Andrea Jenkyns.
- 2.2 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 £5m budget for 2025/26 remains untouched, DfT has made only transitional funding available for 2026-7 at £2.1m.
- 2.3 The meeting received an update on a transitional Business Plan for 2026-7 consistent with the reduced budget and a proposed approach for developing a proposition and business case for extending Midlands Rail Hub services to the East Midlands, for potential delivery in the late 2030’s.
- 2.4 The Board went on to discuss potential options for sustaining pan-regional collaborative activity in the absence of DfT funding, based on an independent review undertaken by WMCA and EMCCA. The Board will consider further proposals at its next meeting in June 2026 (date to be confirmed).

3. Planning Reform

- 3.1 The 2025 Autumn Budget made available £48m over the next three years to boost capacity and capability in the planning system. This includes additional investment to recruit an extra 350 planners in England by expanding the Pathways to Planning graduate scheme⁴, and creating a new Planning Careers Hub to retain and retrain mid-career professionals. However, there is no sign of the Government removing the age 16-21 age restriction on Level 7 Apprenticeships, which have proven to be effective means of training local authority planners in recent years.
- 3.2 The Government's revised National Planning Policy Framework (NPPF) was published for consultation on the 16th December 2025⁵. The draft incorporates a major presentational change in that the text is ordered into a series of numbered policies similar to a development plan - although without the same statutory status. Taken together the draft NPPF appears to take a more permissive approach to new development than the extant version. In particular, the revised 'presumption in favour of sustainable development' (set out in policies S3, S4 and S5) appears to apply in all circumstances - not just when a local plan is absent or out of date. Following discussion at the EMC General Meeting on 27th February 2026 in Newark, EMC submitted a high-level response to the NPPF consultation which is set out in Appendix 6(a).
- 3.3 The Planning & Infrastructure Bill received Royal Assent on 18th December 2025. Amongst key proposals is the re-introduction of statutory strategic planning in the form of 'Spatial Development Strategies (SDS). SDSs will be produced by Mayoral Combined Authorities where they exist, and 'Strategic Planning Boards' made up of constituent local authorities and designated by Government where they do not⁶.
- 3.4 The Government intends to commence the legislation to establish SDSs in the summer of 2026. In preparation, Ministers published draft proposals for SDS geography for consultation on 12th February 2026, (closing date was 26th March 2026)⁷. In the East Midlands SDSs are proposed for:
- EMCCA area (Derby, Derbyshire, Nottingham & Nottinghamshire)
 - GLCCA area (Lincolnshire, North Lincolnshire & North East Lincolnshire)
 - Leicester, Leicestershire & Rutland area

⁴ [Pathways to Planning | Local Government Association](#)

⁵ [National Planning Policy Framework: draft text for consultation](#)

⁶ [Factsheet: Strategic planning - GOV.UK](#)

⁷ [Areas for producing spatial development strategies - GOV.UK](#)

3.5 North and West Northamptonshire are in a group of 10 authorities where currently no SDS geography is proposed, and the Government is seeking proposals through the consultation process.

3.6 Such is the pace of planning reform that the Government is still implementing key aspects of the Levelling Up & Regeneration Act (LURA) 2023. Following the Budget the Government published proposals to implement a 30-month local plan review process⁸, with formal regulations to follow. These regulations will apply to those Local Planning Authorities which fail to meet the December 2026 deadline for progressing local plans under the current system.

4. Regional Energy Strategic Planning (RESP)

4.1 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).

4.2 The RESP role has been set up to develop regional plans that span across electricity, gas, and hydrogen networks as part of one integrated energy system. They will provide the strategic basis against which electricity distribution network operators will make their investment plans. The RESPs will also form part of NESO’s wider strategic energy planning activities, ensuring a joined-up approach between national, regional and local levels.

4.3 The East Midlands is split between two RESP regions. Northamptonshire sits within a ‘Central England’ RESP Region, the rest of the East Midlands along with North and North East Lincolnshire fall within an ‘East Midlands’ RESP Region.

4.4 To provide a basis for preparation of business plans for the next energy price control period between 2028 to 2033, NESO published a series of ‘transition’ RESPs or t-RESPs in January 2026⁹. Work will start later this year to produce the first round of full RESPs, which are likely to be published in 2027/8. EMC made high level representations to both the t-RESP and RESP methodology consultations to complement submissions made by individual councils.

4.5 To help councils engage with this new and important process, EMC brought together a range of expert speakers at a seminar for councillors and senior officers

⁸ [Plan-making regulations explainer - GOV.UK](#)

⁹ [transitional Regional Energy Strategic Plan \(tRESP\) | National Energy System Operator](#)

to held on 19th of March 2026 in Leicester: [Have we got the Energy? Understanding the decisions that will shape our energy future](#). The seminar was free to EMC member councils to attend and was chaired by the Chairman of East Midlands Councils, Cllr Sean Matthews.

- 4.6 Slides from the event are available [here](#) and the pre-event briefing back is set out in Appendix 6(b) for information.
- 4.7 Based on feedback on the event, EMC will consider what further support for councils can be offered on this important issue.

5. Recommendations

Members of the Executive Board are invited to:

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

Andrew Pritchard
Director of Policy & Infrastructure
East Midlands Councils

6th March 2026

Matthew Pennycook MP
Minister of State for Housing & Planning
Ministry of Housing, Communities & Local Government
2 Marsham Street
London
SW1P 4DF

Dear Minister

NATIONAL PLANNING POLICY FRAMEWORK CONSULTATION: RESPONSE FROM EAST MIDLANDS COUNCILS (EMC).

East Midlands Councils (EMC) is the representative body for all 39 unitary, county and district/borough councils in the East Midlands, plus the Peak District National Park Authority. EMC met on the 27th of February 2026 and resolved to make a strategic response to the NPPF consultation to amplify key themes highlighted by individual councils.

Accelerating housing delivery

Housing delivery in the East Midlands (as elsewhere) is essentially demand-led and heavily influenced by factors outside of the control of councils - such as the banking crisis or the covid pandemic. Leaving such disrupters aside, delivery in our region has tended to be at or around the Government's expectations. In fact, MHCLG data confirms that over the last 25 years, the East Midlands has delivered more housing (466,510 net) than the West Midlands (429,320 net)¹ - although the West Midlands is 20% bigger with a population of 6.2 million.

However, the Government's ambition to build 1.5 million new homes within this Parliament will not be delivered through further planning reform. If a house is to be built and occupied by mid-2029, it will very likely be in system now as an allocation, outline or full consent. Greater focus should therefore be given to innovative measures that can accelerate build-out rates, increase investment in social housing and turbo-charge the construction industry to deliver.

Minimising flood risk

The East Midlands is highly vulnerable to flooding. In addition to large expansive areas of low-lying land on the Lincolnshire Coast, the river systems of the Trent, Derwent, Soar, Witham and Nene drain through the region's most heavily built-up areas, many of which were historically developed around river crossings. The Environment Agency's 2024 National Assessment of Flood & Coastal Erosion Risk in England highlights that the East Midlands has the greatest share of properties at risk of flooding from rivers or the sea in England (18.4% - 127,500), and the

¹ [Live Table 118.ods](#)

highest proportion of properties at risk of any English Region (4.6%). This is the current risk only and does not include the impacts of surface water flooding. In 2024, the Public Accounts Committee highlighted concerns about the number of homes which continue to be built in flood-risk areas². The insurance company Aviva has just published an analysis suggesting that between 2022 and 2024, 44,000 new homes were built across England in areas of high or medium flood-risk³.

We are therefore concerned that amendments proposed in the NPPF appear to weaken protections for vulnerable areas by reducing the instances where application of the ‘sequential test’ is required and by using less restrictive language where development is proposed in flood risk areas.

Aligning infrastructure investment with planned development

Whilst planning permission is necessary for development to go ahead, it is not sufficient. New homes also require power, water, sewerage infrastructure and access to transport, which are all subject to separate funding and regulatory processes. These often do not align with the housing targets that councils are required to deliver. For example, the Newark Northern Bypass by National Highways is necessary to deliver planned large-scale housing and employment development across several local plan areas. Although funding has been confirmed in principle by Government, it seems likely that delivery will now be delayed into the 2030s. Similarly, lack of capacity at M1 Junction 24 is acting as key constraint to the delivery of the East Midlands Freeport⁴ and several major housing developments, with no timescale for an improvement identified.

There must be better alignment between the local plan regime and the decision-making and regulatory processes that determine the delivery of the key utilities necessary for development to proceed safely.

Improving housing quality and urban design

Planning is more than just delivery of housing numbers. Good design is key to the long-term success of places and to the health and well-being of the people who live them. The impact on human health of the built environment is now well understood⁵. In that context we note the recent decline in Healthy Life Expectancy, which in the East Midlands has fallen to 59.4 years for men and 59.3 years for women⁶. We are therefore concerned that the NPPF removes references to planning promoting good health and reducing health inequalities and focuses policy on providing health facilities rather than reducing the need for medical interventions through healthy placemaking. Similarly, we are concerned that whilst the Government’s recent strategy

² [Resilience to flooding](#)

³ [Proportion of new homes built in flood areas rises to one in nine - Aviva plc](#)

⁴ [Freeport Parliamentary Reception](#)

⁵ [Fair society, healthy lives: the Marmot Review](#)

⁶ [Healthy life expectancy, UK - Office for National Statistics](#)

to combat violence against women and girls⁷ highlights the importance of well-lit streets, accessible transport and thoughtful urban design in reducing risk, the NPPF appears to be silent on this important issue.

Local accountability and innovation

The NPPF includes a powerful new ‘presumption in favour of sustainable development’ which will apply in all circumstances, not just when a local plan is silent or out of date. Whilst the impact of this has yet to be tested, concerns have been raised that the new presumption could significantly undermine the plan-led system and thus local accountability. The NPPF also restricts the ability of councils to set local standards for new development. Whilst the Government’s desire to secure national consistency is recognised, it risks stifling much needed innovation informed by local evidence and expertise.

We remain fully supportive of the Government’s growth objectives but feel that delivery would be strengthened if the final version of the NPPF can address the concerns we have highlighted. If you require further information at this stage, please do not hesitate to contact us.

Yours sincerely,



Cllr Sean Matthews
Chair of EMC



Cllr Elly Cutkelvin
Vice Chair of EMC



Cllr Tricia Gilby
Vice Chair of EMC

Copied to: All East Midlands MPs

⁷ [Freedom from violence and abuse: a cross-government strategy to build a safer society for women and girls](#)



HAVE WE GOT THE ENERGY?

An Introduction for Elected Members and Officers

Thursday 19 March 2026





East Midlands Councils (EMC) is the consultative forum for local government in the East Midlands, enabling councils to work together on shared priorities while representing their collective interests to Government and national organisations.

It provides advice, coordination and support across key areas such as workforce development, housing, transport, planning and migration, helping local authorities strengthen capacity and collaborate on regional challenges and opportunities.

EMC's value comes from amplifying the region's voice nationally, promoting joint working on strategic issues and enhancing the region's ability to secure funding and deliver programmes that benefit residents and local economies.

www.emcouncils.gov.uk

LinkedIn @east midlands councils



The **Midlands Net Zero Hub (MNZH)** is a Department for Energy Security and Net Zero (DESNZ) funded organisation, hosted by Nottingham City Council, that supports local authorities across the Midlands.

It provides free strategic, technical and financial support to help organisations take projects from early feasibility through to investment and delivery, covering areas such as domestic retrofit, public sector decarbonisation, heat networks, skills programmes and community energy initiatives.

MNZH has secured £420m in net-zero funding for the region, supported the retrofit of more than 10,000 homes and enabled over 30,000 green skills training opportunities, demonstrating its significant role in boosting decarbonisation capacity.

www.midlandsnetzerohub.co.uk

LinkedIn @midlands net zero hub



Contents

- Pg 2. Foreword
- Pg 3. Energy, Our Use
- Pg 4. Electricity Transmission and Distribution
- Pg 5. Gas Transmission and Distribution
- Pg 6. Local Area Energy Plans
- Pg 7. Smart Meters
- Pg 8. Solar PV
- Pg 9. Onshore & Offshore Wind
- Pg 10. Energy Storage – Batteries
- Pg 11. Nuclear Generation
- Pg 12. Hydrogen Production
- Pg 13. Electric Vehicles
- Pg 14. Anaerobic Digestion
- Pg 15. Building Retrofit
- Pg 16. Heat Networks
- Pg 17. Employment, Skills & Training
- Pg 18. Find out more

Foreword

Welcome to our introduction to energy programme, aimed at providing initial information and signposting with respect to the energy transition, the technology, challenges and opportunities.

Working with the team at East Midlands Councils, the Midlands Net Zero Hub have created a brief introduction to help orientate elected members and officers in the East Midlands on the current energy landscape. This document introduces some of the technologies that form part of the emerging energy mix in the UK, as we transition towards a low local carbon economy less dependent on imports.

We aim to look at elements related to:

- how energy is made (supply)
- how it is moved (distribution) to meet needs (demand)
- how we can look to reduce what we use (consumption)
- the aim for lower bills (affordability)
- the opportunity for employment (jobs and skills)

The increasing supply of clean, energy from wind and solar has been a progressive development over the last two decades as the UK has stopped using coal to make electricity. We are also seeing the re-emergence of nuclear generation and new hydrogen technologies– further increasing domestic power options to improve our energy security. That means our power might come from different places than the past – needing new connections and changes to systems.

At the same time, the demand for electricity is expected to double by 2035 as we move our economy away from fossil fuels to new technologies with less pollution and greater energy efficiency.

This is an introduction – a starting point for those who want to learn more, and a reference for those who want to help shape the changes for our future energy system.

We look forward to welcoming you and understanding what more we can do to help you engage with the energy agenda.

Andrew Pritchard, East Midlands Councils

Jack Hayhoe, Midlands Net Zero Hub

Energy, Our Use

Supply

Energy generally includes anything we use to get power or heat, and currently this would typically include the supply of coal, natural gas, petrol, diesel, heating oil and electricity.

Overall energy demand in the UK is around 2,000 TWh when all forms of energy are counted. We would like to move towards a position where the country used less energy – as low as 1,200 to 1,500 TWh in some scenarios.

We increasingly see the chance to use Renewables (Wind, Solar, etc) as sources of supply where the natural resource is 'free'. These sources are intermittent though and so a mix of energy will still be need, and some forms of energy storage.

Demand

We currently use fossil fuels (coal, gas, petrol, etc) for around 75% of our energy demand – some of which has to be imported – and increasingly want to move to lower carbon electricity, that can be generated in and around the UK, to combat carbon emissions and air quality concerns and to drive efficiency and affordability.

More electricity will mean connecting the sources of generation around the country to where we use it. New power lines and cables will be required (similar to building new motorways and roads when we wanted to travel more by car).

Consumption

We all pay for the energy we consume – whether at the meter (gas and electricity), or at the petrol pump, or for a delivery of heating oil.

We generally see electricity as a more efficient form of energy where transport and heating can use less energy (less consumption) than the traditional equipment powered by fossil fuels, for example:

- An internal combustion engine, cooling water and exhaust gases are a big part of the energy losses from the petrol we have bought!
- Electrical heat pumps can produce around three to four times more heat than the electricity that runs them

Gradually the UK is looking to electrify more and more and replace fossil fuels where practical – though some industries and processes will need the higher heat or energy that fossil fuels can supply.

Supply

The UK's energy supply combines fossil fuels with growing but intermittent renewables.



Demand

Energy demand is mostly met by fossil fuels, but rising electricity use needs more national infrastructure.

Consumption

Electric technologies use energy more efficiently, ultimately helping reduce overall consumption.

Electricity Transmission and Distribution

Electricity powers millions of homes and businesses, and is set to be the dominant energy vector in the future for the UK, with billions set to be spent on providing the transmission system (imagine a motorway) for moving power around the country and a distribution network (imagine regional and local roads) to connect to every home and business to enable low carbon electricity to be used for light, heat and transport.

Why do we need more electricity?

We need more electricity if we are to fully replace coal and petrol and reduce gas, as the UK looks to reduce overall energy consumption through electrification. Electricity can provide cleaner power and will power electric vehicles and home heating.

Coal has largely disappeared from use in the UK over the last 30 years – firstly from home heating, and more recently from our power stations. Petrol is still produced in UK from imported oil from around the world, and distributed by pipes, rail and lots of road petrol tankers to the forecourts where we buy the fuel, we ‘consume’. Petrol consumption will reduce as transport is electrified.

Why do we need new routes?

We are increasingly generating more large-scale electricity from Offshore Wind (East Coast and Scotland), Onshore Wind (varied scale and locations) and Solar (old industrial land) and also looking at a new fleet of nuclear stations – some very large like HPC and Sizewell and some smaller in the case of Small Modular Reactors.

Many of these new sources of electricity are in new places – not fully connected to where we use electricity – or if still in the same place, need more capacity than older equipment to move the electricity to where it is needed.

Investment

Billions will be allocated to upgrade the transmission system and expand distribution networks for low carbon electricity.



Transmission

Transmission carries high-voltage electricity long distances across the country from where it's generated.

Distribution

Distribution delivers lower-voltage electricity through local networks directly to homes and businesses.

Gas Transmission and Distribution

Natural Gas (methane) provides the energy for heating and cooking across millions of homes and businesses, and like electricity is transported around the country in a transmission system (imagine a motorway) and then after reducing the pressure is moved into the distribution network (imagine regional and local roads) to connect to home and business.

What is the future of gas?

The current system for Natural Gas transmission and distribution is relatively modern and has been created in the last 50 years as we have moved from towns gas – produced in local regions and often stored in large gas holders – to the current pressurised system, enabled by North Sea Gas finds, and more recently supported by international imports.

We still have a future for gas – helping to generate electricity, power industry and provide energy for heating, although it will likely be less gas than is currently used. There are still large programmes of investment in National Gas (Gas Transmission operator) and the regional gas distribution companies like Cadent in the Midlands supporting the consumers

who are on gas and making sure that the pipelines and other facilities are fit for purpose for the foreseeable future.

The balance and rate of new electrification and retirement of gas is critical to plan effectively across every geography, so we have an efficient future system.

What else might reduce gas?

Whilst natural gas will be present for the foreseeable future, there are also proposals to introduce Hydrogen as an alternate fuel for some applications including transport and industry – where electrification is not always possible.

Supply

Natural gas currently supplies energy for heating and cooking and is delivered nationwide through transmission and distribution networks.

Transition

The UK is gradually shifting from natural gas toward more electrification and potential new fuels such as hydrogen.

Outlook

Gas will still play a role in power, industry and heating, but in smaller amounts as cleaner technologies grow.





Local Area Energy Plans

Overview

The transition to change the way we produce and use energy across buildings, transport and industry is a challenge across the UK and needs engagement and insights from lots of different perspectives. Whilst at a national level the National Energy System Operator (NESO) has the mission for national, central and regional planning it is the Local Authorities and local people (stakeholders) who have place-based strategies and plans that will inform and predict the exact geography of how and when changes will happen. The preferred method proposed for this is the Local Area Energy Plan or LAEP.

What is it?

Local Area Energy Planning is a process designed to deliver effective local action to contribute to the UK's net zero ambitions. It provides an action plan for local leaders that also accounts for action at the national level. It incorporates technical evidence on the whole energy system, wider non-technical factors and engagement with stakeholders.

It aims to deliver cost savings, social benefits and a more coordinated energy transition by taking a proactive, whole-systems, place-specific approach to energy planning.

In short, it tells you what measures need to be taken, where exactly changes need to happen, how many of each measure is needed and how much it is likely to cost.

How do we do it?

Local Area Energy Planning entails using multiple sources of national and local data and insights to model the whole energy system, testing different technologies and scenarios, and analysing the outcomes.

There are seven stages to the process:

1. Preparation – gathering available data and reviewing relevant policies and strategies.
2. Stakeholder engagement – this runs through the whole process.
3. Baselining of the existing energy system in a local area.
4. Modelling options for the future.
5. Scenario refinement and selection.
6. Setting out the necessary actions, priorities and decisions.
7. Creating the plan.

As an output we are also seeing the creation of 'Digital twins' (creating a map-based visualisation of the data) as part of a LAEP commission. This brings the complex area of energy planning across a town or local authority area to life in maps that can show proposed actions.

LAEP will help bring the changes for the energy transition into focus, but will probably need to be refreshed and reconsidered every 2-3 years for the next few decades.





Smart Meters

Overview

The UK has installed around 40 million smart meters, and all domestic properties and business properties should have a smart meter by 2030. A smart meter allows consumers to see their gas and electricity use and its costs at any point. They provide an insight into what we will pay for energy, whether it's boiling the kettle (c 4p), charging a car (£3-£8) or running central heating – providing an easy link, or feedback, to energy. Understanding our energy use is the first step in energy education to help reduce consumption and bills.

What is it?

Smart meters are the next generation of a gas and electricity meters. They are replacing traditional energy meters in homes across Great Britain. They accurately measure how much gas and electricity you're actually using, and what it's costing you. They replace traditional meters which require manual meter readings – installation usually comes with no extra cost.

How do they work?

A smart meter records your energy usage, automatically sending its readings to your energy supplier at least once a month via a secure smart meter network that doesn't require Wi-Fi. They also come with an in-home display which may in time, encourage a reduction in your use of energy consumption.



Solar PV

Overview

The growth of renewable energy in the UK is demonstrable through the extent to which solar has been deployed across domestic and commercial roof-top solutions and increasingly ground-mounted systems. Historically thought not to be practical in the UK, the advances in technology and reduction in cost of units has led to its use across all of UK (not just south of Watford!). There are current indications are that solar will continue to grow and can provide households and business with 'local' electricity supply that can help reduce demand on the system and provide savings in energy bills.

What is it?

The role of solar in generating low carbon electricity, from the sun, has changed significantly in last decade, as the cost of equipment has decreased massively. Solar is now common across domestic and business rooftops and on ground mounted arrays, with strong growth expected in line with the UK's official ambition to reach 70 GW of solar capacity by 2035. The UK aims to increase capacity from 15 GW to 70 GW by 2035, creating massive opportunities for the East Midlands.

How do they work?

Electricity is converted from the solar energy during periods of strong daylight through the use of Photovoltaic cells mounted in flat panel frames (and potentially may even include rolls in the future). An installation consists of solar panels, invertors (converting DC to AC), cables, and mountings and the option to add a battery for local storage.

How much?

The power of single panels is increasing as technology improves and typically a 6-8 panel domestic roof installation on a south-west to south-east facing roof will be 2-4 kWp rated and produce around 3,000 kWh a year – around 50% of average household use. Typical costs are around £4-8,000 per house. Large solar farms have been built across the region, and these tend to be up to a thousand times more power than a single domestic installation. A 500 MW solar farm typically requires around 1,800–2,500 acres, depending on design and spacing.





Onshore & Offshore Wind

Overview

The emergence of wind generation in the UK over the last two decades has created the foundations for increasing low carbon domestic electricity generation, as the size of individual wind turbines increases and contribute to bigger projects. Wind generation is an essential enabler of Clean Power 2030 and will provide a substantial portion of the increased electricity needs in the UK.

What is it?

Wind energy is a form of renewable energy that generates electricity by using the natural movement of air. When the wind blows, it turns the blades of a wind turbine, which rotate a generator to produce electricity. Wind energy produces no carbon emissions during operation and relies on a naturally replenished resource (hence the term 'renewables'), making it an important part of the transition to a cleaner and more sustainable energy system.

How does it work?

Wind projects generate electricity by harnessing the power of the natural movement of the air using turbines. Wind turns the turbine blades, which drives a generator to produce electricity. This electricity is then carried through cables into the power network to supply homes, businesses and public services. Projects can be located on land (onshore) or at sea (offshore) and range in scale from single turbines to multiple turbine farms. The largest offshore wind turbines are now in the range 15 – 25 MW from a starting position of just 1 – 2 MW per unit twenty years ago.

How much?

For electricity generation, an onshore wind turbine is generally one of the lowest-cost forms of project. Typical costs of a wind turbine will vary depending on its size, location and site conditions. In England, the typical cost for onshore wind capacity is around £1.2 to £2 million per megawatt (MW), including turbines, foundations, and installation, though this can vary. Offshore wind is significantly higher, potentially reaching £3 to £5 million per MW or more, depending on marine foundations, technology (fixed vs. floating), location, and associated infrastructure (foundations, grid connection) etc.



Energy Storage, Batteries

Overview

In moving to an energy system with more renewable generation such as wind and solar, that relies on weather or time of day for its availability, we often produce energy when we don't need it all – so we need to be able to store it – close to where it is produced or needed. Electrical energy has often been stored in small batteries for convenient use for portable devices and for starting our cars but is now being stored in much bigger batteries that operate at much higher voltages. Thus, making the electricity available when we need it later.

What is it?

Battery Energy Storage Systems (BESS) allow electricity to be stored and used later, helping to smooth out mismatches between when energy is generated (or cheapest) and when it's needed. They range from small domestic batteries (a few kilowatt hours) to large grid connected systems that can supply power at the scale of tens or hundreds of megawatts.

Why do it?

At a Domestic level or small scale - households with PV Solar, generated through the day when the sun shines, can use a domestic scale battery to hold excess electricity and then use it later in the day in the peak price period to save money. This can significantly increase the proportion of solar energy used by households - typically lifting self-

consumption from around 35% to roughly 70–75%. Without a battery, surplus solar electricity could be turned into hot water for homes with a storage tank or sold to the Grid but often the price is quite low for excess solar. Homeowners, with a battery, can also take advantage of cheaper off-peak tariffs by importing and storing electricity at night when prices are cheaper and using it during peak periods of the day when prices are more expensive. There is also the potential to use the stored electricity to provide (sell) power to the wider electricity network, known as the flexibility market, when there is a lack of power available in the area.

Larger, Grid Scale Benefits - In the same way that small batteries provide storage and flexibility, there is an increasing need to do this higher up the energy system and large-scale storage solutions as arrays of batteries are now in operation and being developed across the UK. Larger systems help stabilise the grid and keep it reliable – something we all take for granted, by helping balance fluctuations in supply and demand and providing power to maintain the steady frequency of the systems to improve grid stability. Battery systems are useful to help large solar farms and wind farms store their energy for use later and like for domestic systems can be 'filled or charged' when prices are low and then 'discharged or emptied' when prices are higher. Storing electricity helps make power available when we need it.





Nuclear Generation

Overview

The UK needs a mix or 'jigsaw' of energy sources to produce electricity now that coal fired generation has ceased. Nuclear power generation is an essential part of the UK energy strategy providing large scale central generation at strategic sites across the country. The older nuclear power stations using Magnox or Advanced Gas technology have either closed or will close in the next few years. New Pressurised Water Reactors (PWR), similar to the Sizewell B are being built now, and then there is the opportunity for Smaller Modular Reactors (SMR) using the same technology. Excitingly, there are further options for the UK to lead the world on Fusion technology - that promises to be able to provide electricity through an alternate approach.

What is it?

Nuclear energy will play a huge role in decarbonisation the energy grid and help the UK reach their ambition for more domestic low carbon electricity generation. The UK has set a goal of achieving up to 24GW of nuclear capacity by 2050 and is a cornerstone of UK energy security and industrial strategy. There are currently around 100,000 people involved in the Nuclear sector.

How does it work?

The two types of nuclear energy production methods are 'Fission' (most common) and 'Fusion'. Fission harnesses the energy from the process splitting the atom - releasing a lot of energy that is used to produce steam through a pressurised water reactor and then generate electricity through conventional steam turbines. This is the method used in commercial nuclear power plants including the new plants in construction in Somerset and Suffolk and is the basis of Small Modular Reactors (SMRs) and other Advanced Modular Reactors (AMRs).

In fusion, the idea is that two light atomic nuclei are fused together under extreme heat and pressure to produce a single heavier nucleus which produces a large amount of energy. Currently there are no commercial fusion power plants, however there are a few in development, including the STEP Fusion project in Nottinghamshire at West Burton, where they are building a prototype fusion powerplant by 2040.



Hydrogen Production

Overview

As part of our energy transition, we are looking to reduce the use of fossil fuels that emit high levels of carbon. Whilst electrification remains a priority for the transition there are some processes and uses of energy that still need something else. Hydrogen is proposed for some of these 'hard to electrify' applications in transportation or industrial high temperature processes.

What is it?

Hydrogen Production is the industrial process of extracting hydrogen gas (H₂) from compounds like water or natural gas. Primarily, Hydrogen will be used as a clean energy source to replace natural gas or petrol products and there is a colour coded carbon footprint dependant on the method used to create Hydrogen. Grey is from fossil fuels, Blue is fossil fuels where the carbon is captured and Green is through renewable powered electrolysis.

How?

Hydrogen is a versatile fuel that can decarbonise sectors where electrification is impractical. It allows for clean, high-temperature heat in industrial processes. In addition to this, it can also be used as fuel for shipping, aviation and heavy transport. Hydrogen is Net Zero Carbon at point of use as the only by-product is water, however to be considered a Net Zero fuel it needs to come from either Blue or Green production methods.

How much?

The UK government aims to deliver up to 10GW of low-carbon hydrogen production capacity by 2030. GBE has been tasked investing in the development of this, alongside National Wealth Fund. It is one of the five sectors that will benefit from £5.8bn allocated to National Wealth Fund with the aim to incentivise the transition to private finance.

In the East Midlands, Hydrogen Production is being championed and planned by the East Coast Hydrogen. A Joint Venture between Northern Gas Networks, Cadent Gas and National Gas, they are supporting hydrogen production and storage with industrial users in the region.





Electric Vehicles

Overview

Transportation is one of the largest contributors to energy use, carbon emissions and air quality emissions, and fossil fuels such as petrol and diesel are often forgotten when thinking about personal or business energy costs. The option to use electrification in transport is some ways a return to the past, when trams electric milk floats and other vehicles were electrically powered. The UK is now looking to move towards more electric vehicles, that use much less energy compared to petrol or diesel vehicles that waste energy to heat in exhausts and radiators colling the engine.

What are they?

An Electric Vehicle (EV) is a vehicle powered by one or more electric motors, using energy stored in rechargeable batteries instead of relying on a traditional internal combustion engine (ICE) and fossil fuels such as petrol, carried in a petrol tank.

Why change?

With the need to move away from fossil fuels to reduce our impact on climate change, and in order to reduce the impact of air pollution for health benefits we are seeing a rapid shift towards electric vehicles. This is supported by national legislation and innovations supporting cheaper mobility and cheaper running costs.

Electric Vehicles, such as cars, convert around 80% of the energy from the battery to power the wheel, compared with petrol or diesel vehicles that

only convert around 40% of the energy paid for at the pump to power the wheel.

The move to EVs is also setting challenges for residents, businesses and the public sector with a need to consider charging, grid connection and a shift to more intelligent ways of connecting mobility and clean energy. Midlands Net Zero Hub is working with partners to support the shift!

How?

Electricity is stored in large batteries and deployed to power motors. EVs have fewer moving parts than ICE vehicles and many of the parts of an EV are specifically designed for this purpose in order to optimise the use of power and to get the most for the user.

How much?

EVs are approximately 18-20% more expensive than ICE vehicles (although this figure is skewed by a greater proportion of high end EVs). There are many second-hand vehicles available at reasonable prices and new car prices are coming down as more manufacturers and models come onto the market.

There are also alternative ways of purchasing through salary sacrifice which are more cost effective. From a fleet perspective, more organisations are turning to EVs to bring down their running costs, with the Total Cost of Ownership often being cheaper for EVs than with ICE vehicles.



Anaerobic Digestion

Overview

As we look to increase energy security in UK through diversification of sources and more domestic production then Anaerobic Digestion (AD) is a vital, growing renewable energy sector, with nearly 730 operational plants nationally converting organic waste (food, sewage, agricultural slurry). As a low-carbon energy source, it generates electricity and heat, or is refined into biomethane for the national grid.

What is it?

AD is a natural process where microorganisms breakdown organic waste (like food, manure, sludge) in the absence of oxygen. Through this process, three key renewable resources are produced:

- Biomethane. Green gas which can be injected into the national gas grid – suitable for domestic heat or transport fuel – or it can be used to generate renewable electricity.
- Bio-CO₂. A stream of gas suitable for industrial use (e.g. carbonating drinks) or storage, thus reversing GHG emissions.
- Biofertiliser (known as digestate). An organic fertiliser which recovers nutrients found in all food waste and returns them to land.

Why do it?

The UK government's new "Simpler Recycling" reforms seek to standardise waste collection and mandate that food waste be separated from general waste for both businesses and households. As Anaerobic Digestion is the government's preferred option for the treatment of food waste, the Hub set out to help inform local authorities of what AD can deliver for them.

Managing food waste via AD converts material from a "waste" into valuable, low-carbon bioresources, delivering a 6% cut in the UK's greenhouse gas emissions. By recycling the valuable resources in food waste through Anaerobic Digestion councils can help reduce waste. WRAP's (Waste and Resources Action Programme) most recent estimate of food waste in the UK is 10.2 million tonnes per annum.





Building Retrofit

Overview

Whilst looking to secure more of our energy supply from clean energy sources, there is still a need to reduce the energy we use, and one of the biggest areas of energy losses (waste or 'leakage') is from our buildings - domestic, public buildings, commercial and industrial.

For existing domestic buildings, including a high portion of the regional housing stock that is 60 years or older, we want to encourage changes to our building fabric, to reduce the leakage of energy we pay for and to consider whether we can heat and power our buildings differently.

Increasingly programmes like £15 bn Warm Homes Plan and initiatives like Minimum Energy Efficiency Standards are targeting improvements and new requirements for our social, owner-occupier and private rented sections. Together with fuel poverty strategies these are looking to make warm homes affordable for all.

What?

Improving energy efficiency of domestic buildings is a key part of meeting the governments targets for reducing fuel poverty and making warm homes affordable. A large proportion of carbon emissions across our region is related to the heating and energy usage of residential buildings. There are a number of different interventions to improve energy efficiency including insulation upgrades, (wall and loft), installation of new heating systems and energy

generation technologies. Using smart meters and electronic thermostats within the home can also help control heating more appropriately and reduce energy consumption and even lead to remote phone-based applications to switch heat off and on to suit daily patterns of need.

How?

We are increasingly looking at all domestic buildings having a Energy Performance Certificate (EPC), that is valid for 10 years, and the format of these EPC assessments is destined to change in Autumn 2026. Energy efficiency improvements to properties are selected on a case-by-case basis. The survey process involves accessing a property, looking at the structure of the walls, roof and floors and any specific needs of the residents. The survey and assessment will look at the feasibility of numerous interventions to improve the properties energy performance and recommend the best combination of interventions.



Heat Networks

Overview

Heating is one of the biggest uses of energy in the UK, as we work to keep our homes, offices and other buildings at a comfortable temperature. During the colder months - autumn, winter and parts of spring - heating demand increases significantly because we need to add more warmth to our buildings as outdoor temperatures drop. In summer, we rely less on heating, but increasingly we are seeing a greater need for cooling as hotter weather becomes more common. In areas with many homes or buildings close together - such as apartment blocks or dense urban neighbourhoods - it can often be more efficient to use one large, centralised heating system rather than individual gas boilers in each property. These larger shared systems are known as district heating systems or heat networks.

What are they?

A heat network (district heating) supplies heat from a central source to multiple buildings through a network of insulated pipes (usually carrying hot water) — like central heating for a district/city.

How?

Heat is generated in a centralised energy centre (or from multiple sources) and distributed via insulated underground pipework to customers such as homes, hospitals, universities, offices, and public/commercial buildings. In each building, a heat interface unit/heat exchanger transfers heat into the building's own heating/hot-water system and can be metered. Heat networks are often most suitable in high-density areas and can enable low-carbon heat sources at scale (including recoverable/waste heat and large heat pumps).

How much?

Today around ~3% of UK heat is supplied by heat networks. In future, government estimates heat networks could supply up to 7% by 2030 and around 20% of UK heat by 2050 to help reduce the energy needed to keep houses and buildings warm. The scale of these heat networks can range from a small cluster of buildings to entire cities, depending on heat density and available heat sources.





Employment, Skills & Training

Overview

The range of Green Sector and Clean Energy jobs continues to rise as we adapt our lifestyles, place-making and energy system to the challenges of climate change and the desire for increased energy security.

Green Jobs is a broad sector definition that include those related to clean energy and clean power but also those jobs in automotive, aerospace, maritime, rail, forestry, agriculture, waste, oil and gas and the built environment - all areas where we are changing to respond to the challenges and risks of climate change including flood, weather, energy and processes and where we realise that the environment, as our natural capital, can help with adaption, mitigation and resilience. For more about the variety of roles then see [Green Jobs Taskforce report](#)

Clean Energy and Clean Power jobs are generally defined as those related to the energy transition and new technologies, and those related to power supply technologies, respectively. The jobs and opportunities for upskilling or training are especially evident in the offshore wind, nuclear, solar and retrofit sectors – and cover a wide range of roles from managerial, finance and administration to the traditional trades and support roles in engineering, construction, and operations and maintenance that we focus on with technical training. The approach to growing employment is summarised in [Clean Energy Jobs Plan: Creating a new generation of good jobs to deliver energy security](#)

What is the level of opportunity?

In the Clean Energy Sector, it is estimated that there are around 15,000 jobs currently in the East Midlands and that could significantly increase to 2030 and beyond as our activities in retrofit, solar, nuclear and other clean energy activities increase. This is consistent with the national view of around 400,000 clean energy jobs, with projected growth of up to 400,000 more.

The need for different skills for future opportunities is well understood by employees and local colleges – many of whom work together to provide modern courses that extend the traditional trade skills to advanced areas such

as solar and heat pumps and provide the foundation for entry to employers within our regional supply chain. There is always a challenge in forecasting the rate of change and uptake for courses and together we need to build confidence that we can invest in the energy transition and retain more jobs locally within region.

How are we helping create opportunities?

There are specific examples of employment studies, supply chain reviews and training interventions across the East Midlands and nationally where the Midlands Net Zero Hub have led or been specifically involved that have contributed to over 30,000 training places, in such areas as:

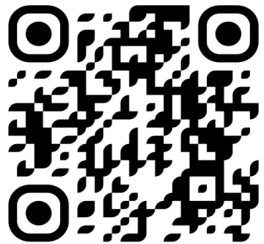
- Heat Training Grant - [Heat Training Grant: Heat Pumps](#)
- Green Homes Grants Competition and Homes Decarbonisation Skills - [Green Homes Grant Skills Training Competition](#)
- Warm Homes Skills - [Warm Homes Skills Programme](#)
- Regional Skills Pilot - Lincolnshire - [Regional Skills Pilot – North & North East Lincolnshire](#)
- Nuclear Skills Study - [Microsoft Word - Midlands Nuclear Report v1.1 \[WORKING\].docx](#)
- Regional Activity Studies - [Low Carbon and Environmental Goods and Services Sector Study](#)

Scan the MNZH QR code on the next page for direct access to the links above, and others in this briefing.

Find Out More



EMC enables councils across the East Midlands to work together on key issues, providing advice and support, and representing the interests of our members to Government and national organisations.



The Midlands Net Zero Hub is funded by the Department for Energy Security and Net Zero and hosted by Nottingham City Council.





Executive Board

27th March 2026

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. The Joint Council meeting follows on from each Employers' Board meeting.
- 1.2 This report provides an update for Executive Board Members from the Regional Employers' Board, as well as information 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
 - LGR
- 1.3 An update is also provided on significant employment law developments and regional support to councils.

2. Regional Employers' Board & Joint Council Updates

- 2.1 The Regional Employers Board and Regional Joint Council met on 13th March 2026. The Employers Board received an update on key developments relating to workforce matters at a national level and work being carried out by EMC to support councils across the region. The Board also discussed the regional councillor development offer and provided guidance on content and timescales for future events.
- 2.2 The Regional Joint Council meeting was focused on LGR and received a presentation from the senior HR Leads of North Northamptonshire and West Northamptonshire Councils, sharing their experience of LGR and key lessons. Both Members and union representatives said the presentation was excellent and useful.

- 2.3 The next meeting of the Regional Joint Council will focus on the LGR experience and learning points from the perspective of trade union colleagues.

3. Pay and Rewards: Local Government Pay Negotiations

- 3.1 Members will be aware that the representatives of employees within the main negotiating groups have submitted their pay claims for 2026. These are summarised below, with details and copies of the claims available through the following link: [Pay and Rewards](#)

- For “**Green Book**” employees, that represent the main body of councils’ workforce, – the claim seeks:
 - a. An increase of at least £3,000 or 10 per cent (whichever is greater) across all NJC spinal column points;
 - b. A minimum pay rate of £15 an hour for the NJC pay spine
 - c. A two-hour reduction in the working week, with no loss of pay
 - d. An increase of one day annual leave for all staff
 - e. The ability of all school support staff to take [at least] a day of paid leave during term time
 - f. The abolition of Level 1 Teaching Assistant role and instead all Level 1 role holders be moved onto Level 2

In the event of a multi-year settlement being proposed, the unions would seek the following structure to a three-year agreement (in addition to items c-f above):

 - Year 1: £3,000 or 10 per cent (whichever is greater) on all spinal column points, alongside the introduction of a £15 minimum hourly rate
 - Year 2: An increase of RPI + 3 per cent
 - Year 3: An increase of RPI + 2 per cent.

- For **Chief Officers** - an increase of at least 10 per cent or an increase that is no less favourable to Chief Officers than the NJC claim – as a step towards pay restoration. An additional day of paid leave to align annual leave with Green Book terms. To jointly agree and circulate a national survey on the levels of stress, workload pressures, and unpaid overtime experienced by Chief Officers. The claim also refers to working jointly with unions to assess the extent of, and close, the gender, ethnicity, and disability pay gaps in Chief Officer grades.

- For **Chief Executives** - a pay increase that is the same as the percentage increase (or equivalent percentage if the offer is expressed in £s) for the top point on the scale for “Green Book” employees. The claim also requests a matching increase in annual leave if the 2026 pay deal for Green Book staff involves any further increase in annual leave.
 - A claim has yet to be submitted for 2026 for **Craftworkers**.
- 3.2 EMC hosted a regional pay briefing meeting on 20th January 2026, attended by over 70 officers and Members from councils in the East Midlands Region. The briefing provided an opportunity for attendees to meet Members of the National Employers, and advising officers. Cllr Catton – a Member of the Employers' Board attended along with Cllr Roger Phillips as Members of the Employers' Side of the National Joint Committee that negotiates on behalf of local authorities. I am one of the appointed advisers to the Employers' Side of the National Joint Committee.
- 3.3 Feedback from the regional briefings, along with the responses to a survey that was conducted, are used to inform the National Employers' response to the pay claims. Significant factors that influence the Employers' response are also issues of affordability and ensuring that pay levels will be compliant with National Living Wage forecasts for April 2027.
- 3.4 The National Employers met on 24th February 2026 and will meet again on 24th March 2026 to consider the information further and provide an opportunity for a discussion with employees' representatives.
- 3.5 In addition to pay negotiations, work is continuing at national level to jointly review the national pay spine. A new pay spine is required to address the impact of the National Living Wage and to better reflect salaries of roles at more senior levels but below chief officers. A data set has now been agreed which will be used as the basis for modelling and costing new pay spine options. The national joint secretaries met recently to agree terms of reference, largely based on the last time the spine was reviewed. The work is likely to take 2 years, based on past experience and EMC will continue to keep authorities updated on progress and support the flow of information between councils and national colleagues.

- 3.6 The Coroners' Society of England and Wales (CSEW) has given notice of withdrawal from the Joint Negotiating Committee (JNC) for Coroners and has opted instead to negotiate on an individual basis directly with their relevant local authority. EMC is liaising with the national lead adviser and counterparts in other regions to enable councils that will receive pay claims locally to share information and approaches. The stance continues to be to encourage the Coroners' Society to return to the national bargaining arrangements. The Ministry of Justice has recently written in response to the LGA's letter regarding the situation and it echoes the encouragement of both sides to return to the negotiating table.
- 3.7 The Soulbury Committee negotiates national terms and conditions for employees in professions such as educational psychologists. On 27th February agreement was reached on the pay award for 2025, resulting in an increase of 3.2% on pay points that is backdated to 1st September 2025.
- 3.8 For Craftworkers, agreement remains outstanding on a pay award for 2025. GMB agreed to the Employers' offer of a 3.2% pay award but Unite has rejected the offer. Unite has the majority of seats on the unions' side of the Joint National Committee and therefore the award cannot be agreed. Unite has now started to ballot for industrial action, targeting a small number of councils none of which are within the East Midlands region.

4. Employment Law Developments

4.1 The Employment Rights Act 2025

- 4.1.1 As indicated at the last meeting, the Employment Rights Bill became enacted on 18th December 2025. The Act includes wide-ranging changes to employment legislation, which will come into effect in a staged approach with the timeline set out in the Government "roadmap document". [Implementing the Plan to Make Work Pay and Employment Rights Act - GOV.UK](#)
- 4.1.2 There have been some changes to the original timescales to take into account the complexity of the issues and the need to undertake further consultations. These relate to restrictions on "fire/rehire" which in practice limit employers' ability to vary contracts, and the proposals to introduce electronic balloting.

- 4.1.3 A summary of the changes arising from the Employment Rights Act that have already come into effect and are due to be implemented in April 2026 are set out at Appendix 8(a) to this report.
- 4.1.4 The reduction of the qualifying service required for unfair dismissal protection from 2 years to 6 months will take effect from January 2027. However, councils should already be reviewing their probation policies to ensure these take account of the new timescales, and to provide training/advice to managers on probation processes and supporting new employees.
- 4.1.5 Overall, the changes in the Act will strengthen employee rights and increase penalties for employers. There will be a shift in focus on seeking change through agreement and negotiation.
- 4.1.6 EMC is supporting councils in raising awareness and preparing for changes by providing employment law update seminars and through a monthly HR bulletin. The most recent seminar took place on 17th March attended by over 80 delegates.

4.2 School Support Staff Negotiating Body (SSSNB) & Adult Social Care Fair Pay Agreement and Negotiating Body

- 4.2.1 From previous reports, the Board will be aware that the provisions within the Employment Rights Act include proposals to establish a separate national negotiating body for school support staff, who are currently covered by the NJC for Local Government Services (NJC) – the bargaining group for the main council workforce. The outcome of consultation is awaited, and the timescale for the SSSNB to be established in September, with the earliest pay agreement expected for 2027-28.
- 4.2.2 The SSSNB will be given a mandate by the Secretary of State and the Schools White Paper issued recently referenced an intention for the mandate to include an improvement to maternity pay for schools' support staff of up to 8 weeks at full pay.
- 4.2.3 The Act also includes provisions for a Fair Pay Agreement for Adult Social Care employees which would be delivered through a new Adult Social Care National Body (ASCNB). The consultation exercise on these provisions closed

in January. EMC hosted a regional meeting to discuss the consultation and to help councils prepare their responses. EMC submitted to MHCLG the key points that arose from the meeting. It is understood that there were more than 2000 responses to the consultation, and a response from Government is awaited.

- 4.2.4 Members are reminded of the key concerns and implications for councils:
- a) Clarification on whether adult social care workers directly employed by councils will be in scope of the ASCNB and, if so the equal pay risks that could arise. For example if the ASCNB agreed a higher annual pay award than the NJC (or vice versa) employees could make an equal pay claim comparing themselves to colleagues covered by the other bargaining group who are in jobs rated to be of equal value within a job evaluation scheme but are now paid more.
 - b) The need for funding for employers to cover the transition and implementation of fair pay agreements.
 - c) The extent to which local government is able to influence the outcomes of the ASCNB, as the proposal currently indicates this would be limited to being a written consultee.
 - d) The extent to which the proposal reflects the complex role of local government in terms of councils' responsibilities under the Care Act and in shaping the provider market.

5. Attracting Talent – National Recruitment Campaign

- 5.1 Attracting and retaining talent is a regional workforce priority and in support of that aim, EMC has been working jointly with the LGA to update and roll-out of a government funded recruitment campaign and toolkit.
- 5.2 EMC has ensured that councils in the region have been able to input on how the resources should be developed and what the focus should be of this year's campaign, building on experience of last year's campaign. EMC has also been promoting the awareness of the materials available for councils to use locally and tailor to their specific needs. The updates have made it easier to use the materials, highlights more job roles and includes a focus on early career opportunities in the sector.

- 5.3 The national media advertising campaign ran from 5th January to 15th February 2026, with promotion across a range of media channels including outdoor billboards, radio, social media, and podcast adverts. In the first two days of the campaign there were over 20,000 visitors to the website featured to find jobs in local government, and 110,000 in the first two weeks. The paid media campaign generated over 3.5 million impressions in the first week. Over 200 councils have accessed the campaign toolkit and the resources remain available for councils to use and adapt to meet their local priorities.
- 5.4 The external evaluation of the media campaign is underway, with councils being asked to provide recruitment data to inform the evaluation. A virtual event on 31st March 2026 will share the evaluation results.

6. Update on Regional Activity

6.1 Councillor Development

- 6.1.1 EMC's programme of events is being delivered for councillors across the region, offering a mix of in-person and virtual sessions.
- 6.1.2 On 19th March 2026, a knowledge briefing was held at Devonshire Place in Leicester for Members and senior officers "Have we got the Energy?" attracting over 80 delegates. It provided a non-technical introduction to national energy policy and regional energy strategic planning as it impacts on local government in the East Midlands. This will enable councils to contribute to regional energy strategic planning processes and will also help elected members to better represent the concerns of local people in decisions about the future generation, storage and transmission of energy.
- 6.1.3 Events have been arranged on:
- Role of the Civic Head
 - Hitting the Ground Running 1 year on
 - Planning Policy Reform and Devolution – an update following reforms first announced in 2025, for officers and members being held at Devonshire Place, Leicester on 16th July 2026.
- 6.1.4 The programme for the coming year will also include sessions for Members on chairing skills, effective questioning – for scrutiny and more generally, managing casework and LGR.

6.1.5 The Scrutiny Network met on 6th March, with 43 participants at the meeting which was focused on Neighbourhood Governance, and included an update from the Centre for Governance and Scrutiny. The network will meet again on 12th June 2026.

6.2 Officer Learning and Development

6.2.1 EMC co-ordinates a regional Learning & Organisation Development Network, which enables councils to share information and resources relating to learning and development, and helps inform regional programmes for EMC to deliver and/or co-ordinate.

6.2.2 The network will next meet in April and will receive a presentation from Nottinghamshire Fire & Rescue Services on their culture dashboard.

6.2.3 EMC has been focusing its learning and development support on helping managers to develop knowledge and skills in preparation for LGR. The programmes are being delivered for councils in-house as well as on a shared basis so that officers from different councils can learn together and benefit from the wider experience and support networking.

6.2.4 Coaching and mentoring is an effective way of providing focused development, and EMC has been supporting councils with this approach by offering qualification-based as well as skills development training in coaching and mentoring. EMC also provides a regional coaching network, which enables councils to share coaching resources and access free training for coaches. This enables coaching to be provided in a cost-effective way, whilst ensuring high quality standards. There are currently 14 organisations that are part of the coaching network, and a new organisation – Northamptonshire Fire & Rescue will be joining for 2026-27.

6.2.5 Members will be aware from previous update reports that EMC runs two low-cost Continuous Professional Development programmes – one for Environmental Health Officers and the other for Planners. The most recent event held for environmental health officers was on the theme of health and safety and was attended by 158 officers. For planners, a seminar took place on 12th March on the theme of planning for nature, with 47 delegates attending.

6.2.6 EMC will be running the Challenge Event on 29th April, which is an immersive development day, with officers learning new skills, gaining self-awareness and having their strengths recognised. Councils put forward a team of officers who take on the role of a senior leadership team within a unitary authority and work together to address a range of challenges and compete against each other. Feedback on the event in previous years has always been positive, with participants often reporting tangible benefits to their learning and career development as a direct outcome. 17 teams will be competing this year.

6.3 Networks

6.3.1 In addition to the Scrutiny and Learning & Development/Organisational Development networks mentioned above, EMC supports county-based HR networks as well as regional networks on a range of themes such as Performance, Cyber Security and Equality, Diversity and Inclusion.

6.3.2 The county-based HR networks in most areas are being used as the forum to prepare for and progress with the workforce implications of LGR, and to cover the additional work are now meeting more regularly – on a monthly basis.

6.4 Consultancy

6.4.1 Councils can access individual support from EMC on a not-for-profit basis on a range of workforce issues as well as in-house training. 48 assignments have been completed so far since April 2025, with a number in progress.

6.4.2 Since the last Board meeting, assignments for councils have included:

- Mediation
- Chief Executive appraisal facilitation
- Restructuring support
- Pay benchmarking
- Advice and support on complex cases
- Disciplinary investigations
- Grievance investigations and advice on grievance appeals
- Senior officer recruitment
- Psychometric testing
- Coaching and mentoring

6.4.3 In addition to this work, EMC is supporting the delivery of a national programme of events for the Association of Democratic Services Officers (ADSO) which will be delivered throughout 2026.

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**

EMPLOYMENT RIGHTS ACT

Changes Already Introduced - Industrial Action, Check-Off and Facility Time Reporting

Some changes arising from the Employment Rights Act 2025 came into effect immediately, while others were introduced on 18th February 2026.

Changes that have already come into effect relate to industrial action ballots and protections against being dismissed for taking part in protected industrial action. Dismissal for taking part in protected industrial action is now “automatically unfair”, removing the previous 12-week limit for claiming unfair dismissal and extending it through the whole period of industrial action.

With regard to ballots for industrial action, the time needed to give notice of industrial action has reduced from 14 days to 10, while the mandate period for action following a successful ballot has doubled from 6 to 12 months. Notices to employers of ballots have been simplified, and there is no longer a requirement for a picketing supervisor to be appointed. The 40% threshold for industrial action ballots in important public services (which include fire and education) was repealed.

Of specific relevance to councils, is the lifting of the requirement for public sector employers to publish trade union facility time information.

Also of direct relevance to councils is the lifting of restrictions relating to “check-off” (the facility to pay union membership subscriptions via payroll). Trade unions will no longer be statutorily required to pay for the administration of check-off.

Changes Taking Place in April 2026

- **Statutory Sick Pay (SSP)** The three-day waiting period will be removed, so that SSP will be payable from day one of sickness instead of day four, and the lower earnings limit will be removed.
- **Family rights** Paternity leave and unpaid parental leave become ‘day one’ rights (no more qualifying periods, currently 26 weeks or one year respectively). The restriction on taking paternity leave after shared parental leave will be removed.
- **Whistleblowing protections will apply to sexual harassment complaints** so that a complaint of sexual harassment will become a ‘qualifying disclosure’ under whistleblowing law, providing protection from detriment and unfair dismissal for whistleblowers making a sexual harassment disclosure.
- **Fair work agency** will be launched to enforce and oversee compliance relating to holiday pay, National Minimum Wage, and SSP.

- **The collective redundancy protective award** will be revised so that the maximum 'protective award' for failure to consult in a collective redundancy situation will double from 90 days' pay to 180 days' pay.
- **Gender pay gap action plans** (including menopause) will be voluntary and encouraged, prior to becoming mandatory during 2027.
- **Trade union recognition** will be simplified.



Executive Board

27th March 2026

Report of Management Group

Summary

The following report of the Management Group provides a summary on the following matters

- The draft Business Plan for 2026/27.
- The budget update for the period April 2025 to February 2026 and year-end outturn.
- The proposed Budget for 2026/27.

Recommendation

Members of the Executive Board are invited to:

- Consider and endorse the proposed Business Plan for 2026/27.
- Note the actual financial position for the period to February 2026 and the associated forecast outturn to 31st March 2026.
- Consider and endorse EMC's budget for 2026/27.

1. Draft Business Plan 2026-27

- 1.1 EMC's Executive Board are invited to consider and endorse the draft business plan for 2026/27 that details EMC's proposed activity over the next 12 months.
- 1.2 EMC must be flexible and respond to the changing priorities and challenges faced by the sector. Therefore, the activities within any business plan may change if Members require it. However, within this context, the business plan should reflect issues highlighted through initial consultation with our membership and so provide the basis for work in the coming year.

Structure

- 1.3 EMC delivers a wide range of services and programmes working closely with our member councils. These can be split into the following four main areas of activity:
- a) Local Government Workforce and Councillor Development
EMC is the statutory Employers' Organisation for local government in the East Midlands, which will be of benefit to councils in moving forward with LGR proposals. We represent the interests of councils as employers, providing support on workforce issues and development including councillor development. EMC also provides the Regional Joint Council which brings together employers and trade union representatives and gives support to councils on dispute resolution.
 - b) Asylum and Refugee Resettlement
EMC, through its Strategic Migration Partnership, co-ordinates collaborative activity on asylum and refugee resettlement, managing the delivery of national UK Government programmes in support of local authorities in the East Midlands. These programmes currently include Asylum Dispersal, Ukrainian visa schemes, Afghan and wider UK resettlement schemes, the National Transfer Scheme for Unaccompanied Asylum-Seeking Children (UASC), and those arriving from Hong Kong with British National (Overseas) status.
 - c) Transport & Growth
EMC supports the work of Transport for the East Midlands (TfEM), which brings together the region's ten local transport authorities to provide collective leadership of strategic transport issues, including through a Rail Collaboration Agreement with Department for Transport. EMC also leads collective work to maximise the regional economic benefits of transport infrastructure

investment and provides regular updates of key regional metrics on growth and public investment.

d) Strategic Leadership

EMC plays a key role in coordinating regional leadership and collaboration across local government. We nominate representatives to key national and regional boards, and the strategic board of Midlands Connect. We also provide forums for joint working, including for Children's Services Lead Members and all 40 Chief Executives in the region.

- 1.4 EMC with its range of roles, responsibilities, and support offer for its membership, will focus its resources where it can add value, delivering a greater impact through a regional partnership approach and securing funding to deliver against membership priorities.
- 1.5 The business plan sets out our proposed work, and wider approach, for the next 12 months. A number of existing programme commitments remain, including our workforce development and organisational support, rail collaboration agreement with DfT and the delivery of asylum and resettlement programmes. But the new local government institutional framework, that includes 2 mayoral county combined authorities, will require collaboration across the sector and with national bodies to deliver shared outcomes across a number of geographies.
- 1.6 We will continue to add value to the work of our member councils and will focus on effective engagement with both members and officers in the delivery of agreed programmes. It remains important that all member councils access at least one of EMC's discounted services during the coming year, and it is our objective to match last year's success in delivering over £450,000 of savings for the sector.
- 1.7 The draft Business Plan 2026/27 is attached as Appendix 9(a) for Member consideration and endorsement.

2. EMC 2025/26 Budget Outturn

- 2.1 The budget surplus of £600 was set for 2025/26. Since then, Ashfield DC returned to EMC membership, and this has resulted in a further £5,200 in Membership Subscriptions. The forecast for March 2026 now shows a surplus of £5,800.
- 2.2 A budget summary for 2025/26 is attached as Appendix 9(b) and includes detail on the financial position up to the end of February 2026, in total and for each of the cost centres. It also provides a forecast for the outturn of 31st March 2026.

Reserves and Liabilities

- 2.3 At the beginning of the financial year 2025/26 the level of ‘useable reserves’ was £599,300, which is allocated to fund various purposes as listed below:
- £393,000 to an earmarked reserve for staffing liabilities (except pension liabilities).
 - £36,000 to an earmarked reserve for renewals (ICT and other Equipment).
 - £33,000 to an earmarked reserve for the Local Government Re-Structuring implications.
 - £137,300 to an unallocated reserve to manage unforeseen financial events.
- 2.4 Management Group approved the proposed transfer of £10,800 from General Reserves to the Staffing Liabilities Reserve to reflect the increase in the estimate of Staffing Liabilities valuation of £410,100 as at March 2027.
- 2.5 All these reserves are invested on EMC’s behalf by our accountable body in accordance with their investment policies which means that any interest being earned by our reserves is allocated back to EMC at the end of the financial year. Reserves, and cash held, currently earn around 1% below Bank of England base rate annually (which is presently 3.75%) and are easily accessible.

3. EMC Budget 2026/27 and 2027/28

- 3.1 A surplus of £300 is estimated for 2026-27, and a budget deficit of £50,600 is estimated for 2027/28. The position for 2027/28 is not unexpected as no adjustments have been made for LGR and any revised regional governance arrangements post April 2027.
- 3.2 Grant income is principally received from the Department for Transport for the Rail Collaboration Grant: the Home Office and the Ministry for Housing, Communities and Local Government in relation to the rail collaboration agreement, asylum and refugee resettlement schemes, and the Homes for Ukraine Grant or the Hong Kong Nationals Grant respectively.
- 3.3 While prudent assumptions for consultancy income, staff expenditure and other direct costs have been made, it should be emphasised that MHCLG is yet to confirm levels of Hong Kong and Ukraine resettlement grant funding. There is currently £372,250 set in the budget figures both in terms of Income and expenditure and any change will have no impact on the overall surplus.

- 3.4 The Membership Subscription budget assumes the exclusion of West Northants Council, who submitted notice to leave membership of EMC with effect from 31st March 2026. It was agreed by Management Group to increase membership subscriptions by 3.8% and 5% for consultancy, events and services provision for 2026-27.
- 3.5 Management Group has considered the draft budget and recommend it to the Executive Board for endorsement. The budget summary is attached at Appendix 9(c).

4. Recommendation

Members of the Executive Board are invited to:

- 4.1 Consider and endorse the proposed Business Plan for 2026/27.
- 4.2 Note the actual financial position for the period to February 2026 and the associated forecast outturn to 31st March 2026.
- 4.3 Consider and endorse EMC's budget for 2026/27.

**Cllr Elly Cutkelvin
Vice-Chair
East Midlands Councils**



East Midlands
Councils

**Business Plan
2026/27**

Foreword

Welcome to the East Midlands Councils (EMC) Business Plan for 2026/27.

We are proud to lead East Midlands Councils as we focus on the coming year, one that will likely bring profound change for the sector. In the coming months, the Government will announce its preferred options for LGR, and the English Devolution and Community Empowerment Bill will receive Royal Assent, bringing in a new devolution framework. At the same time, councils will be operating within a revised National Planning Policy Framework (NPPF) and the ongoing challenge for the sector in delivering ambitious housing delivery targets.

Within this changing landscape, EMC will continue to make progress on those issues that matter to the sector. At the heart of the business plan are our objectives, how we will achieve them, and how we will demonstrate impact, through:

- Collaboration across the sector and with national bodies to deliver shared outcomes across several geographies;
- Delivering cost-effective services and products on behalf of all our member councils;
- Evidencing proposals for change and improvement; and
- Influencing national decisions and decision-makers.

This business plan covers the range of EMC's programmes and services, including proposals for progressing the region's agreed investment and growth priorities, our work on strategic transport infrastructure, including enhancing rail connectivity and the A46 and A1, and supporting councils to implement the NPPF and housing delivery.

We will continue to build strong partnerships and networks, providing focused member and officer development programmes, as well as transformation and HR support through our wider role as the Regional Employers' Organisation.

We will also continue to manage important refugee and asylum resettlement programmes and provide advisory and technical expertise to the work of MPs through the region's APPG.

This Business Plan is not solely a statement of our priorities and objectives; it is a commitment to delivery, accountability and securing value for our membership, supported by EMC's performance management framework that is used to monitor and regularly report our progress and impact against the business plan.

We will continue to add value to the work of our member councils and offer all councillors and officers in the region opportunities to attend briefings, skills development, and training events. It remains important that all member councils have accessed at least one of EMC's discounted services during the coming year, and it is our objective to match last year's success in delivering savings for the sector of over £494,000

We remain grateful to EMC staff, councillors, and officers across the region for their efforts and ongoing engagement and look forward to continuing to work with colleagues across the East Midlands during 2026/27.



Cllr Sean Matthews
Chair of East Midlands Councils



Cllr Elly Cutkelvin
Vice-Chair of East Midlands Councils



Cllr Tricia Gilby
Vice-Chair of East Midlands Councils

Contents

Our Role and Purpose



What We Do



How We Work



Continuing Momentum: Reflections on 25/26



Our Funding



Our Priorities for 2026/27



Measuring our Impact



Communicating our Impact



Annex 1: 2026/27 Budget



Annex 2: Our Governance



Our role and purpose



The East Midlands is a region of 5.1 million people, with population growth over the past decade exceeding the UK average and aligning with rates seen in London and the South East. A sizeable economy in its own right, its 403,000 businesses generate a total regional output of approx. £157bn, equivalent to 5.8% of the UK economy.

Within this context, East Midlands Councils is a membership body that works on behalf of, and is the voice for, local government in the region. We are proud to represent the county, unitary, district and borough councils in the East Midlands, alongside the Peak District National Park Authority.

Our dedicated team delivers a wide range of services and programmes on behalf of our member councils. We provide practical support to help councils improve their services, alongside a strong collective voice on matters of strategic importance for the East Midlands.

Our core objective is to deliver tangible value through high-quality services and sector-led support, and by shaping policies and delivering programmes that reflect and address the needs and priorities of our members.

The common thread throughout this Business Plan is collaboration and partnership working. Through our established regional networks, commissioned research and programmes, shared learning of best practice, and joint approaches, we support the sector as it continues to deliver core services and implement an ambitious programme of change.

What we do

Local Government Workforce & Councillor Development

EMC is the statutory Employers' Organisation for local government in the East Midlands, supporting councils as employers, particularly in the context of LGR and organisational change. We represent councils' interests on workforce and employment matters and provide support on workforce planning, development, and councillor development. EMC also hosts the Regional Joint Council, which brings together employers and trade union representatives and provides support to councils on dispute resolution.



Transport & Growth

EMC supports the work of Transport for the East Midlands (TfEM), which brings together the region's ten local transport authorities to provide collective leadership of strategic transport issues, including a Rail Collaboration Agreement with the Department for Transport. EMC also leads collective work to maximise the regional economic benefits of transport infrastructure investment and provides regular updates on regional growth and public investment.



Asylum & Refugee Resettlement

Through the East Midlands Strategic Migration Partnership, EMC coordinates collaborative activity on asylum and refugee resettlement and manages the delivery of national UK Government programmes in support of local authorities in the East Midlands. These programmes currently include Asylum Dispersal, Ukrainian visa schemes, Afghan and wider UK resettlement schemes, the National Transfer Scheme for Unaccompanied Asylum-Seeking Children (UASC), and those arriving from Hong Kong with British National (Overseas) status.



Strategic Leadership

EMC plays a central role in coordinating regional leadership and collaboration across local government. We nominate representatives to key national and regional boards, including the LGA Executive and the LGA Asylum Resettlement Councils Strategic Engagement Group (ARCSEG). We also provide forums for joint working, including for Children's Services Lead Members and all 40 Chief Executives in the region. In partnership with the East Midlands Chamber, EMC provides the secretariat for the East Midlands All-Party Parliamentary Group (EMAPPG), supporting engagement between councils, businesses and parliamentarians on regional priorities.



How we work

East Midlands Councils adds value to the work of councils across the region by:

- **Evidencing** proposals for change and improvement
- **Influencing** national decisions and decision-makers;
- **Collaborating** across the sector and with national bodies to deliver shared outcomes; and
- **Delivering** cost-effective services and products on behalf of all our member councils.

EMC, with its range of roles, responsibilities, and support services, focuses its resources where it can add the greatest value. We prioritise activity that delivers measurable impact for members, strengthening regional collaboration, and securing external funding aligned to shared priorities.

EMC maintains strong working relationships with key Government departments, including the Ministry of Housing, Communities and Local Government, Department for Transport, the Home Office, Department for Education, and the Departments for Energy Security and Net Zero, and Business and Trade. These relationships support effective engagement, policy influence and programme delivery.

We will also work with business, health, and voluntary and community sector partners, and play an active and supportive role in wider regional partnerships, strengthening regional coordination and maximising the impact of our collective activity.

It is important that we measure and report our progress in meeting the objectives of this Business Plan. EMC's Management Group has responsibility for performance management, and officers will develop a revised set of key performance indicators that will provide a framework to measure overall progress and impact.

Continuing momentum

This Business Plan builds on the outcomes highlighted in our last annual report.



Our Funding

EMC continues to tightly manage its budget, ensuring a balance of income from a combination of annual membership subscriptions, grant funding in support of programme delivery and that from our traded services that are provided at a discounted rate to our membership.

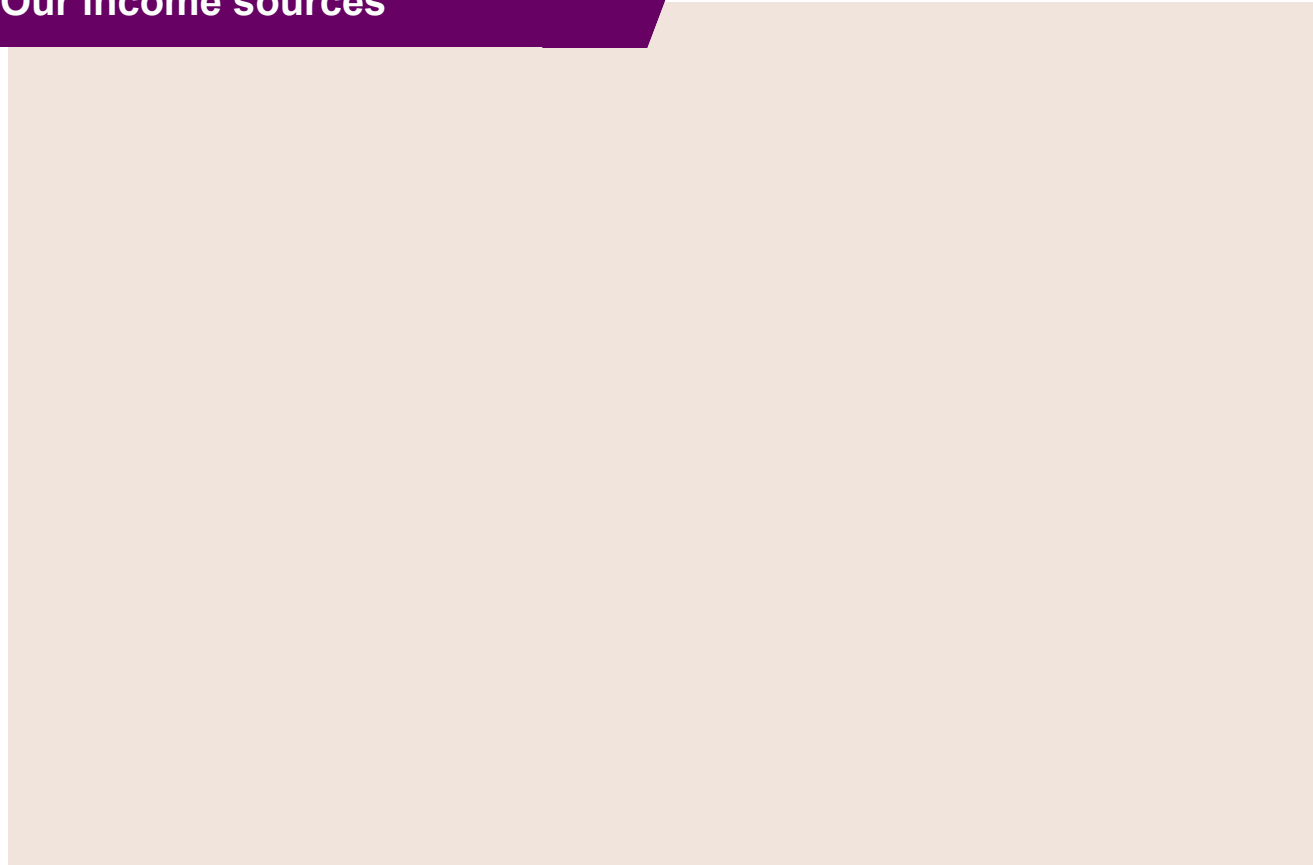
EMC's total income for 2026/27 is £1,686,700 and closely aligns with the objectives of this Business Plan.

EMC secures a significant proportion of its income from external sources, including grant funding from the Home Office, MHCLG and DfT, and income from providing advisory support to partner organisations including Midlands Connect and GLCCA. A detailed budget for 2025/26 is set out in **Annex 1**.

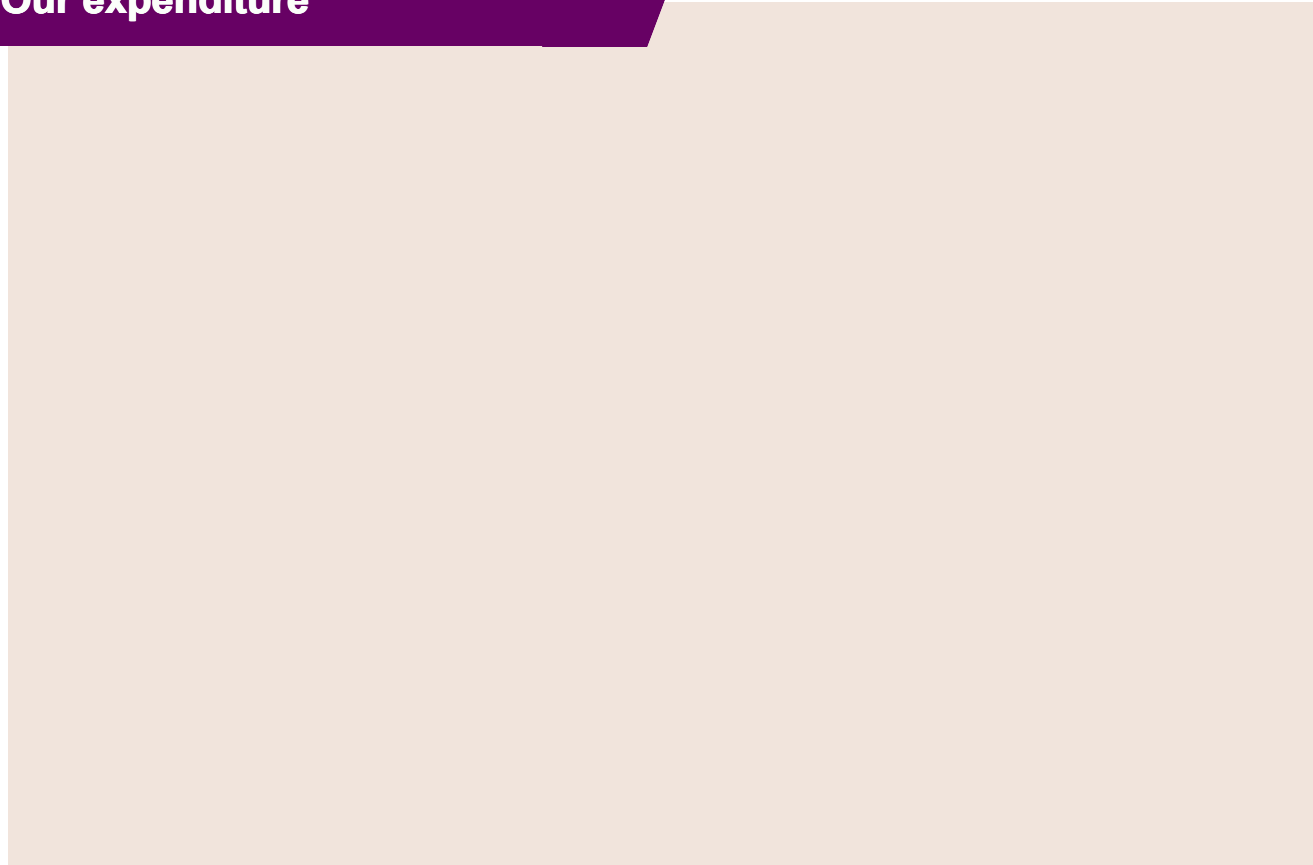
We will continue to maintain robust financial discipline ensuring EMC's sustainability, corporate governance, and risk management. In support of this, EMC will maintain a prudent level of reserves that provide for residual liabilities to be met.



Our income sources



Our expenditure



Our priorities for 2026/27

Proposals for devolution and local government reorganisation will be a major focus for the sector in 2026/27, leading to a period of significant institutional change from 2027 onwards. For EMC, a central priority will be to support member councils to prepare for and manage this transition.

Alongside this, 2026/27 will be a year of consolidation, with national programmes continuing to be delivered and ongoing commitments to members and the Government being maintained. EMC will balance support for structural change with the need to sustain high-quality delivery across its core programmes.

Within this context of change and uncertainty, East Midlands Councils will work across the four themes of evidencing, influencing, collaborating, and delivering to provide focused, practical support to our members over the next 12 months.



Local Government Workforce & Councillor Development



Asylum and Refugee Resettlement



Transport and Growth



Strategic Leadership

Our priorities for 2026/27

Local Government Workforce & Councillor Development



Evidencing

- Produce and maintain regional benchmarking on workforce capacity, skills, recruitment, retention, and organisational change.
- Coordinate and draft regional consultation responses on workforce-related legislation, supporting councils with their own submissions.
- Run events and practitioner networks to share advice, learning, and good practice on workforce and councillor development.
- Identify common workforce challenges and support councils to co-produce practical solutions.

Collaborating

- Coordinate activity through the Regional Employers' Board and Regional Joint Council to align regional workforce priorities and positions.
- Convene and support regional networks to strengthen peer support and consistent approaches across councils as authorities prepare to navigate and manage the process of implementing LGR.
- Work with national partners to shape and support the development and delivery of workforce policies, services, and programmes for councils.
- Broker regional partnership arrangements that help councils access support more efficiently and consistently.

Influencing

- Lead regional engagement on pay consultations, enabling councils to shape the evidence submitted to national negotiations and reflect the East Midlands' needs.
- Agree and maintain shared regional workforce and councillor development priorities and use these to guide external engagement.
- Act as a conduit between councils and national bodies (e.g., LGA, National Employers) to ensure regional needs and delivery realities are understood.
- Represent councils' workforce interests in relevant national policy discussions and sector initiatives.

Delivering

- Deliver learning and development opportunities for officers and members, including CPD and training offers.
- Provide councils with practical support for LGR preparation and workforce transition, including targeted advice and access to expertise.
- Maintain core workforce support services, including the HR helpline and regular workforce bulletin.
- Deliver savings for councils through regional collaboration, partnerships, and discounted access to relevant systems or services.

Our priorities for 2026/27

Asylum & Refugee Resettlement



Evidencing

- Develop standardised regional reporting across all local authorities to give a clear picture of asylum and refugee resettlement pressures, case types, and issues.
- Strengthen and standardise data and intelligence on UASC, including costs, age assessments, demographics, placement stability, health needs and demand modelling.
- Evaluate ESOL delivery, ensuring learner needs, barriers, and inconsistencies are well understood and communicated.
- Evaluate the Afghan Resettlement Programme (ARP) regionally to assess performance, matching success, and LA/VCSE experience.

Collaborating

- Co-design the Afghan Transitional Accommodation model with councils, Home Office and partners to tackle operational challenges.
- Coordinate regional engagement on asylum dispersal, ensuring shared solutions and clear communication.
- Strengthen the East Midlands' bespoke UASC approach, including funding, placement sufficiency, legal advice, age assessments, and health.
- Maintain and improve regional intelligence-sharing via ARCSEG and related groups.
- Develop a sub-regional common Initial Assessment Framework for ESOL.

Influencing

- Shape national and regional policy through evidence on UASC demand, placement and service pressures, and long-term outcomes.
- Use findings from the adult asylum mental health pilot to reduce costs and secure sustainable provision.
- Provide timely, practical guidance for councils on evolving legislation and asylum policy changes.
- Inform and influence national decisions around funding allocations for UKRS, ARP, UASC and asylum dispersal.
- Contribute to discussions around devolved ESOL budgets, including Adult Skills Funds.

Delivering

- Ensure compliant, efficient delivery of all asylum and refugee schemes, including NTS, UKRS and ARP.
- Roll out region-wide age assessment training, including new tools and facial age estimation.
- Deliver coordinated regional communication on migration-related training for LA officers, carers and partner agencies.
- Provide immigration legal advice to Children's Services and Legal Teams for UASC, migrant children, care leavers, and NRPF families.
- Launch and maintain the new ESOL Information & Guidance resource, Learning English in the East Midlands.

Our priorities for 2026/27

Transport & Growth



Evidencing

- Provide regular updates to members on regional economic performance, housing delivery, and investment trends.
- Establish and maintain the refreshed regional transport evidence base.
- Analyse and disseminate business case documentation and investment proposals relevant to the East Midlands.

Collaborating

- Use Transport for the East Midlands (TfEM) and its supporting officer groups as the primary vehicle for regional collaboration on transport priorities.
- Work with EMCCA and GLCCA to align regional and local transport priorities
- Manage the final phase of the TfEM–DfT Rail Collaboration Agreement and prepare for post-GBR arrangements.
- Strengthen collaboration with the East Midlands Infrastructure Partnership, and with NESO through the RESP process.

Influencing

- Support coordinated representations to Ministers and senior officials on regional transport and growth priorities.
- Produce targeted briefings for MPs, senior politicians, councils, and business leaders.
- Submit representations and evidence to Great British Railways in support of regional priorities.
- Align regional advocacy with Midlands Connect and England's Economic Heartland STBs during the transition period.
- Align the East Midlands effectively with the Government's emerging Integrated National Transport Strategy and other emerging national frameworks.

Delivering

- Disseminate refreshed regional transport evidence base across member authorities and national and regional partners
- Develop and publish refreshed regional transport and investment priorities to replace the TfEM/Midlands Connect Shared Vision.
- Provide coordinated regional input into Great British Railways' transition and planning processes.
- Support partners to use regional evidence and priorities to strengthen local funding bids and investment cases.
- Co-ordinate high-quality meetings, workshops, and forums to agree priorities and share intelligence.

Our priorities for 2026/27

Strategic Leadership

Evidencing

- Coordinate and submit regional responses to national consultations on behalf of member authorities.
- Produce and share robust regional intelligence on economic, social, and public service pressures, including PESA and related data returns.
- Analyse the local and regional impact of national policy and funding decisions.
- Provide evidence-based insight to support local and regional decision-making.
- Act as a collective evidence base for member authorities in discussions with the Government and partners.

Collaborating

- Convene political and senior officer leaders through boards, general meetings, and themed networks.
- Strengthen collaboration with regional MPs through the East Midlands APPG
- Provide a structured interface between the national Government and local authorities to support programme delivery.
- Work closely with EMCCA and GLCCA to align priorities, programmes, and responsibilities.
- Provide a platform for collective consideration on the preparation and implementation of LGR.
- Facilitate joint approaches to shared challenges, including LGR, public service reform, and financial sustainability.



Influencing

- Lead coordinated regional engagement and joint representations to the national Government and key agencies.
- Provide the secretariat function for the East Midlands APPG to strengthen the region's parliamentary voice.
- Represent the East Midlands at national and regional forums with consistent messaging and priorities
- Build and maintain strategic relationships with Government departments, Combined Authorities, and national bodies.
- Monitor, escalate, and highlight emerging political, financial, and policy risks affecting the East Midlands.
- Advocate for fair funding, investment, and policy approaches that reflect regional need and capacity.

Delivering

- Organise and deliver board meetings, leadership forums, and networking opportunities for senior leaders.
- Support the agreement and implementation of regional priorities and action plans.
- Provide practical support to local authorities navigating Local Government Reorganisation and structural change.
- Signpost, connect, and share good practice, expertise, and learning across the region.
- Facilitate joint programmes, shared resources, and collaborative approaches to deliver efficiencies and savings.
- Add value to partner activity through coordination, brokerage, and collective leadership.

Measuring our impact

This Business Plan sets out EMC's objectives and priorities for 2026/27. EMC has established governance arrangements to ensure that delivery is monitored and performance is reviewed regularly.

The Management Group has responsibility for overseeing performance and monitoring progress against agreed key performance indicators, reporting to the Executive Board as appropriate.

Each year, a set of key performance indicators is agreed to measure EMC's performance against its business plan. These indicators assess the impact of EMC's work across its core areas of Evidencing, Influencing, Collaborating, and Delivering. Progress will be reported quarterly, where applicable, with a full summary provided in the Annual Report presented to the Annual General Meeting.

Alongside this, EMC will seek to achieve the following key outcomes through its core subscription offer:

- **Member authorities receive tangible value for money from their subscription, and the level of savings returned to each member council will exceed their level of subscriptions. This will include support on implementing devolution, the NPPF and LGR.**
- **Member authorities feel that they are better informed as a result of EMC policy briefings, training, development, and events.**
- **Members feel that EMC has represented their views and advocated on their behalf with the government and other strategic partners.**
- **EMC activity has provided a responsive and effective channel for engagement with central government officials and other strategic partners.**

Communicating our impact

Effective communication plays an important role in supporting EMC's work with member councils, partners, and national stakeholders. Our communications activity helps ensure that councils are informed, engaged, and able to respond to emerging issues, while also demonstrating the impact of regional collaboration.

EMC will continue to provide clear, timely, and relevant communications to member councils, including briefings, newsletters, and targeted updates. These will support councils to stay informed of national policy developments, regional activity, and opportunities for engagement, helping them to make informed decisions and prepare for change.

Our communications will also support the delivery of EMC's key programmes and services. This includes promoting workforce and councillor development opportunities, supporting the implementation of asylum and refugee resettlement programmes, and communicating the region's agreed transport and investment priorities. Through this work, EMC will help ensure that member councils and partners are aware of available support, progress, and outcomes, and are able to benefit from shared learning, resources, and coordinated regional approaches.

EMC will work closely with member councils and partners to communicate the region's shared priorities and provide a clear and consistent regional voice. This includes supporting engagement with Government departments, MPs, and other stakeholders, helping to ensure that the perspectives and experiences of local government in the East Midlands are clearly understood and reflected in national and regional discussions.

Across all areas of activity, EMC's communications will support transparency, share learning and good practice, and demonstrate the benefits delivered through regional partnership working.



EMC Website



Email



LinkedIn



Twitter

Annex One

EMC Budget 2026/27

Annex Two

EMC is governed by the full Assembly of Leaders of all 40 councils in the region, which meets twice a year, and its Executive Board, meeting quarterly, and comprising the Leaders of each upper-tier council and a district leader representative from each county area.

To provide oversight on key responsibilities, a Management Group operates alongside three specialist Boards:

- Regional Employers' Board and Joint Council
- Regional Migration Board
- Transport for the East Midlands (TfEM)

The accountable body arrangements for East Midlands Councils are provided by Nottingham City Council.


EMC's Management Team

Contact EMC

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 **Email**



Management Group

6th March 2026

Lead Member Report

Budget and Finance Control

Budget Monitoring Report Period - April 2025 to January 2026

Summary

This report presents the accounts for the period April 2025 to January 2026.

This is the final set of management accounts presented to Management Group for the financial year 2025/26 continuing the format covering the main budget heads, specifically: Core Services, Contracts and Grants, Consultancy, Member Learning and Development, Fee Paying Events and Services.

Recommendation

Members of the Management Group are invited to note the actual financial position for the period to the end of January 2026 and the associated forecast outturn to 31st March 2026.

1. Key Points

- 1.1 The budget surplus of £600 was set for 2025/26. Since then, Ashfield DC returned to EMC membership, and this has resulted in a further £5,200 in Membership Subscriptions. The forecast for March 2026 now shows a surplus of £5,800.
- 1.2 Since the budget was set in March 2025 the Home Office (HO) and Ministry for Housing, Communities and Local Government (MHCLG) have awarded to EMC 2 additional migration related grants for delivery and spend within this financial year. The HO grant (£108,500) relates to mental health service provision and the MHCLG grant (£247,414) relates to English as a Second or Other Language, (ESOL). Both grants have both been approved by the sponsoring Government department and are now included in the budget figures. There is no impact on the projected surplus forecast in paragraph 1.1, above.
- 1.3 The longer-term resilience and sustainability remain uncertain as the Midlands Connect contracted income is only secured on an annual basis and it appears unlikely that the Midlands Connect Grant will continue beyond March 2026. While there is on-going commitment to fund asylum and refugee resettlement, and longer term arrangements are being discussed, current Home Office grants are confirmed beyond March 2026, but MHCLG grants are only confirmed to March 2026. The Rail Collaboration Scheme funding ceases in this financial year, but any balance of unspent funding will take us through to the end of the 2026/27 financial year
- 1.4 This report, and appendices, highlights the current financial position at a summary level and for each of the cost centres, together with an end of year forecast. Actuals to the end of January include only 'banked' or 'committed' spending and/or additional income invoiced at this time, while Staff costs are up to, and include the January payroll figures.

2. Financial Report Period Ending January 2026

- 2.1 The financial statements, attached as Item 6, appendix (a)–(f), detail the financial position for the period up to the end of January 2026. It also provides a forecast for the outturn as of 31st March 2026.
- 2.2 The staffing budgets and charges are allocated to each cost centre based on the estimated time spent by staff on each activity.

2.3 Corporate staff, those not working on specific grant funded projects, and other corporate costs are allocated on an agreed percentage basis across all 5 key areas of work. The corporate staff costs have been assimilated into the staffing costs for each cost centre together with the other corporate costs (rent, service level agreements, etc.) and are shown as overhead costs across all cost centres.

3. Staffing

3.1 The staffing budget now stands at £1,447,500 which includes any associated incremental payments and annual pay award which was effective from April 2025.

4. Income

4.1 Income to East Midlands Councils is split between:

- Membership Subscriptions.
- Grants and Contracts. Asylum and Resettlement Grants include UASC, and ESOL (Home Office funded), and the Hong Kong British National Overseas, Homes for Ukraine, Afghanistan Resettlement Programme grants now combined within a single MHCLG grant. Transport grants include Midlands Connect and the DFT-funded Rail Collaboration Project, both of which are secured through contracts. There are other short-term schemes which are funded with a mix of Government and Local Authority contributions (these are detailed in paragraph 7.3).
- Earned Income, which consists of a mix of consultancy work, services, fees, events and courses provided to member authorities, together with Bank Interest.

4.2 Membership Subscriptions budget now includes Ashfield District Council, who renewed their membership in June and the part year subscription has been added to the 2025-26 budget.

5. Direct Costs

5.1 Direct costs relate to, and are charged directly to, cost centres from source, they include: room hire, catering, professional fees, travel costs/mileage and event publicity costs. There are likely to be additional costs emanating from the additional funding from the Home Office and these will be incorporated into this budget once the exact split of expenditure is determined.

6. Corporate Costs

- 6.1 These costs include premises rent; computer and office equipment; service level agreements; external/pension valuation costs; publicity/website costs; telephone, stationery, printing and materials.
- 6.2 The costs of these are initially charged in full to the Core Funds cost centre and then apportioned across all cost centres as overhead costs, though the largest proportion is retained within core services.
- 6.3 The allocation of corporate costs charged as overheads to cost centres totals £82,300 which is slightly more than last year.

7. Rechargeable Items

- 7.1 In addition to all costs and income associated with the five cost centres, there are currently a number of multi-year projects that have either started, or are in the process of being set up, where EMC acts as a conduit to manage the funding provided to the region for the delivery of agreed projects and programmes. The financing and spending for these activities are not shown in the attached appendices.
- 7.2 The current rechargeable projects are: UASC Placements and Capacity Programme; Regional Immigration Support (previously known as the UASC Regional Fund); Rail Collaboration Project; Regional Strategic Needs Analysis; the East Midlands DfE RIIA Funding Bid; and, previous years' grant for English as a Secondary or Other Language (ESOL).
- 7.3 The current position for each of these is shown below:

a) UASC Joint Programmes	£
Balance b/fwd. from 2024/25	45,873
Income Received in 2025/26	<u>143,312</u>
	189,185
Payments made in 2025/26	<u>100,293</u>
Balance currently held	<u>88,892</u>
b) ESOL (Previous Balances)	£
Balance b/fwd. from 2024/25	32,358
Payments made in 2025/26	<u>0</u>
Balance currently held	<u>32,358</u>

c) Immigration Legal Advice Project	£
Balance b/fwd. from 2024/25	42,965
Income Rec'd in 2025/26	<u>133,830</u>
	176,795
Payments made in 2025/26	<u>86,806</u>
Balance currently held	<u>89,989</u>
d) Rail Collaboration Programme	£
Balance b/fwd. from 2024/25	154,588
Grant received in 2025/26	<u>202,472</u>
	357,060
Payments made in 2025/26	<u>118,778</u>
Balance currently held	<u>238,282</u>

7.4 The funding from these projects, currently £449,521, is held by Nottingham City Council in the same way as all EMC funding is managed and interest earned on the sums held is credited to EMC at the end of the financial year. The balance held at the end of 2024/25 was carried forward into this year's accounts and any remaining balances at the end of this year will be treated as Receipts in Advance and will be carried forward to 2026-27.

8. Reserves and Liabilities

8.1 At the beginning of the financial year 2025/26 the level of 'useable reserves' was £599,300, which is allocated to fund various purposes as listed below:

- £393,000 to an earmarked reserve for staffing liabilities (except pension liabilities).
- £36,000 to an earmarked reserve for renewals (ICT and other Equipment).
- £33,000 to an earmarked reserve for the Local Government Re-Structuring implications.
- £137,300 to an unallocated reserve to manage unforeseen financial events.

8.2 All these reserves are invested on EMC's behalf by our accountable body in accordance with their investment policies which means that any interest being earned by our reserves is allocated back to EMC at the end of the financial year. Reserves, and cash held, currently earn around 1% below Bank of England base rate annually (which is presently 3.75%) and are easily accessible.

9. Summary

9.1 Members are advised that in securing the anticipated budget out-turn, the following financial risks are identified as the most significant to EMC and require active management:

- a) The Earned Income budget (£301,800) includes all forms of income except Subscriptions, Grants and Contracts, Secondments and Sponsorship and is derived essentially from courses, events and consultancy opportunities created by EMC staff. It is therefore vulnerable to the demands and capacity of the sector. The budget has been constant for a number of years and remains at a level set when EMC was a larger organisation. Achieving actual income to the level of the budget has always proved difficult, but this year income has already exceeded the budget due to a higher demand for Consultancy services.
- b) Expenditure budgets (totalling £2,097,900) are monitored closely. Staffing costs (Budget £1,447,500), which account for just over 69% of the total expenditure, are set and manageable which just leaves £650,400 as Other Expenditure and though some of this is variable, variances are picked up quickly. Spending on Other Expenditure will exceed the budget, particularly as Consultancy costs have increased due to the increased demand.
- c) Grants and Contracts (Budget £1,502,700) are secure for the current year, and the Home Office grants are now secure for 2026-27.

9.2 Management Team are confident that this year's predicted financial outturn will be achieved or improved slightly.

10. Recommendation

10.1 Members of the Management Group are invited to note the actual financial position for the period to January 2026 and the associated forecast outturn to 31st March 2026.

Cllr Elly Cutkelvin
Vice Chair
East Midlands Councils

EMC Budget Summary (Subjective)
2026-27 TO 2027-28

EMC BASE BUDGET 2026/27 AND 2027/28

	Actual	Summary		
	2024/25	Budget	Budget	Budget
	£	2025/26	2026-27	2027-28
	£	£	£	£
Income				
Subscriptions	296,200	299,200	305,700	314,800
Grants - MHCLG	370,899	619,700	372,300	372,300
Contracts - MC - DfT	251,808	295,000	207,500	0
Grants - Home Office	437,623	588,000	588,500	480,000
Earned Income	286,472	301,800	321,200	300,900
Total	1,643,002	2,103,700	1,795,200	1,468,000
Expenditure				
Staffing	1,098,735	1,447,500	1,370,500	1,288,300
Members Allowances	11,496	22,000	22,000	22,200
Premises	25,840	27,800	28,600	28,600
Service Level Agreements	16,700	18,500	18,500	18,500
Other Direct Costs	488,608	582,100	355,300	161,000
Overhead Costs	74,500	82,300	83,500	83,600
Recharges	-71,038	-82,300	-83,500	-83,600
Total	1,644,842	2,097,900	1,794,900	1,518,600
Surplus / (Deficit)	-1,840	5,800	300	-50,600