

## **Policy Committee Report (January 2019)**

### **East Midlands Councils**

#### **1. Background**

- 1.1 East Midlands Councils is the membership organisation for the region's local authorities. It is a voluntary membership body that focuses on issues of significance and common priorities for councils in the East Midlands and where a collective approach is likely to be effective.
- 1.2 It also provides training and development programmes for councillors and staff of councils in EMC membership (at no additional or marginal cost), access to low-cost services and consultancy, e.g. recruitment and HR, and governance and organisational change support.
- 1.4 EMC also hosts lead members networks including for 'portfolio holders' of Children's Services and runs a number of member and officer training programmes.
- 1.5 The following policy report includes detail on:
- Economic Growth and Infrastructure (section 2)
  - Asylum and Refugee Resettlement Programmes (section 3)
  - A Summary of EMC's Support and Service Provision to Councils (section 4)
- 1.6 Nottinghamshire County Council is a key partner in this work, and EMC welcomes the advice on these and any other matters of policy development and delivery.

#### **2. Economic Growth and Infrastructure**

- 2.1 This report updates members on the latest position on:
- a) Midlands Connect
  - b) Making the most of HS2
  - c) Midland Mainline and East Midlands rail franchise competition
  - d) Improving access to East Midlands Airport
  - e) A46 Growth & Newark
  - f) Major Road Network

**a) Midlands Connect**

- 2.2 The Midlands Connect Strategic Board met on the 4<sup>th</sup> December 2018. In view of the likely impact of the Brexit process on Parliamentary time, it is now unlikely that Midlands Connect could become a statutory body in 2020 as originally planned. As the result the Board agreed to focus on next year's Comprehensive Spending Review to secure additional resources for key investment priorities and the future of Midlands Connect post-March 2020 (when the current funding agreement with DfT comes to an end), through the agreement of a new 'deal' on roles, responsibilities and expectations between Midlands Connect and Government.
- 2.3 A delegation from the Board led by Sir John Peace will meet with the Secretary of State for Transport in February 2018 to open discussions. The Board also agreed a joint position in RIS 2, which prioritises the delivery of the A46 Newark Northern Bypass and development funding for an enhanced scheme for the A52/M1 J25 linked to the delivery of the East Midlands HS2 Hub Station at Toton.
- 2.4 The most recent Treasury statistics published in July 2018 confirmed that the East Midlands continues to miss out on public investment. Of particular concern is the low level of investment in economic affairs in the East Midlands, including:
- The lowest level of public expenditure on transport, in total and per head.
  - The lowest level of public expenditure on rail per head.
- EMC's summary report is available [here](#)<sup>1</sup>.
- 2.5 Following the East Midlands Infrastructure Summit held in November 2017 in Leicester, EMC (through its transport board, Transport for the East Midlands) and Midlands Connect agreed a document attached as Appendix 1, highlighting six joint priorities as a basis for renewed lobbying.
- 2.6 The document was the subject of a further meeting with Sir Peter Soulsby, Sir John Peace and the Secretary of State on the 11<sup>th</sup> July 2018. Key priority areas include:

**b) Making the Most of HS2**

- 2.7 There has been considerable progress on taking forward the East Midlands HS2 Growth Strategy over recent months. In particular, proposals for local and strategic

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<sup>1</sup> [http://www.emcouncils.gov.uk/write/EMC\\_Executive\\_Board\\_Papers\\_for\\_website\\_-\\_28.9.18.pdf](http://www.emcouncils.gov.uk/write/EMC_Executive_Board_Papers_for_website_-_28.9.18.pdf) [Item 4, Pg.8]

connectivity are being developed through the joint funded East Midlands Gateways Study, and Government has made available a total of £3.8million over 2 years to develop the proposition around the proposed Hub Station at Toton. Despite press reports suggesting that the Eastern leg of HS2 may be under threat, the Government has pressed ahead with consultation on the Working Draft Environmental Statement (WDES), which will inform the Phase 2b Hybrid Bill due to be introduced to Parliament in mid-2020. Through the HS2 Executive Board, the region has agreed its collective response.

- 2.8 Bring it forward: Following an initial scoping study last year, EMC is working with Midlands Connect to develop a business case for the early delivery of HS2 services into the Hub Station from Birmingham and Old Oak Common. This would transform connectivity to West Midlands and to key stations in London. The study report will be completed imminently. However the option to advance Toton is not included in the WDES published by DfT.
- 2.9 Rail Connections: A key regional requirement is provision for a conventional compatible link at the Hub Station to allow direct services between Leicester and Leeds and potentially links to Derby and Nottingham. Building on previous work by EMC and Leicestershire County Council, Midlands Connect has undertaken two technical studies which both indicated the potential for a positive business case. HS2 Ltd are currently undertaking design work on a link within the station trace which should be completed by December 2018. The Government has made available resources to secure at least passive provision for such link. However it does not feature in the current hub station design on which the WDES is based.
- 2.10 Infrastructure: Early delivery of the initial phase of the Toton Innovation Campus is key creating a positive environment for investment around the Hub Station. This is dependent on early delivery of local infrastructure through the Housing Investment Fund (HIF). However, press reports have indicated that up to 80% of HIF could be focused on areas facing the highest affordability pressure in and around the south east, which could limit funding for the East Midlands. Similarly, a joint bid to the Transforming Cities Fund (TCF) will have to compete for the available resources remaining after the top-slicing of funds to the Mayoral Combined Authorities.
- 2.11 A52 Corridor: Although work on the East Midlands Connectivity Study is progressing, there is no certainty about scheme development funding for access to the Hub Station and Innovation Campus from the A52/M1J25 in RIS2 (2020-25). Development funding would need to be in place in RIS2 to deliver the scheme in RIS3 prior to the planned

opening of HS2 Phase 2b in 2033. This scheme will feature as part of the Midlands Connect RIS2 submission to be discussed by the Midlands Connect Strategic Board on the 4th December 2018.

- 2.12 As noted above, the Working Draft Environmental Consultation does not currently reflect the region's ambition for HS2, and the Hub Station design is heavily car dependant (with provision for 4,000 car parking spaces).
- 2.13 The HIF and TCF bids are both crucial to the delivery of the HS2 proposition in the East Midlands, but funding is far from certain. The lack of clarity about RIS2 development funding remains a concern.

**c) Midland Main Line and East Midlands Rail Franchise Competition**

- 2.14 Improvements to the Midland Main Line are closely linked to the outcome of the East Midlands Franchise Competition which will conclude early next year, and the resultant decisions about rolling stock and incremental electrification - although there is a clear commitment from Government to electrify up to and including Market Harborough station and between Clay Cross and Sheffield.
- 2.15 EMC has been working as a partner with DfT to influence the shape of the new train service and to ensure maximum value for local businesses and communities, and to secure an ongoing role for the region's local authorities on the management of the franchise once awarded.
- 2.16 The successful operator of the East Midlands rail franchise will likely be announced in March 2019.

**d) Improving Access to East Midlands Airport**

- 2.17 Public Transport access to East Midlands Airport for both workers and passengers is a key weakness compared to other regional airports. In the short term, there is scope to make better use of East Midlands Parkway Station under the next East Midlands Rail Franchise, with improved train service connecting to local bus services.
- 2.18 Over the longer term, there is the potential for a fixed public transport link including access to the East Midlands Hub Station at Toton, which is being considered through the East Midlands Gateways Study. Initial proposals were discussed at the HS2 Executive Board on the 14th December 2018.

**e) A46 Growth Corridor & Newark**

- 2.19 Midlands Connect has recently published an initial study into economic impact of the A46 corridor across the whole Midlands. The report highlights a number of areas of further work including to improve the performance and economic impact of the route.

Nottinghamshire (Newark)

- Support for acceleration of Newark Bypass
- Overcome congestion hotspots to lock in benefits of previous upgrades

Leicestershire

- Potential for a Leicester Eastern/Southern Bypass, including a link from M69 J2 and a new M1 J20A Upgrading Leicester Western Bypass
- Improving Hobbyhorse Interchange at Syston

Lincolnshire

- Potential for southern Lincoln bypass, connecting to the under construction eastern bypass
- Targeted improvements on the A15 north of Lincoln.

- 2.20 The Newark northern bypass remains the region's top trunk road priority for delivery in RIS2 and is a shared objective with Midland Connect.
- 2.21 The impact on service of removing the 'flat crossing' at Newark where the Nottingham-Lincoln rail line crosses the East Coast Main Line (the only such junction arrangement in England) will form part of the Midlands Connect Humber Ports/Lincoln – Nottingham Rail corridor study, which has just commenced.
- 2.22 Because of the likely interaction between the road and rail enhancements in Newark, TfEM/Midlands Connect brought together representatives of the Department for Transport, Highways England, Network Rail, Nottinghamshire County Council, Lincolnshire County Council, Newark & Sherwood District Council and D2N2 to discuss emerging proposals.
- 2.23 A further meeting is planned in early 2019 to review progress on each action.
- 2.24 Whilst the Secretary of State for Transport has been supportive of our shared priorities in recent meetings and good technical progress is being made in a number of important areas, there is still some way to go before delivery can be secured.

- 2.25 In the short term, positive decisions are required on applications for the Housing Investment Fund and Transforming Cities Fund, and on priorities for development and delivery in RIS2. However the longer term opportunity is the forthcoming Spending Review, which will clearly be influenced by the national political situation over the coming months.

**f) East Midlands Infrastructure Summit 2019**

- 2.26 In conjunction with the East Midlands Chambers of Commerce, the Regional Infrastructure Summit will take place on 8<sup>th</sup> February 2019, hosted by Leicester City Council. Bringing together leading businesses and politicians, the East Midlands Infrastructure Summit will provide an opportunity to review progress in taking forward our joint priorities for strategic transport investment and to consider future challenges and opportunities. To book a place at this event visit [here](#)<sup>2</sup>.

**g) Major Road Network**

- 2.27 The MRN would cover the busiest and most economically important 'A' roads that are not currently managed by Highways England. It would form a 'middle tier' of roads between the national Strategic Road Network (SRN) and local roads which would continue to be managed by Local Transport Authorities.
- 2.28 DfT is proposing to allocate a proportion of the National Roads Fund to the MRN. This would represent additional cash to Local Transport Authorities. The Government published its response to the consultation on the Major Road Network (MRN) on the 18<sup>th</sup> December 2018 - although not the map confirming the extent of the MRN.
- 2.29 The response sets out the Government's approach to prioritising investment from the new National Road Fund for schemes to improve the MRN and for what are commonly known as 'Large Local Major' schemes. There will be a key role for Midlands Connect to work with Local Transport Authorities (LTAs) to prioritise major road investment across the Midlands.
- 2.30 Midlands Connect has already been working with officers to develop a regional evidence base linked to a prioritisation framework, and further discussions will take place in early 2019.

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<sup>2</sup> <http://www.emcouncils.gov.uk/Events-Training-and-Development/63658/book>

### **3. Asylum and Refugee Resettlement**

#### **a) Dispersal of Asylum Seekers**

- 3.1 The East Midlands has been an asylum dispersal area since 2001 but it continues to be the case that the distribution of asylum seekers is uneven across the country and within the East Midlands - with areas in the north and midlands accommodating the majority of asylum seekers in urban centres of population.
- 3.2 At the end of March 2016 there were just over 3000 supported asylum seekers in the East Midlands, at the end of March 2018, this number has remained stable at just under 2800.
- 3.3 Asylum seekers are located in 6 dispersal areas across the East Midlands with approximately 780 in Derby City, just over 1000 in Leicester City, 950 in Nottingham City, 15 in Broxtowe and 55 in Oadby & Wigston. The first limited dispersal has now taken place in Gedling Borough.
- 3.4 In order to reduce pressure on existing dispersal areas (particularly Derby, Leicester and Nottingham) and the Home Office asylum support 'COMPASS' contract accommodation providers (G4S in the East Midlands); the Government is continuing to seek to widen dispersal beyond the existing areas and to seek the cooperation of local authorities to ensure that the United Kingdom is able to discharge its obligations with regard to the accommodation of those claiming asylum.
- 3.5 The uneven distribution of asylum seekers and the new asylum contact arrangements have been the subject of meetings between local government and the Immigration Minister Caroline Nokes. The East Midlands was represented by the Regional Migration Board Chair, Cllr Ivan Ould.
- 3.6 There have been a number of recent high profile criticisms of the operation of current and future contract arrangements – most notably by the Home Affairs Select Committee report<sup>3</sup> and by the Mayor of Greater Manchester.
- 3.7 EMC continues to work with the LGA in advising how more effective arrangements should be put in place with the commencement of the new Asylum Accommodation

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<sup>3</sup> <https://www.parliament.uk/business/committees/committees-a-z/commons-select/home-affairs-committee/news-parliament-2017/asylum-accommodation-report-published-17-19/>

and Support Contracts (AASC) scheduled for September 2019. The region is represented on the national partnership board group set up to oversee the new arrangements including contractual provisions.

- 3.8 It remains important that any new arrangements for the accommodation of dispersed asylum seekers supports the full access by councils to any data and information necessary to support local government's role in dispersal.

**b) Refugee Resettlement**

Vulnerable Persons Relocation Scheme

- 3.9 Local authorities in the region have resettled just over 600 refugees as part of the Vulnerable Persons Resettlement Scheme. This includes 188 in Nottinghamshire with all local authorities participating in the scheme.
- 3.10 Across the East Midlands, councils have pledged a further potential 400 places over 22 local authority areas. The final arrivals under the scheme will arrive in December 2019.
- 3.11 Mental health continues to be an issue with individuals arriving through the Vulnerable Persons Resettlement Scheme and EMC is working with CCGs to advise on how best to utilise all funding available to them to meet the additional needs of refugees. To date, CCGs in the East Midlands have secured £1.5m of this funding.
- 3.12 The Government is considering the future of resettlement when the current scheme ends in 2020. Given national developments, the timings for any announcement on this cannot be provided with firm certainty but an announcement on the future position is anticipated in 'due course'.

Vulnerable Children's Resettlement Scheme

- 3.13 Whilst nationally and regionally we are broadly on track to meet pledges made under the Vulnerable Persons Resettlement Scheme, this is not the case for the Vulnerable Children's Resettlement Scheme. This echoed nationally with numbers projected significantly below. Overall 883 children including their families have been resettled through this scheme with the Home Office's target being 3000 by 2020. In total 21 individuals have been resettled in the region under the VCRS.



- 3.14 Participating authorities in the East Midlands include East Northamptonshire, Oadby and Wigston, Leicester City, Gedling and Rushcliffe. Derbyshire County Council has accepted four unaccompanied children and Leicester City one child from the VCRS scheme to be looked after as unaccompanied minors.
- 3.15 Based on population size, the East Midlands might be expected to accommodate roughly 200 individuals under the scheme. This equates to roughly one family per district/unitary authority. Government is asking councils to extend their pledge for the VPRS scheme to encompass VCRS cases.
- 3.16 Funding for the VCRS scheme for those arriving in family groups is identical to the VPRS scheme. For unaccompanied child refugees the funding rates are as for unaccompanied asylum seeking children.
- 3.17 Families will be resettled from the Middle East and North Africa. To be eligible for the scheme the family must include a child that meets the UNHCR definition of vulnerable including children facing the risk of child labour, forced marriage, child carers and other forms of abuse and exploitation.
- c) Unaccompanied Asylum Seeking Children (UASC) and Additional Resettlement Requests**
- 3.18 The National Transfer Scheme for Unaccompanied Asylum Seeking Children (UASC) was introduced on 1<sup>st</sup> July 2016 as part of a suite of measures included in the Immigration Act 2016.
- 3.19 To date the transfer scheme has focused on the transfer of children from Kent and some London Boroughs who are above the 0.07% threshold set by the Government.
- 3.20 In addition Councils in the East Midlands have supported the transfer of a number of children into the region under the Dublin iii regulation to reunify families and under Section 67 of the Immigration Act 2016 (the 'Dubs' amendment).
- 3.21 While all local authorities in the region continue to be engaged in the ongoing discussions and planning, funding arrangements and local placements/capacity constraints have prevented some local authorities in the region from participating in the scheme itself, specifically: Derby City, Leicestershire County Council, Lincolnshire County Council, Nottinghamshire County Council.

- 3.22 As of September 2018, the total number of UASC in the region stood at around 282. Within this total UASC cohort, less than 30% are a result of participation in the National Transfer Scheme with UASC transferred to the region directly from Europe, from Kent/London Boroughs, or in-region from Northamptonshire (note, this includes Dubs and VCRS arrivals).
- 3.23 While the overall trend in UASC numbers since the start of the NTS shows a downward trajectory (largely driven by the reduction in UASC numbers in Northamptonshire) the number of former UASC care leavers is increasing.
- 3.24 A new Controlling Migration Fund (CMF) prospectus was issued by Government in August 2018. EMC and UASC Lead Officers from all of upper tier councils have submitted a bid to the CMF on improving foster care capacity, supported lodgings recruitment and expertise. The anticipated benefits include increasing local authority foster care and supported lodgings capacity across the region, reducing the use of Independent Fostering Agencies bringing savings to Children's Services budgets, and equip carers to better support UASC, thereby reducing the incidents of missing with corresponding benefits to the police and wider community.
- 3.25 EMC has put in place better structures to enable cross-agency working including with health sector, police and voluntary sector agencies which support UASC in the region.
- 3.26 EMC continues to facilitate training, including for UASC foster carers and housing support workers with four training events planned in the East Midlands.

#### UASC Funding and Costs

- 3.27 The Home Office review of UASC funding was informed by the comprehensive review undertaken by EMC. Members are reminded that the Home Office originally proposed that it would announce its recommendations in the autumn of 2017 with implementation for 2018-19 financial year. Over 12 months on, there has been no announcement. EMC continues to make representations on this issues.

#### UASC Care Leavers

- 3.28 Following the analysis of local authority UASC costs by EMC last year, it is important that councils are able to gain a more detailed understanding of the costs they incur in Leaving Care support for former UASC care leavers. Whilst the number of Looked After UASC across the region has remained relatively stable over the past year at

around 300, the number of former UASC care leavers has increased from 321 (August 2017) to 449 (September 2018), an increase of 40%, adding further pressure to already stretched council budgets. This upward trajectory will continue.

- 3.29 The Home Office has acknowledged the concerns of local authorities regarding former UASC care leaver cost pressures and is preparing to conduct an analysis of care leaver costs as part of its UASC Funding Review. The basis of this review is likely to rest on EMC's proposed review.

#### **4. A Summary of EMC's Support and Service Provision to Councils**

- 4.1 EMC would like to thank Nottinghamshire County councillors and officers for their leadership and support over the past year. The region continues to make progress in a number of areas; whether it be through securing greater influence on strategic initiatives including HS2, Midlands Engine & Midlands Connect, the region's rail franchise or supporting councils respond to asylum and refugee resettlement challenges, or providing advice on HR and organisational change.
- 4.2 EMC's subscription base (less than a third of its income base) supports the range of services in addition to economic growth and asylum/refugee support and includes children's services, health and other matters for joint working between councils. For example, EMC continues to provide members and officers with access to briefing events, skills development and wider CPD. To date, in 2018/19 over 130 councillors have participated in our member events, and 1,400 officer places taken up in EMC development programmes.
- 4.3 We have continued to offer advice, access to low cost services, capacity support and organisational reviews to our member councils - and all councils in membership accessed at least one of these discounted services over the last year. This includes EMC delivered organisational support and HR services through 58 different assignments to councils in the region, and 124 employment related requests. In terms of direct services and negotiated joint procurement, EMC delivered an estimated £787,000 of savings on behalf of its member councils – a return of over 3:1 against total member subscriptions.

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