



Executive Board Meeting

10.00am, Friday 28th March 2025

AGENDA

1. Welcome and Introductions
2. Apologies
3. Declarations of Interest
4. Minutes of the Executive Board Meeting 10th December *
5. Flood Risk in the East Midlands *
6. Strategic Regional Energy Planning - National Energy Systems Operator (NESO)
7. Chair's Report - Summary of Key Issues *
8. Local Authority Workforce and Pay – Regional Employers' Board *
9. Asylum and Refugee Resettlement in the East Midlands *
10. Infrastructure and Growth *
11. Report of Management Group *
Business Plan and Budget 2025/26
12. Any Other Business

*Papers attached



**EAST MIDLANDS COUNCILS EXECUTIVE BOARD
MINUTES OF THE MEETING HELD ON 6TH DECEMBER 2024**

Present: Cllr Martin Hill OBE (Chair) – Lincolnshire County Council
Cllr Sarah Russell (Vice-Chair) – Leicester City Council
Cllr Matthew Relf – Ashfield District Council
Cllr Jewel Miah – Charnwood Borough Council
Cllr Alex Dale – Derbyshire County Council
Cllr Tony King – Derbyshire County Council
Cllr Phil King – Harborough District Council
Cllr David Bill MBE – Leicestershire County Council
Cllr Ozzy O’Shea – Leicestershire County Council
Cllr Deborah Taylor – Leicestershire County Council
Cllr Richard Wright – North Kesteven District Council
Cllr Jay Hayes – Nottingham City Council
Cllr Kate Foale – Nottinghamshire County Council
Cllr Gale Waller – Rutland County Council
Cllr Matthew Golby – West Northants Council

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

Apologies: Cllr Tricia Gilby (Vice Chair) – Chesterfield Borough Council
Cllr Nadine Peatfield – Derby City Council
Cllr Barry Lewis – Derbyshire County Council
Cllr Stuart Bray – Hinckley & Bosworth Borough Council
Cllr Paul Peacock – Newark & Sherwood District Council
Cllr Neghat Khan – Nottingham City Council
Cllr Adam Brown – West Northants Council

		ACTION
1.	Welcome and Introductions	
1.1	Cllr Sarah Russell welcomed members to the meeting.	
2.	Apologies	
2.1	Apologies were received as noted above.	
3.	Declarations of Interest	
3.1	Cllr Martin Hill declared an interest in land on the edge of Melton Mowbray.	
4.	Minutes of Executive Board Meeting held on 27th September 2024	
4.1	The minutes were agreed as a true and accurate record.	
5.	Local Authority Workforce and Pay – Regional Employers’ Board	
5.1	Cllr Kate Foale updated Members on the report and highlighted the key issues currently being considered by the Board.	SM
5.2	She highlighted the roll-out of the national recruitment campaign. This was originally piloted in the North-East.	
5.3	Cllr Foale confirmed that the Board will be writing to Government to request central funding to meet the additional costs to the sector of nationally-decided national living wage increases, and wider pay impacts to the sector.	
5.4	Cllr Foale highlighted the Employment Rights Bill and changes which have been made.	
5.5	Sam Maher informed members that since the papers were published Jim McMahon has set up a working group for local government on workforce development to try and identify priorities and issues for the sector. East Midlands have an opportunity to feed into this.	
5.6	Stuart Young asked whether there has been any developments around changes to national insurance contributions and impact on the sector. There is significant	

		ACTION
	concern, particularly in relation to social care, that many providers will not be compensated.	
5.7	Sam Maher confirmed that EMC and the LGA are undertaking work to understand the implications and costs. At a regional level have been encouraging councils to participate in this and provide information.	
5.8	Cllr Phil King expressed concerns in relation to increase costs for employers and the wider economic impact.	
5.9	<u>Resolution</u> Members of the Executive Board: ▪ Considered the issues highlighted in the report.	
6.	Asylum and Refugee Resettlement in the East Midlands	
6.1	Cllr Sarah Russell introduced the report and alerted Members to further asylum contingency hotels being stood up, including in Northamptonshire. Communication from the Home Office and Serco to LAs still requires improvement.	
6.2	The Move-On period for those receiving a positive decision has been extended from 28 to 56 days. It is expected that the extended 56 day time period may alleviate some housing and wider service cost pressures on LAs.	
6.3	Afghan resettlement continues to progress and there are likely to be significant developments in the coming months in relation to the use of temporary accommodation and potential regional allocations. Members will be updated accordingly.	SY
6.4	Cllr Gale Waller highlighted concerns regarding the use and availability of MoD accommodation for Afghan resettlement, and the efficacy of wider support package in place.	
6.5	Cllr Deborah Taylor emphasised the continued and increasing cost pressures resulting from former UASC care leavers and concerns that the Home Office have not gripped this problem.	

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6.6	Cllr Russell confirmed this is being looked at as part of the current round of cost analysis which is being taken back to the Home Office.	
6.7	Stuart Young highlighted that EMC is undertaking work to specifically evidence the financial shortfall and the need to continue to push the Home Office for better funding.	
6.8	Stuart Young stated that in relation to Afghan relocation currently trying to work through solutions outside of the MoD estate.	
6.9	Cllr Phil King stated the need to reduce the level of asylum and resettlement numbers as councils have insufficient resources to manage these programmes.	
6.10	Sarah Russell highlighted the increasingly evident impact of the different strands of asylum and resettlement programmes on local areas.	
6.11	<u>Resolution</u> Members of the Executive Board: - Considered the impact of asylum and refugee resettlement programmes and provided advice in relation to the on-going work of EMC in addressing the concerns of local authorities. - Advised on the impact of the Full Dispersal plan in Local Authority areas. - Advised on impact of the proposed Streamlined Asylum Process.	
7.	Infrastructure & Growth	
7.1	Andrew Pritchard introduced this report and updated Members on latest developments – noting that the East Midlands is now a region of 5m people.	AP
7.2	The revised NPPF is expected to be published prior to Christmas 2024 and Members will be provided with a fuller update at the next meeting.	
7.3	The New Towns Task Force is expecting to publish an interim report early 2025, however this will not include details of sites.	

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7.4	In relation to housing numbers some limited change is expected from government. Further detail around new approach to strategic planning is also expected.	
7.5	TfEM Board is scheduled for the 16 th December and there was a Midlands Connect Board held recently where the Chair of National Highways highlighted the importance of investing in existing assets.	
7.6	In relation to priorities at an East Midlands level, there continues to be a focus on Midland Mainline Electrification and the job growth this can deliver. National Highways is taking forward some work on the A1 to close some central reservation gaps that pose significant safety risks.	
7.7	Cllr David Bill highlighted National Highways concentrating on repairs rather than new projects. He asked if there is any indication on when will see improvements on the road and rail projects that have been pressing for?	
7.8	Andrew Pritchard confirmed in terms of the bigger investments the Newark Northern bypass is continuing to progress. In terms of Midland Mainline Electrification currently working towards a funding decision and continuing to make the case on this.	
7.9	He stated that a lot of existing highway infrastructure will require more maintenance investment due to age and the impact of climate change.	
7.10	Cllr Jewel Miah highlighted the NPPF and the failure to address the significant number of extant planning permissions where developers do not build-out. It was agreed that the Government needs to address this.	
7.11	Cllr Gale Waller emphasised on-going concerns relating to inadequate water and power infrastructure.	
7.12	Cllr Martin Hill reminded members of the role that mayoral combined authorities will have in relation to strategic planning.	

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7.13	Cllr Phil King highlighted the A5 which is a major growth corridor and multiple projects which have not been funded. There is no commitment from National Highways or the Government to fund these road projects.	
7.14	Cllr Ozzy O'Shea highlighted M1 J21 which has an impact locally and that Districts also need to fund highways through developer contributions. He further asked about the current status regarding Network North funding and whether this would be forthcoming.	
7.15	Andrew Pritchard confirmed that there appeared to be no commitment towards funding for Network North.	
7.16	National Highways Regional Director for the Midlands will be speaking at the TfEM Board next week and we are in constant engagement on these issues.	
7.17	Cllr Sarah Russell highlighted the lack of wider infrastructure provision contributes to holding up development and asked whether this could be discussed at a future meeting.	
7.18	Andrew Pritchard confirmed that investment in energy, water and flood defences were issues flagged up as part of the APPG report launched in February 2024 and that it is likely that the new APPG may return to this issue.	
7.19	Andrew confirmed the Stations Growth Board last meeting will take place March 2025. Cllr Renwick will Chair the last meeting.	
7.20	<u>Resolution</u> Members of the Executive Board: ▪ Endorsed the work of the TfEM Board and the Stations Growth Board. ▪ Noted the rest of this report.	
8.	Chair's Report	
8.1	Cllr Martin Hill updated Members on some of the key developments, including the impact of HM Budget. There remains concerns regarding the removal of	

		ACTION
	rural grant funding, however, there is additional money which has been allocated. In terms of National Insurance indirect costs this could be substantial particularly in social care.	
8.2	The Devolution White Paper is scheduled to be announced on 16 th December 2025 and local government reorganisation it is expected to be a key element within this.	
8.3	The Government is consulting on whether to cease Midlands Engine funding, although it may be appropriate for Government to consider providing transitional funding. Midlands Connect will continue.	
8.4	Stuart Young stated that sensible successor arrangements need to be developed. He has discussed with Chief Executives and will discuss with representatives on Board in order to provide a response.	SY
8.5	APPG meeting was held recently, and James Naish MP will now chair this.	
8.6	Cllr Gale Waller highlighted the removal of the rural services grant. She expressed concern that Rutland will lose 10% of government revenue spend.	
8.7	Cllr Matthew Relf highlighted food waste collection and not sufficient funding for this. He stated that in relation to Local government reorganisation, services will still need to be delivered, and he feels that LGR will likely be disruptive.	
8.8	Cllr Sarah Russell stated that whilst the realignment of financing is welcomed, she also wanted to see tapered arrangements for authorities. Leicester City has many Band A properties which will not raise as much from council tax increases as other authorities.	
8.9	<u>Resolution</u> Members of the Executive Board: - Agreed the draft response to the Government consultation on the cessation of funding for pan-regional partnerships, as referred to in Section 4, and detailed in Appendix 8(a) to the report. - Considered and advised upon the implications of other matters raised within this report.	

		ACTION
9.	Devolution White Paper	
9.1	As this has not yet been published, this item was not discussed.	
10.	Report of Management Group	
10.1	Cllr Sarah Russell introduced this report. In relation to the budget, currently on track with this.	
10.2	Ashfield District Council have confirmed their intention to leave EMC as at 31 st March 2025. Mitigation measures have been put in place to take account of this.	
10.3	<u>Resolution</u> Members of the Executive Board: Noted the summary report of Management Group.	
11.	Any Other Business	
11.1	Stuart Young reminded members of the General meeting scheduled for 31 st January 2025.	
12.	Date of Next Meeting	
12.1	Friday 28 th March 2024, 10.00am.	



Executive Board

28th March 2025

Flooding & Flood Risk in the East Midlands

Summary

At EMC's General Meeting on 31st January 2025, Members emphasised that flood risk is a priority issue for the region.

Norman Robinson, Director of Operations (Midlands) Environment Agency will be in attendance at the Executive Board to provide an update to Members. This report provides some context for the discussion.

Recommendations

Members of the Executive Board are invited to consider this report and to receive an update presentation from Norman Robinson, Director of Operations (Midlands) for the Environment Agency.

1. The Scale of Flood Risk in the East Midlands

- 1.1 In December 2024 the Environment Agency published an updated National Assessment of Flood & Coastal Erosion Risk in England¹, attached as Appendix 5(a). The report is very noteworthy. The Assessment highlighted 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 highest proportion of properties at risk of any English Region (4.6%). This is the current risk and does not include the impact of future climate change or the impacts of surface water flooding.
- 1.2 The Environment Agency's assessment is consistent with research published East Midlands Councils in 2015 that was informed by analysis commissioned from the Met Office², which concluded that '*the East Midlands region has the highest exposure to increases in flood risk due to climate change in England*'.
- 1.3 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.
- 1.4 Climate warming contributes to rising sea levels and to more extreme weather events, the scale of which can overwhelm drainage systems and flood defences that were built consistent with previous understandings of risk. Even if the rise in global temperatures can be limited to 1.5°C above pre-industrial levels, these climate impacts are likely to become more severe over the coming decades³.

2. Recent Flooding Events

- 2.1 Major flooding events have occurred with increasing regularity in the last 20 years, with all of the Region's cities and counties having been directly affected. Storms Babet (October 2023) and Henck (January 2024) inflicted considerable damage across the Region (including the loss of life), the impacts of which is still being felt in many communities.
- 2.2 The January 2025 flooding events appear to have resulted from a combination of rapid snowmelt and a period of extended heavy rain. The impacts were particularly acute across Leicestershire and Lincolnshire, which both declared Major Incidents, and in parts of Nottinghamshire.

¹ [National assessment of flood and coastal erosion risk in England 2024](#)

² [The-Changing-Nature-of-Flooding.pdf](#)

³ [March 2023 Progress in adapting to climate change 2023 Report to Parliament](#)

- In Leicestershire, 800 homes and businesses and 160 roads were flooded, with over 60 people rescued from properties and 27 from cars.
- Over 100 homes were flooded in Lincolnshire, some of which were also flooded in the 2023/24 storms, along with numerous local road closures.
- The A1 was closed between Newark and Grantham for an extended period due to flooding causing extensive local congestion, and Midland Main Line train services were disrupted due to flooding near Long Eaton.
- Sections of the A52/A60 were closed and the Queens Drive Park and Ride in Nottingham was closed between the 6th and 24th January.

3. Economic & Social Impact of Flooding

- 3.1 Flooding is a significant barrier to economic growth can cause significant economic harm to people, businesses, landowners and infrastructure.
- 3.2 Following the flooding caused by Storms Ciara and Dennis in 2020, the Association of British Insurers estimated that the average insurance claim per household was £32,000⁴. The Environment Agency has estimated the total economic damages for all floods between January 2016 and November 2019 in England and Wales was between £504 million and £924 million, with best estimate of £708 million at 2024 prices.

4. Key Challenges

- 4.1 Reducing the risk of flooding and its impacts will require action in at least four key areas.

Investment in New and Existing Flood Defences

- 4.2 Improving and maintaining flood defences is critical to protecting communities and businesses, and to maintaining investor confidence. Although important new assets have been created in recent years, most notably the Boston Barrier which became fully operational in 2022, the Region appears to be losing out in the battle for investment.
- 4.3 Analysis by the National Audit Office⁵ highlighted that the East Midlands receives close to the lowest level funding per property at risk at £3,227, despite the Region's high level of inherent risk. This compares unfavourably to North East

⁴ [Insurance pay outs to help customers recover from Storms Ciara and Dennis set to top £360 million | ABI](#)

⁵ [Resilience to flooding](#)

which receives almost four times as much at £12,563 per property and the North West at £10,204.

- 4.4 A 2024 report by the Public Accounts Committee highlighted that the impact of construction inflation and scheme delays would significantly erode the effectiveness of planned investment by the Environment Agency over coming years⁶. The report also highlighted that lack of investment in existing assets is also increasing risk to communities. This is exacerbated by the investment associated with new housing development, where developers may be obliged to contribute to new flood defences but subsequent responsibilities and liabilities for ongoing maintenance are passed onto the Environment Agency and Local Authorities. While investment in new flood defences must continue, this should not be at the expense of maintaining existing infrastructure.
- 4.5 Public investment in flood defences requires a very strong business case (typically a BCR of more than 9 to 1) and a local partner contribution. This funding model makes delivering flood defences in areas with low land values (including Grade 1 Agricultural land) more challenging. There are often good social, economic and environmental reasons to protect local areas, but the investment methodology may preclude this. While Government might expect the partnership model to ‘stretch’ public funding, in practice it can cause schemes to stall before any real momentum has been gained.
- 4.6 A number of councils have proposed the further roll-out of nature based flood prevention and the cost effectiveness of a number of recent schemes have been highlighted. In consideration of investment allocation, it has been questioned whether nature based flood prevention schemes receive sufficient investment.
- 4.7 In some areas of the country Internal Drainage Boards (IDBs) also build and maintain flood defences. IDBs are public bodies responsible for managing water levels and can levy charges on councils. Boston Borough Council handed over £2.5m of the £4.2m it collected in council tax in 2023/24 for the IDB levy – around 60 per cent. Many Lincolnshire authorities have also seen major increases over the last two years, with East Lindsey’s bill going up by £1.3m – the highest rise in the country.

⁶ [Flood resilience eroded by poorly maintained defences with Government in the dark on progress - Committees - UK Parliament](#)

Land Management and Spatial Development

- 4.8 Capturing rainfall within the wider landscape and reducing the volume and flow of water through flood risk areas further downstream will become increasingly important as the level of risk continues to rise, suggesting an increasingly important role for landowners and land managers.

- 4.9 Landscape and river catchment scale interventions can reduce flood risk by capturing rainwater more effectively on higher ground before it has the chance to run into rivers. For example, peat moorlands are a natural sponge and can store far more water when in a healthy than in a degraded state. The way in which agricultural land is managed also makes a difference to the amount of run-off from farms entering water courses.

- 4.10 Patterns of spatial development have a major impact on the scale of flooding. The National Planning Policy Framework seeks to direct new development away from flood risk areas. However, many existing town and city centres fall within identified flood zones where some development will be deemed necessary to support regeneration and maintain economic viability.

- 4.11 The Public Accounts Committee also noted an increasing trend for LPAs to approve development against Environment Agency Advice. The increased house-building targets published by the Government in December 2024 may further increase the pressure to develop in higher risk areas.

- 4.12 Sustainable Urban Drainage Systems (SuDS) can help to reduce the risk of surface water flooding and create natural habitats with community benefits - but require regular maintenance. Schedule 3 of the Flood and Water Management Act 2010 made provision for Lead Local Flood Authorities (county and unitary authorities) to establish SuDS Approval Bodies to ensure long term maintenance arrangements for all new schemes. However successive Governments have failed to implement these powers.

- 4.13 Given projected sea level rise, there is likely to come a point when radical interventions will be required in parts of the Region to keep communities safe.

Insurance

- 4.14 Access to affordable insurance for people and business at risk of flooding is critical to maintaining economic viability and investor confidence.

- 4.15 The 'Flood Re' scheme is a joint initiative between the Government and insurers. Its aim is to make the flood cover part of household insurance policies more

affordable⁷. The funding comes from three sources – a Levy, a premium and an excess – all of which are paid by insurers. In establishing the scheme to the Government also committed to long term public investment in flood defences.

- 4.16 Flood Re was introduced in 2016 and will run until 2039, at which point insurers should be offering policies based on actual risk to property.
- 4.17 Flood Re has represented a lifeline to many communities impacted by flooding, but it does not apply to properties built after 1 January 2009 (which should be located outside of identified flood risk zones) or to most businesses.
- 4.18 Without access to affordable insurance, there is a danger that vulnerable places will lose their vitality and those that are able to leave will do so – as is starting to happen in parts of Australia impacted by repeated floods in recent years.

Resilience & Recovery

- 4.19 Despite efforts to prevent and protect against flooding events the UK will continue to experience extreme weather events and their consequences. It will therefore be important for local authorities, particularly Lead Local Flood Authorities, to be sufficiently resourced to support community resilience and recovery. However, it is not solely a concern of resources as Lead Local Flood Authorities (LLFAs) lack powers of direction to compel utilities, landowners, or other partners.
- 4.20 Lead Local Flood Authorities increasingly require additional capacity to administer repair grants and to complete and implement ‘Section 19’ investigations. In addition, the conditions associated with the repair grants result in significant delays and place councils at financial risk as they seek to support residents to return promptly to their homes.
- 4.21 Local communities themselves also have a key role to play. The National Flood Forum⁸ is a charity that helps, supports and represents people at risk of flooding and offers a range of advice and guidance.

5. Recommendation

- 5.1 Members of the Executive Board are invited to consider this report and to receive an update presentation from Norman Robinson, Director of Operations (Midlands) for the Environment Agency.

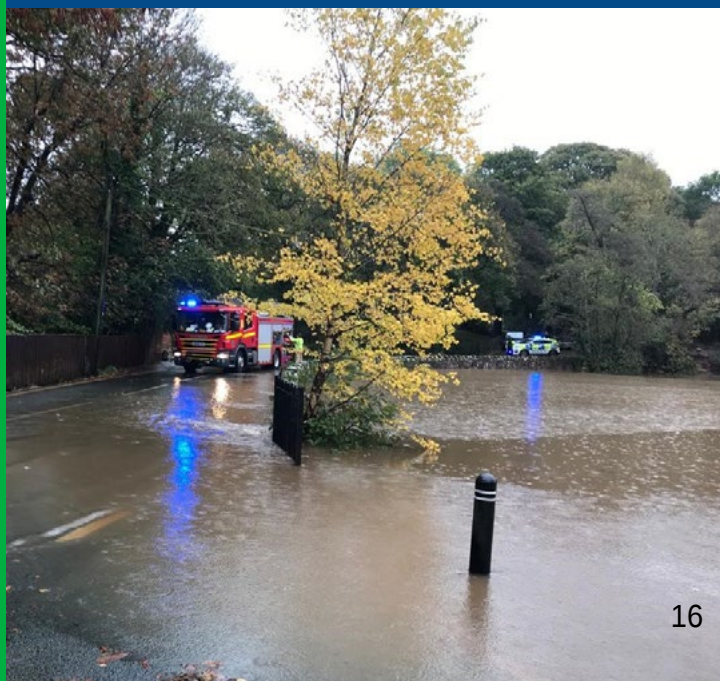
⁷ [Flood Re - A flood re-insurance scheme](#)

⁸ [National Flood Forum – A charity to help, support and represent people at risk of flooding.](#)

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National assessment of flood and coastal erosion risk in England 2024



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Executive summary

Overview

Understanding of current and future flood and coastal erosion risk is vital to ensuring that policy makers, practitioners and communities are ready to adapt to a changing climate.

We have built a new National Flood Risk Assessment (NaFRA) that provides a single picture of current and future flood risk from rivers, the sea and surface water for England. The last full update to NaFRA was in 2018. It uses the best available data both from the Environment Agency and Local Authorities. Our new data on depth of flooding also provides more information to help people understand the potential flood hazards they could face.

Alongside this we have also updated our National Coastal Erosion Risk Map (NCERM). The last update to NCERM was in 2017. Our new NCERM provides the most up to date national picture of current and future coastal erosion risk for England. It uses the best available evidence from the National Network of Regional Coastal Monitoring Programmes.

For the first time, both NaFRA and NCERM account for the latest UK Climate Projections and the potential impact of climate change on flood and coastal erosion risk.



Reasons behind the changes

There are a variety of reasons for the changes to flood and coastal erosion risk seen in this report. This includes both NaFRA and NCERM being able to use much better data and improved modelling methodologies. It also includes an improved assessment of the risk to properties, infrastructure and agricultural land.

Rather than a real-world increase in risk, the changes we are seeing in the total number of properties at risk of surface water flooding is almost entirely due to significant improvements in our data, modelling and use of technology.

A huge step in our understanding is how we can now incorporate the UK Climate Projections into our assessment of future flood and coastal erosion risk. Under future warming scenarios, the projection of properties in areas at flood risk and coastal erosion risk is likely to increase.

How our assessment of flood risk is changing

The new NaFRA shows that around 6.3 million properties in England are in areas at risk of flooding from one or a combination of sources: rivers, the sea and surface water. With climate change the total number of properties in areas at risk from rivers and the sea or surface water could increase to around 8 million by mid-century. In other words, 1 in 4 properties in England could be in areas at risk of flooding from rivers and the sea or surface water by mid-century.

There are wide regional variations in flood risk. From early 2025 we are making the detailed local mapping available through GOV.UK digital services to help our customers understand what this new information means for them.

1 in 4 properties in England could be in areas at risk of flooding from rivers and the sea or surface water by the mid-century.

Properties in areas at risk of flooding from rivers and the sea

- Total properties in areas at risk of flooding from rivers and the sea is around 2.4 million. This is slightly fewer than our previous assessment (see footnote).
- Properties in areas at high risk of flooding from rivers and the sea increases to 367,900 which is an 88 % increase from our previous assessment (see footnote).
- Of properties in areas at high risk, 163,300 are likely to flood to depths of 30 centimetres or higher from rivers and the sea. This is over two fifths (44 %) of all properties in areas at high risk.
- With climate change, we estimate the total number of properties in areas at risk of flooding from rivers and the sea will increase from 2.4 million to around 3.1 million, a 27 % increase between 2036 and 2069.
- With climate change, properties in areas at high risk of flooding from rivers and the sea could increase to 637,600, a 73 % increase between 2036 and 2069.
- Of properties in areas at high risk, 288,800 could flood to depths of 30 centimetres or higher from rivers and the sea between 2036 and 2069 – a 77 % increase from the present day.



Properties in areas at risk of flooding from surface water

- Total properties in areas at risk of flooding from surface water is around 4.6 million. This is a 43 % increase on our previous assessment (see footnote).
- Properties in areas at high risk of flooding from surface water increases to about 1.1 million. This is an increase of 3 times the number of properties in areas at high risk of surface water flooding.



- Of properties in areas at high risk, 184,200 properties are likely to flood to depths of 30 centimetres or higher from surface water. This is 1 in 6 (17 %) of all properties in areas at high risk of flooding.
- 83 % of properties in areas at high risk are in areas with likely flood depths of less than 30 centimetres. This suggests that the typical impacts from surface water flooding are likely to occur at shallower levels than flooding events from rivers and the sea.
- With climate change, we estimate that the total number of properties in areas at risk of flooding from surface water could increase from 4.6 million to 6.1 million, a 30 % increase between 2040 and 2060.
- With climate change, properties in areas at high risk of flooding from surface water could increase to 1.8 million, a 66 % increase between 2040 and 2060.
- Of properties in areas at high risk, 288,400 properties could flood to depths of 30 centimetres or higher from surface water between 2040 and 2060 – an increase of more than half (57 %) from the present day.

Footnote: Our new assessment is not directly comparable with previous assessments because we now have much better data and improved modelling methodologies.

Flood risk to infrastructure and agriculture

Around a third (38 %) of all roads are in areas at risk from one or more sources of flooding. If we apply the climate change projections the percentage of the road network in areas at risk rises to 46 % by mid-century. This represents an increase of 21 %.

38%
in areas
at risk



Around a third (37 %) of all railways are in areas at risk from one or more sources of flooding. If we apply the climate change projections the percentage of the rail network in areas at risk rises to 54 % at risk by mid-century. This represents an increase of around half.

37%
in areas
at risk



About a third (34 %) of water pumping stations and treatment plants are also in areas at risk of flooding from multiple sources.



Around 13 % of all agricultural land and about 59 % of grade 1 agricultural land is at risk of flooding from rivers and the sea. If we apply the climate change projections, this rises by 5 % by the mid-century.

How our assessment of coastal erosion risk is changing

The new NCERM shows that 3,500 properties are in areas at risk of coastal erosion in the period up to 2055. This increases to about 10,100 properties in the period up to 2105. About half of these properties are residential. The other half are non-residential properties such as schools, hospitals, retail and leisure businesses.

3,500
Properties
in areas
at risk



Our assessment of properties in areas at risk assumes that funding and implementation of all actions in Shoreline Management Plans (SMPs) for the coast are delivered. [SMPs](#) set out a planned approach to managing flood and coastal erosion risk around the coast of England to 2105.

In the worst case, where the SMPs are not delivered and no future investment is made to manage coastal erosion, the numbers of properties in areas at risk increases significantly. The total number of properties in areas at erosion risk would be 9 times greater in the period up to 2055, reaching up to 32,800 properties.

The new NCERM shows that coastal erosion risk will increase with climate change. This is mainly due to the effects of sea level rise on erosion rates. Even with SMPs delivered there could be 19,700 properties in areas at risk of erosion in the period up to the end of the century. Without any of the investment set out in SMPs being delivered, this figure is expected to be 5 times greater.

Next steps

We are committed to a rolling programme of data improvements so we can take into account the latest local modelling evidence and national data improvements.

We are also developing a new flood and coastal investment programme using the best available evidence which includes the new NaFRA and new NCERM. This will allow us to assure that our investment programmes are prioritising the places and projects where current and future risk is greatest.

The context: Flooding and coastal erosion risk in a changing climate

Communities are on the frontline of flooding and coastal erosion. We have lived with and seen the effects of flooding and coastal erosion over many decades. This includes devastating events such as the east coast tidal surge in 1953 which resulted in hundreds of fatalities.

We know that flooding can cause significant economic damages to people, businesses, landowners and infrastructure. For instance, following the flooding caused by Storms Ciara and Dennis in 2020, it was estimated that [the average insurance claim per household was £32,000](#).

We estimate the [total economic damages](#) for all floods between January 2016 and November 2019 in England and Wales to be between £504 million and £924 million, with a best estimate of £708 million (2024 prices). Research also shows that flooding can have severe [long-lasting mental health consequences](#) including depression, anxiety and Post-Traumatic Stress Disorder (PTSD).

The last year (April 2023 to March 2024) saw wet, windy and stormy weather across the country. There were 13 named storms compared to just one in 2022 to 2023 and 7 in 2021 to 2022.

Over winter 2023 to 2024, storms Babet, Ciarán and Henk impacted hundreds of homes, businesses and farms:

- during storms Babet and Ciarán we issued over 750 flood warnings including 5 severe flood warnings
- during storm Babet, our Flood Warning System (FWS) recorded its busiest day ever – more than 5,500 new users registered for warnings and almost 400,000 messages were sent in a single day
- during storm Henk several of our biggest river systems — the Trent, Thames, Severn and Avon — saw record levels, or close to record levels, as they drained huge volumes of rain from their catchments

Our flood defences operated well during the winter 2023 to 2024 storms, and whilst around 5,000 properties were sadly flooded, around 250,000 properties were protected. This protection is a result of the investments we have made in flood and coastal defences.

The frequency and severity of flooding and storm surges will get worse with climate change. To keep pace with a changing climate, we need to both cut emissions and adapt to climate risks.

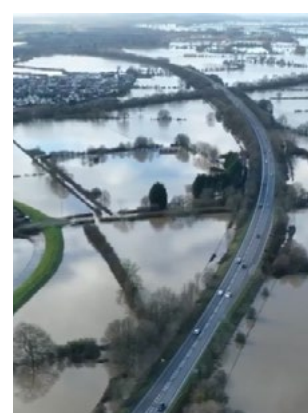
Even if we reach net zero, we can still expect more intense rainfall, more frequently.

In all future climate scenarios, we will experience a continued rise in sea level well into the next century. For example, by 2100:

- extreme once-a-century sea-level events are expected to become annual
- UK sea levels could rise by over a metre

The Intergovernmental Panel for Climate Change have advised that a global sea level rise of 2 metres by 2100 cannot be ruled out.

This means it is essential we prepare for the unavoidable impacts of climate change. We can do this by adapting and helping the nation to prepare for future flooding and erosion risks.



Flood and coastal erosion risk information

Flooding comes from several sources including:

- rivers – where heavy rainfall leads to overtopping of river embankments
- the sea – where high tides and storm surges lead to coastal flooding
- surface water – where there is so much rainwater that it overwhelms drainage systems collecting over the ground causing surface water runoff, also known as flash flooding
- groundwater – where water under the ground (the water table) rises to the surface causing flooding which can persist for days, weeks or even months after heavy or prolonged rainfall

Coastal erosion is where there is loss or displacement of land, or the long term removal of sediment and rocks along the coastline. This can be due to the action of:

- waves
- currents
- tides
- storms

The Environment Agency is required to update our understanding of current and future flood and coastal erosion risk as part of our ‘strategic overview’ role. This is described in the [2010 Flood and Water Management Act](#). This means we have a duty to provide the nation with the best available understanding of flood and coastal erosion risk. We must do this alongside our day-to-day operational role for managing flood risk from rivers and the sea.

Providing the best available flood and coastal erosion risk information is a vital part of our statutory overview role. It helps:

- individuals, communities and organisations prepare and adapt to flooding and coastal change
- planners decide where to build new homes, roads, railway lines and other critical infrastructure
- identify locations that need more flood risk protection or resilience measures
- prepare our response to flooding, for example defining our flood warning areas or planning evacuation routes

Our assessment of flood and coastal erosion risk has been based on 3 important sources of information:

- the National Flood Risk Assessment for England and the ‘Risk from Flooding from Rivers and the Sea’ maps – an assessment of present-

day risk of flooding from rivers and the sea. This is often referred to a **‘NaFRA’** and was first published in 2004

- the National Coastal Erosion Risk Map for England – an assessment of properties at present day risk of coastal erosion. This is often referred to a **‘NCERM’** and was first published in 2011
- the ‘Risk of Flooding from Surface Water’ maps. This was first published in 2013

Our flood and coastal erosion risk data and mapping information is available on [GOV.UK](#) and the [Data Services Platform](#). We also share this risk information through several well-established digital services which are aimed at different customers:

The public use: [Check your long term flood risk for an area in England](#).

This service:

- provides a summary of long flood risk for an area (which can be searched by postcode) – for rivers and the sea, surface water, reservoirs and groundwater
- displays the information on a map and provides the name of the risk management authority responsible for managing flood risk in an area

Over the last 12 months, this service was used by around 1.2 million users.

Coastal local authorities and practitioners use: [Check coastal erosion management in your area](#). This service:

- provides a link to a map which can be searched by place name or postcode
- shows the coastal management approach that is specific to the shoreline location
- shows the projected rates of erosion through this century if the location is on an erodible coast

Town and country planners and developers use [Flood map for planning](#).

This service:

- allows developers and planners to find the data they need to undertake a flood risk assessment for a planning application for a new development proposal

Over the last 12 months, the service was used around 1.5 million times.

For the coast we have recently updated our plans for managing flood and coastal erosion risk around our coastline. In January 2024 we published updated [SMPs](#). These set out a planned approach to managing flood and coastal erosion risk around the coast of England to 2105. The SMPs set out sustainable management approaches for each stretch of coast. The 4 approaches are:

- hold the line – maintain or upgrade protection from flooding or erosion by holding the shoreline in broadly the same position
- advance the line – actively move shoreline defences significantly seawards

- managed realignment – change the position of the shoreline in a controlled way, such as by slowing erosion or creating areas of habitat to help manage flooding
- no active intervention – maintain or encourage a more natural coastline, which may involve discussing adaptation to the risk from flooding or erosion

In January 2024, we also launched [SMP Explorer](#), a new map-based digital tool to make SMPs easier to access and understand.

Part of our key public commitments in the [FCERM Strategy](#) and [Roadmap to 2026](#) is “Between now and 2025 the Environment Agency will have better evidence to inform future risk and investment needs for managing all sources of flooding and coastal change”.

In line with this we are updating our national assessment of risk. We are doing this by updating NaFRA and NCERM using the best available national and local risk information.

Our updated assessment of flood and coastal erosion risk in England

This report provides an updated picture of current flood and coastal erosion risk in England. It also shows how risk could change in future. It provides the latest information on the:

- source and characteristics of flood and coastal erosion risk
- distribution of risk across England
- potential for these to change in the future due to climate change

Our updated national assessment of risk includes flooding from rivers, the sea and surface water as well as coastal erosion. It does not include groundwater flooding. This is because there are too many gaps in our understanding and evidence for groundwater flood risk at this time.

Our new national assessment:

- is an objective assessment of areas that are at risk of flooding and coastal erosion in the present day
- is based on the best available local and national mapping and modelling
- uses the latest data on current properties and other infrastructure to assess the possible impact of flooding and coastal erosion
- provides an overall risk assessment that combines the probability of flooding and coastal erosion with the potential impact
- reflects current housing, infrastructure and land use

- accounts for the current condition of existing flood and coastal defences

For the first time our new national assessment of risk also identifies areas that may be at risk in the future. This is based on climate change leading to increased frequency of storms that can worsen flooding and coastal erosion impacts. We use the UK Climate Projections 2018 from the Met Office. These projections indicate how rainfall, river flows, high tides and wave conditions that cause flooding and erosion may increase in future.

Our assessment of possible risk in the future does not consider:

- any additional development that may occur in future
- where new flood protection and resilience investments could change future risk

Our estimates of future risk due to climate change are therefore based on the potential for risk to increase rather than a prediction.

It is important to recognise that our assessment of risk is not static. Our national assessment of flood and coastal erosion risk will be regularly reviewed and updated to take on board the latest local modelling evidence and national data improvements.

Our previous assessment of flood and coastal erosion risk

We publish our latest information on the properties (homes and businesses) in areas at risk of flooding from different sources in our annual [flood and coastal erosion risk management](#) report.

In our 2023–2024 we reported:

- 2.6 million properties in areas at risk of flooding from rivers and the sea
- 3.2 million properties in areas at risk of surface water flooding

Around twice as many properties were in areas at high risk of flooding from surface water flooding compared to flooding from rivers and the sea.

Some properties are in areas at risk of flooding from multiple sources. For example, around 642,000 properties were in areas at risk from flooding from rivers, the sea, and surface water.

In addition, between 122,000 and 290,000 properties were estimated to be in areas at risk of groundwater flooding. This may include properties also in areas at risk of surface water flooding.

For all sources of flooding, this totalled around 5.5 million properties at risk.

Our new assessment is not directly comparable with previous assessments because we now have much better data and improved modelling methodologies.

Table 1: Properties in areas at risk of flooding from rivers and the sea (as of December 2023), and from surface water flooding (as of January 2024).

Level of risk	Annual likelihood of flooding (percentage)	Total number of properties in areas at risk of flooding from rivers and sea	Number of residential properties in areas at risk of flooding from rivers and sea	Total number of properties in areas at risk of flooding from surface water	Number of residential properties in areas at risk of flooding from surface water
High	Greater than 3.3 %	196,100	122,700	344,100	272,300
Medium	3.3 % – 1 %	623,800	454,900	504,000	416,900
Low	1 % – 0.1 %	1,069,500	851,700	2,370,700	1,985,500
Very low	Less than 0.1 %	717,300	612,800	Not assessed	Not assessed
Total		2,606,600	2,042,000	3,218,900	2,674,600

Source: [Flood and coastal erosion risk management report: 1 April 2023 to 31 March 2024 – GOV.UK](#)

The level of risk, or flood risk bands are:

- high risk – this means that each year an area has a chance of flooding of greater than 3.3 % (greater than a 1 in 30 chance of flooding)
- medium risk – this means that each year an area has a chance of flooding between 1 % and 3.3 % (1 in 30 to a 1 in 100 chance of flooding)
- low risk – this means that each year an area has a chance of flooding of between 0.1 % and 1 % (1 in 100 to a 1 in 1,000 chance of flooding)
- very low risk – this means that each year an area has a chance of flooding of less than 0.1 % (less than a 1 in 1,000 chance of flooding)

For national coastal erosion risk we reported that there were 2,000 properties are at risk of being lost to coastal erosion by 2060. This assumed that the management approaches and actions in the SMPs are funded and carried out.

We conducted a survey of public attitudes to flooding over 2023 to 2024. This showed that:

- around half of households at risk of flooding don't believe it will happen to them
- 2 out of every 3 people at risk believed that flooding will be more likely with climate change

These results show that considerable effort is still needed to raise awareness of flood risk in England amongst the public. It also highlights that a significant proportion of the population are anxious about the long-term impacts of adapting to a changing climate.

Why our assessment of flood and coastal erosion risk needs updating

Our first national assessment of flood risk was published 20 years ago in 2004, and is based on technology dating back to that time. The last full update to this assessment was in 2018, using some improvements to the data.

Our first national coastal erosion risk map was produced 13 years ago in 2011, and again was based on technology from that time. The coastal erosion risk map was last updated in 2015 and 2017, using some new local data.

Our new assessment is not directly comparable with previous assessments (see footnote). It will look different for the following reasons:

Much better data

- the new national assessment of flood risk uses the most up to date local flood risk modelling for both surface water and rivers and the sea
- the new national coastal erosion risk map uses a further 10 years of data from the [Coastal Monitoring Programmes](#)

Improved modelling methodologies

- we have created new software which allows us to better combine very detailed local modelling studies into a national assessment, providing a more accurate assessment of risk
- digital terrain modelling now provides us with a much more detailed and accurate map of England. For instance, this means we can now identify the way water flows over roads accounting for the kerb level
- computing has also advanced so that, along with improved data and modelling methods, mapping risk at a more detailed 2 metre resolution is now possible

Improved assessment of properties, infrastructure and assets

- we have factored in new building development since our last analysis
- we are now able to better understand risk for a wider range of properties, infrastructure and other public assets. As set out in table 2, we can now include:

Footnote: Our new assessment is not directly comparable with previous assessments because we now have much better data and improved modelling methodologies.

Table 2: Types of property, infrastructure and assets included in NaFRA and NCERM data

Residential properties	Non-residential properties	Infrastructure	Our analysis for the new NCERM also includes the risk to other assets such as
houses	schools	road	heritage assets
apartments	hospitals	rail	sites of special scientific interest (SSSIs)
caravans with an address	industry	water	landfill sites
care homes	retail	electricity	
	leisure	gas	

Climate change projections

We are now able to incorporate the UK Climate Projections 2018 (UKCP18) future warming scenarios from the UK Met Office. We consider different climate change scenarios for different sources of flood risk to reflect the UKCP18 ranges. These are shown in table 3.

Table 3: UK climate change scenarios for different sources of flood risk

	Mid century range	End of century range
Rivers and the sea	2036 to 2069	2070 to 2125
Surface water	2040 to 2060	2061 to 2080
Coastal erosion	Now to 2055	Now to 2105

For potential coastal erosion risk projections, we have based the climate change scenarios on the long term planning periods in the SMPs. The mid-century time period runs from 2025 to 2055 whilst the end of century period runs to 2105.

For coastal erosion, the new assessment is from now (present day) to either 2055 or 2105. This reflects the reality that coastal erosion impacts could occur following a one-off tidal surge or storm event. It is not always possible to predict when these storm events will happen.

The information presented for climate change is based on percentiles from the UK Climate Projections 2018 (UKCP18) data. A percentile is a measure used in statistics. They describe the proportion of possible scenarios that fall below an allowance level. Representative Concentration Pathways (RCPs) are emissions scenarios that describe possible future greenhouse gas emissions based on assumptions about human activity.

For the purposes of this report:

- for river and surface water flooding, we are using the central allowance, based on the 50th percentile from UKCP18 RCP 8.5
- for sea flooding and coastal erosion, we are using the higher central allowance, based on the 70th percentile from UKCP18 RCP 8.5

We are using the same climate change scenarios for all the data in this report – for properties, infrastructure, public buildings and agricultural land.

The new national assessment of flood risk

Our new NaFRA:

- provides a single picture of current and future flood risk from rivers, the sea and surface water
- uses both existing detailed local information and improved national data
- includes the potential impact of climate change on flood risk

It provides clearer detail than our current risk assessment on the areas at risk – providing much higher resolution maps that make it easier to see where there is risk.

The current Risk of Flooding from Rivers and Sea maps are limited by a 50 metre resolution. The better modelling in the new NaFRA provides a 2 metre resolution.

The new NaFRA will also be able to show characteristics such as:

- potential flood depths
- likelihood and impacts
- economic damages of flooding

We have not previously had information to share on the possible depth of flooding from rivers and sea at a national scale. One of the advantages of our new NaFRA is that we now have information on the chance of flooding to different depths. We will now be able to let people know their chance of flooding to a depth of less than 30 centimetres; between 30 centimetres and 60 centimetres; and greater than 60 centimetres. This allows people to consider the possible impacts on their property, and the scope to apply property flood resilience measures.

Our assessment of flood depths is based on outside ground levels. It is important to note that property floor levels are generally higher than the surrounding land – often by around 20 centimetres. Furthermore, in high flood risk areas developers are often required by planning authorities to raise the floor levels of buildings to mitigate the impacts of internal flooding. For this reason, even if a property is identified by our new NaFRA as being in an area at risk of flooding to a certain flood depth, it does not necessarily mean that flood water will enter the property in a flooding event.

A fundamental principle of the new assessment is that the methods and data standards should be consistent around the country. This allows us to have a credible and robust understanding of risk.

We have also benefited from significant improvements made to the quality of flood risk mapping and modelling in recent years. This has come from both the Environment Agency and local authorities. It has included a 4 year local model data improvement programme which has successfully incorporated around 1,000 existing local flood models.

The new NaFRA outputs and methods are nationally consistent by design, so that they can be:

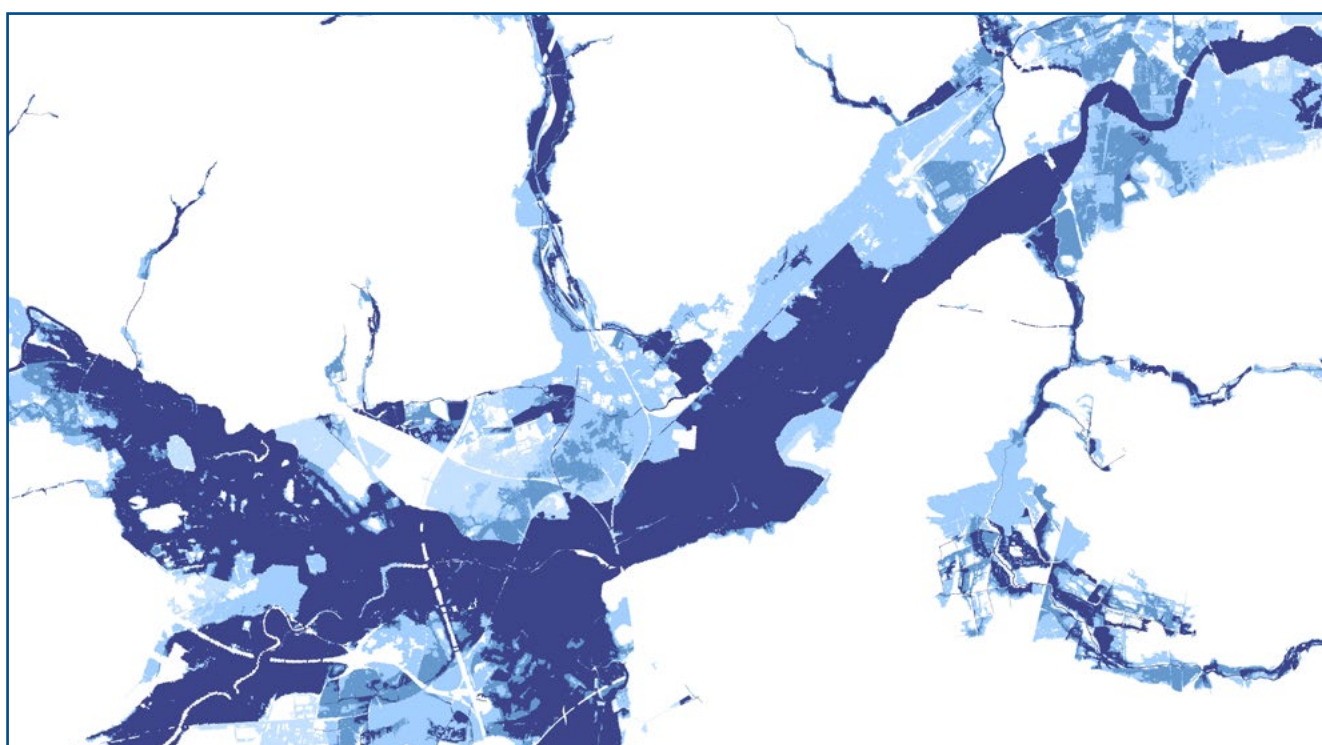
- regularly and easily updated
- improved to take on board the latest local model and data improvements.

In future we will be able to make regular national updates to NaFRA to account for the best available evidence.

In summary the new NaFRA is better for the following reasons; it:

- covers all sources of flood risk – rivers, the sea and surface water
- includes future flood risk due to climate change projections
- combines national models with local flood risk models from the Environment Agency and local authorities to provide more detail
- has clearer detail on the areas at risk through much higher resolution maps
- shows characteristics such as potential flood depths, and the likelihood and impacts, including the economic damages of flooding.
- provides better impact analysis (properties and infrastructure)

New NaFRA: Better methods and input data allow us to produce our data at a much higher resolution



Rivers and sea: How our assessment of flood risk from rivers and the sea is changing

Total properties in areas at risk of flooding from rivers and the sea

Total properties in areas at risk of flooding from rivers and the sea is around 2.4 million. This is slightly fewer than our previous assessment (see footnote).

Properties in areas at high risk of flooding from rivers and the sea increases to 367,900 which is an 88 % increase from our previous assessment (see footnote).

In the new assessment there are a significant number of properties moving from being in areas at medium flood risk to high flood risk. There are 48 % fewer properties in areas at medium risk, many of which we now consider to be in high risk areas



Footnote: Our new assessment is not directly comparable with previous assessments because we now have much better data and improved modelling methodologies.

Table 4: Properties in areas at risk of flooding from rivers and the sea

	Number of properties	% of total	% change compared to previous assessment (see footnote)
High risk	367,900	15.1 %	87.6 %
Medium risk	323,300	13.3 %	- 48.2 %
Low risk	966,500	39.7 %	- 9.6 %
Very low risk	777,300	31.9 %	8.4 %
All properties	2,435,000	100 %	- 6.6 %

Table note: new present day risk information without climate change

Our new data on depth of flooding provides more information to help people understand the potential flood hazard they could face.

Of properties in areas at high risk, 163,300 are likely to flood to depths of 30 centimetres or higher from rivers and the sea. This is over two fifths (44 %) of all properties in areas at high risk. A depth of just 30 centimetres of flood water can be enough to move a car during a heavy rainfall event.

If we look at the percentage of properties in areas at high risk that are likely to flood to depths of 60 centimetres or higher, this drops to 24 % of all properties in areas at high risk.

Table 5: Properties in areas at high and medium risk of flooding from rivers and sea, by depth of flooding

Depth of flooding	Present day risk assessment	Present day risk assessment
	High risk	Medium risk
Less than 30 cm	204,600	142,600
30 – 60 cm	75,800	77,400
More than 60 cm	87,500	103,300
Total	367,900	323,300

Table note: properties could be in areas that flood to depths of less than 30 cm, 30–60 cm, or more than 60 cm.

Reasons behind the changes

There are a variety of reasons for the changes in risk. The most notable are improved data and modelling methods for assessing the likely frequency of flooding. The key reasons are:

- we have updated the information on the condition of our flood defence assets. This includes improved methods for estimating the chances and impacts of flood defences failing under extreme pressure from flood water

Footnote: Our new assessment is not directly comparable with previous assessments because we now have much better data and improved modelling methodologies.

- we have a better understanding of the natural extents of flood waters in U shaped river valleys or steep coastlines. They may be more susceptible to deeper or more frequent flooding but the number of properties at risk is likely to remain unchanged

Regional distribution of properties in areas at risk of flooding from rivers and the sea

The East Midlands, Yorkshire and the Humber, and South East regions (Office for National Statistics regions) have the highest number of properties in areas at high or medium flood risk. These regions account for about one half (52 %) of the total number of properties in areas at high or medium flood risk.

Less than 1 in 10 of properties in areas at high and medium flood risk are in London. This is largely due to the presence of major flood defences such as the Thames Barrier.

Table 6: Regional distribution of properties in areas at high risk of flooding from rivers and the sea

	Number of properties in areas at high flood risk	% of national properties in areas at high flood risk	As a % of total number of properties in each region	Total property count per region
East Midlands	67,900	18.5 %	2.5 %	2,758,200
East of England	28,100	7.6 %	0.8 %	3,540,400
London	27,800	7.6 %	0.6 %	4,315,900
North East	8,600	2.3 %	0.6 %	1,520,600
North West	34,900	9.5 %	0.8 %	4,168,500
South East	68,100	18.5 %	1.4 %	5,011,800
South West	47,200	12.8 %	1.4 %	3,495,000
West Midlands	20,700	5.6 %	0.7 %	3,184,300
Yorkshire and The Humber	64,600	17.6 %	2.0 %	3,159,800
Total	367,900	100.0 %	1.2 %	31,154,500

Table note: new present day information without climate change



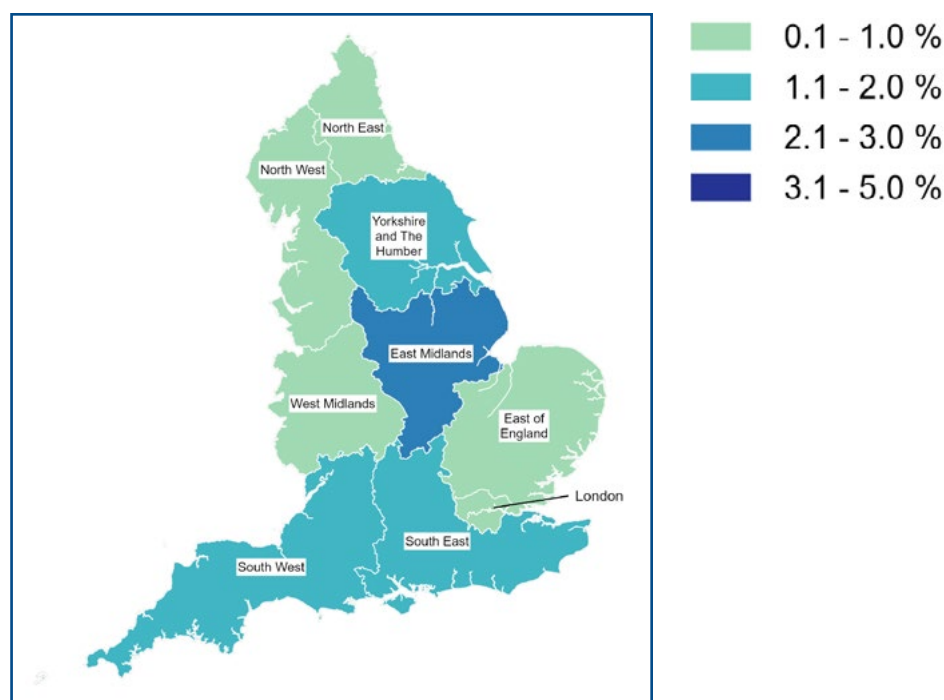
Table 7: Regional distribution of properties in areas at high/medium risk of flooding from rivers and the sea

	Number of properties in areas at high/medium flood risk	% of national properties in areas at high / medium flood risk	As a % of total number of properties in each region	Total property count per region
East Midlands	127,500	18.4 %	4.6 %	2,758,200
East of England	79,000	11.4 %	2.2 %	3,540,400
London	51,100	7.4 %	1.2 %	4,315,900
North East	13,200	1.9 %	0.9 %	1,520,600
North West	68,000	9.8 %	1.6 %	4,168,500
South East	113,900	16.5 %	2.3 %	5,011,800
South West	86,200	12.5 %	2.5 %	3,495,000
West Midlands	37,100	5.4 %	1.2 %	3,184,300
Yorkshire and The Humber	115,200	16.7 %	3.6 %	3,159,800
Total	691,200	100.0 %	2.2 %	31,154,500

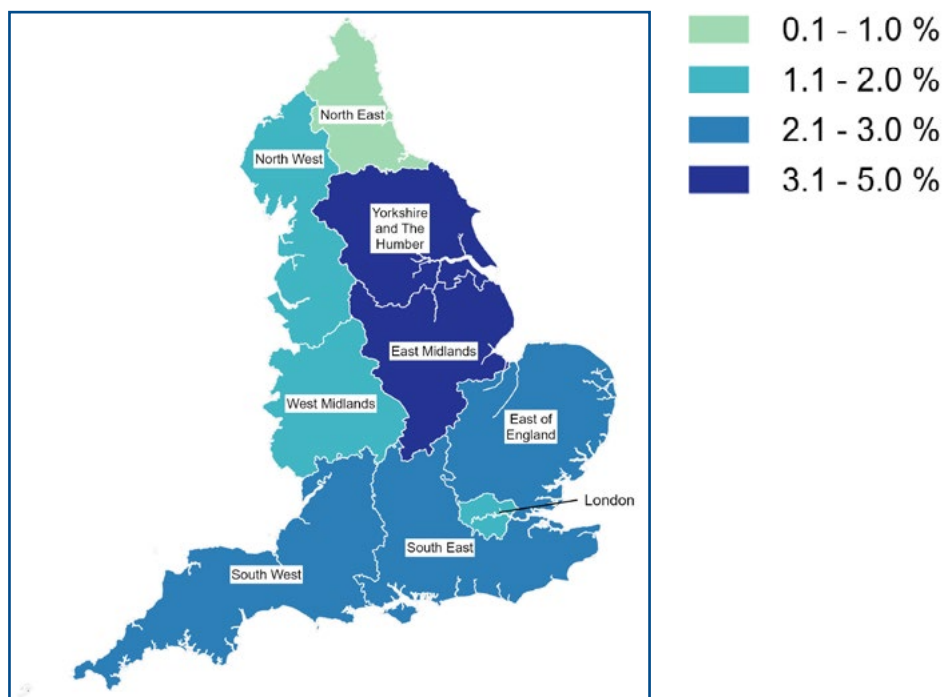
Table note: new present day risk information without climate change

The maps show the importance of considering flood risk relative to population size. For instance, 3.6 % of properties in Yorkshire and the Humber are in areas at a high or medium chance of flooding. In contrast, only 0.9 % of properties in the North East face the same level of risk.

Properties in areas at high risk of flooding from rivers and sea, as a % of total number of properties per region



Properties in areas at high/medium risk of flooding from rivers and sea, as a % of total number of properties per region



Properties in areas at risk of flooding from rivers and the sea with climate change

Overall, climate change will increase the chance of flooding. In many locations which are already at risk, flooding may occur more frequently and to greater depths. This is in line with projections that climate change is driving sea level rise and increases of extreme flows in rivers.

With climate change, we estimate that the total number of properties in areas at risk of flooding from rivers and the sea will increase from 2.4 million to around 3.1 million, a 27 % increase. Properties in areas at high risk could increase by around three quarters (73 %) between 2036 and 2069.

3.1m
Properties in
areas at risk by
mid-century



Table 8: Properties in areas at risk of flooding from rivers and the sea with climate change between 2036–2069

	Number of properties in areas at risk between 2036 and 2069	% of all properties in areas at risk	% change compared to new present day assessment
High risk	637,600	20.6 %	73.3 %
Medium risk	538,800	17.4 %	66.7 %
Low risk	1,209,400	39.1 %	25.1 %
Very low risk	710,900	22.9 %	- 8.5 %
All properties	3,096,700	100 %	27.2 %

Table note: with climate change compared to the new present day risk information

We also expect climate change to affect likely flood depths for properties already at risk from flooding from rivers and the sea.

Of properties in areas at high risk, 288,800 could flood to depths of 30 centimetres or higher from rivers and the sea between 2036 and 2069 – a 77 % increase from the present day. The percentage of properties in areas at high risk that could flood to depths of 60 centimetres or higher could increase by 87 % between 2036 and 2069.

Properties in areas at high risk of flooding from rivers and sea, by depth of flooding

Present day		With climate change 2036–2069	
60cm (2ft)	87,500	60cm (2ft)	163,200
30cm (1ft)	75,800	30cm (1ft)	125,600
20cm (8in)	204,600	20cm (8in)	348,800

Table 9: Properties in areas at high and medium risk of flooding from rivers and sea, by depth of flooding with climate change between 2036–2069

Depth of flooding	Present day	Present day	With climate change (between 2036 and 2069)	With climate change (between 2036 and 2069)
	High risk	Medium risk	High risk	Medium risk
Less than 30 cm	204,600	142,600	348,800	239,000
30 – 60 cm	75,800	77,400	125,600	120,700
More than 60 cm	87,500	103,300	163,200	179,100
Total	367,900	323,300	637,600	538,800

Table note: properties could flood to depths of less than 30 cm, 30–60 cm and more than 60 cm.

Surface water: How our assessment of flood risk from surface water is changing

Total properties in areas at risk of flooding from surface water

Total properties in areas at risk of flooding from surface water is around 4.6 million. This is a 43 % increase on our previous assessment (see footnote).

Our new assessment of risk of flooding from surface water shows about 1.1 million properties in high risk areas of surface water flooding. This compares to our previous assessment (see footnote) of 344,100. This is an increase of 3 times in the number of properties in areas at high risk of surface water flooding.

There are now 3 times as many properties at high risk of flooding from surface water than there are from flooding from rivers and the sea.

The number of properties in areas at medium risk of surface water flooding has also increased by about three quarters (76 %) to 884,800 properties. Unlike flooding from rivers and the sea, this is a very significant increase in properties in areas at medium flood risk from surface water flooding.



Footnote: Our new assessment is not directly comparable with previous assessments because we now have much better data and improved modelling methodologies.

Table 10: Properties in areas at risk of flooding from surface water

	Number of properties	% of total	% change compared to previous assessment (see footnote)
High risk	1,071,800	23.3 %	211.5 %
Medium risk	884,800	19.2 %	75.6 %
Low risk	2,644,000	57.5 %	11.5 %
All properties	4,600,600	100 %	42.9 %

Table note: new present day risk without climate change

Our new flood depths information shows that 184,200 properties in areas at high risk are likely to flood to depths of 30 centimetres or higher from surface water. This is 1 in 6 (17 %) of all properties in areas at high risk of flooding. In comparison, over two fifths (44 %) of properties in areas at high risk from rivers and the sea face a 30 centimetres or greater depth hazard.

83 % of properties at high risk are in areas with likely flood depths of less than 30 centimetres. This suggests that the typical impacts from surface water flooding are likely to occur at shallower levels than flooding events from rivers and the sea. As a result of this, the economic costs are likely to be less damaging.

Table 11: Properties in areas at high and medium risk of flooding from surface water, by depth of flooding

Depth of flooding	Present day High risk	Present day Medium risk
Less than 30 cm	887,600	660,500
30 – 60 cm	153,900	174,900
More than 60 cm	30,300	49,400
Total	1,071,800	884,800

Table note: properties could flood to depths of less than 30 cm, 30–60 cm, more than 60 cm

Reasons behind the changes

Rather than a real world increase in risk, the changes we are seeing in the total number of properties in areas at risk of surface water flooding is almost entirely due to significant improvements in our data, modelling and use of technology. We do not think that risk has been significantly underestimated until now. Rather, we are now able to describe it with more confidence and detail. The key reasons are:

- we have updated the data and methods to determine frequency of heavy rainfall and how flood water responds. This has included

Footnote: Our new assessment is not directly comparable with previous assessments because we now have much better data and improved modelling methodologies.

inviting some local authorities to provide local evidence about the ability of drainage systems to carry away flood water. This has shown that in some places urban drainage systems do not have the capacity to manage surface water.

- we have revised our approach to determine when a series of puddles on the ground becomes surface water flooding, and the impacts that can have on people and property. This has resulted in more locations being shown at risk but we believe it is a more useful reflection of actual risk to communities. The new information on depth allows us to identify for the first time places where there is a high chance of relatively shallow flooding.
- our previous surface water flood risk maps were limited in the way they deflected water around the walls of buildings. This meant that the properties themselves did not appear to be at risk of flooding on the maps. The new mapping removes this limitation, making it a more realistic local assessment of surface water flood risk.

Regional distribution of properties in areas at risk of surface water flooding

Over one quarter of properties in areas at high risk of surface water flooding are in London – nearly a third of a million. This is over 11 times as many properties as are in areas at high risk of flooding from rivers and the sea.

Other regions with a significant number of properties in areas at high and medium risk from flooding from surface water are the East of England, the North West and the South East. These regions account for 38 % of the total number of properties at risk.

Table 12: Regional distribution of properties in areas at high risk of surface water flooding

	Properties in areas at high risk of surface water flooding	% of national properties in areas at high risk of surface water flooding	As a % of total number of properties in each region	Total property count per region
East Midlands	67,600	6.3 %	2.5 %	2,758,200
East of England	170,600	15.9 %	4.8 %	3,540,400
London	319,800	29.9 %	7.4 %	4,315,900
North East	39,900	3.7 %	2.6 %	1,520,600
North West	123,300	11.5 %	3.0 %	4,168,500
South East	127,900	11.9 %	2.6 %	5,011,800
South West	86,500	8.1 %	2.5 %	3,495,000
West Midlands	73,900	6.9 %	2.3 %	3,184,300
Yorkshire and The Humber	62,300	5.8 %	2.0 %	3,159,800
Total	1,071,800	100 %	3.4 %	31,154,500

Table note: new present day information without climate change

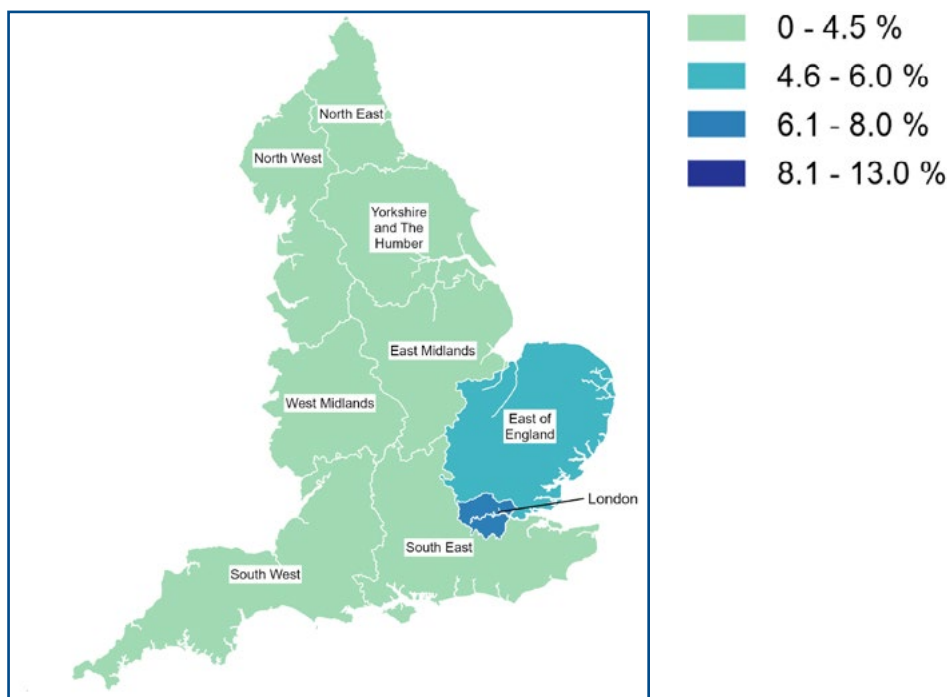
Table 13: Regional distribution of properties in areas at high/medium risk of surface water flooding

	Properties in areas at high/medium risk of surface water flooding	% of national properties in areas at high/medium risk of surface water flooding	As a % of total number of properties in each region	Total property count per region
East Midlands	136,900	7.0 %	5 %	2,758,200
East of England	270,200	13.8 %	7.6 %	3,540,400
London	543,500	27.8 %	12.6 %	4,315,900
North East	77,800	4.0 %	5.1 %	1,520,600
North West	240,200	12.3 %	5.8 %	4,168,500
South East	236,100	12.0 %	4.7 %	5,011,800
South West	159,800	8.2 %	4.6 %	3,495,000
West Midlands	157,600	8.0 %	4.9 %	3,184,300
Yorkshire and The Humber	134,500	6.9 %	4.3 %	3,159,800
Total	1,956,600	100 %	6.3 %	31,154,500

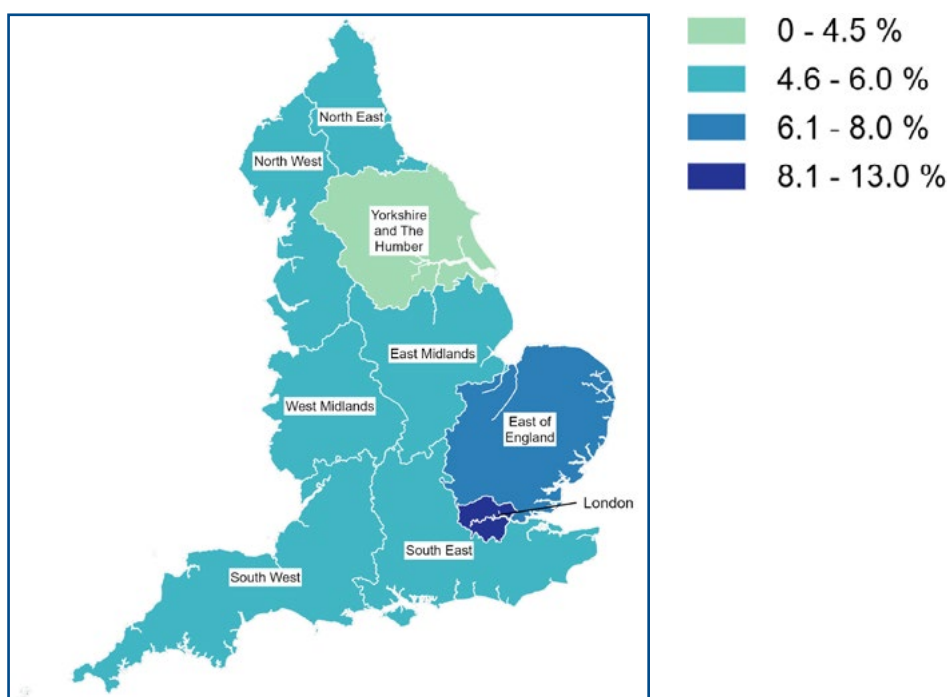
Table note: new present day information without climate change

The maps show the importance of considering flood risk relative to population size. Surface water flood risk is greater in cities where drainage systems are less able to deal with intense rainfall. 1 in 8 (13 %) of properties in London are in areas at high or medium risk of surface water flooding. This is twice the rate compared to the national total, and a far higher rate than any other region.

Properties in areas at high risk of flooding from surface water, as a % of total number of properties per region



Properties in areas at high/medium risk of flooding from surface water, as a % of total number of properties per region



Properties in areas at risk of flooding from surface water with climate change

With climate change, we estimate that the total number of properties in areas at risk of flooding from surface water could increase from 4.6 million to 6.1 million, an increase of one third. Properties in high risk areas could increase by two thirds (66 %) between 2040 and 2060.

6.1m
Properties in
areas at risk by
mid-century



Table 14: Properties in areas at risk of flooding from surface water with climate change between 2040 – 2060

	Number properties in areas at risk between 2040 and 2060	% of all properties at risk	% change compared to new present day assessment
High risk	1,784,300	29.5 %	66.5 %
Medium risk	972,300	16.0 %	9.9 %
Low risk	3,299,600	54.5 %	24.8 %
All properties	6,056,200	100 %	31.6 %

Table note: with climate change compared to the new present day risk information

We also expect climate change to affect likely flood depths for properties already in areas at risk from surface water flooding. We estimate that 288,400 properties in areas at high risk could flood to depths of 30 centimetres or higher between 2040 and 2060. This is an increase of more than half (57 %) on the present day.

The proportion of high risk properties flooding to depths of 60 centimetres or deeper could increase by over two thirds (73 %) between 2040 and 2060.

Properties in areas at high risk of flooding from surface water, by depth of flooding

Present day		With climate change 2040–2060	
60cm (2ft)	30,300	60cm (2ft)	52,400
30cm (1ft)	153,900	30cm (1ft)	236,000
20cm (8in)	887,600	20cm (8in)	1,495,900

Table 15: Properties in areas at high and medium risk of flooding from surface water, by depth of flooding with climate change between 2040–2060

Depth of flooding	Present day	Present day	With climate change (between 2040 and 2060)	With climate change (between 2040 and 2060)
	High risk	Medium risk	High risk	Medium risk
Less than 30 cm	887,600	660,500	1,495,900	620,500
30 – 60 cm	153,900	174,900	236,000	268,500
More than 60 cm	30,300	49,400	52,400	83,300
Total	1,071,800	884,800	1,784,300	972,300

Table note: properties could flood to depths of less than 30 cm, 30–60 cm, more than 60 cm

Flood risk from multiple sources – rivers, the sea and surface water

Properties in areas at risk of flooding from multiple sources

Our new national flood risk assessment shows that in total around **6.3 million** properties in England are in areas at risk of flooding from one or a combination of sources: rivers, the sea and surface water.



This figure is based on our new assessment showing:

- **2.4 million** properties in areas at risk of flooding from rivers and the sea. This is slightly fewer than our previous assessment (see footnote).
- **4.6 million** properties in areas at risk of flooding from surface water. This is a 43 % increase on our previous assessment (see footnote).

Our new mapping identifies about 750,000 properties in areas at risk both from rivers or the sea, and surface water.

In reality many flooding events we experience result in flooding to properties and places coming from many sources. For example, high river levels can impede surface water drainage, resulting in increased flood impacts in areas where the main risk is from rivers. As a consequence, it is common to find the same properties impacted by multiple sources of flooding.

We have not included groundwater figures in our new total as this estimate has not been updated for some time. Our next Flood and coastal erosion risk annual report for 2024/25 will reflect the updated assessment from the new NaFRA.

Footnote: Our new assessment is not directly comparable with previous assessments because we now have much better data and improved modelling methodologies.

With climate change the total number of properties in areas at risk from rivers and the sea or surface could increase to:

- **3.1 million** properties in areas at risk of flooding from rivers and the sea between 2036 and 2069.
- **6.1 million** properties in areas at risk of flooding from surface water between 2040 and 2060.

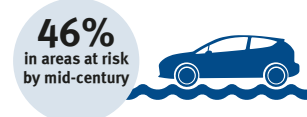
With climate change, our new mapping identifies about 1 million properties in areas at risk both from rivers or the sea, and surface water.

This could take the total number of properties in areas at risk of flooding from rivers and the sea or surface water to around 8 million by mid-century. In other words, 1 in 4 properties in England will be in areas at risk of flooding from rivers and the sea or surface water by mid-century.

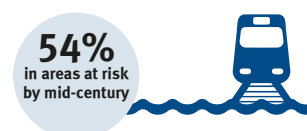
Infrastructure and other public buildings in areas at risk of flooding from multiple sources

If we look at flood risk from rivers, sea and surface water and the potential impact on infrastructure and other public buildings in England, we observe the following:

Our new assessment shows that 113,900 kilometres out of 302,100 kilometres of roads in England are in areas at risk of flooding. This is around a third (38 %) of all roads in areas at risk from one or more sources of flooding. Of that, about 18 % of roads are in areas at high or medium risk of flooding. If we apply the climate change projections the road network at risk rises to 137,700 kilometres or 46 % at risk by mid-century, an increase of 21 %.



Our new assessment shows that 4,300 kilometres out of 11,700 kilometres of railways in England are in areas at risk of flooding. This is over a third (37 %) of all railways in areas at risk from one or more sources of flooding. Of that, around 18 % of railway lines are in areas at high or medium risk of flooding. If we apply the climate change projections the rail network at risk rises to 6,300 kilometres or 54 % at risk by mid-century, an increase of around half. Compared to other major infrastructure sectors, the railways see the largest increase in future risk due to climate change.



A significant proportion of water pumping stations and treatment plants are also at risk of flooding from multiple sources – about a third (34 %). Other important public buildings, such as schools and hospitals, are also at flood risk from multiple sources at about 21 % and 26 % respectively.

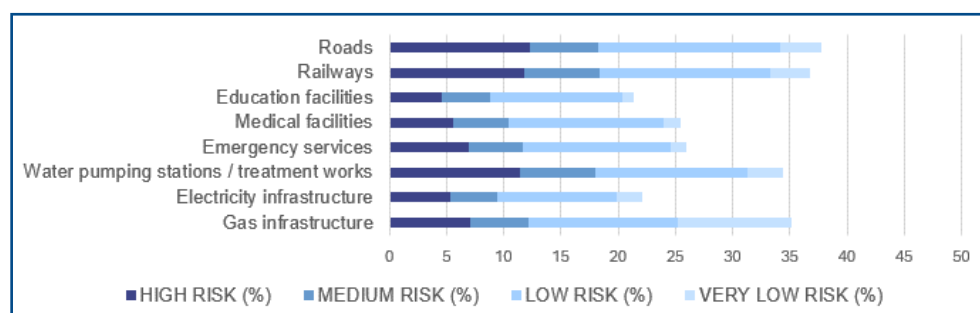
Table 16: Infrastructure and other public buildings in areas at flood risk from rivers, sea and surface water – present day and with climate change

	Present day km or numbers	Present day % of total	With climate change (between 2040 and 2060)	With climate change (between 2040 and 2060) % of total at risk	% change with climate change (between 2040 and 2060)
Roads	113,900	37.7 %	137,700	45.6 %	20.9 %
Railways	4,300	36.8 %	6,300	53.8 %	46.5 %
Education facilities	30,000	21.4 %	37,000	26.4 %	23.3 %
Medical facilities	11,800	25.5 %	14,600	31.5 %	23.7 %
Emergency services	2,000	26.0 %	2,400	31.2 %	20.0 %
Water pumping stations / treatment works	12,800	34.4 %	14,200	38.2 %	10.9 %
Electricity infrastructure	52,600	22.1 %	61,600	25.9 %	17.1 %
Gas infrastructure	1,300	35.1 %	1,400	37.6 %	7.7 %

Present day assessment

Table 17: Percentage of infrastructure and other public buildings in areas at flood risk from rivers, sea and surface water – present day, by level of risk

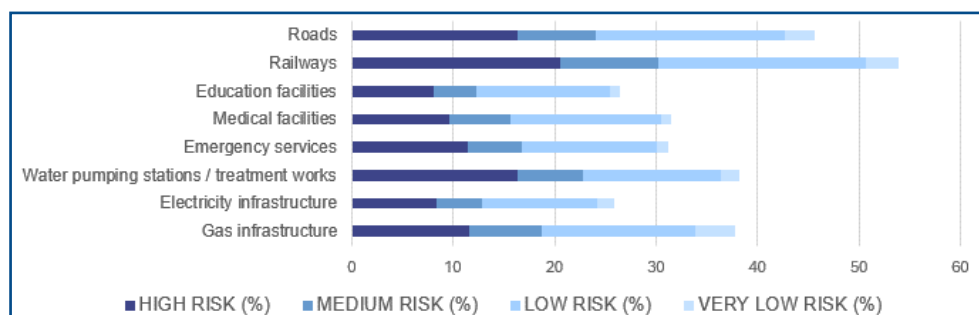
	High risk (%)	Medium risk (%)	Low risk (%)	Very low risk (%)	Total risk (%)
Roads	12.3 %	5.9 %	15.9 %	3.6 %	37.7 %
Railways	11.8 %	6.6 %	14.8 %	3.6 %	36.8 %
Education facilities	4.6 %	4.2 %	11.5 %	1.1 %	21.4 %
Medical facilities	5.6 %	4.8 %	13.6 %	1.5 %	25.5 %
Emergency services	6.9 %	4.8 %	12.9 %	1.4 %	26.0 %
Water pumping stations / treatment works	11.4 %	6.6 %	13.3 %	3.1 %	34.4 %
Electricity infrastructure	5.3 %	4.1 %	10.4 %	2.3 %	22.1 %
Gas infrastructure	7.0 %	5.1 %	13.1 %	9.9 %	35.1 %



Climate change assessment (between 2040 and 2060)

Table 18: Percentage of infrastructure and other public buildings in areas at flood risk from rivers, sea and surface water – with climate change, by level of risk

	High risk (%)	Medium risk (%)	Low risk (%)	Very low risk (%)	Total risk (%)
Roads	16.4 %	7.7 %	18.6 %	2.9 %	45.6 %
Railways	20.5 %	9.7 %	20.5 %	3.1 %	53.8 %
Education facilities	8.0 %	4.3 %	13.2 %	0.9 %	26.4 %
Medical facilities	9.6 %	6.0 %	14.9 %	1.0 %	31.5 %
Emergency services	11.4 %	5.4 %	13.2 %	1.2 %	31.2 %
Water pumping stations / treatment works	16.4 %	6.4 %	13.5 %	1.9 %	38.2 %
Electricity infrastructure	8.3 %	4.6 %	11.3 %	1.7 %	25.9 %
Gas infrastructure	11.6 %	7.1 %	15.1 %	4.0 %	37.8 %



Agricultural land in areas at risk of flooding from rivers and the sea

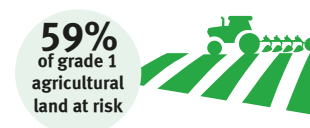
Our new assessment shows that of the 85,000 square kilometres of agricultural land in England, 11,200 square kilometres is in areas at risk of flooding from rivers and sea. This is around 13 % of all agricultural land and about 59 % of grade 1 agricultural land. If we apply the climate change projections, this rises to 11,700 square kilometres, an increase of nearly 5 % by mid-century.



Table 19: Agricultural land (by grade) in areas at flood risk from rivers and sea – present day and with climate change

	Present day risk (km ²)	% of agricultural land at risk	With climate change (2036 to 2069) (km ²)	With climate change (2036 to 2069) % of agricultural land at risk
Grade 1	2,100	59.2 %	2,100	59.2 %
Grade 2	3,300	17.8 %	3,400	18.4 %
Grade 3	5,800	9.2 %	6,200	9.9 %
Total	11,200	13.2 %	11,700	13.8 %

Table note: For agricultural land we are only presenting the risk of flooding from rivers and the sea.



The new national coastal erosion risk map

The new National Coastal Erosion Risk Map (NCERM) provides the most up to date national picture of coastal erosion risk for England. Our new NCERM:

- is based on coastal monitoring data from the National Network of Regional Coastal Monitoring Programmes. This includes 10 years more evidence on coastal processes since the original map was published
- accounts for the UKCP18 climate projections which includes allowances for sea level rise

The new NCERM reflects the latest coastal management approaches set out in SMPs. Our assessment identifies the impacts of coastal erosion with SMPs being delivered compared to the worst case where the SMPs are not funded or delivered.

The projections of erosion risk around the coast are set to the time periods defined in the SMPs:

- mid-century year of 2055
- the end of century year of 2105

Where a part of the coast is deemed to be predominantly at risk from sea flooding, no erosion projections are provided.

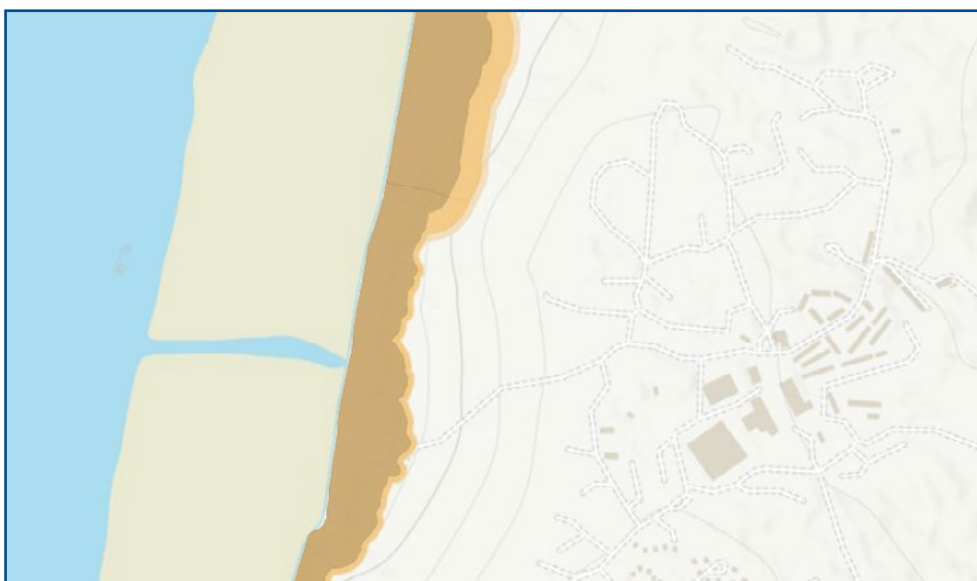
We have worked in collaboration with coastal local authorities to produce the new NCERM. The new erosion risk information will also be used by policy makers and practitioners to inform coastal planning and the designation of Coastal Change Management Areas (CCMAs).

CCMAs are areas identified in strategic Local Plans as likely to be affected by coastal erosion and coastal change where the local planning authority can require constraints on new development.

In summary the new NCERM is better for the following reasons, it:

- makes erosion information more accessible to coastal managers, planners and the public by providing clearer online visualisations
- includes climate change impacts on coastal erosion risk
- uses improved methodologies, more recent data and new research on the acceleration of erosion due to rising sea levels
- includes new information on areas of land instability at the coast caused by rainfall and rising groundwater levels which can contribute to cliff erosion and landslides

NCERM – users will be able to see the area of land that could erode between now and 2055 and 2105.



Coastal erosion: How our assessment of coastal erosion risk is changing

Properties in areas at risk of coastal erosion between now and 2055 and 2105

The new NCERM shows that 3,500 properties are in areas at risk of coastal erosion in the period up to 2055. This increases to about 10,100 properties in the period up to 2105.

About half of these properties are residential. The other half are non-residential properties such as schools, hospitals, retail and leisure businesses. The numbers of properties in areas at risk make the assumption that funding and implementation of all actions in the SMPs are delivered.

In the worst case, where the SMPs are not delivered and no future investment is made to manage coastal erosion, the numbers of properties in areas at risk increases significantly. The total number of properties in areas at risk of coastal erosion would be 9 times greater in the period up to 2055, reaching up to 32,800 properties.

The new NCERM shows that coastal erosion risk will increase with climate change. This is mainly due to the effects of sea level rise on erosion rates. Even with SMPs delivered there could be 19,700 properties at risk of coastal erosion in the period up to the end of the century. Without delivery of any of the investment set out in SMPs, this figure is expected to be 5 times greater.

19,700
Properties in
areas at risk by
the end of the
century



Table 20: Properties in areas at risk of coastal erosion between now and 2055 and 2105 – with and without SMPs delivered

	With SMPs being delivered	With SMPs being delivered	With SMPs being delivered	With SMPs being delivered	Without SMPs being delivered	Without SMPs being delivered	Without SMPs being delivered	Without SMPs being delivered
	Now to 2055	Now to 2055	Now to 2105	Now to 2105	Now to 2055	Now to 2055	Now to 2105	Now to 2105
	Present day	With climate change	Present day	With climate change	Present day	With climate change	Present day	With climate change
Residential	1,900	2,900	6,400	13,000	25,200	34,300	51,000	80,100
Non residential	1,600	2,300	3,600	6,800	7,600	10,200	14,000	22,000
Total properties	3,500	5,200	10,100	19,700	32,800	44,500	65,100	102,100

Table note: with SMPs delivered and without SMPs delivered

Reasons behind the changes

Our understanding of the impacts of coastal erosion has been improved by better evidence as well as accounting for future climate change.

The main reasons are:

- we are using more sophisticated coastal analysis techniques to assess coastal erosion at approximately 8,000 locations along the coast
- we are using a further 10 years of coastal monitoring data from the National Network of Regional Coastal Monitoring Programmes. This provides a more detailed and accurate dataset to assess recent changes to the coast
- we have updated the information on the condition of coastal defences including improved methods for estimating the chances and impacts of defence failure
- we have better information on a wider range of properties at erosion risk in coastal locations. This includes accounting for caravans as well as tourist, leisure and businesses that have located to the coast over time



Regional distribution of properties in areas at risk of coastal erosion between now and 2055 and 2105

England already has some of the fastest eroding coastlines in Europe. In some parts of the east coast, erosion rates can be up to 4 metres per year. The rates of erosion are likely to increase with sea level rise and climate change through this century.

The new NCERM shows that the highest number of properties in areas at risk of coastal erosion are in Yorkshire and The Humber, the South West and the East of England. Places such as East Riding of Yorkshire, North Norfolk and Cornwall have some of the highest numbers of properties in areas at risk of coastal erosion.

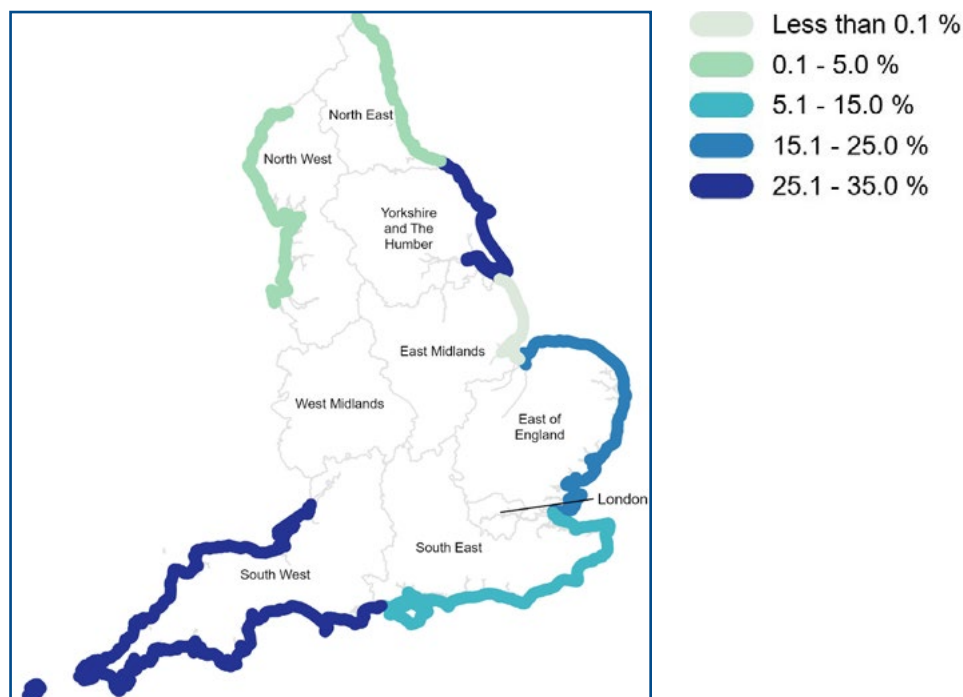
These 3 local authorities contain two-thirds of all residential properties in areas at risk of coastal erosion in England. This is why we are working with these local authorities as part of the £36 million [Coastal Transition Accelerator Programme \(CTAP\)](#). CTAP is exploring how coastal communities and businesses can adapt to the effects of erosion and climate change on the coast.

Table 21: Properties in areas at risk of coastal erosion between now and 2055 and 2105 – with SMPs delivered

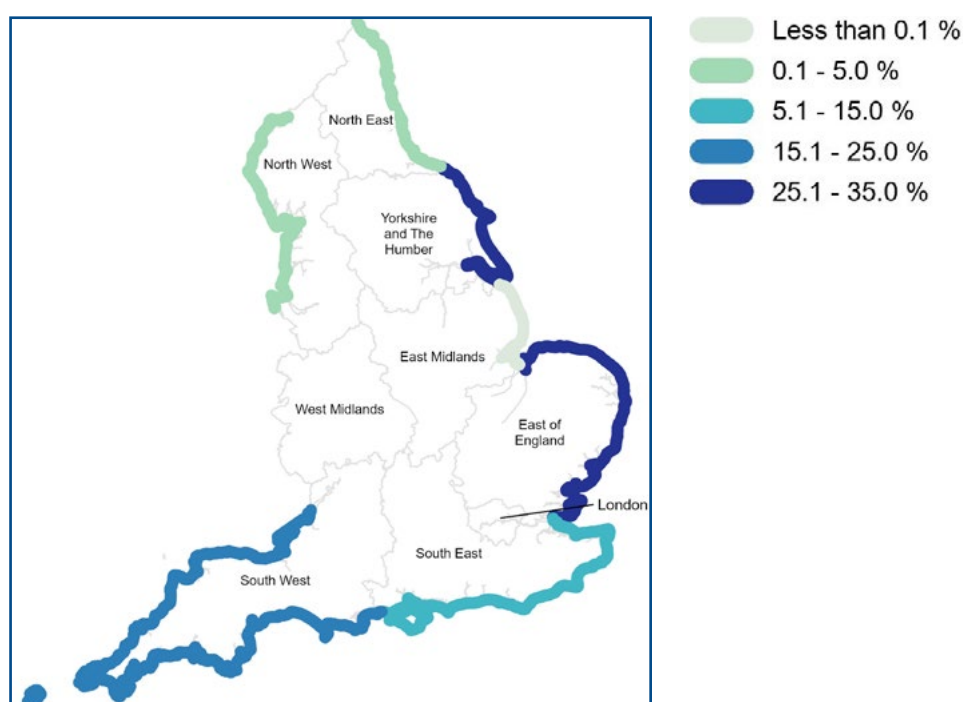
	Now to 2055 with SMPs being delivered	Now to 2055 with SMPs being delivered	Now to 2105 with SMPs being delivered	Now to 2105 with SMPs being delivered
	Properties in areas at risk of coastal erosion	% of total properties in areas at risk of coastal erosion in England	Properties in areas at risk of coastal erosion	% of total properties in areas at risk of coastal erosion in England
East Midlands	-		-	
East of England	860	25 %	2,760	27 %
London	-		-	
North East	160	4 %	410	4 %
North West	150	4 %	300	3 %
South East	290	8 %	1,290	13 %
South West	940	27 %	1,850	18 %
West Midlands	-		-	
Yorkshire and The Humber	1,100	32 %	3,490	35 %

Table note: with SMPs delivered and without climate change

Properties in areas at risk of coastal erosion to 2055, as a % of total properties in areas at coastal erosion risk in England



Properties in areas at risk of coastal erosion to 2105, as a % of total properties in areas at coastal erosion risk in England



Other local authorities with significant ‘pockets’ of erosion risk include Great Yarmouth, Swale, South Hams, Dorset, New Forest, Southampton and the Isle of Wight.

Additionally, there are related challenges from ground instability affecting whole communities, especially on the south and north east coasts.

Parts of the Isle of Wight are at high risk of landslides and cliff falls. Significant land movements happened in 2023 and 2024 as a result of:

- erosion at the base of the cliff
- large amounts of winter rainfall raising ground water levels

As well as property, coastal erosion can also affect the natural environment. Erosion can result in the loss and makeup of habitats along the coast, and the new NCERM shows over 6 square kilometres of Sites of Special Scientific Interest are within areas of coastal erosion risk by 2055. Erosion and the movement of sediment along the coast is a natural feature of the coastal environment. However, where losses occur due to flood and erosion defences being in place, we support wildlife in adapting to coastal change. Over recent decades we have created over 2,300 hectares of coastal habitats through our Habitat Compensation and Restoration Programme.

Infrastructure and agriculture in areas at risk of coastal erosion between now and 2055 and 2105

Road networks along the coast mainly consist of minor and unclassified roads but these are often important access routes for coastal communities. A roads, B roads and motorways ('major roads') normally stop short of coastal areas. Where they do feature along the coast there are often sea defences or other beach management protection measures in place. This is also the case for railways which run along the coast.

Much of England's primary (Grade 1 and 2) agricultural land at the coast is in low lying areas where flooding is the main risk. Lower grade agriculture in many parts of the coast is at risk of erosion with some areas eroding naturally. This is in line with the approach set out in SMPs.

Table 22: Infrastructure and agricultural land (by grade) in areas at risk of coastal erosion between now and 2055 and 2105 – with SMPs delivered

	Now to 2055 with SMPs being delivered	Now to 2105 with SMPs being delivered
Major roads (Motorway/A/B roads)	Over 1 km	Over 10 km
Minor roads and local access roads	Over 55 km	Over 173 km
Railways	Over 2 km	Over 6 km
Grade 1 and 2 agricultural land	0.7 km ²	Over 2 km ²
Grade 3 agricultural land	Over 7 km ²	Over 17 km ²

Table note: without climate change

How the new national flood and coastal erosion risk information and data will be made available

Early 2025: New NaFRA and NCERM data published

In early 2025 we will publish:

- the new NaFRA data on ‘[Check Your Long Term Flood Risk](#)’ and on [data.gov.uk](#)
- the new NCERM data on ‘[Check coastal erosion risk for an area in England](#)’, [SMP Explorer](#) and on [data.gov.uk](#)

For the first time ‘[Check Your Long-Term Flood Risk](#)’ will show information for users:

- on future flood risk taking into account climate change
- on potential flood depths both for present day flood risk and with climate change

The improved service will make it easier for users to understand both the chances and potential impacts of current and future flood risk in the places in which they live or work.

Spring 2025: New NaFRA data published on Flood Map for Planning

In spring 2025 we will be updating our [Flood Map for Planning](#) service which displays the Flood Zones. The Flood Zones are defined by government in planning guidance and will continue to show present day flood risk from rivers and the sea. We will be updating the Flood Zones using the data from the new NaFRA.

The improved service will use data from the new NaFRA to:

- assist planners and developers towards the most appropriate sites for development
- make it easier for developers to produce [Flood Risk Assessments](#) as part of the process to obtain planning permission

For the first time, we will be:

- adding new information to show how climate change may affect the extent of flood risk from rivers and the sea in future
- including mapping showing areas at flood risk from rivers and the sea taking into account the presence of existing flood defences
- displaying surface water flood risk

Following these Spring 2025 improvements to [Flood Map for Planning](#), we will plan further updates to include other helpful information from the new NaFRA. This will include adding information on how climate change could affect surface water flood risk as well as information on flood depths.

Next steps: Continuous improvement in our understanding of risk

We have assessed that nearly 90 % of properties at flood risk in England are in areas that are suitable for the new NaFRA data and mapping. The remaining areas require either new detailed local modelling, or gaps and errors in the input data to be rectified. For areas that are not yet able to benefit from the new NaFRA we are temporarily retaining the existing flood risk information. Local Environment Agency teams will ensure that the best available local understanding of risk is also factored into decisions about future investment options. We are continuing to refine our modelling and data with the aim of reach 100 % coverage with the new NaFRA data by Summer 2026.

We are committed to a rolling programme of data improvements so we can take into account the latest local modelling evidence and national data improvements. Following publication of the new NaFRA data in early 2025, the first update will be in summer 2025. While details are to be confirmed, we expect updates to then follow quarterly.

Following publication of the new NCERM data in early 2025 on SMP Explorer, the first update is expected to be later in 2025. While details are to be confirmed, we expect updates to then follow yearly.

How we will use the new risk information to inform future investments

For the first time, our new national flood and coastal erosion risk assessment gives us an understanding of both risk for the present day, and with climate change projections. This new information is vital for our future planning, especially given climate change projections and aging flood and coastal defences.

Informing our future investment programme

We are currently developing a new flood and coastal investment programme using the best available evidence which includes the new NaFRA and the new NCERM. This will allow us to assure that our investment programmes are prioritising the places and projects where current and future risk is greatest.

Long term investment scenarios

At a national scale, both the new NaFRA and NCERM will provide the underpinning evidence to inform our new Long Term Investment Scenarios (LTIS). These are due to be published by the end of 2025. LTIS will produce detailed insights into future flood and coastal risk, options for managing risk as well as an assessment of the likely long term costs. The new scenarios will provide important evidence for informing future policy and investment choices for improving resilience and adaptation to future climate risks.

Acknowledgements

The new NaFRA and NCERM has taken several years of hard work to develop. This work would not have been possible without the expertise and dedication of colleagues across the Environment Agency's flood and coastal erosion risk mapping, modelling, evidence and project delivery teams. We would like to recognise our collaboration with Jacobs and JBA Consulting in producing the new assessment tools. We would also like to acknowledge the time and effort of Lead Local Flood Authorities across England who have worked in collaboration with us to develop the new surface water flood risk assessment. And finally we would like to thank coastal local authorities and the National Network of Regional Coastal Monitoring Programmes as well as the UK Centre for Ecology & Hydrology and the Ordnance Survey for the data and information they have provided. We will continue to build on these strong partnerships as part of our commitment to keep our national risk information for flooding and coastal erosion up to date.

Julie Foley, Director of Flood Risk Strategy and Adaptation

Report pictures

Front cover

Top – waves crashing against a sea wall. Credit: Environment Agency

Bottom left – Raby Mere, Wirral, October 2023. Credit: Janet Astbury

Bottom right – Environment Agency operations. Credit: Environment Agency

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Flooded riverside. Credit: Environment Agency

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Flooded agricultural land. Credit: Pexels

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Top – Chesterfield, Derbyshire. Storm Babet – October 2023. Credit: Environment Agency

Bottom – Flooded fields. Storm Henk – January 2024. Credit: Environment Agency

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Ironbridge, Shropshire. Credit: Environment Agency

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Hythe Ranges, Kent, coastal defences. Credit: Environment Agency

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Van driving through flood water. Credit: Environment Agency

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Flooded fields. Credit: Environment Agency/Getty images

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Aldbrough, East Riding of Yorkshire. Credit: Environment Agency

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Green Lane, Skipsea, East Riding of Yorkshire. Credit: Guy Cooper

We are the Environment Agency. We protect and improve the environment.

We help people and wildlife adapt to climate change and reduce its impacts, including flooding, drought, sea level rise and coastal erosion.

We improve the quality of our water, land and air by tackling pollution. We work with businesses to help them comply with environmental regulations. A healthy and diverse environment enhances people's lives and contributes to economic growth.

We can't do this alone. We work as part of the Defra group (Department for Environment, Food & Rural Affairs), with the rest of government, local councils, businesses, civil society groups and local communities to create a better place for people and wildlife.

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**Executive Board****28th March 2025****Strategic Regional Energy Planning:
Presentation by the National Energy Systems Operator (NESO)****Summary**

The Government has established the National Energy Systems Operator (NESO) to ensure the nation has access to reliable, clean affordable and energy. NESO is also charged with developing Regional Energy Strategic Plans (RESPs). NESO is keen to talk to local authority leaders about how it plans to develop the East Midlands RESP, which will cover the whole of the EMC geography except for Northamptonshire. The presentation will be led by Melanie Taylor, NESO's Head of RESP Regions (North).

Recommendations

Members of the Executive Board are invited to consider this report and to receive a presentation from the National Energy Systems Operator.

1. Introduction

- 1.1 The Government has established a new independent public corporation the National Energy Systems Operator (NESO) to ensure the nation has access to reliable, clean affordable and energy. NESO is also charged with developing Regional Energy Strategic Plans (RESPs). NESO is keen to talk to local authority leaders about the how it plans to develop the East Midlands RESP, which will cover the whole of the EMC geography except for Northamptonshire, which is part of the Economic Heartlands RESP region.

2. National Context

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

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

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

3. East Midlands RESP

- 3.1 Once commissioned by Ofgem, NESO will lead the development of Regional Energy Strategic Plan (RESP) for the East Midlands that will enable the coordinated development of the energy system across multiple vectors, provide confidence in system requirements and enable network infrastructure investment ahead of need. Ultimately, the RESP is designed to support the energy system's transition to net zero in a cost-effective manner. RESPs will provide a more bottom-up approach to help inform GB wide strategic energy planning and ensure future energy infrastructure is better aligned to local growth and net zero ambitions.
- 3.2 The regulator Ofgem has decided to base its RESP geography around the boundaries of Sub-National Transport Bodies (STBs). As a result, whilst there will be an East Midlands RESP it will not cover Northamptonshire – which is part of the 'England's Economic Heartland' STB.
- 3.3 NESO is keen to engage with local authority leaders ahead of starting work on the East Midlands RESP to explain its remit and the process by which it will be developed. NESO is also establishing an on-line Regional Energy Strategic Planning Forum, intended to help organisations, businesses, and individuals stay informed. Details of how to sign up for the East Midlands RESP Forum are available at: [East Midlands RESP Forum](#)
- 3.4 Some aspects of the RESP are likely to be locally controversial because of the visual and environmental impacts of major new infrastructure in predominately rural areas. Local government in Lincolnshire and Norfolk are particularly concerned about the impact of the Grimsby to Walpole overhead line on the visitor economy and wish to see this section under-grounded. There is also concern about the loss of farmland from new solar energy developments.

4. Recommendation

- 4.1 Members of the Executive Board are invited to consider this report and to receive a presentation from the National Energy Systems Operator.

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



Executive Board

28th March 2025

Chair's Report

Cllr Martin Hill OBE

Summary

The following report provides a summary information on recent headline announcements, most notably the publication of the Devolution White Paper and proposed Local Government Reorganisation.

Recommendation

Members of the Executive Board are invited to:

- Consider and advise on the impact of proposals included with the Devolution White Paper and for local government reorganisation.
- Consider and advise upon the implications of other matters raised within this report.

1. Devolution White Paper

- 1.1 The 'English Devolution White Paper – Power and Partnership: Foundations for Growth' sets out how Government intends to deliver on its promised 'devolution revolution' over the course of this Parliament. Headlines include plans to extend devolution to all parts of England, additional powers and funding flexibility for mayors, and the replacement of two-tier local government with unitary authorities.
- 1.2 As part of these reforms, the Government has already established:
- a) The Council of the Nations and Regions, chaired by the PM, and brings together First Ministers of Devolved Governments and the Mayors of Strategic Authorities to collaborate across the national missions.
 - b) The Mayoral Council, chaired by the DPM, and brings together England's Mayors. The Council will be the key forum for engagement between central government and Mayors on Local Growth Plans.
 - c) The Leaders Council, bringing together a representative group of local authority leaders with the DPM and other ministers. The council aims to be a 'regular forum for the key sector representatives to discuss strategic questions impacting local government, to share key and evolving challenges, and co-design solutions'

The Devolution Architecture - Strategic Authorities

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

- 1.4 Upon LGR, a Combined County Authority will change to a Combined Authority when a two-tier area becomes single-tier.
- 1.5 The White Paper clarified the principles it will use to decide upon the geography for future devolution agreements: scale (with a preference for more than 1.5m people), economic geography, alignment to public service footprints and local identity.
- 1.6 It has also introduced a ‘Ministerial directive’ to compel areas to establish strategic authorities if they are unable to agree – or to prevent small devolution ‘islands’ being left out of the process.

New Powers for Combined Authorities

- 1.7 Substantial new powers were announced in relation to spatial development and planning. All areas will be required to develop Spatial Development Strategies over a strategic geography including the apportionment of housing targets across local areas. In Mayoral Strategic Authorities, Mayors will be empowered to develop and propose the Spatial Development Strategy for their areas, working closely with Strategic Authority members.
- 1.8 Mayors will also be granted call-in powers, allowing them to override local planning decisions in some circumstances.
- 1.9 Almost all the powers already being devolved to Greater Manchester and the West Midlands will be extended to a wider group of ‘Established’ Strategic Authorities, including Liverpool City Region, West Yorkshire, South Yorkshire and the North East in the first instance. At lower tiers of the framework, powers and funding flexibility will also be greater, although most powers are reserved for places with mayors.
- 1.10 The White Paper also confirms that the spending review will set out additional control over employment support and plans for new innovation funding for combined authorities with the role of mayors expanded in areas such as health, energy and net zero.
- 1.11 The White Paper announced proposals for how combined authorities take key decisions including for mayors to be able to exercise their functions with simple majority support from other local leaders ‘wherever possible’. This is perhaps intended to make it easier to implement spatial development, transport and

investment strategies, where many existing current arrangements would require unanimous or two-thirds approval of combined authority boards.

- 1.12 The Government has also said that it will review the arrangements for establishing mayoral development corporations (MDCs), including considering whether local authorities should no longer have a veto over the establishment of an MDC in their area.
- 1.13 Established' Mayoral Strategic Authorities will be granted single-pot 'integrated settlements' that can be allocated flexibly in line with local preferences. As not all places will be ready to take on this level of responsibility, less advanced Mayoral Strategic Authorities will get separate consolidated funding pots covering local growth, place, housing, and regeneration, non-apprenticeship adult skills and transport following the next spending review.
- 1.14 The Government has also committed to reducing competitive bidding and rationalising the number of pots, acknowledging the burden and costs placed on local authorities by the existing model.

Devolution by Default

- 1.15 The Government will pursue an ambition to realign public authority boundaries, so that over time, public services are delivered over the same areas as Strategic Authority boundaries. The long-term aim is for public service boundaries – including those of police, probation, fire and health services – and those of Strategic Authorities, to align.
- 1.16 Strategic Authorities will be considered as the default delivery institution for new programmes or activity where these are appropriate for local delivery and in their areas of competence.

Local Government Reorganisation

- 1.17 The Devolution White Paper prescribes sub-national governance structures and confirms the ambition to realign public authority boundaries, so that over time, public services are delivered over the same areas as Strategic Authority boundaries. While it acknowledges that a Local Authority may be designated as a Strategic Authority without a Mayor, albeit in exceptional circumstances – it is clear that the preference is the combined authority model.

- 1.18 Alongside these new governance structures, there will be the implementation of local government reorganisation and a single-tier unitary model.
- 1.19 LGR will be implemented for two-tier areas and for those unitary councils where there is evidence of failure or where their size or boundaries may be hindering their ability to deliver services. Note there is no definition of a small unitary, or 'failure'.
- 1.20 Government has stated that new unitary councils should have populations of at least 500,000, although there may be some flexibility given specific local circumstances. The Government is clear that individual local authorities will not be eligible for mayoral devolution so the new unitary authorities will need to join with neighbouring areas to form mayoral strategic authorities across one or several county areas.
- 1.21 MHCLG confirmed that 18 councils had requested to postpone elections this year in order to progress LGR and devolution proposals, including Derbyshire and Leicestershire, and stated that it will only postpone elections where 'there is a clear commitment to delivering both reorganisation and devolution to the most ambitious timeframe'.
- 1.22 In early February MHCLG confirmed the 6 areas included within the Devolution Priority Programme: Cumbria, Cheshire & Warrington, Norfolk & Suffolk, Greater Essex, Sussex & Brighton, and Hampshire & Solent. County elections would be postponed in those areas, alongside Surrey to support the development of their devolution proposals.
- 1.23 All two-tier areas are expected to submit an interim plan on or before 21st March 2025, in line with published guidance. Once the interim plans have been received, officials will consider the proposals in line with the information requested in the invitation letter so that feedback can be provided, and this is expected by end-May 2025.
- 1.24 MHCLG has emphasised that this is not a decision point so no proposals will be discounted at this stage or declared preferable, but the feedback will be designed to be as detailed and as useful as possible support areas to develop final proposals that should be submitted by 28th November 2025.
- 1.25 Local Authorities have been clear that in highlighting to Government the significant resources needed to bring forward proposals within the prescribed timescales, the need for timely feedback from Government officials and for consistency in the application of the Government's criteria for reorganisation.

- 1.26 The Government proposes a phased approach to delivery, with implementation in Devolution Priority Programme areas by April 2027, or for the majority of councils – and all those in the East Midlands, by April 2028.
- 1.27 Legislation also came into force to establish two new mayoral authorities in Greater Lincolnshire and Hull and East Yorkshire (with mayoral elections to be held 1st May), and the formation of combined county authorities in Devon and Torbay, and Lancashire.
- 1.28 The inaugural meeting of GLCCA was held at Lincoln Cathedral on Thursday 6th March 2025. During the first meeting, the representatives from councils across the Greater Lincolnshire footprint were elected to the GLCCA board in line with the governance arrangements agreed with the government. The mayoral election will be held on the same date as the county council elections (1st May 2025).
- 1.29 The implications of the Devolution White Paper and local government reorganisation are far reaching, and as one of the most two-tier regions, will have a significant impact on the East Midlands. It will also impact upon EMC as an organisation, in terms of the work we do, and our resource base. These issues will be considered with member councils over the course of 2025/26.

2. Summary of LGR Propositions

a) Leicester, Leicestershire and Rutland

- Leicestershire County Council proposes a single unitary council for the county area, excluding Rutland and Leicester City Council (with unchanged boundaries).
- Leicestershire District Councils and Rutland County Council propose a 3 unitary model: Leicester City Council (unchanged boundary), North Leicestershire unitary council (North-West Leicestershire, Charnwood, Melton District Councils and Rutland County Council) and South Leicestershire unitary council (Blaby, Harborough, Hinckley & Bosworth, Oadby and Wigston District Councils).
- Leicester City Council has agreed its interim submission that is based on enlarged city boundaries that includes land currently within the council boundaries of Charnwood, Harborough, Oadby and Wigston and Blaby; with a second unitary council for the remaining areas of the county and Rutland.

b) Nottingham and Nottinghamshire

Meetings between all 9 Councils has resulted in 3 core options:

- A new council combining Nottingham City Council, Broxtowe and Gedling Borough/District Councils and a 2nd unitary council for the rest of Nottinghamshire area.
- A new council combining Nottingham City Council, Broxtowe and Rushcliffe Borough Councils and another a 2nd unitary council for the rest of Nottinghamshire area.
- Nottingham City Councils boundary area remaining the same and a new single unitary authority being created for the existing Nottinghamshire County Council area.

c) Derby and Derbyshire

- Derbyshire County Council has formally agreed a preference for a single unitary authority covering the whole of the existing county area.
- Derby City Council and Derbyshire's 8 district and borough councils have agreed to explore options that would involve the creation of two new unitary Councils, one of which would include the existing Derby City Council boundary.

d) Greater Lincolnshire

The statutory invitation for Lincolnshire was sent to 10 councils - including North and North East Lincolnshire Councils - coterminous with the Greater Lincolnshire Combined County Authority area.

There are at least five interim proposals:

- Lincolnshire County Council and North Lincolnshire Council have put forward two models that would create two unitary councils and discounted proposals for 3 unitary council model.
- West Lindsey DC have put forward 6 models that include the two geographies put forward by LCC and NLC and a further four models to create 2 or 3 unitary councils.
- East Lindsey DC and South Holland DC have put forward a model to create two unitary councils with a further option to divide East Lindsey along parliamentary boundaries. The proposed geography aligns with West Lindsey model.
- City of Lincoln have put forward a model for three unitary councils that would see an expanded city council including 19 wards from neighbouring areas.
- North Kesteven and South Kesteven have put forward a model to create three unitary councils that includes Rutland County Council.

3. Spring Statement

- 3.1 On 26th March 2025 the Chancellor publish her Spring Statement. The statement will provide an update on the Government's growth mission and the publication of an economic and fiscal forecast from the Office for Budget Responsibility (OBR).
- 3.2 Given recent growth performance and future forecasts, it is unlikely there will be an announcement of any increase in local government funding. However, it is likely to be confirmed whether the increase in public spending across public services will stay at 1.3%, and there is anticipation of further announcements on Government plans to reset local public finances and the introduction of multi-year settlements.
- 3.3 A verbal update will be provided to Members at the meeting.

4. East Midlands All-Party Parliamentary Group

- 4.1 East Midlands Councils, in conjunction with East Midlands Chambers of Commerce (EMCC), has worked with MPs in re-establishing the East Midlands APPG.
- 4.2 The inaugural meeting was held on 27th November at Portcullis House, and elected James Naish MP (Rushcliffe) as its Chair. Rosie Wrighting MP (Kettering), Jonathan Davies MP (Mid-Derbyshire) and Lord McLoughlin, former MP for Derbyshire Dales and Secretary of State for Transport, were elected as officers.
- 4.3 MPs agreed the range of issues that they wish to work collectively on, with support from both EMC and EMCC, with an immediate focus on securing investment and growth support as part of the forthcoming Comprehensive Spending Review (likely to be published in June 2025).
- 4.4 The APPG invited stakeholders to make written submissions to inform its work and the publication of an 'investment options' prospectus for Government. In total, 36 submissions were received, and the APPG will reconvene on 25th March for an in-person 'evidence session'.

5. Cessation of Funding - Midlands Engine

- 5.1 Members will recall that MHCLG commenced consultation in December 2024 on the proposed cessation of funding for pan-regional partnership, including the

Midlands Engine. EMC's agreed response to this consultation is attached as Appendix 7(a).

- 5.2 In a letter dated 13th March 2025 attached as Appendix 7(b), MHCLG confirmed its intention to proceed with its decision to end funding for pan-regional partnerships as proposed, and that as a result, all Government funding will cease on 31st March 2025. As a result, Midlands Engine will begin winding down operations in the coming weeks.
- 5.3 EMC's Executive Director is a member of the Midlands Engine Partnership Board that will meet to go through final close-down plan/transition arrangements for the programmes and confirm its last operating date. Members will be updated accordingly.
- 5.4 The decision of MHCLG to cease funding pan-regional partnerships does not relate to, or affect, Midlands Connect.

6. Recommendation

Members of the Executive Board are invited to:

- 6.1 Consider and advise on the impact of proposals included with the Devolution White Paper and for local government reorganisation.
- 6.2 Consider and advise upon the implications of other matters raised within this report.

11th December 2024

Jim McMahon MP
House of Commons
London
SW1A 0AA

Dear Jim McMahon MP

**Response of East Midlands Councils to Government Consultation on Ending
Pan-Regional Partnership Core Funding (Midlands Engine)**

East Midlands Councils is the representative, membership body on behalf of all councils in the East Midlands. As part of this representative role, Midlands Engine invites EMC to manage the nominations of council leaders to its Executive Board. EMC's Executive Director is a member of Midlands Engine Partnership Board.

At the Budget on 30th October 2024, the Government announced its intention to consult on ending funding for Pan-Regional Partnerships, including that for the Midlands Engine. Please accept this letter in response to the Government's consultation on this matter.

East Midlands Councils supports the wider intention of Government to streamline structures that deliver economic growth and its offer to work with partners to understand the impacts of this proposal, if taken forward, and on whether there are functions of Midlands Engine that could be maintained or integrated elsewhere.

The Midlands Engine has played an important role since 2015 in supporting collective work on economic growth, and has provided a beneficial platform for local authorities, universities and businesses to align regional priorities with national ambitions in taking forward economic growth.

While the Government is clear in 'being minded' to cease funding for the Midlands Engine from March 2025, it is important to emphasise that an abrupt termination of funding would make it more difficult for regional and local partners to agree and implement an orderly and effectively managed transition process, potentially stalling key projects and losing opportunities to build on the progress already made.



The East Midlands has 1 mayoral combined authority in existence (EMCCA), with a further mayoral election scheduled for May 2025 in Greater Lincolnshire. Therefore, the region does not have full geographical coverage of combined authority arrangements. Alongside mayoral combined authorities and included as part of current regional governance arrangements is East Midlands Councils, Transport for the East Midlands, while and the future role of Midlands Connect is a matter of consideration by partners and DfT.

Rather than ceasing to fund the Midlands Engine from March 2025, it is proposed that a limited extension of funding (to March 2026) is granted to allow sufficient time for a more orderly winding down and/or transfer of existing programmes to successor governance and delivery arrangements that have yet to be developed and agreed by local partners.

In respect to the specific questions asked as part of the consultation process for Combined or Local Authorities only, please see the following responses:

1. How do you currently work with your PRP?

East Midlands Councils is a member of the Partnership Board and nominates Leaders as the region's local authority representatives onto the Midlands Engine Executive Board.

2. What are the key activities carried out by your PRP that are of real benefit to your organisation?

There have been a number of initiatives supported by Local Authorities. The Midlands Energy Security White Paper, the Midlands Food White Paper and co-ordinating regional representation at UK REiif were valued by partners.

3. Would your authority be able to take on any PRP functions, including functions with a reach beyond your geographic borders, on behalf of other local authorities? What governance would be needed to take on these additional functions?

Combined Authorities provide an appropriate structure to explore the potential for assuming lead roles on trade and investment, cluster development programmes and major product taskforce opportunities. Combined Authorities also offer a platform for taking forward the delivery of exiting sub-national activity on energy security and food security and innovation.

It should be noted, however, that Combined Authority proposals do not yet include all of the East Midlands and engagement should be undertaken with those Local Authorities that do not sit within combined authority arrangements to avoid a partial approach to delivering strategic programmes. This is, in part, dependent upon the development of locally-led revised governance arrangement for the East Midlands.



Further consideration should be providing an economic narrative and intelligence, and policy networks, e.g. Nature and Forest Networks that may sit at spatial/regional level above that of individual combined authorities.

4. In the event of a PRP ceasing its operations, what would be the impact on plans for any joint projects with the PRP?

While the Government is clear in being minded to cease funding for the Midlands Engine from March 2025, an abrupt termination of funding would make it more difficult for regional and local partners to agree and implement an orderly and effectively managed transition process, potentially stalling key projects and losing opportunities to build on the progress already made.

It is proposed that a limited extension of funding (to March 2026) is granted to allow sufficient time for a more orderly winding down and/or transfer of existing programmes to successor arrangements.

By allowing sufficient time for transition arrangements to be put in place, it also provides an opportunity to secure 3rd party funding for elements of the current programme that partners wish to continue.

5. In the event of a PRP ceasing its operations, how would you ensure that co-operation is maintained in adjoining and economically linked local authority areas?

There are opportunities to work through new and developing structures as they develop joint working arrangements, i.e., mayoral combined authorities, alongside existing regional partnerships, e.g. East Midlands Councils and East Midlands Chambers of Commerce.

6. In the event of a PRP ceasing its operations, what are your plans for any of your staff who are currently based in the PRP or any of its subsidiaries?

N/A

7. Should your local PRP choose to continue as a separate organisation (away from HMG funding), would you have any plans to fund it?

No

8. Are there any economic impacts, equalities impacts, and/or environmental impacts in the event of PRPs no longer receiving core funding that you would like to make us aware of?

No

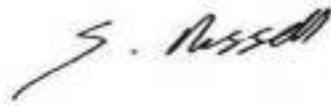
9. Are there any other impacts in the event of PRPs no longer receiving core funding that you would like

None

Yours sincerely



Cllr Martin Hill OBE
Chair
East Midlands Councils



Cllr Sarah Russell
Vice-Chair
East Midlands Councils



Cllr Tricia Gilby
Vice-Chair
East Midlands Councils



Ministry of Housing, Communities & Local Government

Jim McMahon OBE MP

*Minister of State for Local Government and
English Devolution*
2 Marsham Street
London
SW1P 4DF

Sir John Peace
Chair
Midlands Engine Partnership
via email only

13th March 2025

Dear Sir John,

At Autumn Budget 2024, the Government announced its intention to consult on ending funding for Pan-Regional Partnerships (PRPs) at the end of this financial year. I am now writing to confirm that Government funding for the Midlands Engine will not continue in 2025/26.

In December last year, the Government also published the English Devolution White Paper setting out the ambition to place the right powers in the right places working across regions where a larger geographic scale is needed to coordinate on strategic issues.

The White Paper set out that the Government intends to support Mayors in collaborating at pan-regional level, creating convening bodies whose purpose, priorities and membership are decided at a regional level and working with existing regional organisations such as Sub-National Transport bodies.

The White Paper also set out how we intend to support local and regional partnerships, for instance on pan-regional collaboration where we are keen to support new models driven by Mayors and their regional partners. This will develop over time and by the grassroots nature of it, will take different forms as it responds to those needs and demands.

Since the publication of the White Paper, we have increased core funding to Mayoral Combined Authorities, and with the newly announced Devolution Priority Programme intend to provide seed funding to allow local leaders to build capacity quickly ahead of a Mayor being elected. Both of these measures allow for areas benefiting or due to benefit from an elected Mayor to grow capacity and build out partnerships which are right for their area.

Having carefully considered the evidence brought by the consultation responses and balanced this against our priorities for the future as set out in the English Devolution White Paper, I have decided to proceed with the decision announced at budget and as a result, your funding will cease on 31 March 2025.

I also acknowledge that as we move from the inherited form of devolution and partnership to much wider and deeper coverage, there is one Pan-Regional Partnership area that currently

has no existing Mayoral coverage, nor is it included in the current Devolution Priority Programme, and for this reason I have chosen to provide exceptional, time-limited funding of £281,250 for the Great South West during 2025/26 only.

I know this will come as difficult news for you and for your staff. I want again to put on record my thanks for the valuable contribution that you, your board members and staff have made over recent years in supporting economic growth across your regions. This work has been worthwhile, and I am sure that mayors will consider your approaches as they decide how they might collaborate across places at scale.

If you would like to discuss this in more detail with a member of the ministerial team, Baroness Taylor stands ready to meet with you week of the 17th March. Please contact her team at: PSSharonTaylor@communities.gov.uk to arrange a meeting.

I am copying this letter to your Chief Executive and Accountable Body.

Yours ever,

A handwritten signature in blue ink that reads "Jim McMahon." The signature is written in a cursive style with a large, looping initial "J".

JIM MCMAHON OBE MP

Minister of State for Local Government and English Devolution



Executive Board

28th March 2025

Local Authority Workforce and Pay – Regional Employers’ Board

Summary

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

Recommendation

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

1. Introduction

- 1.1 East Midlands Councils (EMC) through its role as the region's Employers Organisation, has the responsibility of supporting employment relations for the sector. The Regional Employers' Board provides political leadership on employment issues and councillor development and forms the Employer's side of the Regional Joint Council, which meets with joint trade unions to support employment relations on behalf of councils in the East Midlands.
- 1.2 This report provides information for members on the significant issues affecting councils as employers and includes progress on key regional priorities such as:
- Pay and Rewards
 - Attracting, Developing and Retaining Talent
 - Local Government re-organisation

An update is provided on significant employment law developments and regional support to councils, including councillor development.

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

- 2.1 The pay negotiation process for 2025 has started, with pay claims for 2025 being made to the National Employers on behalf of Local Government Services employees (those on "Green Book" terms and conditions), Craftworkers, Chief Officers and Chief Executives.
- 2.2 Details and copies of the claims are available at the following link: [Pay and Rewards](#) and a summary of each claim is provided below:
- For "Green Book" employees – an increase of at least £3,000 across all pay points; a clear plan to reach a minimum pay rate of £15 an hour; one extra day of annual leave for all staff; a reduction in the working week by two hours, with no loss of pay; the ability for school staff to take [at least] one day of their annual leave during term time, with no loss of pay.
 - For Craftworkers (e.g., individuals employed in housing maintenance trades) an increase of at least 9% for craft rates, taking into account NMW rate for Apprentices, differentials and cost of living challenges; a pro rata

increase to all other allowances and plus payments; a reduction in the working week to 35 hours with no loss of pay; an additional 2 days of annual leave.

- For Chief Officers - an increase of 6 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, in line with NJC terms.
- Chief Executives - a pay increase in April 2025 and subsequent years 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; a direct and immutable link for increases for April 2025 onwards, to ensure that chief executives receive the same percentage increase as the top point on the Green Book scale; the potential need to review the minimum annual leave provision and a matching increase in the provision if the 2025 pay deal for Green Book staff involves any further increase in annual leave.

- 2.3 EMC hosted a regional pay briefing meeting with over 60 participants from councils to hear from the national negotiators, including the Vice Chair of the Employers’ Side of the National Joint Committee – Cllr Roger Phillips. The meeting was an opportunity for councils to discuss the claims and to provide input to help inform the Employers’ response.
- 2.4 Councils have been sent a survey to complete and return to the LGA to provide more detailed information. 26 councils from the East Midlands responded to the survey and they indicated that between 2% and 5% had been budgeted for this year’s pay increase, with 3% being the most common and average/median amount budgeted for. The councils also indicated that, should a pay award be higher than the budgeted amount, many (16) would use reserves, while others would be considering service cuts (5), job cuts or a combination of these.
- 2.5 These results, and the feedback from the regional pay briefings will be presented to the Employers’ Side of the National Joint Committee when it meets on 24th March 2025. The Employers will meet again on 22nd April 2025, having taken political soundings. EMC’s Director of HR & Cllr Development is an appointed adviser to the Employers’ Side of the National Joint Committee on behalf of the regional employers’ organisations.

- 2.6 In addition to pay negotiations, work is continuing at national level to jointly review the national pay spine. EMC will continue to keep authorities updated on progress and support the flow of information between councils and national colleagues.

3. Attracting, Developing and Retaining Talent

- 3.1 Recruitment and retention is a challenge faced by councils regionally and nationally. Raising the profile of careers in local government is an area for focus, as the sector competes with others that benefit from national advertising campaigns, e.g. NHS, Teaching and Armed Forces.
- 3.2 EMC has been attending University careers fairs in the last two months and a common response from students attending has been their lack of clarity about what councils do, the services they could be involved in, and the range of careers available within the sector. This has reinforced the need to promote the sector in order to engage with the future workforce for the sector.
- 3.3 From previous reports, the Board is aware of EMC's work to roll-out a national recruitment advertising campaign across the region, which promotes careers in local government and has been funded by Government.
- 3.4 The campaign ran from November through to February and has enabled councils in the East Midlands to access a range of tools and resources to improve their ability to attract applicants. Additionally, EMC has updated the regional jobs portal, East Midlands Jobs, by improving its design and functionality. East Midlands Jobs is being provided free of charge for councils to use for the duration of the national campaign.
- 3.5 The campaign is being externally evaluated, and councils have been asked to provide data to evaluate its effectiveness. The LGA is holding a meeting on 30th April 2025 to share the results and hopefully discuss future initiatives.
- 3.6 So far, feedback from councils in the region on the resources has been very positive and they have also asked that EMC continue to facilitate regional meetings of HR and Communications leads to maintain momentum in improving recruitment and raising the profile of the sector as an employer.

- 3.7 EMC is also supporting an initiative led by Bolsover District Council and Nottingham Trent University, with EMCCA funding, to investigate the feasibility of running a Level 4 Apprenticeship in Planning. Currently there is no such provision in the region, and this qualification would provide valuable entry level opportunities into the profession. A webinar took place on 12th March and a more detailed meeting is being held with councils in April to look at course design more closely.

4. Local Government Reform (LGR)

- 4.1 There will clearly be significant workforce implications from LGR, and EMC is reflecting this through its current activities and as part of the future business and service plan.
- 4.2 LGR is now a standing item on the county-based HR networks that EMC supports, and in one county area, meetings are being arranged more frequently to support information sharing.
- 4.3 Assisting councils to implement change and maintain employee engagement will be key. The Regional Joint Council can be an effective way of working jointly with trade union colleagues to support a smooth transition and sharing of practice. Learning from previous experience of LGR will also feature in the support to councils.
- 4.4 The availability of data and information on workforce, job roles and policies will be an important element of preparing for transition, and EMC can provide a useful co-ordinating role.

5. Regional Employers' Board and Joint Council

- 5.1 The Regional Employers' Board met on 12th March 2025. The Board meeting provided an opportunity to discuss the latest developments in relation to workforce issues, along with a summary of regional activity. This included an update on the implications for employers of the Employment Rights Bill. In relation to LGR, the Board raised concerns regarding workforce capacity, and it was agreed to write to the Minister to flag this as an issue, along with the continuing request for sufficient funding for the sector. The Board also discussed councillor development for the region for the coming year.

- 5.2 The Regional Joint Council meeting followed the Employers' Board on 12th March 2025. The meeting supported the Employers' approach to Government regarding funding and capacity concerns. It was agreed that from November, when proposals going forward would be clearer, there would be an opportunity for a joint work plan to be developed which would also take account of past experience and learning.
- 5.3 There was a focused discussion on sickness absence and employee wellbeing, with updated results of a regional survey, in which 90% of councils participated. Key concerns relate to mental health related absence and Musculo-skeletal issues. While most councils have a range of initiatives in place to support mental health, encouraging uptake – particularly in front-line services where levels of absence have increased - is an area that could be assisted through joint working.

6. Employment Law Developments

- 6.1 The Employment Rights Bill is the most significant employment law development in decades, if ever. Members will recall that the proposals that are particularly relevant to local government are plans to establish a separate national negotiating body for school support staff and a new Adult Social Care negotiating body. These are likely to take time to put in place and are not likely to be implemented before 2028.
- 6.2 Of most significance for employers are the provisions relating to protection from unfair dismissal as a day one entitlement, proposals to reform balloting and the trade union framework, collective redundancy and fire and rehire proposals. While councils tend not to use “fire and rehire” techniques, the proposals as drafted would significantly impact on their ability to introduce change and vary contracts without agreement being reached.
- 6.3 The Bill is going through the parliamentary process currently and on 5th March 2025 the Government announced it has tabled amendments to the proposals. On 4 March 2025, the Government published its response to its consultation on [Making Work Pay: creating a modern framework for industrial relations](#) and has stated that it intends "to consult further on modernising the trade union landscape" following Royal Assent of the Bill – expected to take place in the

summer. Some provisions will take effect within 2 months of Royal Assent, while most other provisions will require Regulations to be introduced before they come into effect.

- 6.4 EMC is ensuring that councils are kept up to date on developments, and ran an employment law seminar on 5th March 2025, attended by 100 delegates, to keep officers in councils informed on the implications of the Bill, along with other employment law developments.

7. Regional Activity and Support

7.1 Councillor Development

- 7.1.1 EMC's councillor development programme for 2025/6 focuses on popular events that are particularly valuable for new councillors to complement inhouse induction programmes, or those taking up new roles, along with policy briefings on key issues.

- 7.1.2 In addition to the "Hitting the Ground Running Workshop" provided in partnership with the LGA, the programme includes chairing skills and Civic Heads training.

- 7.1.3 On 5th June 2025, EMC is providing a briefing event: Update and Impact of Government Policy Reforms including the devolution framework and national planning policy and housing. The event is being held at Devonshire Place, Leicester and takes place from 10am – 4pm. It will be relevant for Councillors and Officers.

7.2 Network Updates

- 7.2.1 In addition to supporting county-based HR networks, EMC provides a range of regional networks as listed below:

- Scrutiny
- Councillor Development
- Equality Diversity and Inclusion
- Cyber Security (EMGWARP)
- Learning and Development/Organisational Development
- Communications

- Performance

The scrutiny and councillor development networks are for both officers and councillors to attend.

7.3 Consultancy

7.3.1 Councils can access individual support from EMC on a not-for-profit basis on a range of workforce issues and in-house training/development.

7.3.2 Since the last meeting of the Board, assignments have included:

- Psychometric testing
- Job evaluations and job evaluation appeals
- Chief Executive appraisal facilitation
- Disciplinary investigations
- Grievance appeal advice
- Restructuring support
- Mediations
- Advice and support on complex cases
- Code of conduct investigations

7.3.3 In addition to this work, EMC is supporting the delivery of a national programme of events for the Association of Democratic Services Officers (ADSO). Feedback from the events is extremely positive – both from delegates and tutors.

8. Recommendation

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

Cllr Kate Foale
Chair
Regional Employers' Board



Executive Board

28th March 2025

Infrastructure and Growth

Summary

This report:

- Provides an update on relevant activities, including work taken forward through the East Midlands Infrastructure Partnership, and a summary of the Government's Planning & Infrastructure Bill.
- Seeks endorsement for the work of the TfEM Board and the East Midlands Stations Growth Board.

Recommendations

Members of Executive Board are invited to:

- Endorse the work of the TfEM Board and the Stations Growth Board.
- Note the rest of this report.

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 Richard Davies, Transport Lead of Lincolnshire County Council, is the Vice Chair.
- 1.2 The TfEM Board last met on 10th March 2025 and discussed:
- An update from the CEO of East Midlands Freeport on infrastructure challenges to delivery including around M1 Junction 24.
 - An update from East Midlands Railway, including progress on deployment of new and re-furbished rolling stock and plans for doubling services between Lincoln and Nottingham from December 2025.
 - The Government's recent White Paper on Rail Reform 'A Railway fit for Britain's future.
 - A summary of activity to promote the delivery of the eight TfEM-Midlands Connect Shared Priorities, including a revised MP Briefing Note on Midland Main Line, as set out in Appendix 10(a). Progress on delivery will be to a large extent dependant on the CSR.
- 1.3 The Board was informed that Government has decided that partnership arrangements with the new Great British Railways will be taken through Mayoral Combined Authorities rather than bodies such as TfEM. As a result, the current TfEM-DfT Collaboration Agreement will not 'rollover' to GBR as originally proposed but instead will terminate either in October 2026 (when EMR is due to be taken into public ownership) or March 2027 (when GBR is expected to be formally established).
- 1.4 Under the terms of the Collaboration Agreement, DfT are required to give TfEM 12 months' notice of termination. A further report will be taken to TfEM Board setting out process for wind-down when the timescales become clear. In the meantime, a full work programme has been agreed for 2025-26.

2. East Midlands Station Growth Board

- 2.1 The East Midlands Station Growth Board is the effective successor to the former HS2 Strategic Board and provides oversight and accountability for the DfT funded Stations Growth Strategy, which covers Chesterfield, Derby, Nottingham and East Midlands Parkway. The Growth Board was originally chaired Cllr Ben Bradley as

Leader of Nottinghamshire County Council with Cllr Carolyn Renwick of Derbyshire County Council as Vice Chair.

- 2.2 The final meeting of the Growth Board took place on 21st March 2025 with Cllr Renwick in the chair to discuss and endorse a draft of the East Midlands Stations Growth Strategy for publication.

3. Midlands Connect

- 3.1 The Midlands Connect Strategic Board met on the 6th March with Sir Peter Soulsby, Cllr Gail Waller and Mayor Claire Ward in attendance representing the East Midlands.
- 3.2 The meeting included a general discussion of the impacts of devolution and LGR and agreed interim arrangements for securing business representation following the demise of LEPs.
- 3.3 Midlands Connect launched a revised Strategic Outline Business Case (SOBC) for the project in Coventry of the 28th of February with the Chair of TfEM, the Leader of Coventry City Council and a number of MPs ([mc-publications-design-breaking-down-barriers-v3.pdf](#)). However, significant DfT funding will be required for the scheme to progress further towards delivery, which will be dependent on the outcome of the CSR.

4. East Midlands Infrastructure Partnership (EMIP)

- 4.1 The East Midlands Infrastructure Partnership brings together East Midlands Councils, and the Institution of Civil Engineers (ICE) in the East Midlands, as well as other sector specific stakeholders.
- 4.2 The principal purpose of the partnership is to provide informed, strategic and objective advice on behalf of the East Midlands in respect of the critical infrastructure that underpins communities and services. EMIP facilitates discussion and debate, brings together evidence and analysis and makes representations to Government and national bodies as a necessary.
- 4.3 In October 2024, the Government announced its intention to combine the functions of the National Infrastructure Commission and the Infrastructure and Projects Authority into a new organisation - the National Infrastructure and Service Transformation Authority (NISTA) - to be operational by spring 2025

- 4.4 In response, EMIP has developed an 'East Midlands Infrastructure Perspective' to inform the work of NISTA and the development of Government's 10 Year Infrastructure Strategy, and to provide a resource for regional stakeholders to draw upon which could be updated on a periodic basis.
- 4.5 A draft of the document is set out in Appendix 10(b). A final version will be launched at an ICE East Midlands event on 2nd April 2025.

5. Planning and Infrastructure Bill

- 5.1 The Government published its flagship Planning & Infrastructure Bill on 11th March 2025. The Bill aims accelerate housing deliver and economic growth and builds on previous announcements including the revised National Planning Policy Framework and the Devolution White Paper. Key measures include:
- Streamlining consultation requirements for **Nationally Significant Strategic Infrastructure** (NSIP), ensuring National Policy Statements are kept up to date and reducing opportunities for judicial review.
 - Accelerating the planning process for new **energy infrastructure** and ensuring local communities benefit directly by the creation of a **bill discount scheme** for people living closest to new electricity transmission infrastructure.
 - Introducing a **Nature Restoration Fund** designed to unlock and accelerate development while going beyond simply offsetting harm to unlock the positive impact development can have in driving nature recovery.
 - Introducing a **national scheme of delegation** to determine which types of planning application should be determined by planning officers, and which should be determined by elected Members.
 - Measures to allow Local Planning Authorities to **determine planning fees locally**, and also to allow Local Transport Authorities to recover the costs of providing advice or services relating to statutory orders.
 - Changes to streamline the processes for using **Compulsory Purchase Orders** and to widen the circumstances where 'hope value' might be set aside - building on more fundamental changes made in the LURA 2023.
 - Changes to make **Development Corporations** more flexible and adding a duty for them to also contribute to sustainable development and the mitigation of and adaption to climate change; and
 - Measures to implement **universal coverage of strategic planning at a sub-regional level** through the production of Spatial Development Strategies to facilitate effective cross-boundary working and to address development and infrastructure needs. Spatial Development Strategies will be developed by

Mayoral Combined Authorities where they exist and ‘strategic planning boards’ comprising specified groups of principal authorities where they do not.

6. Recommendations

Members of Executive Board are invited to:

- 6.1 Endorse the work of the TfEM Board and the Stations Growth Board.
- 6.2 Note the rest of this report.

Andrew Pritchard
Director of Policy & Infrastructure

New Standard Method for Housing Need

Local Authority Name	Average Annual Net additions (2020/21- 2023/24)	Old Method	Proposed Method	New Method	Difference Old/New	Difference Proposed/New
Amber Valley	516	351	682	615	264	-67
Ashfield	405	446	604	535	89	-69
Bassetlaw	931	260	665	613	353	-52
Blaby	354	329	559	542	213	-17
Bolsover	464	195	404	353	158	-51
Boston	317	250	379	356	106	-23
Broxtowe	332	384	658	621	237	-37
Charnwood	698	1,115	1,012	978	-137	-34
Chesterfield	359	211	558	500	289	-58
Derby	892	1,244	1,062	906	-338	-156
Derbyshire Dales	222	216	571	580	364	9
East Lindsey	544	437	1,091	1,009	572	-82
Erewash	201	376	569	523	147	-46
Gedling	551	460	665	609	149	-56
Harborough	891	510	706	723	213	17
High Peak	362	243	585	553	310	-32
Hinckley & Bosworth	580	432	689	649	217	-40
Leicester	1,030	2,435	1,690	1,557	-878	-133
Lincoln*						
Mansfield	377	259	540	495	236	-45
Melton	374	192	370	362	170	-8
Newark and Sherwood	675	437	730	707	270	-23
North East Derbyshire	625	224	622	591	367	-31
North Kesteven*						
NW Leicestershire	755	357	621	595	238	-26
Nottingham	1,893	1,845	1,451	1,247	-598	-204
Oadby and Wigston	258	198	389	382	184	-7
Rushcliffe	1,079	609	831	830	221	-1
Rutland	101	123	264	266	143	2
South Derbyshire	1,033	507	606	581	74	-25
South Holland	680	427	573	542	115	-31
South Kesteven	567	687	912	895	208	-17
West Lindsey*						
N Northamptonshire	1,765	1,856	2,064	1978	122	-86
W Northamptonshire	2,095	2,124	2,584	2515	391	-69
*Central Lincs Joint Plan	1422	1,054	1676	1552	498	-124
EM Total	23,348	20,793	27,383	25,760	4,967	-1,623
Higher Figure						
Lower Figure						

Midland Main Line Electrification Briefing Note: March 2025

1. The MML is the backbone of our region's rail network and is a nationally significant main line between London St. Pancras and Sheffield, with a branch to Nottingham. It serves many of our biggest towns and cities including Leicester, Loughborough, Derby and Chesterfield and provides important connectivity to London and the North. **Nine million passengers** use MML inter-city services between London, Nottingham and Sheffield – **which are valued at over £450m a year to the national economy**. Patronage now exceeds pre-pandemic levels and the number of vehicle-miles is at an all-time high.
2. The route is electrified between London and Bedford, Kettering, and Corby. Further electrification to Wigston South Junction (south of Leicester) is nearing completion within timescale/budget (in total 60% of the route). A funding decision on the next phase to Trent Junctions (just south of Nottingham) and for detailed design for the remainder of the line through to Sheffield (total cost £540m) was due to be made in summer 2024 but was delayed by the General Election and then by the CSR. **To maintain delivery capacity and private sector confidence it is vital that Ministers agree the necessary funding without further delay.**
3. Strategically, the MML in the East Midlands is well placed for full electrification. It is an intensely used and densely populated part of the railway. A modern bi-mode fleet of rolling stock (**Aurora 810's**) is already under construction and due to come into service from late 2025 onwards which can benefit from the progressive roll-out of electric power. EMR also have plans to use electrification of the MML to facilitate the roll-out of **battery-electric regional trains** to serve the rest of the East Midlands to meet the planned phase-out of diesel traction by 2040.
4. Completing Midland Main Line electrification **now** is vital to the East Midlands and the wider UK for the following reasons:
 - **Reducing Railway Operating Costs:** Electric trains are **30% cheaper** to operate than diesel. Electrification will reduce the ongoing operating costs of rolling stock, fuel, track access, and maintenance leading to a lower cost and more efficient railway. Switching to electricity alone would save millions in fuel bills.
 - **Carbon Reduction and Clean Air:** Fully electrifying the MML will save 48 thousand tonnes of carbon (**valued at £13m**) – every year. It will also improve air quality by removing nitrogen oxides and other particulates from the atmosphere, particularly the **six statutory Air Quality Management Areas** along the route.
 - **Improved Journey Times & Punctuality:** Electrification will enable journey time savings in the short term (with the potential for line speed improvements over time which would not be realisable with diesel) and improve punctuality - which together are estimated to deliver **120,000 additional passenger journeys per year, growing to 200,000 per annum by 2043.**

- **Workforce Benefits:** MMLe will create up to **4,300 new jobs**, including skilled occupations, and more than **100 apprenticeships** – generating **£61m** in economic value from jobs created in the East Midlands, and nearly **£18m** in social value.
 - **Reducing Construction Costs:** Previous Government’s ‘stop-start’ approach to electrification led to higher costs than elsewhere in Europe. There is a huge opportunity to use the MML to develop a UK template for affordable electrification, establishing a ‘production approach’ which could **reduce unit costs by up to 30%**.
 - **Modernising Regional Rolling Stock.** The East Midlands is the most diesel dependant region in GB. EMR is having to refurbish its regional fleet of 25–35-year-old diesel trains to extend their life for a further decade. After that there is an opportunity to use MMLe to facilitate the roll-out of next-generation **battery-electric rolling stock** to serve the rest of the region (similar to those already deployed in Germany, Merseyside and shortly Ireland) – also delivering **£400m** of socio/economic benefits.
 - **Urban Regeneration and Growth:** The MML runs through some of the most densely populated parts of our region and the country as whole. With Government support, local leaders are developing major housing and employment growth proposals focussed around key MML stations, including in **Leicester, Nottingham, Derby** and **Chesterfield** - which would build on the delivery of electrification.
 - **Wider Network Benefits:** Full electrification of the MML will provide the essential foundation for proposals to electrify from Sheffield to Leeds, Manchester and Hull, as well as building on recent investment in the Hope Valley corridor. It would also support Midlands Rail Hub and improved Nottingham-Leicester-Coventry connectivity.
 - **Freight Benefits:** MMLe will deliver W10 gauge clearance between Syston and Trent which unlocks more routes for container traffic which in turn removes freight traffic from roads, and helps businesses improve their green credentials.
 - **Avoiding the Costs of Further Delay:** The electrification of the MML was first discussed back in the 1970’s – but the work only progressed from London as far as Bedford. More recent proposals for full electrification up to Sheffield were paused in 2015 then cancelled in 2017. The project was resurrected in 2021 but now stands at the crossroads. There is no viable alternative Net Zero future for the MML. Further delay will only increase costs and impact affordability. **MMLe is a ‘no regrets’ decision which now requires urgency to confirm and progress as quickly as possible.**
5. Finally, transport spending in the East Midlands has declined significantly over the last 10 years and is now **just 56% of the UK average per head**, the lowest level of any UK region/nation and barely half that of the West Midlands. The East Midlands receives just **4% of national spend on rail**. If Midland Main Line electrification does not proceed, **there is no alternative rail investment that can deliver for the East Midlands within the lifetime of this Parliament.**

Building to Grow

An East Midlands Infrastructure Perspective

East Midlands Infrastructure Partnership

March 2025



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Executive Summary

The East Midlands is a region with 5 million people and 368,000 businesses¹. Total regional output in 2022 (as measured by GDP) was £146.4bn, equivalent to 5.8% of the UK economy. GDP in the East Midlands has been growing at or around the UK average for much of the last 20 years, but productivity per worker is below the UK average and has been declining².

The population in the East Midlands has been growing rapidly - at the same rate as London and faster than the South East and the West Midlands³. The East Midlands has therefore been growing its economy by growing its population; not by becoming more productive.

All sectors covered by the Government's definition of economic infrastructure are important to the East Midlands. However, the following are of particular importance to increasing productivity, delivering growth and supporting the national transition to net-zero:

- **Transport:** The East Midlands is heavily car dependant and has the lowest level of spend per head on transport of any UK region/nation, undermining regional productivity⁴.

- **Flood Risk Management:** The East Midlands has the largest number (and highest proportion of) properties at risk of fluvial and coastal flooding⁵, as well as much of the nation's Grade 1 agricultural land.
- **Energy Supply:** The East Midlands powered the nation's electricity grid in the 20th century and is exceptionally well-placed to lead the transition to net zero⁶.
- **Water Supply and Quality:** Rapid housing and population growth along with the impacts of climate change will require significant investment in water resources and treatment⁷.

Based on our analysis, EMIP makes four strategic recommendations for change:

1. **Better Integration:** NISTA should establish mechanisms to bring sectors together to holistically and strategically manage regional infrastructure as a system, to identify potential bottlenecks, reduce harmful emissions, optimize performance and plan for future needs.

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

² <https://www.ons.gov.uk/economy/grossdomesticproductgdp/bulletins/regionaleconomicactivitybygrossdomesticproductuk/1998to2022#gross-domestic-product-by-uk-country-and-region>

³ [Population and household estimates, England and Wales - Office for National Statistics \(ons.gov.uk\)](#)

⁴ [Public Expenditure Statistical Analyses 2024 - GOV.UK \(www.gov.uk\)](#)

⁵ [National assessment of flood and coastal erosion risk in England 2024 - GOV.UK](#)

⁶ [Beyond 2030 | National Energy System Operator](#)

⁷ [A summary of England's revised draft regional and water resources management plans - GOV.UK](#)

2. **Regional Granularity:** Improved regional granularity is needed within the 10 Year National Infrastructure Strategy and pipeline, so that demand can be anticipated, supply chains can build capacity, and the higher education and skills sector can plan the courses needed to train young people.
3. **A Focus on Existing Assets:** The maintenance of existing assets should have greater priority in infrastructure spending programmes, nationally and locally.
4. **Improved Communication and Engagement:** Better, meaningful communication with the public and local politicians is needed to demonstrate the benefit of nationally significant infrastructure projects, and to address local concerns transparently.

1. Introduction

About East Midlands Infrastructure Partnership (EMIP)

- 1.1 The East Midlands Infrastructure Partnership brings together East Midlands Councils, which is the region's representative body for local government, and the Institution of Civil Engineers in the East Midlands, as well as other sector specific stakeholders.
- 1.2 The principal purpose of the partnership is to provide informed, strategic and objective advice on behalf of the East Midlands in respect of the critical infrastructure that underpins communities and services. EMIP facilitates discussion and debate, brings together evidence and analysis and makes representations to Government and national bodies as necessary.

The Institutional Landscape of the East Midlands

- 1.3 Currently there are 39 local authorities in the East Midlands:
- 6 Unitary Authorities
 - 4 County Councils
 - 29 Districts & Boroughs
- 1.4 In addition, the East Midlands Combined County Authority covering Derbyshire and Nottinghamshire was established in

May 2024, and a Greater Lincolnshire Combined County Authority will be fully established in May 2025.

- 1.5 The December 2024 English Devolution White Paper⁸ sets out the Government's intention to extend the mayoral combined authority model throughout the rest of the country by the end of the Parliament.
- 1.6 The White Paper also set out a process for replacing two tier local government with unitary authorities (with a threshold population of 500,000) on a similar timescale. This will have a major impact on the East Midlands and could result in as few as nine councils serving the region by May 2028.
- 1.7 The establishment of unitary local government will also have implications for the region's two combined county authorities.

Establishment of NISTA

- 1.8 In October 2024, the Government announced its intention to combine the functions of the National Infrastructure Commission and the Infrastructure and Projects Authority into a new organisation - the National Infrastructure and Service Transformation Authority (NISTA) - to be operational by spring 2025.

⁸ [English Devolution White Paper - GOV.UK](#)

- 1.9 NISTA will bring oversight of strategy and delivery into one organisation, while driving more effective delivery of infrastructure across the country. In short, it will bridge the gap between what is built and how it is built.

10 Year Infrastructure Strategy

- 1.10 The Government is committed to publishing a 10 Year Infrastructure Strategy in the spring of 2025. This will set out the Government's long-term plans for infrastructure in the UK and will include social infrastructure and housing, as well as economic infrastructure. The strategy is designed to guide and inform the Government's investment plans and provide the private sector with greater certainty and confidence.

The Purpose of this Document

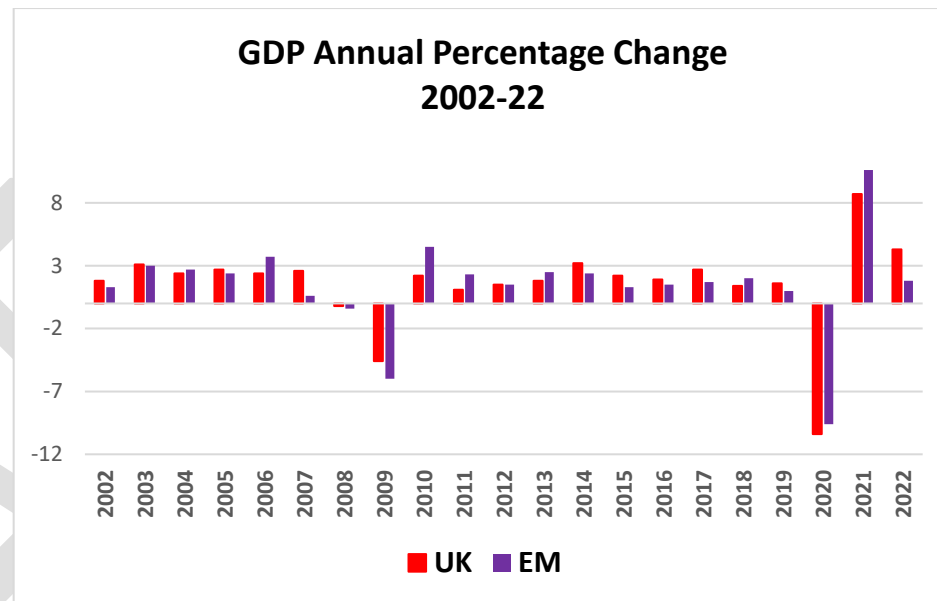
- 1.11 The purpose of this document is to:
- Inform the work of NISTA and the development of Government's 10 Year Infrastructure Strategy; and
 - Provide a resource for regional stakeholders to draw upon which could be updated on a periodic basis.

2. Regional Economic & Population Drivers

Growth & Productivity

- 2.1 The East Midlands has a population of 5 million people and 368,000 businesses⁹. Total regional output in 2022 (as measured by GDP) was £146.4bn, equivalent to 5.8% of the UK economy. The East Midlands employment rate is just above the UK average at 75.8% (UK=75.0%). Median weekly earnings are below the UK average: £640pw compared to £682pw. 10.6% of the workforce work in manufacturing, compared with 7.0% for the UK – although this percentage has declined significantly in recent years. The region's unemployment rate has recently increased and is now above the UK average: currently at 4.4% compared to 4.0%.

- 2.1 GDP growth in the East Midlands over the last 20 years has been better than most other regions/nations and generally close to the UK average. More recently it has fallen¹⁰.



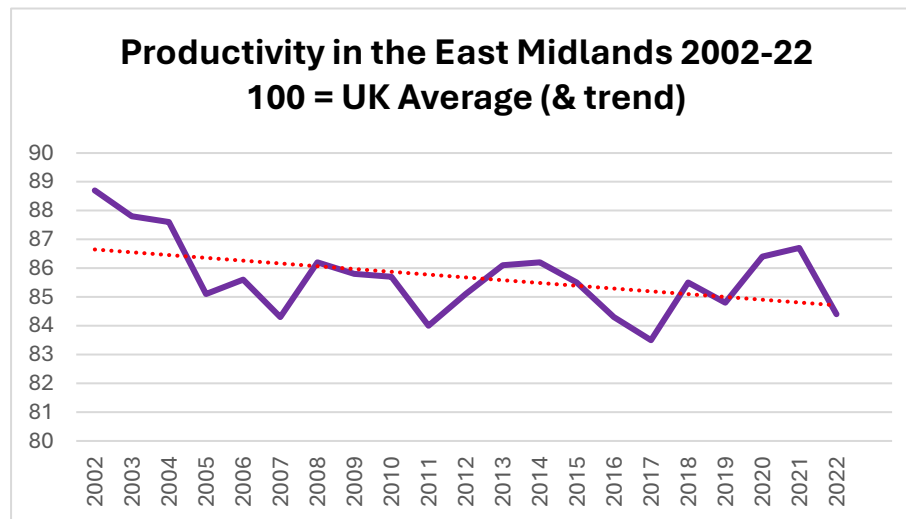
Source: [Regional gross domestic product: all ITL regions - Office for National Statistics](#)

- 2.2 Productivity has remained below the UK average over the last 20 years and has been declining relative to the UK to 84.4% in 2022¹¹.

⁹ [Regional and National Economic Indicators - House of Commons Library \(parliament.uk\)](#)

¹⁰ <https://www.ons.gov.uk/economy/grossdomesticproductgdp/bulletins/regionaleconomicactivitybygrossdomesticproductuk/1998to2022#gross-domestic-product-by-uk-country-and-region>

¹¹ [Annual regional labour productivity - Office for National Statistics \(ons.gov.uk\)](#)

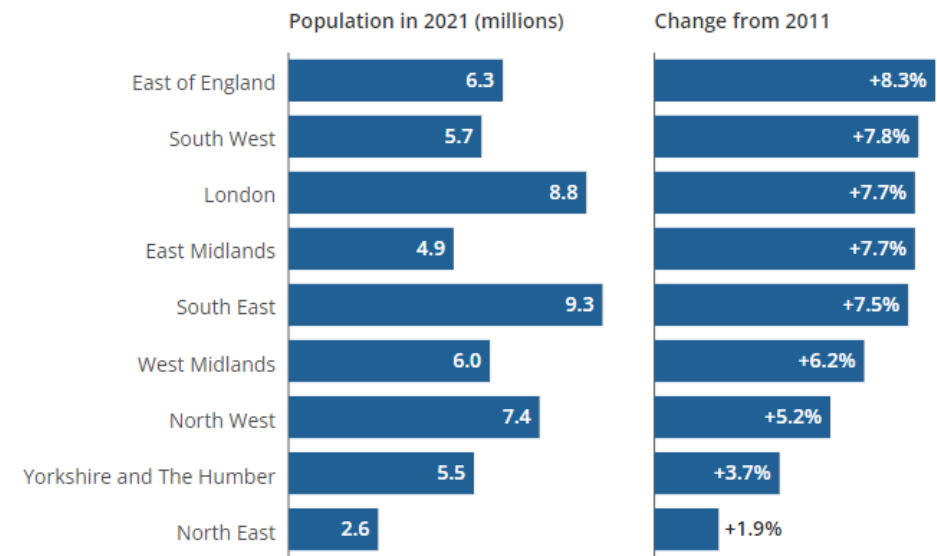


Source: Annual regional labour productivity - Office for National Statistics (ons.gov.uk)

- 2.3 The East Midlands benefits from a network of excellent universities and some key sector strengths including: high value manufacturing, the nuclear industry, food-processing and logistics - as well the UK's only inland 'Freeport'. But maximising the collective agglomeration impacts of these assets remains a challenge and the region's cities continue to perform poorly on measures of relative UK competitiveness¹².

Population Change

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



Source: [Population and household estimates, England and Wales - Office for National Statistics \(ons.gov.uk\)](#)

- 2.4 The region has therefore been growing its economy by growing its population - not by becoming more productive.
- 2.5 The East Midlands is not a heavily urbanised region - most people live outside the region's cities. Nottinghamshire and

¹² [UK Competitiveness Index 2023](#)

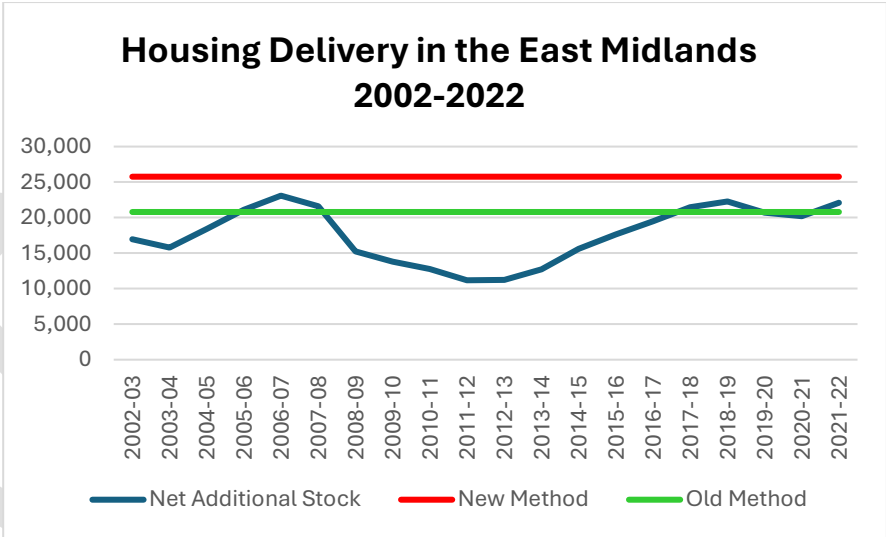
Derbyshire remain the most populous counties, but they are also the slowest growing. Since 2011, population growth has been strongest in Northamptonshire, Leicester City and Leicestershire. The region’s elderly population is increasingly concentrated in more rural areas, where typically 20-25% of people are over 65 years old. In contrast, the median age of Nottingham’s population is just over 30 years old.

2.6 These population trends will have long-term implications for the provision of public services and economic infrastructure in the East Midlands.

Housing Delivery

2.7 Housing delivery in the East Midlands over the last 20 years is set out below. As elsewhere, the scale of delivery has been largely determined by macro-economic conditions rather than local policies, but in recent years has been at or around the Government’s expectations.

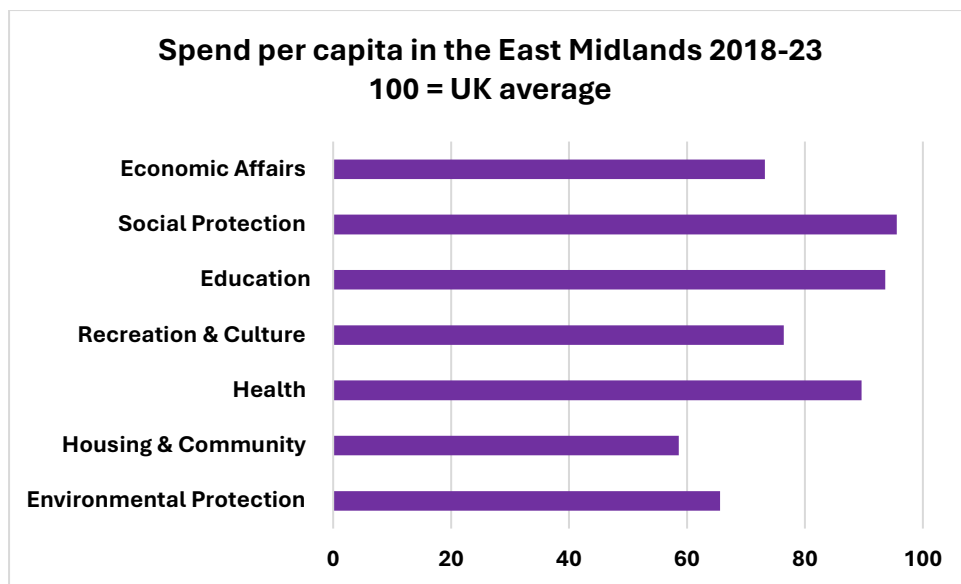
2.8 However, the Government’s new Standard Method for determining housing need implies an uplift from historic levels of delivery, and a generally more dispersed pattern of distribution with the highest increases in rural and suburban areas.



Public Investment

2.9 The Treasury publishes an annual Public Expenditure Statistical Analysis (PESA) every July on where public money (capital and revenue) is spent and on what, in the previous financial year¹³. The data has the status of ‘National Statistics’ as defined by ONS and has been published on a broadly consistent basis over several decades. Over period 2018-23, total spend per head in the East Midlands on the functions listed below were all well below the UK average – some significantly.

¹³ [Public Expenditure Statistical Analyses 2024 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/publications/public-expenditure-statistical-analysis-2024)



Source: [Public Expenditure Statistical Analyses 2024 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/publications/public-expenditure-statistical-analyses-2024)

- 2.10 Rebalancing national investment so that it more closely relates to population, housing and economic growth is a key strategic objective for the East Midlands.

3. Priorities for Economic Infrastructure

National Infrastructure Assessment 2

3.1 The NIC's second National Infrastructure Assessment, published in October 2023¹⁴, set out advice in priorities for investment in economic infrastructure covering: energy, transport, water and wastewater, waste, flood risk management and digital communications.

3.2 Key recommendation to the Government include:

- Adding low carbon, flexible technologies to the electricity system to ensure supply remains reliable and creating a new strategic energy reserve to boost the country's economic security.
- Making a clear decision that electrification is the only viable option for decarbonising buildings at scale, getting the UK back on track to meet its climate targets and lowering energy bills by fully covering the costs of installing heat pumps for lower income households and offering £7,000 support to all others.
- Investing in public transport upgrades in England's largest regional cities to unlock economic growth, improving underperforming parts of the national road network and developing a new, comprehensive and long-term rail plan which will bring productivity benefits to city regions across the North and the Midlands.

- Ensuring gigabit capable broadband is available nationwide by 2030 and supporting the market to roll out new 5G services.
- Preparing for a drier future by putting plans in place to deliver additional water supply infrastructure and reduce leakage, while also reducing water demand.
- Setting long-term measurable targets and ensuring funded plans are in place to significantly reduce the number of properties that are at risk of flooding by 2055.
- Delivering a more sustainable waste system by urgently implementing reforms to meet the 65% recycling target by 2035 and creating stronger incentives for investment in the recycling infrastructure that will be needed in the future.

NIC Fiscal Mandate

3.3 The NIC recommendations are made within a fiscal mandate set by Treasury, equivalent to between 1.1 and 1.3 per cent of GDP each year - or on average just over £40bn at 2022 prices. On a per-capita basis, this would be worth around £3bn a year to the East Midlands.

¹⁴ [Final-NIA-2-Full-Document.pdf](#)

Sector Priorities for the East Midlands

3.4 All sectors covered by the Government's definition of economic infrastructure are important to the East Midlands. However, the following are of particular importance and are examined in further detail in this report.

- **Transport:** The East Midlands is heavily car dependant and has the lowest level of spend per head on transport of any UK region/nation, undermining regional productivity¹⁵.
- **Flood Risk Management:** The East Midlands has the largest number (and highest proportion of) properties at risk of fluvial and coastal flooding¹⁶, as well as much of the nation's Grade 1 agricultural land.
- **Energy Supply:** The East Midlands powered the nation's electricity grid in the 20th century and is exceptionally well placed to lead the transition to net zero¹⁷.
- **Water Supply and Quality:** Rapid housing and population growth, together with the impacts of climate change, will require significant investment in water resources and treatment¹⁸.

Sector Interdependencies

There are major interdependencies between sectors that must also be considered. For example:

- Easily accessible EV charging infrastructure is essential to reducing CO2, NOx and particulate pollution from trains, lorries and cars; placing increased demand on green energy infrastructure;
- On-shore infrastructure associated with offshore wind and sub-sea cables requires the security of sustainable coastal flood defences;
- Pollution and surface water run-off from transport infrastructure adds to the challenge of wastewater treatment and cleaning our rivers;
- Accelerating housing delivery whilst achieving net zero will require the rapid deployment of domestic heat pumps and electric vehicle charging points;
- All forms of infrastructure will need to become more resilient to extreme weather events resulting from climate change;
- Skills and training challenges are common across sectors and require a common understanding of demand and collaborative forward planning.

¹⁵ [Public Expenditure Statistical Analyses 2024 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/public-expenditure-statistical-analyses-2024)

¹⁶ [National assessment of flood and coastal erosion risk in England 2024 - GOV.UK](https://www.gov.uk/government/statistics/national-assessment-of-flood-and-coastal-erosion-risk-in-england-2024)

¹⁷ [Beyond 2030 | National Energy System Operator](https://www.gov.uk/government/consultations/beyond-2030-national-energy-system-operator)

¹⁸ [A summary of England's revised draft regional and water resources management plans - GOV.UK](https://www.gov.uk/government/consultations/a-summary-of-englands-revised-draft-regional-and-water-resources-management-plans)

4. Transport

Institutional Landscape

- 4.1 At a national level, National Highways has responsibility for the Strategic Road Network in the East Midlands including the M1, M42/A42 and M69, the A1, A5, A14, A50, A453 and stretches of the A38, A46 and A52.
- 4.2 Network Rail has responsibility for the rail network and infrastructure. EMR, based in Derby, run most of the train services in the East Midlands under contract to DfT, although a number of other operators also serve parts of the region, including LNER, CrossCountry and Northern.
- 4.3 Following the formal establishment of Great British Railways (GBR) all rail infrastructure and service functions will sit within one organisation at arms-length from the DfT (likely 2027). GBR will have its HQ function located in Derby. The sub-national organisational structure of GBR has yet to be determined.
- 4.4 There are currently ten upper tier authorities in the East Midlands that traditionally have undertaken the statutory roles of Local Transport Authority (LTA) and Local Highway Authority (LHA). These authorities have responsibility for maintaining 98% of the road network and for local public transport, cycling and walking.
- 4.5 In 2024, the new East Midlands Combined County Authority (EMCCA) assumed the role of LTA for Derby, Derbyshire, Nottingham and Nottinghamshire – although the constituent authorities retained their highway functions. The Greater Lincolnshire Combined County Authority will take on the LTA role for Lincolnshire when fully established in 2025.
- 4.6 Transport for the East Midlands (TfEM) brings together the region's LTAs (and Local Highway Authorities) under the auspices of East Midlands Councils. Birmingham-based Midlands Connect is the designated Sub-National Transport Body covering most of the East Midlands (excluding Northamptonshire which is part of England's Economic Heartland). TfEM and Midlands Connect have agreed a set of Shared Investment Priorities which are kept under review¹⁹.
- 4.7 In 2020, TfEM signed a joint funded Collaboration Agreement with DfT to provide local input into the management of rail services run by EMR. This arrangement will formally terminate when EMR is brought into public ownership (likely October 2026) and will not be continued by GBR. Instead, GBR will develop new partnership arrangements with Mayoral Combined Authorities where they exist.

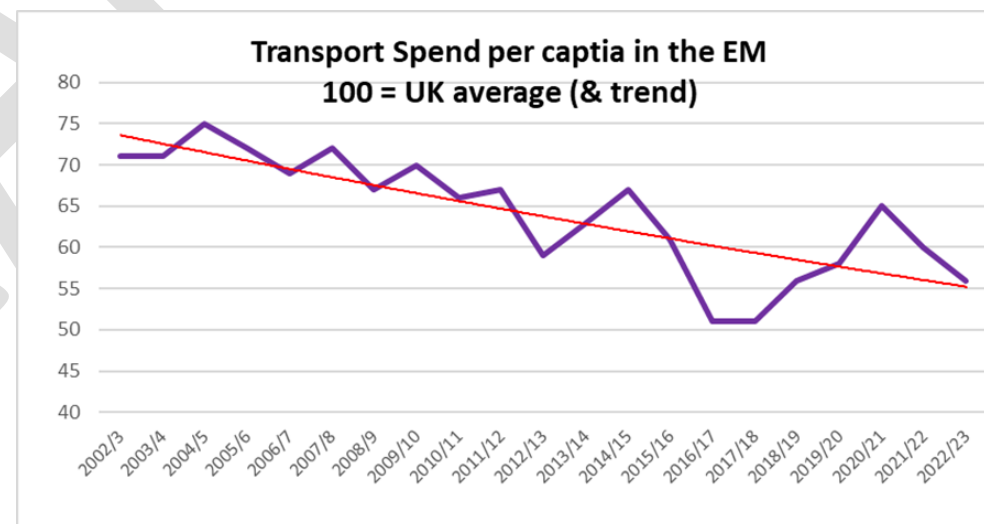
¹⁹ [Our Shared Vision for the East Midlands](#)

Overview

- 4.8 The East Midlands plays a crucial role in the UK's economy, acting as a key transport and logistics hub. With the major cities of Nottingham, Derby, Leicester and Lincoln, along with critical freight and logistics networks in the so-called 'golden triangle', the region requires a robust and modern transport infrastructure to fulfil its potential. However, its transport system suffers from persistent underinvestment, outdated systems and inefficiencies that hinder both economic growth and quality of life.
- 4.9 The East Midlands is heavily car dependant with up to 80% of journeys to work made by car²⁰. The main strategic routes run on a north-south axis linking London and South East with the major conurbations of the North. East-West connectivity across the region is generally poor.
- 4.10 The 'poly-centric' nature of the region's settlement structure has tended to mitigate against the provision of mass public transport networks outside of Nottingham. Public transport options are therefore generally limited and relatively expensive. As a result, new development has tended to re-enforce patterns of car dependency²¹.
- 4.11 The Treasury's PESA analysis demonstrates that transport spend per head in the East Midlands has been significantly below the UK average level for the last 20 years. Transport

spending in the East Midlands has now declined to just 56% of the UK average for 2022/23, the lowest level of any UK region or nation.

- 4.12 These latest figures indicate the disparity in levels of investment spend per head between the East Midlands (£361) and the West Midlands (£694) continue to widen. If the region was funded at a level equivalent to the UK average over the 5 years (2018-19/2022-23), a not unrealistic target, the East Midlands would have received an extra £6bn to spend on transport investment and services.



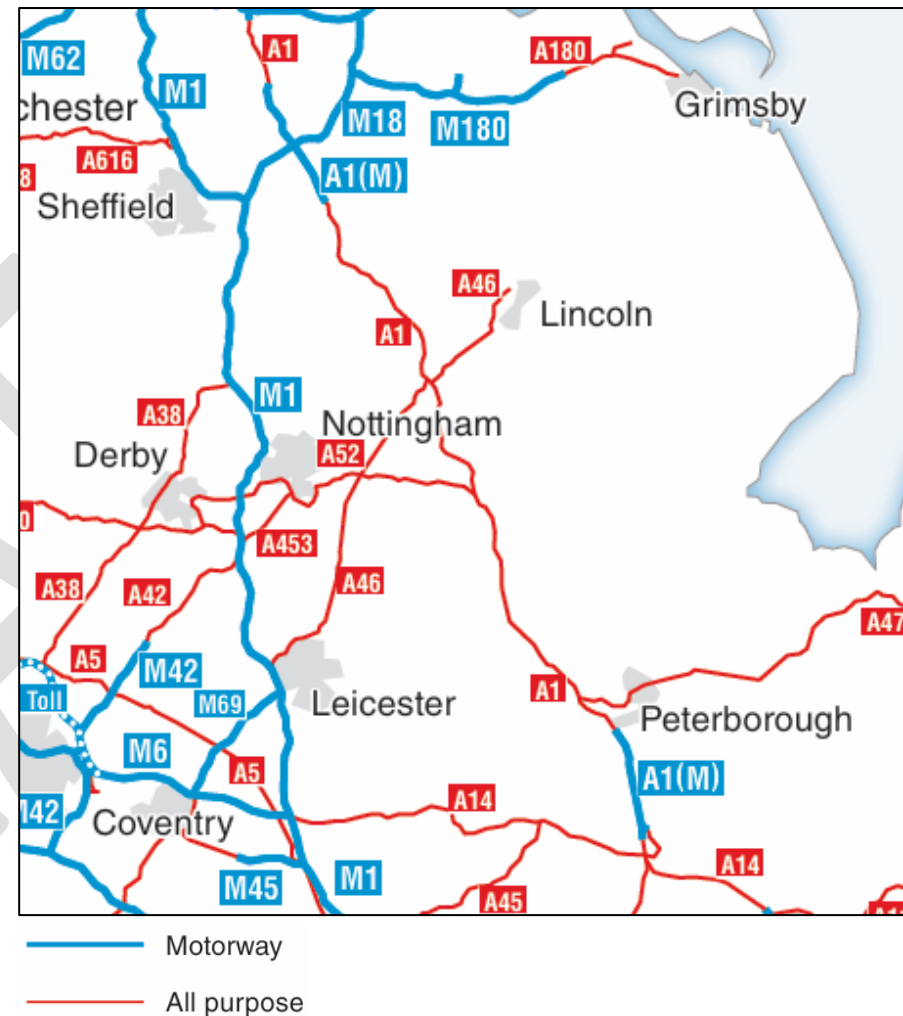
Source: [Public Expenditure Statistical Analyses 2024 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/publications/public-expenditure-statistical-analyses-2024) & previous releases

²⁰ [Transport Statistics Great Britain: 2022 Domestic Travel - GOV.UK](https://www.gov.uk/publications/transport-statistics-great-britain-2022-domestic-travel)

²¹ [RTPI | The Location of Development 4](#)

Strategic Roads

- 4.13 Although the Strategic Road Network in the East Midlands is important for both domestic and international connectivity, it suffers from congestion, high traffic volumes and maintenance backlogs. Key corridors, including the M1, A46, and A52, experience significant pressure due to increased demand and developments.
- 4.14 The M1 is one of the busiest motorways in the country, with strategic traffic flows reaching 125,000 vehicles per day in certain sections (e.g., Junctions 24-25). Freight makes up around 15% of this volume, placing additional stress on the network. The high traffic volume results in frequent delays, particularly during peak hours when average queue lengths can extend to 5km during morning and evening rush hours, with delays averaging 20-40 minutes. These delays are exacerbated during periods of adverse weather or accidents, reducing the resilience of the road network and significantly impacting economic activity.



East Midlands Freeport

East Midlands Freeport is the only inland UK Freeport and has the potential to add £9bn to the economy over the next 25 years, together with the creation of 28,000 jobs. It incorporates the East Midlands Airport and Gateway Industrial Cluster, the East Midlands Intermodal Park and the redevelopment of the Ratcliffe-on-Soar Power Station site.

However, the area has a congested road network and very poor levels of public transport provision. The key to unlocking growth will be improving capacity in and around M1 Junction 24, which is close to capacity and heavily constrained. National Highways have no plans for major investment in the M1 Junction 24 area for the foreseeable future – so a private sector-led solution is being explored.

- 4.15 The East Midlands has a relatively high reliance on road transport, with around 60% of freight transported by road. This reliance on road infrastructure places additional stress on already congested routes. The A1, A5 and A46 in the East Midlands are particularly important from a freight perspective.
- 4.16 The A1 is vital for connections to major ports on the East Coast, including Felixstowe, Grimsby, Immingham and then Dover (via the M25). It also has a key economic role within the East Midlands, particularly for agri-food, logistics, manufacturing and tourism. However, in contrast to the motorway standard sections immediately to the north and south, the A1 through the East Midlands is a dual carriageway

‘A’ road, characterised by sub-standard junctions, right turn movements, accident blackspots and a lack of resilience that suitable alternative routes might provide during closures.

- 4.17 Given the age and condition of the SRN, it is recognised that the balance of future investment by National Highways will shift more towards maintenance and renewals. However, there will still be a need for targeted enhancement schemes to increase capacity to facilitate economic growth and reduce congestion.
- 4.18 The delivery of the A46 Newark Bypass remains a top SRN priority for TfEM. The A46 forms a nationally significant trade route linking the Humber and East Midlands Freeports with Bristol, identified by Midlands Connect as the ‘Trans-Midlands Trade Corridor’. The A46 around Newark from Farndon to the interchange with the A1 and A17 has been a ‘bottleneck’ for many years which causes congestion, pollution and safety issues. A funding decision on the proposed enhancement scheme will be made by the Government following completion of a Development Consent Order inquiry in 2025.

Local Roads

- 4.19 The strategic road network (SRN) represents only 2% of the network in England. The remaining 98% (186,200 miles) is managed by local authorities. In 2021, 26.3 billion vehicle miles were travelled across 19,900 miles of roads in the East Midlands. Almost all journeys start or finish on local roads, so

realising the benefits of national infrastructure relies on the resilience and effectiveness of the local highway network.

- 4.20 Like any physical asset, the local highway network requires maintenance and renewal to counter deterioration. Planned, preventative maintenance is the most cost-effective method of keeping the road surface in good repair. However, roads generally decline over time, so the implications of underinvestment are not immediately obvious. This has made it an easy target for savings as local government revenue funding fell by 25% between 2010 and 2019. Funding provided by the DfT for local road maintenance in 2021/22 was less than £1.4bn, 0.3% of its total asset value of £400bn. This is simply not sufficient.
- 4.21 The current system of allocating capital spending to Local Transport Authorities is based around annually agreed allocations for maintenance and renewals and a bidding process for funding to deliver major schemes. This approach does not facilitate the long-term approach to growth and infrastructure investment necessary to secure the Government's core missions. TfEM has proposed that government should commit to rolling five-year capital allocations for Local Transport Authorities consistent with previous recommendations made by the NIC²².

Local Strategic Road Links

The Cross Keys Swing Bridge at Sutton Bridge, carries the A17 linking Lincolnshire and Norfolk. Constructed in 1897, it is a Grade II listed structure that was not designed for the volume and weight of today's traffic. Replacing the bridge would cost £100m, so Lincolnshire County Council has opted for incremental maintenance and targeted upgrades, despite the high cost of maintenance that must adhere to the strict regulations aimed at retaining its historic and architectural character. This places a major strain on the council's already stretched maintenance budgets.

The same squeeze on maintenance budgets is causing major problems for Derbyshire County Council in maintaining roads prone to landslips. The council currently has some 200 landslips across its network that it is trying to manage. The Snake Pass, which carries the A57 between Sheffield and Manchester, is one road that faces potential closure. Traffic lights have been installed at Cupit for safety reasons because the council does not have the resources for a full repair.

Rail

- 4.22 The East Midlands does not have an extensive rail network compared to London or other provincial metropolitan areas such as the West Midlands or Greater Manchester. There are only 108 stations in the East Midlands serving a population of 5m. Less than 17% of the region's population live within a 20-minute walk of a rail station. In addition, 75% of stations in the

²² [Infrastructure, Towns and Regeneration - NIC](#)

region are served by just one train an hour of fewer, with even lower levels of service on Sundays and increasingly overcrowded trains on Saturdays²³.

4.23 Consequently, rail in the East Midlands is poorly used. On average each person in the region uses the train around seven times a year (half the amount than in the West Midlands) and the East Midlands has the lowest rate of station usage per head in England.

4.24 Even in its current state, however, rail has a critical role in supporting people, the economy and reducing the impacts of travel on the environment. Evidence from TfEM suggests that rail services in the East Midlands are directly worth around £356m per year to our regional economy - including the time it saves people who may otherwise drive. To this should be added the £5.8bn per year that the Rail Delivery Group estimates rail services and users generated for the East Midlands through wider economic activity.

4.25 Following cancellation of HS2, The Midland Main Line (MML) will remain the backbone of the Region's rail network and has a nationally significant role linking London St. Pancras and Sheffield, with a branch to Nottingham. It also provides important connectivity to Leicester, Derby, Loughborough, Chesterfield, Corby and to the North of England.

4.26 The line supports a variety of both local commuter and inter-city services. East Midlands Railway operate intercity services between Sheffield/Nottingham and London, as well as 'EMR Connect' services between Corby and London via Kettering, and a regional link from Leicester northwards to Nottingham and beyond. Thameslink operate services to Bedford on the southern section of the route.

4.27 Unlike the East and West Coast Main Lines, the MML is not fully electrified. Electrification only extends between London and Bedford, Kettering and Corby. Further electrification of the route to Wigston South Junction (south of Leicester) has recently been procured by Network Rail and is currently being delivered. Although the Government has committed to the full electrification of the line to Sheffield, there is currently no firm completion date or identified funding.

4.28 The East Coast Main Line also serves the region and is quicker and cheaper for many journeys to London, Leeds, Newcastle and Scotland, but only directly serves the towns of Grantham, Newark and Retford in the East Midlands.

4.29 In terms of rolling stock, the East Midlands will benefit from state-of-the-art diesel-electric bi-mode inter-city Class 810s (Aurora) trains, which will be introduced on the Midland Main Line from late 2025. When fully deployed the new fleet will

²³ [A-Platform-for-Growth.pdf](#)

increase the number of available seats on the route by up to 40%.



Aurora Class 810 Bi-Mode Inter-City Train

- 4.30 Fully electric Class 360 commuter trains operate between Corby and London and are due to be refurbished shortly.
- 4.31 EMR's regional fleet is made of Class 170 and Class 158 diesel trains, which are also in the process of refurbishment to extend their life for at least a further decade. However, a longer-term regional rolling stock strategy is required. Battery

electric bi-mode trains are currently being deployed in Germany²⁴ and Ireland²⁵ and appear to offer an attractive low carbon option for the East Midlands providing electrification of the MML is completed.

Bus and Light Rail

- 4.32 Bus usage is very low in the East Midlands and inflated by the exceptionally high levels in Nottingham City, which is second in bus usage only to Brighton (and London). The average person in the East Midlands makes 29 bus journeys per year, compared with 45 in the West Midlands and 190 in London²⁶.
- 4.33 The Nottingham Express Transit (NET) is the Region's only light rail system. There are currently two lines in operation with 50 stops across the conurbation including the Queens Medical Centre, Nottingham Midland Station and seven Park & Ride Sites. Annual ridership was 15.5m in 2023-24²⁷, an increase on the previous year but still below the pre-pandemic peak. Potential extensions to the system will be considered by the East Midlands County Combined Authority.

²⁴ [First of many battery trains enter service in Germany - Trains](#)

²⁵ [Ireland to Purchase 90 Battery-Electric Train Carriages from Alstom | Railway-News](#)

²⁶ [bus01.ods](#)

²⁷ [Light rail and tram statistics, England: year ending March 2024 - GOV.UK](#)

International Gateways

- 4.34 East Midlands Airport (EMA) is home to the UK's largest dedicated air cargo operation, making it the country's most important airport for express freight. EMA is a hub for DHL, UPS, FedEx and Royal Mail. EMA is a four-hour truck drive to 90% of the population of England and Wales. Unique among its competitors, it benefits from unrestricted night flights.
- 4.35 EMA's passenger operation is focussed on the low-cost market, currently serving 72 destinations and carrying over 4m passengers a year.
- 4.36 EMA directly employs over 800 people and supports a total of 7,800 jobs on site. Public transport access to EMA is limited to bus services, some of which are operated by local employers. The nearest rail station is East Midlands Parkway which is five miles away and on the other side of the M1 motorway. As a result, EMA is very car dependant, which is a challenge given the contained nature of the strategic and local road network in the area.
- 4.37 Boston in Lincolnshire is the Region's only coastal port. The Port of Boston is located on the Wash and serves a wide hinterland. The Port is rail connected and has an active daily steel train service to the Victoria Group Steel Terminal in the West Midlands.
- 4.38 However, the region's economy benefits significantly from the proximity of the much bigger Humber ports of Immingham,

Grimsby, Goole and Hull, which together handle around 17% of the nation's trade and play a vital strategic role for the UK as a global trade gateway. These ports also comprise the Humber Freeport designation. The M/A180, A46 and A15 are key access routes into the Humber Ports from the East Midlands.



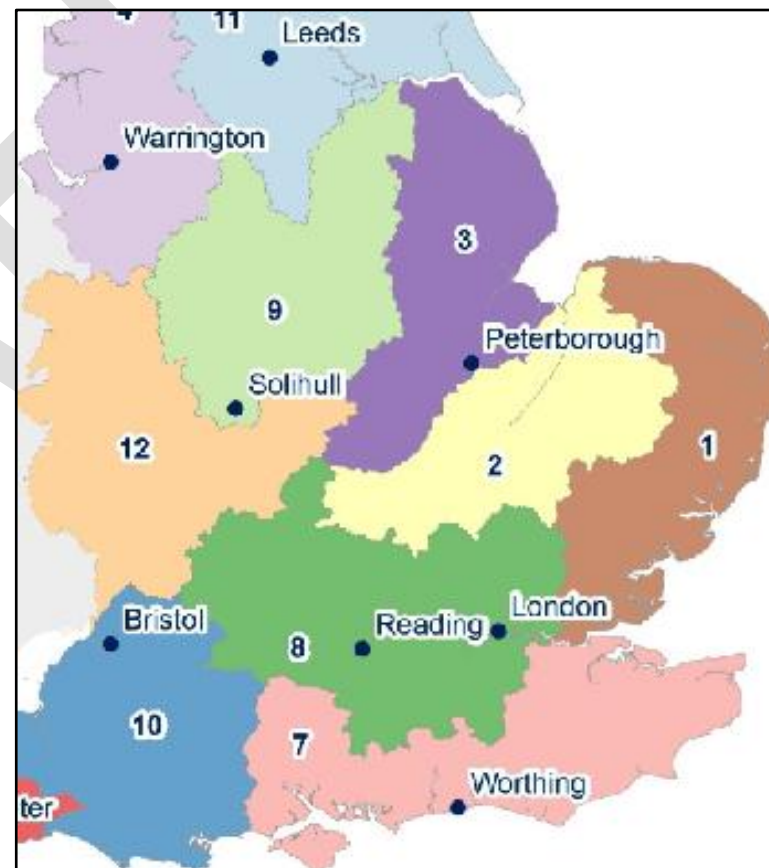
East Midlands Airport Freight Hub

5. Flood Risk Management

Institutional Landscape

- 5.1 Flood Risk Management in England falls under the remit of the Department of Environment, Food & Rural Affairs (Defra) with delivery led by the Environment Agency. The Environment Agency has a strategic overview of all sources of flooding and coastal erosion as defined in the Flood and Water Management Act 2010 (WFMA). It is also responsible for flood and coastal erosion risk management activities on main rivers and the coast, regulating reservoir safety and working in partnership with the Met Office to provide flood forecasts and warnings. It must also look for opportunities to maintain and improve the environment for people and wildlife while carrying out its duties.
- 5.2 Under the FWMA 2010, county councils and unitary councils are designated as Lead Local Flood Authorities. These authorities (of which there are ten in the East Midlands) lead on managing local flood risks, including flooding from surface water, ground water and ordinary (smaller) watercourses. Responsibilities also include a duty to maintain a strategy for local flood risk management, to maintain a register of flood risk assets, to investigate significant local flooding incidents and publish the results of such investigations.
- 5.3 Regional Flood and Coastal Committees (RFCCs) were established by the Environment Agency under the FWMA 2010. RFCCs guide flood and coastal erosion risk management activities within their river catchments and along the coastline.

RFCCs bring together members appointed by Lead Local Flood Authorities (LLFAs) and independent members with relevant experience. There are 12 committees in England and each has a chair appointed by Defra. There are two RFCCs covering the East Midlands: Anglia Northern (based in Peterborough) and Trent (based in Solihull).



Regional Flooding & Coastal Committee Boundaries

5.4 In some parts of the East Midlands Internal Drainage Boards (IDBs) also build and maintain flood defences. IDBs are public bodies responsible for managing water levels and can levy charges on councils. Boston Borough Council handed over £2.5m of the £4.2m it collected in council tax in 2023/24 for the IDB levy – around 60%. Many Lincolnshire authorities have also seen major increases over the last two years, with East Lindsey’s bill increasing by £1.3m – the highest rise in the country.

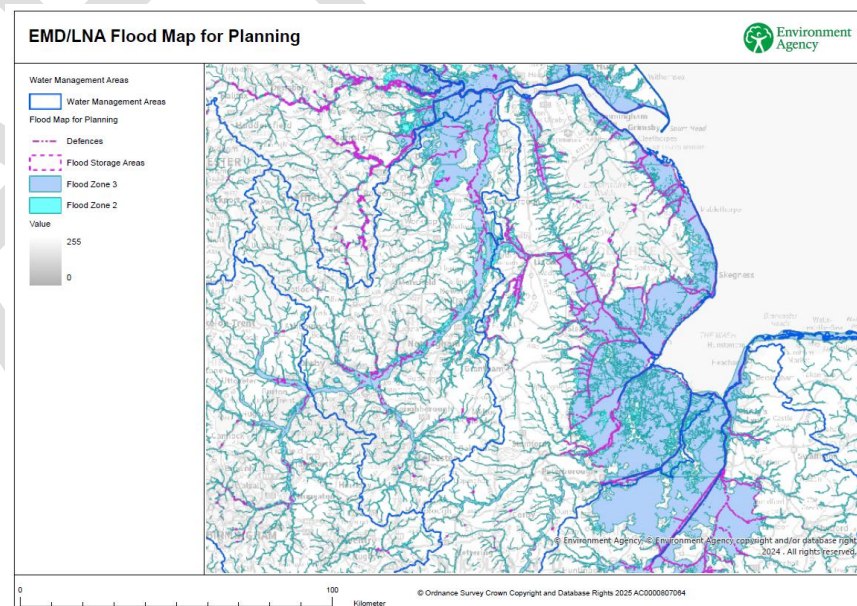
The Scale of Flood Risk

5.5 In December 2024, the Environment Agency published an updated National Assessment of Flood & Coastal Erosion Risk in England²⁸. The Assessment highlighted 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 highest proportion of properties at risk of any English Region (4.6%). These figures are exacerbated by a very significant increase in the number of properties at high or medium risk of surface water flooding.

5.6 The Environment Agency’s assessment is consistent with research published by East Midlands Councils in 2015 that was informed by analysis commissioned from the Met Office, which concluded that ‘*the East Midlands region has the*

highest exposure to increases in flood risk due to climate change in England’²⁹.

5.7 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.



Flood Risk Areas in the East Midlands (© Environment Agency)

²⁸ [National assessment of flood and coastal erosion risk in England 2024](#)

²⁹ [The-Changing-Nature-of-Flooding.pdf](#)

5.8 Climate warming contributes to rising sea levels and to more extreme weather events. Even if the rise in global temperatures can be limited to 1.5°C above pre-industrial levels, these climate impacts are likely to become more severe over the coming decades – which could increase the number of properties at risk by a third, as well as the depths to which properties flood³⁰.

Recent Flooding Events

5.9 Major flooding events have occurred with increasing regularity in the last 20 years. All counties and cities in the region have been directly affected. Storm Babet (October 2023) and Storm Henck (January 2024) inflicted considerable damage across the region (including the loss of life), the impacts of which is still being felt in many communities.

5.10 The January 2025 flooding events appear to have resulted from a combination of rapid snowmelt and a period of extended heavy rain. The impacts were particularly acute across Leicestershire³¹ and Lincolnshire³², which both declared Major Incidents, and in parts of Nottinghamshire.

- In Leicestershire, 800 homes and businesses and 160 roads were flooded, with over 60 people rescued from properties and 27 from vehicles.

- Over 100 homes were flooded in Lincolnshire, some of which were also flooded in the 2023/24 storms, along with numerous local road closures.
- The A1 was closed between Newark and Grantham for an extended period due to flooding causing extensive local congestion; and Midland Main Line train services were disrupted due to flooding near Long Eaton.
- Sections of the A52/A60 were closed for a period and the Queens Drive Park & Ride in Nottingham was closed for nearly three weeks.



Flooding in Charnwood January 2025

³⁰ [March 2023 Progress in adapting to climate change 2023 Report to Parliament](#)

³¹ [Hard-hitting letter presses Government to release flooding cash | Leicestershire County Council](#)

³² [More investment is needed to protect Lincolnshire from flooding – Lincolnshire County Council](#)

5.11 Flooding can cause significant economic damage to people, businesses, landowners and infrastructure.

5.12 Following the flooding caused by Storms Ciara and Dennis in 2020, the Association of British Insurers estimated that the average insurance claim per household was £32,000. The Environment Agency has estimated the total economic damages for all floods between January 2016 and November 2019 in England and Wales was between £504m and £924m, with a best estimate of £708m at 2024 prices³³.

5.13 Research also shows that flooding can have severe long-lasting mental health consequences for those affected, including depression, anxiety and post-traumatic stress disorder (PTSD)³⁴.

Insurance

5.14 Access to affordable insurance for people and businesses at risk of flooding is critical to maintaining economic viability and investor confidence.

5.15 The 'Flood Re' scheme is a joint initiative between the Government and insurers³⁵. Its aim is to make the flood cover part of household insurance policies more affordable. The funding comes from three sources – a Levy, a premium and an

excess – all of which are paid by insurers (and ultimately consumers). In establishing the scheme, the Government also committed to long-term public investment in flood defences.

5.16 Flood Re was introduced in 2016 and will run until 2039, at which point insurers should be offering policies based on actual risk to property. Flood Re has represented a lifeline to many communities impacted by flooding, but it does not apply to properties built after 1 January 2009 (which should be located outside of identified flood risk zones) or to most businesses.

5.17 Without access to affordable insurance, there is a danger that vulnerable places will lose their vitality and those that are able to leave, will do so – as is starting to happen in parts of Australia impacted by repeated floods in recent years.

Investment in Flood Risk Management

5.18 Between 2021 and 2027, it is estimated that £630m will have been invested by the Environment Agency and other authorities in flood risk management, better protecting 25,000 properties across the East Midlands.

5.19 Significant projects delivered to date include:

³³ [Insurance pay outs to help customers recover from Storms Ciara and Dennis set to top £360 million | ABI](#)

³⁴ [The English National Cohort Study of Flooding & Health: psychological morbidity at three years of follow up](#)

³⁵ [Flood Re - A flood re-insurance scheme](#)

- **Boston Barrier:** This project, combined with other investment along the Boston Haven, offers protection against a 1 in 300 (0.33% AEP) chance of a tidal flood event happening. The benefits of the scheme include significantly reduced tidal flood risk for over 17,000 properties (including more than 700 commercial properties and delivery of up to £1,989m of direct benefits - excluding indirect benefits).
- **Saltfleet to Gibraltar Point:** This is the UK's largest and longest running coastal defence scheme which is managed by the Environment Agency and reduces the flood risk to 40% of Lincolnshire. Annual beach nourishment sustains the current standard of protection, as part of a much longer-term strategy to provide flood risk management for the area.
- **Derby Our City Our River (OCCUR):** comprises multiple packages of projects called the Munio projects. It has a dual purpose of reducing flood risk whilst creating a high quality riverside, linking Derby city centre with the River Derwent. The initial package from Darley Abbey to the Silk Mill was commenced in 2015. To date, 1,200 properties are better protected from the works completed.

5.20 Significant projects planned or currently under construction include:

- **Lowdham:** Construction of the new flood storage reservoir will better protect almost 200 properties from flooding and provide £50m of benefits to the local area and local economy. The area has had a long history of frequent floods over the past 25 years.
- **Derby Our City Our River (OCCUR):** Planning for the next phase of flood alleviation measures at Derby Riverside has been submitted, which covers the east bank of the River Derwent from Causey Bridge to Derwent Bridge. The new flood defences will better protect a further 670 properties from flooding, taking the overall programme closer to the target of protecting over 2,000 properties.

5.21 Analysis by the National Audit Office³⁶ highlighted that the East Midlands receives close to the lowest level of funding per property at risk at £3,227, despite the region's high level of inherent risk. This compares unfavourably to the North East, which receives almost four times as much at £12,563 per property, and the North West, at £10,204.

5.22 A 2024 report by the Public Accounts Committee highlighted that the impact of construction inflation and scheme delays would significantly erode the effectiveness of planned investment by the Environment Agency over coming years³⁷. The report also highlighted that lack of investment in existing assets is also increasing risk to communities. This is

³⁶ [Resilience to flooding](#)

³⁷ [Flood resilience eroded by poorly maintained defences with Government in the dark on progress - Committees - UK Parliament](#)

exacerbated by the investment associated with new housing development, where developers may be obliged to contribute to new flood defences but subsequent responsibilities and liabilities for ongoing maintenance are passed onto the Environment Agency and Local Authorities.

- 5.23 Public investment in flood defences requires a very strong business case (typically a BCR of more than 9 to 1) and a local partner contribution. This funding model makes delivering flood defences in areas with low land values (including Grade 1 Agricultural land) more challenging. There are often good social, economic and environmental reasons to protect local areas, but the investment methodology may preclude this. While the Government might expect the partnership model to ‘stretch’ public funding, in practice it can cause schemes to stall before any real momentum has been gained.

The Natural Flood Management Programme

- 5.24 Natural flood management (NFM) uses natural processes to reduce the risk of flooding. These processes protect, restore and mimic the natural functions of catchments, floodplains and the coast to slow and store water. NFM measures can include:
- soil and land management
 - river and floodplain management
 - woodland management
 - run-off management
 - coast and estuary management

- 5.25 NFM can also provide wider benefits including:
- enhancing habitats and biodiversity
 - improving water quality and availability of drinking water
 - improving carbon capture
 - boosting health and wellbeing

- 5.26 In September 2023, the Environment Agency and Defra announced £25m funding for improving flood resilience through a new NFM programme. Out of the 34 project business cases that are complete, three NFM projects are in the East Midlands.
- Leicester City Council: Leicester Urban NFM – Willow Brook catchment
 - Lincolnshire County Council: Barrow Beck chalk stream restoration
 - Lincolnshire County Council: Building Flood Resilience in the River Rase catchment

- 5.27 Sustainable Urban Drainage Systems (SuDS) can also help to reduce the risk of surface water flooding and create natural habitats with community benefits - but require regular maintenance. Schedule 3 of the Flood and Water Management Act 2010 made provision for ‘Lead Local Flood Authorities’ (county and unitary authorities) to establish SuDS Approval Bodies to ensure long-term maintenance arrangements for all new schemes. However, successive governments have failed to implement these powers. We call for Schedule 3 of the Flood and Water Management Act 2010 to be implemented.

The Way Forward

- 5.28 The scale and impact of climate change and sea level rise is such that our historic approach of building large-scale concrete defences will have to change. The East Midlands will have to become more resilient as a region.
- 5.29 We need to protect the properties and the vital infrastructure of the East Midlands from flooding. We need to maintain flood risk management assets to an agreed standard of protection. This will require a shift in funding away from 'new' to 'maintain' and it will be necessary to assess how climate change will impact on the flood and coastal risk management assets' performance and resilience.
- 5.30 Whilst investment in existing assets can maintain the current standard of protection to properties, other measures - for example natural flood risk management and catchment-based flood risk management - may be required to provide head room for climate change. Property level resilience measures may become more necessary as inflation and duration of construction delivery leave properties undefended.
- 5.31 We need to recognise that climate warming will continue to contribute to rising sea levels and to more extreme weather events, the scale of which can overwhelm drainage systems and flood defences that were built consistent with previous understandings of risk. These climate impacts are likely to become more severe over the coming decades. Given projected sea level rise, there may come a point when radical

interventions will be required in parts of the region to keep communities safe.

6. Energy Supply

Background

- 6.1 Our energy system is still largely based on fossil fuels, such as natural gas and contributes to climate change. In 2021, around 30% of UK greenhouse gas emissions came from generating electricity and heating buildings. Electric vehicles, heat pumps and increased insulation can help businesses and households reduce energy demand, but energy generation itself also needs to be decarbonised and enhanced to meet growing demand.
- 6.2 Historically known as ‘Megawatt Valley’, the 13 coal-fired power stations of the lower Trent Valley generated up to a quarter of power demand for England and Wales. The redevelopment of now closed power station sites, the transmission infrastructure that surrounds them, and new clean energy provide opportunities for the East Midlands to drive net zero power generation and transmission³⁸.
- 6.3 The East Midlands Infrastructure Partnership supports the ambition set out in the Midlands Engine Energy Security White Paper published December 2024³⁹. In the short-term however, the East Midlands APPG noted that new developments and businesses often struggle to secure grid connectivity, even when renewable energy is being locally generated – which is hugely frustrating for communities⁴⁰.

³⁸ National Infrastructure Commission Energy & Net Zero report Dec 2024

³⁹ [Midlands-Engine-Energy-Security-White-PaperDev12WEB-1.pdf](#)

Institutional Landscape

- 6.4 The National Energy System Operator (NESO) has been established to work alongside Great British Energy to deploy renewable energy. NESO is responsible for planning Great Britain’s electricity and gas networks, operating the electricity system and creating insights and recommendations for the future whole energy system. Great British Energy has been launched to invest in clean, home-grown energy.
- 6.5 NESO will lead the development of Regional Energy Strategic Plan (RESP) for the East Midlands that will enable the coordinated development of the energy system across multiple vectors, provide confidence in system requirements and enable network infrastructure investment ahead of need. This will support the energy system’s transition to net zero in a cost-effective manner.
- 6.6 In addition to NESO, the North Sea Transition Authority licenses, regulates and influences the UK oil and gas, offshore hydrogen, and carbon storage industries, and the UK Atomic Energy Authority (UKAEA) regulates and controls nuclear energy, including the development of new nuclear energy projects.
- 6.7 These energy bodies must comply with national and local regulatory and planning processes that create checks and balances in the roll-out of renewable energy. Nationally Significant Infrastructure Projects (NSIPs), introduced under

⁴⁰ [East Midlands APPG REPORT 2023](#)

the Planning Act 2008, streamline the consenting process for big infrastructure schemes whilst local planning authorities check that smaller projects satisfy community needs.

Energy Generation & Major Users

- 6.8 NESO has said there are two pathways towards the government's goal of generating more low-carbon electricity than we consume. The first relies heavily on a surge of new renewable energy projects, including plans to more than triple the UK's offshore wind capacity to 50 gigawatts in the next six years. The second path depends on extending the life of existing nuclear reactors and building new ones, alongside gas plants fitted with carbon capture technology.
- 6.9 In both pathways the UK needs to double onshore wind capacity from 13GW in 2023 to 27GW by 2030 and triple its solar power from 15GW to 47GW.
- 6.10 Under both scenarios, the UK would continue to use gas-fired power stations to generate electricity when renewable or stored electricity is unavailable – but this would make up less than 5% of the country's power consumption⁴¹.
- 6.11 The second National Infrastructure Assessment found that electricity demand in Great Britain will increase by around 50% by 2035. A 35% annual rise in heat pump installations is needed to decarbonise 7m buildings and a 30% annual growth

in deployment is needed to deliver 300,000 public EV charging points⁴².

- 6.12 In 2020, data centres in the UK consumed up to 35 TWh of electricity. The Government's new AI Opportunities Action Plan places further demand on supply. NESO estimates that high levels of development in AI and off-site computation are expected to increase data centre electricity demand by fourfold from today to 2030.

Grid Capacity

- 6.13 As the climate crisis becomes ever more urgent, the shift from fossil fuels to renewables is a vital part of the UK's mission to meet net zero targets. In 2021, the government committed to fully decarbonising the grid by 2035.
- 6.14 Nationally, consumption is projected to double by 2050. Only so much can be done with a power system that evolved in a different era. As our reliance on fossil fuels is replaced with renewable energy, generated in large parts by offshore wind farms as well as solar, significant new distribution and transmission infrastructure is needed to connect that renewable energy from where it is generated to where it is needed.
- 6.15 National Grid has embarked on "The Great Grid Upgrade"⁴³ - the largest overhaul of the UK's electricity grid in generations

⁴¹ Guardian report 5th November 2024

⁴² Second National Infrastructure Assessment

⁴³ <https://www.nationalgrid.com/the-great-grid-upgrade/big-bright-future>

and is made up of 17 major infrastructure projects. New or improved power lines, substations, underground and underwater cables and other infrastructure will increase the grid's capacity to transmit clean electricity more efficiently across the country.

6.16 Great Grid Upgrade projects in the East Midlands include:

- **Grimsby to Walpole:** 140km long, 400kv overhead line on 50m high pylons. Including new substations at Grimsby West, Bilsby, Weston Marsh and Walpole⁴⁴.
- **North Humber to High Marnham:** upgrade to existing 400kv overhead line.
- **Chesterfield to Willington:** 60km long, 400kv overhead line on 50m high pylons. Including a new 400kv substation at Chesterfield. Additionally, the existing Brinsworth to High Marnham line will be upgraded from 275kv to 400kv.
- **Eastern green Links:** two new offshore high voltage electricity links and associated onshore infrastructure to link Scotland and England. The links would transport enough clean energy from Scotland to power up to 4m homes in the Midlands and South of England. The proposed onshore elements would be in the districts of East Lindsey, Boston and South Holland in Lincolnshire, and King's Lynn in Norfolk.

6.17 Complementing the Great Grid Upgrade, giant undersea interconnector cables laid across the Channel and North Sea

are making it easier to trade electricity to get the best supply and price. The new £1.7bn Viking Link interconnector, joining Lincolnshire and southern Jutland in Denmark, can transport enough electricity to power 2.5m UK homes and will bring more than £500m in savings for UK consumers in its first 10 years.

6.18 A number of these proposals are controversial locally because of the visual and environmental impacts of major new infrastructure in predominately rural areas. Local government in Lincolnshire and Norfolk are particularly concerned about the impact of the Grimsby to Walpole overhead line on the visitor economy and wish to see this section undergrounded⁴⁵.

Transition to Net Zero: Solar

6.19 In March 2024, the UK's installed solar capacity was 15.8GW. The government's goal is to increase this to 70GW by 2035. A large number of significantly sized solar farms are currently being built or are planned across the East Midlands. As an example of the scale of this transition, in Lincolnshire there are currently seven major solar farms classed as Nationally Significant Infrastructure Projects (NSIP) in the planning process. A further major site straddles the Lincolnshire – Nottinghamshire border (One Earth Solar). Together they would increase installed capacity by 24.4%

⁴⁴ [download](#)

⁴⁵ [National Grid decline to share detailed pylon costs, council says - BBC News](#)

Springwell Solar	800MW	One Earth Solar	740MW
Burton Energy Park	500MW	Tillbridge Solar	500MW
Beacon Fen Solar	400MW	Mallard Pass Solar	350MW
Fosse Green Solar	320MW	Temple Oaks Solar	240MW

- 6.20 Solar farms cover a large land area. The Springwell site extends over 4,200ha. The loss of farmland and fears about the ‘industrialisation’ of the countryside are the main concerns of local communities and councils across the region⁴⁶.

Transition to Net Zero: Onshore Wind

- 6.21 The Government has announced that onshore wind projects above 100MW in England will be reintroduced into the NSIP regime from spring 2025.
- 6.22 An Onshore Wind Industry Taskforce has been established. Challenges include identifying sites taking account of population, environmental and other factors. Financial viability is primarily driven by wind speed. Sites on windy mountaintops have the lowest energy costs in the world, but much of lowland UK is unviable without heavy subsidies. The only two sites currently in the planning process in England are on the Pennines near Rochdale and Hebden Bridge.

Transition to Net Zero: Offshore Wind

- 6.23 The Outer Dowsing offshore wind farm, located 54km off the Lincolnshire Coast, is classed as a NSIP currently in the planning process. It will generate 1.5GW of renewable electricity, equivalent to the annual electricity consumption of over 1.6m households and will play a critical role in achieving the UK Government’s ambition to deliver 50GW of offshore wind by 2030.

- 6.24 Underground transmission cables will come ashore to the north of Chapel St Leonards and connect to a substation to the north of Spalding.

Transition to Net Zero: Energy Storage

- 6.25 Both solar and wind power are susceptible to the weather. Energy storage is therefore important in maintaining a consistent supply. A few storage systems are available, and others are under development.
- 6.26 Pumped hydro storage has been used by National Grid for many years by pumping water into reservoirs when demand is low and releasing it to generate power when needed.
- 6.27 Hydrogen can be stored underground and used to generate power when needed. Gas-fired power stations can be converted to hydrogen. Cadent is exploring geological hydrogen storage potential in the East Midlands (EMstor). See *Hydrogen section below*.

⁴⁶ [Two more huge solar farms ‘a slap in the face’ for Lincolnshire – Lincolnshire County Council](#)

- 6.28 Battery energy storage systems (BESS) use lithium-ion batteries to store electricity. In 2017, South Derbyshire District Council approved a 40MW 'Energy Barn' at Breach Farm, Swadlingcote which became the first to deliver electricity to National Grid's Balancing Mechanism. In 2022, EDF commissioned a 50MW energy storage system connected to the high-voltage transmission network at Willington, Derbyshire.
- 6.29 The roll-out of BESS is continuing: High Peak Borough Council has approved a battery storage system at the New Mills Substation capable of storing sufficient power for 10,000 homes.

Cross Sector Opportunity: Cleaner Transportation

Lithium-ion batteries offer the opportunity to reduce CO2 emissions, across public transport and haulage, as well as private cars.

Leicester now has over 150 electric buses in operation - over half its total fleet⁴⁷. In 2024, Nottingham City Transport began the roll-out of 62 electric buses with 24 entering service in May 2024 and a further 38 due in 2025. The buses have a range of up to 275 miles, enough for a full day service.

Take-up of electric cars is encouraging, with about 1.1m fully battery-powered cars on British roads and about 63,000 charging units in 33,000 locations, according to Zapmap data (2024).

The haulage industry is further behind, with just 300 electric HGVs registered out of the country's 500,000 strong lorry fleet, according to the Road Haulage Association. However, Amazon have just placed a major order for an expanded fleet of electric HGVs with a single-charge range of 500km⁴⁸

Transition to Net Zero: Hydrogen

- 6.30 East Midlands Hydrogen is the UK's largest inland hydrogen cluster⁴⁹. Plans for regional hydrogen production, distribution and industrial use are gathering momentum. Twenty East

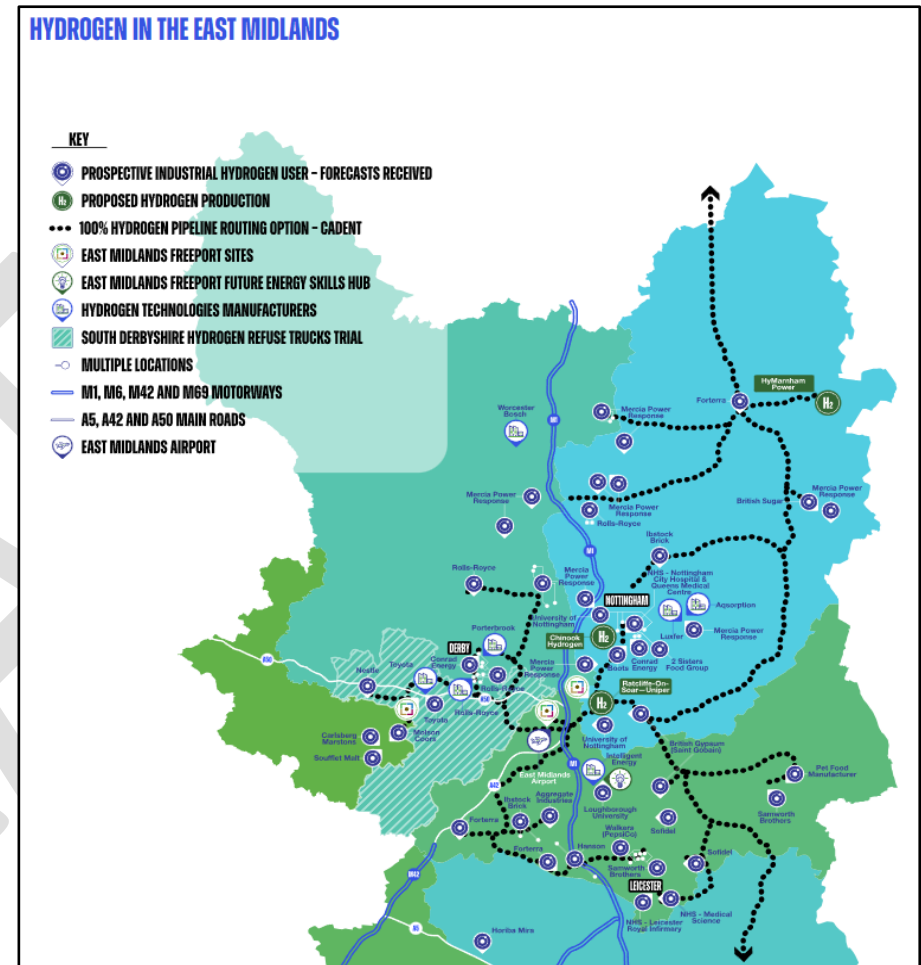
⁴⁷ [electric — Leicester Buses](#)

⁴⁸ [Amazon places the UK's biggest-ever order of electric trucks, and moves onto Britain's electric railways - UK Press Centre](#)

⁴⁹ <https://eastmidlandshydrogen.co.uk>

Midlands manufacturers including Boots, Rolls Royce and Toyota have produced forecasts for switching from gas to hydrogen, with a forecast combined demand of 10TWH hydrogen per year. This would save 1.9m tonnes of CO2 annually.

- 6.31 Hydrogen production forecasts total 650MW production capacity by 2050, making use of coal fired power station sites and Megawatt Valley electricity infrastructure. Plans for the redevelopment of the Ratcliffe Power Station site include a 500MW green hydrogen project to be constructed by 2030 by German utility company, Uniper.
- 6.33 Cadent is designing a 100% hydrogen pipeline for the East Midlands region, connecting power to demand. Subject to support from the Government and Ofgem, Cadent is targeting a 2029-2031 pipeline construction timeline.
- 6.34 The economic impact of East Midlands Hydrogen is estimated at £10bn gross added value with 110,000 jobs created or protected.



Potential hydrogen pipelines linking production to industrial users

Source: <https://eastmidlandshydrogen.co.uk>

Transition to Net Zero: Carbon Capture & Storage

- 6.35 Carbon capture and storage (CCS) is a key part of the UK's plan to achieve net zero emissions by 2050. So far, the Government has announced a significant £22bn investment in two CCS projects, in Merseyside and Teesside.
- 6.36 A CCS project for the Viking area of the southern North Sea is awaiting a decision by the Secretary of State to allow construction to commence in 2025⁵⁰. Onshore facilities would be built at Theddlethorpe on the Lincolnshire coast. The Viking project can provide an initial storage capacity 300m tonnes of CO₂ with 10m tonnes per year being captured by 2030. The CO₂ will be stored by pumping into depleted gas wells. The project aims to capture, transport and store 50% of Humber emissions.
- 6.38 Agreements have been signed to connect both the West Burton B and RWE Staythorpe Combined Cycle Gas Turbine Plants to Viking CCS in future phases.

Transition to Net Zero: Nuclear Fusion

- 6.39 In January 2025, the Government announced five bids to build a fusion power plant on the site of the former West Burton coal-fired power plant near Retford. Funding of £410m for the coming year was also announced.

- 6.40 Nuclear fusion is carbon-free at the point of generation. By harnessing the process that powers the Sun and stars, fusion has the potential to provide a safe, abundant source of low carbon energy. Building a commercial fusion plant, known as STEP (Spherical Tokamak for Energy Production), is the responsibility of UK Industrial Fusion Solutions (UKIFS), a UK Atomic Energy Authority subsidiary. Although STEP is currently 100% Government funded, UKIFS will establish and lead a public and private alliance to deliver the programme. The project aims to demonstrate net energy from fusion in the 2040s.

Transition to Net Zero: Small Modular Reactors

- 6.41 Small Modular Reactors (SMRs) are smaller nuclear reactors that can be built in factories and are intended to help the UK meet its energy needs. The Government aims to deploy the first SMR by the early 2030s.
- 6.42 SMRs are cheaper to build than large reactors because they can be manufactured in factories, avoiding the high upfront costs of building on-site. They can be built faster and deployed more flexibly than large reactors.
- 6.43 Great British Nuclear is currently negotiating with four companies: GE Hitachi, Holtec, Rolls Royce SMR and Westinghouse, with final decisions to be taken in the spring.

⁵⁰ www.vikingccs.co.uk

Rolls Royce SMR

Rolls Royce is a major East Midlands employer. Circa 600 staff at Derby, Warrington and Manchester are currently working on its SMR programme. A Rolls-Royce SMR power station will have the capacity to generate 470MW of low carbon energy, which is more than 150 onshore wind turbines. The Rolls-Royce SMR programme is forecast to create 40,000 UK jobs by 2050 and £52bn in economic benefit.



Transition to Net Zero: Geological Disposal of Nuclear Waste

- 6.44 Nuclear Waste Service (NWS), a subsidiary of the Nuclear Decommissioning Authority, is currently looking at two sites for a potential Geological Disposal Facility (GDF). One of those sites is near Theddlethorpe, Lincolnshire.
- 6.45 Nuclear power is considered essential to the transition to net zero. The safe and secure long-term storage of nuclear waste is becoming increasingly important. Countries such as Canada, Finland, France, Sweden and Switzerland share the view that a GDF should be the chosen method of storage.
- 6.46 A GDF would require the construction of shafts and tunnels to store nuclear waste some 200 - 1000m underground over an area of approximately one square mile. Lincolnshire has been selected as a potential site because of its unique geology. A layer of clay over 300m thick lying deep beneath the surface provides a natural radiation shield and is ideal for tunneling. Offices, laboratories and processing facilities would be required at the surface together with a new rail link to bring nuclear waste to the site.
- 6.47 NWS estimates that more than 4,000 jobs, mostly local, would be created within the first 25 years. As the site will be operational for circa 175 years it will have a major economic impact. The process of finding a site could take 15 - 20 years.

7. Water Supply & Quality

7.1 In a country where rainfall is assumed to be plentiful, resilient water supplies are taken for granted. As the climate changes and populations grow, that resilience is being tested.

7.3 The Environment Agency estimates that by 2050, there will be a shortfall of almost 5bn litres of water per day between the sustainable water supplies available and the expected demand. The eastern part of the region is one of the driest parts of the UK, so the challenge is significant.

7.4 Water quality is at risk of pollution from wastewater, pollution from towns, cities and transport, pollution from farming and changes to the natural flow and level of water. Sewage overflowing from treatment plants, and the age and capacity of combined sewerage systems built during the rapid development of towns and cities in the 19th century, add to the challenges facing our water companies.

Institutional Landscape

7.5 The Environment Agency is responsible for monitoring, improving, and maintaining water quality in the UK. Its role includes monitoring water quality, identifying pollution sources and developing improvement plans. Its regulatory functions include permits for activities that affect water quality. The Environment Agency investigates pollution incidents and works with partners to address them; it also provides water quality information to the public. It works with a

variety of partners, including councils, water companies, farmers, local businesses, and communities.

7.6 The Water Services Regulation Authority (Ofwat) regulates water quality by ensuring that water companies provide safe drinking water. Ofwat inspects water companies to ensure they are following the Water Quality Regulations and verifies that water companies are conducting the correct tests on drinking water. It sets standards for water quality and uses regulatory rules to ensure water companies prioritise environmental improvements. Ofwat's other roles include ensuring water companies are well run and that the water system is sustainable.

Infrastructure Investment

7.7 In December 2024, Ofwat approved water companies in England and Wales combined £104bn investment plans for the eighth asset management period (AMP8), between 2025 and 2030. This decision marks a significant shift in the scale of investment in the sector, nearly quadrupling expenditure compared to previous years.

7.8 Central to the AMP8 investment strategy is an allocation of £12bn aimed at reducing sewage spills from storm overflows by 45% from 2021 levels by the year 2030. Additional funding includes £6bn for upgrades targeted at combatting nutrient pollution across approximately 1,000 sites, £3.3bn focused on nature-based solutions to enhance biodiversity, and £2bn marked for development financing to unlock a projected £50bn investment in the sector.

- 7.9 This latter funding will help kickstart 30 major infrastructure projects, including the construction of new reservoirs and large-scale water transfer schemes, aimed at bolstering water supply resilience amid changing climate conditions.

Water Consumption

- 7.10 The UK faces a growing gap between water demand due to population increase and climate change. It is predicted that by 2050, summers in the Midlands will be on average 2.6°C warmer than today with 16% less rainfall. This will place a strain on available water supply leading to potential water scarcity, particularly during dry periods. Over-abstraction of groundwater and the need for increased water efficiency measures - by both individuals and water companies – is vital to manage usage responsibly. Issues such as water leakage from aging infrastructure and a lack of public awareness regarding water usage habits are also a concern.
- 7.11 To increase the availability of water supply, Anglian Water is planning two new reservoirs, one of which is in the East Midlands. The Lincolnshire Reservoir near Scredington (North Kesteven) will cover 1,200 acres of countryside and is classed as a Nationally Significant Infrastructure Project. It will hold 55m cubic metres of water, which the company says is vital in keeping up with the growing population.



Proposed Lincolnshire Reservoir near Scredington (North Kesteven)

- 7.14 The Environment Act 2021 sets a target to reduce the use of public water supply in England, per head of population, by 20% by 2037-38 from the 2019-20 baseline. The immediate focus should be on saving water. There are huge opportunities to use water more efficiently and stop the millions of litres of water being lost per day in our homes and businesses through leaking pipes, toilets, taps and urinals.
- 7.13 Severn Trent is responsible for 49,000km of pipes supplying water to homes and businesses. It reduced leakage by 15% between 2012 and 2022 and is on track to save a further 15% by summer 2025. Plans include enough replacement water mains by 2030 to go from Land's End to John O'Groats twice. It

is also investing in new ‘in-pipe’ monitoring to help spot where water might be escaping.

- 7.14 Currently around 60% of household properties are metered in England. Many meters require a physical visit to record consumption. The Environment Agency is asking water companies to stop installing these types of meters and instead, roll out smart meters which capture daily and sub-daily usage data.
- 7.15 In October 2024, Anglian Water announced the extension of contracts with its delivery partners to complete its smart meter roll out by 2030. So far, Anglian Water has fitted 1m smart meters across its region. The technology is critical to influencing consumption and has helped find and fix over 300,000 leaks so far. The aim is to install over 1,500 smart meters a day to finish upgrading all water meters in the region

Impact of Climate Change

- 7.16 According to the Met Office, by 2050, winters will be warmer and around 13% wetter across the Midlands, with more extreme heavy rainfall events. During winters, rainfall intensity could increase by 25%. While summers are projected to become drier, when storms do occur, they are likely to be 20% more intense; this could lead to a heightened risk of flooding by 2070, especially under high emission scenarios.
- 7.17 The Environment Agency has published peak rainfall intensity guidance to help developers allow for increased intensity in

their designs. Water companies face a great challenge in upgrading existing drainage systems to cope with storm intensities for which they were never designed. In towns and cities, increased rainfall entering aging combined sewerage systems risks both flash flooding and pollution of rivers through storm overflows.



Installation of Smart Water Meters (source Anglian Water)

- 7.18 Severn Trent is to create the ‘urban catchment of the future’ in four towns in its region⁵¹. In doing so, it aims to protect circa 840 properties from internal flooding and improve flood resilience for over 1.3m customers. It will do this using a

⁵¹ Driving Lasting Change – Severn Trent Business Plan 2025-30

combination of natural, AI, traditional and community focused solutions including:

- Building nature-based resilience with 92 nature hubs, creating new green spaces in communities
- Redirecting rainfall by replacing 30 hectares of hard standing in the form of roads and roofs with sustainable urban drainage
- Installing 150 monitors and smart controls across 4,000km of sewers
- Using its innovative Artificial Intelligence of Things (AIOT) flow management to optimise the use of latent capacity in its existing network.

The Greening of Mansfield

Severn Trent is investing £76m in Mansfield⁵² on a range of nature-based solutions to protect communities from flooding. Working alongside Mansfield District Council and Nottinghamshire County Council, this is the largest project of its kind ever to be attempted in the country.

When complete, the scheme will be able to store over 58m litres of surface water – that is about 23 Olympic-sized swimming pools. In real terms this means reduced flood risk for 90,000 people and the creation of 390 jobs locally, too.

Solutions include more than 20,000 Sustainable Drainage Systems including basins, planters and swales, permeable paving and rain gardens.



Sustainable Drainage System retrofitted in Mansfield

⁵² <https://www.stwater.co.uk/wonderful-on-tap/green-recovery/mansfield-sustainable-flood-resilience/>

Water treatment and pollution

- 7.19 The primary water treatment challenges facing water companies in the East Midlands include climate change impacting water availability and quality; and declining river water quality due to pollution from farming and transport. Further challenges include ‘forever chemicals’ contaminants like PFAS (see below) which are difficult to remove. Companies are required to balance water usage with environmental sustainability; while ensuring the delivery of clean drinking water.
- 7.20 These challenges are being addressed by investing in infrastructure upgrades to replace old pipes, improving treatment plant efficiencies and implementing leak detection.
- 7.21 River basin management plans provide a more holistic approach by collaborating with a range of stakeholders to improve water quality in rivers through pollution reduction strategies. Water conservation campaigns are also important in educating the public on responsible water usage and implementing water saving technologies.
- 7.22 AMP8 – the next Asset Management Period, will shift focus from compliance-driven initiatives to broader environmental stewardship. Key priorities will include:
- **Resilient infrastructure:** Replacing ageing assets to minimise system failures and pollution incidents.

- **Energy efficiency:** Increasing the use of renewable energy, such as anaerobic digestion and solar power, in wastewater treatment processes.

- 7.23 PFAS (per-and poly fluoroalkyl substances) pose complex challenges due to their persistence and wide-ranging environmental impacts. International collaboration and robust regulatory frameworks will be crucial in mitigating their spread and protecting ecosystems and human health from these enduring pollutants.
- 7.24 The absence of specific regulatory standards for PFAS in drinking water in England and Wales highlights a critical gap in current legislation. The EU has acted and set limits on PFAS in drinking water. Looking ahead, the UK may follow suit with potential updates to its regulatory framework under the Environment Act 2021.
- 7.25 Further legislation may include the Government’s Net Zero Strategy targeted at reducing carbon emissions and new plastics regulations requiring utilities to implement measures such as fine filtration to reduce microplastic emissions.

Witches Oak Water Treatment Works

The new state-of-the-art Witches Oak Water Treatment Works in Derbyshire will provide an additional average flow of 65m litres per day and increase resilience of the Derwent Valley aqueduct (DVA) network, which supplies the East Midlands grid.

In what is believed to be one of the first in the UK, the Witches Oak project will use floating wetlands as a nature-based pre-treatment.

The 33 floating wetlands are designed to function as natural filters to clean the water before it reaches the new works. They are anchored in a series of three gravel beds connected to the River Trent. These are low carbon in production and use extensive planting of reeds which further absorb carbon and increase biodiversity by providing additional habitat for wildlife.

Natural pre-treatment means the plant itself will require less energy, with lower carbon emissions and fewer chemicals to treat and clean the water. The plant includes ceramic membrane technology and a UV disinfection system for effective removal of pathogens, suspended solids and organic compounds to produce high-quality water.



Computer Generated Image of Witches Oak Water Treatment Works

Sewerage and Wastewater treatment

- 7.26 The challenges of increased rainfall and the environmental impact of storm water overflows discharging polluted water to our rivers, increase the need for investment in sewerage systems and wastewater treatment.
- 7.27 In 2024, Anglian Water outlined its plans for additional work to protect the environment by investing in clever technology and improvements to its vast sewer network; all with the aim of reducing storm spills, preventing pollution and protecting the environment. Improvements included:

- Public sewer cleaning programmes and improvements in the top 100 highest risk areas, targeting thousands of blockages caused by wrongly disposed of fats, oils, greases and other ‘unflushables’ identified by the installation of 30,000 high-tech monitors with AI to give early warning of problems before they arise
- Create more capacity in sewers in 50 hotspot locations across the region and an increase in storm water storage at water recycling centres so they can deal with more rainfall during extreme weather
- New sustainable drainage systems in key hotspot areas, to slow rainwater from entering the sewer network, helping to prevent flooding and reduce storm spills.

7.28 Despite leading the industry with the lowest level of storm spills, every single one of the 1,471 sites across Anglian Water’s network has a detailed improvement plan that will mean storm overflows becoming a thing of the past. In the last five years, 10% of the storm overflows in the region have been completely stopped. By 2030, the company aims to have reduced the negative impact it has on rivers to zero.

8. Conclusions & Recommendations

- 8.1 The East Midlands makes a hugely important contribution to the national economy and has the potential to grow further and faster – and be at the heart of a sustainable energy transformation. To do so, the systemic underfunding of infrastructure across the East Midlands must be addressed.
- 8.2 The value of economic infrastructure should not be underestimated. Existing assets reduce flood risk to land and property; transport assets provide access to jobs and services and take goods to market; water and sewerage assets are vital to health and protect the environment; and energy assets power our homes and industry, the latter of which have been in the East Midlands for decades and been pivotal in powering the nation.
- 8.3 Underfunding of maintenance risks the integrity of assets that communities depend on and brings forward the time when expensive renewal is necessary. Improving existing assets is often more cost effective than building new.
- 8.4 Climate change and sea level rise is a global phenomenon. In a region that is so prone to flooding it has demonstrable local consequences. Reducing harmful emissions from our homes and businesses, modes of transport and energy production bring local benefits. All infrastructure sectors have a role to play in tackling climate change.
- 8.5 Based on our analysis, EMIP makes four strategic recommendations for change:

- 1. **Better Integration:** NISTA should establish mechanisms to bring sectors together to holistically manage regional infrastructure as a system, to identify potential bottlenecks, reduce harmful emissions, optimise performance and plan for future needs.
- 2. **Regional Granularity:** Improved regional granularity is needed within the 10 Year National Infrastructure Strategy and pipeline, so that demand can be anticipated, supply chains can build capacity, and the higher education and skills sector can plan the courses needed to train young people.
- 3. **A Focus on Existing Assets:** The maintenance of existing assets should have greater priority in infrastructure spending programmes nationally and locally.
- 4. **Improved Communication and Engagement:** Better, meaningful communication with the public and local politicians is needed to demonstrate the benefit of nationally significant infrastructure projects, and to address local concerns transparently.



Executive Board

28th March 2025

Report of Management Group

Summary

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

- The draft Business Plan for 2025/26.
- The budget update for the period April 2024 to February 2025 and year-end outturn.
- The proposed Budget for 2025/26.

Recommendation

Members of the Executive Board are invited to:

- Consider and endorse the proposed Business Plan for 2025/26.
- Note the actual financial position for the period to February 2025 and the associated forecast outturn to 31st March 2025.
- Consider and endorse EMC's budget for 2025/26.

1. Draft Business Plan 2025/26

- 1.1 Management Group considered the draft business plan for 2025/26 that includes a statement of EMC's objectives and proposed activity over the next 12 months. It is recommended for Executive Board's endorsement.
- 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 to. 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.

Focus of Business Plan

- 1.3 The implications of the Devolution White Paper and local government reorganisation are far reaching for EMC as an organisation, in terms of the work we do, our partnership and resource base. These issues will need to be considered with member councils over the course of 2025/26.
- 1.4 The East Midlands will not be included within the 1st wave (devolution priority programme), so April 2028 is the likely timetable, as set by Government. This implies elections to shadow councils in May 2027. In the development of revised governance and delivery arrangements, and for the EMC's business planning purposes, a 2-3 year transition period is likely. The need to respond to, and supporting the development of, LGR and devolution proposals is included within the draft business plan.
- 1.5 In terms of existing governance, the timings for the implementation of LGR by April 2028 largely align with EMC's existing grant arrangements with the Home Office and DfT. Assuming current funding commitments continue to be met, and membership and subscription income is largely maintained, it is reasonable to suggest that EMC is likely to continue in its current, or similar form, until end 2026-27.
- 1.6 Consequently, it is proposed that EMC's business plan is rolled-forward for a year to allow time for future arrangements to become clearer, as without this clarity it would be impractical to make substantive changes to the existing EMC model and/or responsibilities as current programme commitments remain, i.e. SMP and Home Office grant, East Midlands rail collaboration agreement with DfT and Midlands Connect MoU.

- 1.7 In terms of detail, the Business Plan has been informed by EMC colleagues and Member discussion, e.g. the General Meeting on 31st January 2025 and Management Group meeting 7th March 2025, as well as programme commitments in relation to external grant funding.
- 1.8 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 £644,000 of savings for the sector.
- 1.9 The draft business plan is attached as Appendix 11(a) for Member consideration, comments and endorsement.

2. EMC 2024/25 Budget Outturn

- 2.1 The budget surplus of £4,800 was set for 2024/25. The forecast for March 2025 remains at a surplus of £4,800.
- 2.2 A budget summary for 2024/25 is attached as Appendix 11(b) and includes detail on the financial position up to the end of February 2025, in total and for each of the cost centres. It also provides a forecast for the outturn of 31st March 2025.

Reserves and Liabilities

- 2.3 At the beginning of the financial year 2024/25 the level of 'useable reserves' was £604,900, which is allocated to fund various purposes as listed below:
- £310,900 to an earmarked reserve for staffing liabilities (except pension liabilities).
 - £36,000 to an earmarked reserve for renewals.
 - £33,000 to an earmarked reserve for the Local Government Re-Structuring implications.
 - £225,000 to an unallocated reserve to manage unforeseen financial events.
- 2.4 Management Group agreed an approach to investment and wider reserves policy to support resilience and maximise income. Members are reminded that all reserves are invested on EMC's behalf by our accountable body in and any interest accrued by our reserves is allocated back to EMC at the end of the financial year.

3. EMC Budget 2025/26 and 2026/27

- 3.1 The surplus of £600 is estimated for 2025-26, and a budget deficit of £47,700 is estimated for 2026/27, as we look for a long-term replacement for economic growth programme funding.
- 3.2 Grant income is principally received from the Department for Transport, the Home Office and the Ministry for Housing, Communities and Local Government - in relation to rail management and asylum and refugee resettlement schemes respectively. These grants are confirmed to continue to the end of March 2026. The Homes for Ukraine Grant is expected to continue to the same date, when it will merge with the Hong Kong Resettlement Grant, but is currently confirmed to the end of July 2025.
- 3.3 Earned Income includes an adjustment made to the level and delivery of EMC's work programme, the budget for 2025/26 accommodates the impact of a mix of 'face to face' events and a greater use of technology and virtual platforms that reduces the income figure slightly from the level estimated for the current year. An inflationary increase of around 5% has been made for Consultancy, Events and Services for 2025-26.
- 3.4 The budget summary is attached at Appendix 11(c) and presently shows a projected surplus of £600 for 2025/26. It also includes a 2.8% increase of Membership Subscriptions.

Overview 2026/27

- 3.5 Once again, a two-year budget was considered by Management Group to support oversight of East Midlands Council's financial position. The general assumptions outlined in the 2025/26 budget continue into 2026/27, but the draft budget figures for the second year always comes with a 'health warning' – the 2026/27 budget is more difficult to determine at this stage given devolution and LGR proposals, and all current grants and contracts are only in place prior to the end of March 2026, with other longer-term grants to be confirmed beyond that date.
- 3.6 For the purposes of the extended budget, it is assumed that current Government Grants and other contracts will continue into 2026/27.
- 3.7 Reductions in Income is offset, to a certain extent, with a reduction of expenditure where there is a relationship to areas where income will reduce.

4. Recommendation

Members of the Executive Board are invited to:

- 4.1 Consider and endorse the proposed Business Plan for 2025/26.
- 4.2 Note the actual financial position for the period to February 2025 and the associated forecast outturn to 31st March 2025.
- 4.3 Consider and endorse EMC's budget for 2025/26.

Cllr Sarah Russell
Vice-Chair
East Midlands Councils



Business Plan 2025-26

Draft January 2025

Foreword

Welcome to the East Midlands Councils (EMC) Business Plan for 2025/26.

The coming year will be one of monumental change for the sector as it responds to the challenges that include local government reorganisation, a new devolution framework, revised NPPF and ambitious housing delivery targets. Within this changing landscape, EMC will continue to make progress on those issues that matter to the sector, fostering collaboration, and driving positive change and growth across the East Midlands.

In recognition of this, 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 will include 2 mayoral county combined authorities, will require collaboration across the sector and with national bodies to deliver shared outcomes across a number of 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 proposals, our work on Midland Mainline electrification, the A46 and A1, supporting councils on the implementation of the NPPF and housing delivery, providing focused member and officer development programmes, transformation and HR support and our wider role as the Regional Employers' Organisation; as well as taking forward the management of important refugee and asylum resettlement programmes. In this work, and in partnership with East Midlands Chamber of Commerce, we will continue to provide advisory and technical expertise to the work of MPs through the region's APPG.

We will continue to add value to the work of our member councils and regularly offer all councillors and officers in the region opportunities to attend our briefings, skills development, and training events. 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 savings for the sector of over £565,000

We remain grateful to EMC staff, councillors, and officers across the region for their efforts and on-going engagement - and look forward to continuing working with colleagues across the East Midlands during 2025/26.

Cllr Martin Hill OBE	Chair, East Midland Councils
Cllr Sarah Russell	Vice Chair, East Midlands Councils
Cllr Tricia Gilby	Vice Chair, East Midlands Councils

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Our Role and Purpose

The East Midlands is a region of 5 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 368,000 businesses generated a total regional output of approx. £146.4bn, equivalent to 5.8% of the UK economy.

EMC is a membership body that works on behalf of and is the voice for local government in the region, being proud to represent councils in the East Midlands: including county, unitary and district & borough councils, and the Peak District National Park Authority.

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

Our core objective is to deliver tangible value, whether this be through ensuring excellence in the provision of our services and sector-led support or by shaping policies and delivering programmes that address the needs and priorities of our members.

The common thread throughout this Business Plan is one of collaboration and partnership working. Working with our membership, through leading and developing regional networks, commissioning research and programmes, sharing learning and best practice, and supporting the development of joint approaches, we aim to support the sector as it continues to deliver core services and implements an ambitious programme of change.

What We Do

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:

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.

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.

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.

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 including the LGA Executive, the LGA Asylum Resettlement Councils Strategic Engagement Group (ARCSEG), and the strategic boards 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.

In partnership with the East Midlands Chamber, EMC provides the secretariat for the East Midlands All Party Parliamentary Group (EMAPPG). The EMAPPG is an important platform for local authorities and business sector representatives to engage with parliamentarians and ensure regional priorities are heard in Westminster.

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 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.

EMC will continue to build effective relationships with Government Departments including with 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.

We will also work with business, health, and voluntary and community sector partners, and play an active and supportive role with wider regional partnerships, in particular Midlands Connect and East Midlands Chamber of Commerce.

Continuing Momentum

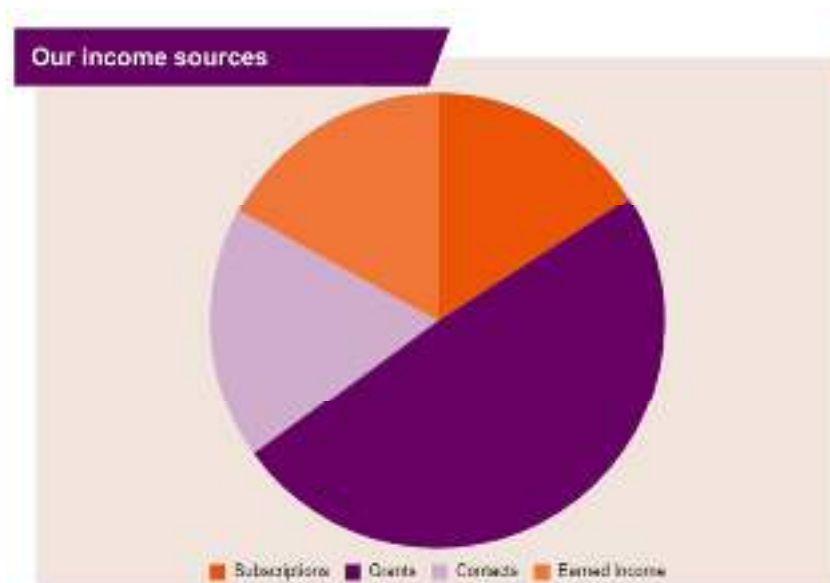
This Business Plan builds on the outcomes highlighted in our last annual report:



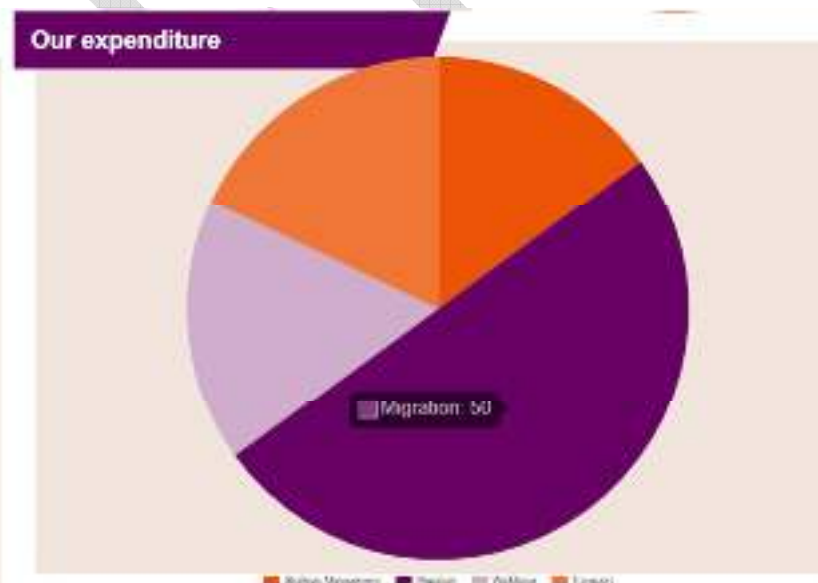
Our Funding

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 2025/26 is £1,741,100 and closely aligns to the objectives of this Business Plan.

Our income comes from the following sources:



Our expenditure is split between our core activities as follows:



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 Priorities for 2025/26

Proposals for devolution and local government reorganisation, alongside the impact of the spending review, will be a focus for the sector in 2025/26, leading to a period of significant institutional change from 2027 onwards. For EMC, our priority must be to support member councils in readiness for this organisational change. The year will also be one of consolidation where, for example, national programmes still need to be delivered and where EMC should continue to meet member council and government commitments.

However, it is clear that LGR and wider devolution proposals will have a significant impact upon EMC. Therefore, Management Group will provide oversight and advice on behalf of EMC on developing proposals and options for future governance and joint working arrangements within the new architecture that will likely be in place from April 2028.

Within this context of change and uncertainty, in taking forward our business plan, East Midlands Councils will work across all four of these themes of evidencing, influencing, collaborating, and delivering over the next 12 months in the following ways.

Local Government and Workforce Development	
Evidencing	• Providing advice to councils on key workforce issues, including LGR and workforce capacity, and producing information and benchmarking on workforce issues, policies, and data to assist evidence-based decisions and support good practice and improvement. • Managing events and networks to share information, advice, and good practice with specific reference to the Government's devolution planning and LGR proposals. • Identifying common challenges and solutions to support councils in attracting, developing, and retaining a skilled workforce, building on the roll-out of the national recruitment campaign across the region.
Influencing	• Leading regional consultation on national pay developments and employment law proposals to reflect the needs of councils in the East Midlands. • Acting as the conduit between national bodies and local authorities in the region on employment and councillor development issues and initiatives to ensure the needs of councils in the region are understood. • Providing an effective platform for councillors' leadership, either through meetings of EMC or focused summits, the promotion of good practice and encouraging the better use of online forum, social media, and the wider use of EMC website.
Collaborating	• Working through the Regional Employers' Board and Regional Joint Council to agree and progress workforce priorities and councillor development requirements for the East Midlands.

	- Facilitating regional and county-based networks on workforce and councillor development issues, as well as cyber security, equality diversity and inclusion, performance, and scrutiny. - Brokering discounted access for councils to systems and services so delivering direct savings back to our membership.
Delivering	- Providing a programme of events and continuing professional development programmes to meet the needs of officers and councillors across the region, to include support for new councillors to complement in-house induction programmes. - Providing a free advice service on employment issues, issuing a monthly bulletin, and supporting councils to progress with regional workforce priorities including managing the workforce implications to support the implementation of LGR. - Delivering workforce and learning and development related support to individual councils, to provide additional capacity and expertise in a cost-effective way.

Strategic Migration Partnership	
Evidencing	- Providing consistent and accurate data and intelligence to underpin the regional approach and delivery of asylum dispersal, refugee resettlement and UASC National Transfer Scheme. - Capturing key learning, good practice, and new developments and share with regional and national stakeholders to support programme development and delivery. - Identifying gaps in provision and levels of need, including a regional analysis of UASC needs, and providing employment support to those arriving from Hong Kong with BN(O) status.
Influencing	- Lobbying Government for greater levels of funding and provide expertise to support the national review of UASC funding along with the continued implementation of a more proportionate and equitable asylum dispersal and refugee resettlement model. - Pilot new approaches and build stronger relationships with Government Departments that are a result from the region's track record of innovative programme delivery. - Supporting the identification of appropriate sites to accommodate asylum and refugees within the region.
Collaborating	- Building collaborative, positive and constructive joint working and partnership arrangements between Local Authorities and Government Departments. - Managing strong inter-agency collaboration (local, national government and its providers) on planning services for asylum seekers at regional and local level for asylum dispersal and accommodation procurement. - Supporting UK Government to implement a Place Based Framework for Asylum and Refugee Resettlement.

	• Developing a bespoke East Midlands approach to UASC based on regionally agreed priorities, including funding, placement sufficiency, specialist immigration legal advice, and age assessment. • Supporting the delivery of the new Afghan Resettlement Programme through collaboration with central and local government stakeholders.
Delivering	• Delivering the revised full asylum dispersal model in conjunction with national and local stakeholders. • Manage a proportionate and responsive mandated UASC National Transfer Scheme, placing vulnerable young people into the safe care of our Local Authorities, and facilitate the transfer of refugees from third countries into settled accommodation. • Delivery of a regional UASC Programme with the aim of increasing the number of UASC specific care placements, implementing a regional approach to age assessments, supporting Local Authorities to address gaps in provision through the regional UASC Strategic Needs Analysis review, and coordinating a novel regional approach to identifying IFA placements for UASC. • Piloting a Migrant Housing Enabler model to support with LA refugee resettlement accommodation pressures.

Transport & Growth	
Evidencing	• Producing regular updates on regional economic performance, housing delivery and investment growth. • Producing analysis and research to support investment that will improve transport and deliver better outcomes for local communities and businesses. • Providing regional input and insight into business cases developed by Network Rail, National Highways and Midlands Connect.
Influencing	• Supporting the Chair of TfEM and Chair of the EMC Executive Board to make representations to Ministers on issues of regional significance. • Working with civil servants to ensure that East Midlands issues and priorities are better understood by Government. • Communicating the benefits of regional investment priorities to MPs, business leaders and the wider public in clear and compelling ways
Collaborating	• Working through Transport for the East Midlands (TfEM) and new and emerging Mayoral County Combined Authorities to develop and promote shared transport investment priorities for the East Midlands. • Working through the TfEM-DfT Rail Collaboration Agreement to secure improvements to train services and rolling stock prior to the establishment of Great British Railways. • Working through Midlands Connect to ensure that East Midlands priorities are reflected in national investment plans.

Delivering	• Publishing a suite of well evidenced Strategic Case documents to support investment in enhanced rail services that have wider socio-economic and environmental benefits. • Promoting the delivery of the TfEM – Midlands Connect Shared Investment Priorities through evidence and collateral. • Holding well attended events and meetings to agree priorities, share best practice and make the case for greater investment in the East Midlands.
Strategic Leadership	
Evidencing	• Supporting proposals for institutional change in relation to the Devolution White Paper and LGR, and the provision of analysis of significant economic and social developments which will impact on local government in the East Midlands and on the region more generally. • Support alignment and the coordination of responsibilities with the East Midlands and Greater Lincolnshire County Combined Authorities and responding to the priorities of HM Government. • Providing strategic insight to Government on the impact of national policies and initiatives in the East Midlands. • Highlighting emerging issues of political concern to Ministers and senior civil servants.
Influencing	• Effective joint working arrangements with locally based Government Departments such as the Department for Business and Trade, MHCLG, DHSC & UK Health Security Agency and with the Mayoral County Combined Authorities to align responsibilities and work programmes. • Making representations to and engaging with national decision makers on strategic matters and common priorities relating to Local Authorities in the East Midlands, including the impact of flooding and flood risk. • Work with EM Chamber to provide the secretariat for the East Midlands APPG to ensure the region's voice is heard in Parliament on key issues of strategic concern.
Collaborating	• Bringing together key partners at both the political and chief officer level in providing a voice for the region to develop joint approaches to common priorities, including devolution and LGR, local government finance, flood risk, health, and adult social care. • Developing and agreeing a collective approach to inform the Midlands Connect work programme to increase regional investment, productivity, and growth. • Through the mutually supportive arrangements between Lead Members and Directors, to further develop a collaborative approach to improvement in children's services and adult social care.

Delivering	• Deliver a nationally exemplar programme of sector-led improvement for children’s services, including jointly funded regional immigration legal advice and training, and programme to improve foster care capacity. • Amplifying and adding value to the work of partners through collective leadership on matters of strategic importance to the East Midlands. • Publishing a compelling Strategic Case document in support of the full electrification of the Midland Main Line. • Ensure that the East Midlands APPG meets at least three times over the next 12 months and is supported by an agreed work programme.
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Communicating Our Impact

By summer 2025, the region will have in place two Mayoral County Combined Authorities. 2025/26 will be a year of consolidation, as existing policy and programme commitments still need to be delivered, as well as being a period that will see the development of proposals that will fundamentally change the structure, roles, and responsibilities for local government. It therefore remains vital that councils are kept up to date with the latest updates and news which can affect their authorities, and EMC will continue to provide insight into the impact of these changes for our member authorities.

As such, EMC will continue to ensure that our members are provided with consistent and timely messaging on both regional and national updates via our website, emails, newsletters, and social media channels.

We will work closely with our membership to ensure that our communications continue to highlight the priorities of the region, evident through our work with key media partners where EMC will remain the voice of the East Midlands. Working with our partners and members on key messaging, EMC will continue to provide insight and context into the key issues facing our region and advocate for our priorities and needs.

Measuring Our Impact

The Business Plan is a formal statement of EMC's objectives for 2025/26.

The Management Group, as agreed in its terms of reference, has responsibility for performance management to ensure that non-financial performance is properly monitored and to review EMC progress in delivering its annual key performance indicators and report appropriately to the Executive Board.

Each year, a set of key performance indicators are agreed as the basis to measure the success of EMC's delivery against the agreed business plan. Progress is reported on a quarterly basis, and available on our website.

Alongside our focus on Evidencing, Influencing, Collaborating and Delivering; there are a number of key outcomes that EMC will aim to achieve within our core subscription offer during 2025/26 business plan period. We will report against these quarterly, where applicable, and as part of the Annual Report presented to the Annual General Meeting in July 2025.

- 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 Government and other strategic partners.
- EMC activity has provided a responsive and effective channel for engagement with central government officials and other strategic partners.
- EMC provides leadership on employment matters through its role as the Regional Employers' Organisation and maintains constructive relationships with Trade Unions at the regional level.

Annex 1: Budget 2025/26

	Actual 2022/23	Budget 2023/24	Budget 2024/25
	£	£	£
Income			
Subscriptions	271,647	286,000	292,100
Grants	573,003	863,300	805,300
Contracts	285,042	311,000	317,000
Earned Income	482,058	308,100	311,300
Total	1,611,850	1,768,400	1,725,700
Expenditure			
Staffing	988,646	1,343,800	1,271,400
Members Allowances	21,200	24,600	25,000
Premises	23,438	26,200	27,000
Service Level Agreements	16,700	17,000	18,500
Other Direct Costs	561,735	356,400	379,000
Total	1,608,719	1,768,000	1,720,900
Surplus/-Deficit	3,131	400	4,800

Annex 2: Our Governance

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 four 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 Senior Management Team comprises:

Sam Maher - Director of HR and Councillor Development

Andrew Pritchard - Director of Policy & Infrastructure

Stuart Young - Executive Director

EMC	Approved Budget 2024/25	Profile to Forecast 2024/25	Actual to January 2025	Forecast to March 2025	Variance
	£	£	£	£	£
Income					
Subscriptions	292,100	292,100	272,940	292,100	0
Grants – Home Office	458,000	434,000	434,000	458,000	0
Grants – MHCLG	365,300	271,658	271,658	365,300	0
Contracts – MC / DfT	350,000	338,527	338,527	350,000	0
Earned Income	311,300	229,525	240,093	311,300	0
Total	1,776,700	1,565,810	1,557,218	1,776,700	0
Expenditure					
Staffing	1,309,400	1,091,167	1,127,717	1,309,400	0
Members Allowances	25,000	20,833	19,130	25,000	0
Premises	27,000	22,500	21,464	27,000	0
Service Level Agreements	18,500	0	0	18,500	0
Other Direct Costs	392,000	326,667	370,957	392,000	0
Total	1,771,900	1,461,167	1,539,268	1,771,900	0
Surplus/-Deficit	4,800	104,643	17,950	4,800	0

Summary Position to the end January 2025:

The financial position to the end of January shows a spend and income level which is likely to result in a surplus of £4,800 for the financial year.

The “Actual” column includes actual spend and income to the end of January 2025, including staffing costs.

Staffing costs are currently overspending against budget, but the impact of the redundancy are starting to appear. The Staffing costs position overall is that spend will be in line with budget before the end of the financial year.

The actual Direct costs spend is broadly in line with budget profiles to the end of January. Earned Income is showing slightly more income than might be expected but this is likely be in line during the Autumn months.

The Rail Collaboration Scheme for the current year have been paid up front. The Home Office and MHCLG Migration related grants are paid over the course of the year and the first payments from each department has been. We have also received the initial 70% payment of the Hong Kong Grant with the balance becoming due in early 2025.

EMC	Actual 2023/24	Budget 2024/25	Budget 2025/26	Budget 2026/27
	£	£	£	£
Income				
Subscriptions	285,985	292,100	294,000	299,900
Grants – Home Office	437,623	458,000	480,000	480,000
Grants – MHCLG	370,899	365,300	372,300	372,300
Contracts – MC / DfT	251,808	317,000	295,000	275,000
Earned Income	311,739	311,300	301,800	291,500
Total	1,658,054	1,743,700	1,743,100	1,718,700
Expenditure				
Staffing	1,094,701	1,309,400	1,381,500	1,309,400
Members Allowances	21,200	25,000	22,000	25,000
Premises	24,610	27,000	27,800	27,000
Service Level				
Agreements	16,700	18,500	18,500	18,500
Other Direct Costs	487,855	359,000	292,700	392,000
Total	1,645,066	1,738,900	1,742,500	1,766,400
Surplus/-Deficit	12,988	4,800	600	-47,700