

Report to: Council



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English Devolution White Paper

Report summary:

The English Devolution White Paper sets out the new government's approach to deepening and widening devolution in England. The document places an emphasis on areas adopting a mayoral model to access additional powers and greater financial flexibility. The White Paper also sets out plans to reorganise local government, with an aim to establish larger unitary authorities in two-tier areas and where smaller unitary authorities cannot meet local needs. The report also summarises proposed changes to how strategic planning is dealt with across wider geographies.

This report has been updated to reflect the recommendations from the Cabinet meeting held on 8 January 2025.

Recommendations:

That Council;

Notes the key proposals arising from the English Devolution White Paper, including the proposed introduction of a new devolution framework and the plans for local government reorganisation

Endorses the;

1. a. Joint Leaders statement from the Devon Districts Forum
b. Potential to promote the establishment of a Mayoral Combined Authority for the peninsular to cover Devon, Plymouth, Torbay and Cornwall
c. Need to engage with our communities, partners and stakeholders to develop considered and coherent proposals around changes to the current model of 10 councils in Devon to a smaller number of suitably sized unitaries rather than defaulting to a single unitary approach.
2. Belief that a preferred pathway should be explored which would create two Devon Unitary Authorities, one of which should be focused around the North Devon, Mid Devon, East Devon and Teignbridge District Councils, along with Exeter City Council.
3. Belief that the people of Devon would be best served after the abolition of the county council by the two new unitaries, containing a city in each this being Plymouth to the west, and Exeter to the east.
4. Grants delegated authority to the Chief Executive in consultation with the Leader and Portfolio Holder for Council and Corporate Co-ordination to advance negotiations around the form and coverage of future Principal Authorities.
5. Receives a further report in February providing an update on the negotiations before interim proposals are submitted to central government.

Reason for recommendation:

To ensure all members are aware of the proposed changes set out in the English Devolution White Paper, particularly those relating to local government reorganisation.

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Portfolio(s) (check which apply):

- ☒ Climate Action and Emergency Response
- ☒ Coast, Country and Environment
- ☒ Council and Corporate Co-ordination
- ☒ Communications and Democracy
- ☒ Economy
- ☒ Finance and Assets
- ☒ Strategic Planning
- ☒ Sustainable Homes and Communities
- ☒ Culture, Leisure, Sport and Tourism

Equalities impact Low Impact

Climate change Low Impact

Risk: High Risk; Although there is no direct risk associated with the recommendations of the report, members should be aware of the wider impact and risks associated with the proposed changes set out in the White Paper. The White Paper has already precipitated a series of events that will be of seminal importance in determining future local government structures in Devon.

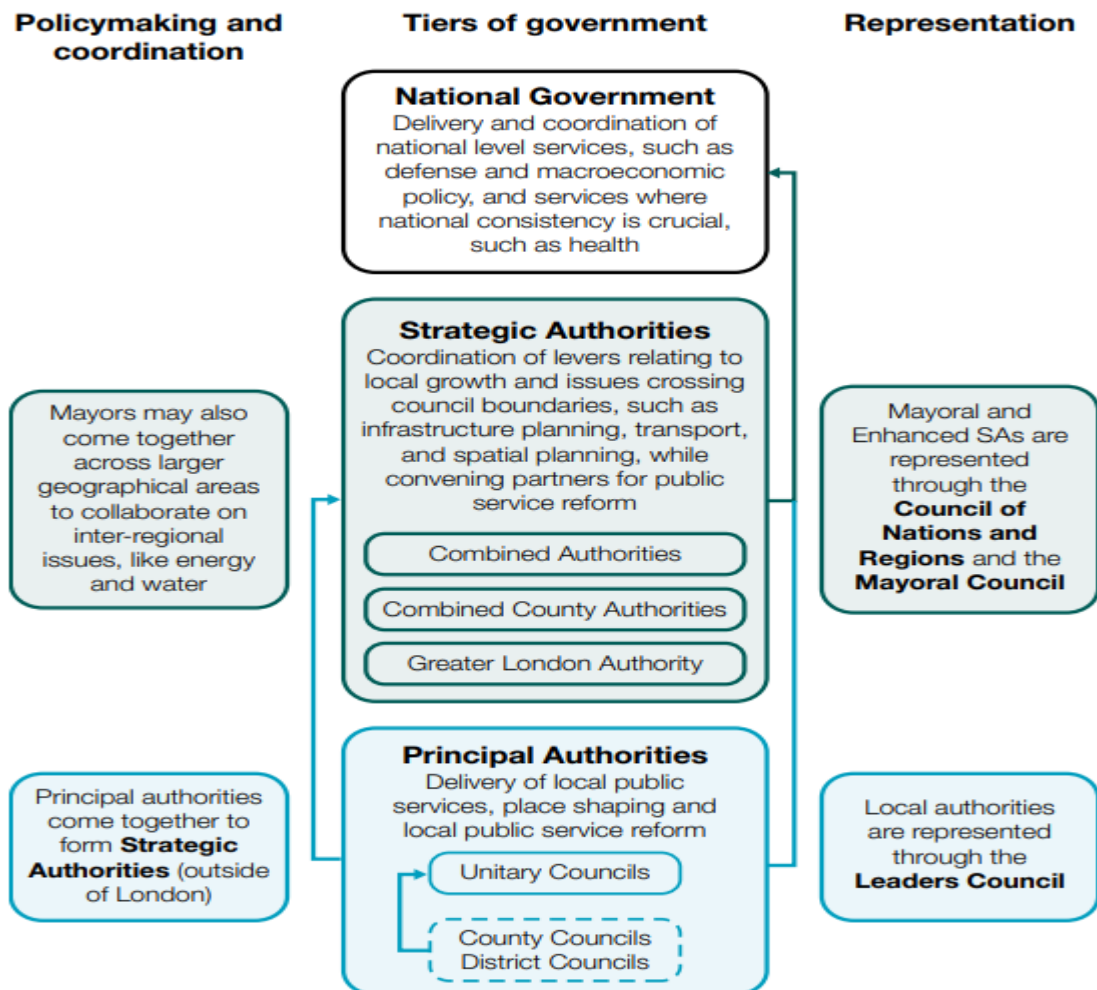
Links to background information [English Devolution White Paper](#), [LGA Devolution White Paper Briefing](#).

Link to [Council Plan](#)

Priorities

- ☒ A supported and engaged community
 - ☒ Carbon neutrality and ecological recovery
 - ☒ Resilient economy that supports local business
 - ☒ Financially secure and improving quality of services
-

The chart below is taken directly from the White Paper, illustrating the new links between national and local government as part of an overall approach to streamlining government structures.



Context

1.1 Following the July 2024 election result, the new Labour government committed to publishing a white paper outlining their policies and approaches to devolution. The purpose of this was to replace the framework established by the previous government's Levelling Up White Paper and consequential Levelling Up and Regeneration Act 2023.

1.2 The incoming government committed to 'widening and deepening' devolution, with a focus on expanding the mayoral model, ending the deals-based approach and working towards implementing a 'devolution by default' approach.

1.3 The English Devolution White Paper was published on 16 December 2024. This was accompanied by a letter from the Minister of State for Local Government and English Devolution (attached at Appendix A).

1.4 This report will focus on the four main points members should be aware of:

- Principal Authorities and local government reorganisation
- Strategic Authorities and 'devolution by default'
- The expansion of powers and funding for mayoral areas
- Changes to strategic planning

Principal Authorities

2.1 The government has confirmed that they will facilitate a programme of local government reorganisation for two tier areas, creating larger unitary authorities. This will also apply to those unitary councils where there is evidence of failure or where their size or boundaries may be hindering their ability to deliver sustainable and high-quality services for their residents.

2.2 There is an expectation that all affected areas develop locally-led proposals for reorganisation, with existing councils working together to identify the best option for their area. These plans should complement devolution, rather than delay it, whilst avoiding scenarios where competing proposals are developed within a given geography.

2.3 For most areas this will mean creating new unitary councils with a population of 500,000 or more. The government has acknowledged that there may be exceptions to ensure new structures make sense for an area, including for devolution. They have also confirmed that decisions on proposals will be made on a case-by-case basis.

2.4 The government claim that unitarisation can cut wasteful duplication of bodies, reduce the number of politicians and reduce fragmentation of public services. It is hoped that there will also be knock-on benefits for strategic planning decisions (see section 5 below).

2.5 The table below shows the total population figures for each district and unitary area in Devon, as taken from the 2021 Census. By way of illustration, the greater Exeter area (including Exeter, East Devon, Mid Devon and Teignbridge) had a population of 499,192 at the time of the 2021 Census.

Area	Population
East Devon	150,828
Exeter	130,709
Mid Devon	82,852
North Devon	98,611
South Hams	88,627
Teignbridge	134,803
Torridge	68,114
West Devon	57,096
Plymouth (Unitary)	264,695
Torbay (Unitary)	139,324
<i>Devon (County Council)</i>	<i>811,640</i>
<i>Devon (Ceremonial)</i>	<i>1,215,659</i>

Strategic Authorities

3.1 The White paper outlines how the government will create, in law, the concept of a Strategic Authority. There will be two types of Strategic Authority:

- a) Foundation Strategic Authorities: this will automatically include non-mayoral Combined County Authorities (such as the Devon and Torbay CCA), and any Local Authority designated as a Strategic Authority without a Mayor.
- b) Mayoral Strategic Authorities: this will automatically include all Mayoral Combined Authorities.

3.2 The default assumption is for Strategic Authorities to have a combined population of 1.5 million or above. The government has acknowledged that in some places, smaller authorities may be necessary.

3.3 Strategic Authorities must cover sensible economic geographies with a particular focus on functional economic areas, travel-to-work patterns and local labour markets. Where these areas are small, a Strategic Authority will cover multiple travel to work areas.

3.4 Local identity should also factor into the boundaries of Strategic Authorities. Geographies should also align with existing or new Local Authority boundaries (following any reorganisation) and other public sector service boundaries.

3.5 The government's strong preference is for partnerships that bring more than one Local Authority together over a large geography. In exceptional circumstances, a single Local Authority can also become a Foundation Strategic Authority, but cannot become a Mayoral Strategic Authority. This is because the government believes that conflating the separate responsibilities of a Local Authority and a Mayor into the same individual/institution would risk the optimal delivery of both. This could, for example, prevent Cornwall from establishing a Mayoral Strategic Authority if it wished to explore this option.

3.6 Where local leaders cannot agree on the right geography, a ministerial directive will be applied, enabling the government to create Strategic Authorities when all other routes have been exhausted.

3.7 Should leaders in Devon wish to proceed with a mayoral model, or leave this option open for future consideration, the White Paper presents two main options for our area when it comes to reorganisation and establishing a Strategic Authority:

- a) At least two unitary Local Authorities are formed, covered by one Strategic Authority for the ceremonial county of Devon.
- b) One unitary Local Authority is formed covering the ceremonial county of Devon, along with a Strategy Authority covering Devon and at least one other neighbouring Local Authority (Cornwall for example).

Mayoral Powers

4.1 A statutory Devolution Framework will set out a suite of new powers and processes which will provide blanket coverage of all Strategic Authorities in England, at least to the 'foundational' level. The government's end ambition is for all parts of the country to move towards a mayoral model.

4.2 The list below includes the areas where Strategic Authorities are expected to act strategically to drive growth and support the shaping of public services, where strategic level coordination adds value:

- a) Transport and local infrastructure
- b) Skills and employment support
- c) Housing and strategic planning
- d) Economic development and regeneration
- e) Environment and climate change.
- f) Health, wellbeing and public service reform
- g) Public safety

4.3 The vast majority of new powers will be set exclusively for areas with a Mayor. Whereas the agreed devolution deal for Devon and Torbay was set at 'Level 2' of three tiers, the new framework would bring the Devon and Torbay deal to a baseline Level 1 equivalent status.

4.4 Areas with a Mayor which meet specified eligibility criteria may apply to become designated as an Established Mayoral Strategic Authority, unlocking access to further powers and an Integrated Settlement: a single combined funding package allowing for greater flexibility.

4.5 Established Mayoral Strategic Authorities will be able to propose, individually or with others, additional functions to be added to the statutory Devolution Framework, which can be piloted locally. Successful pilots will then be considered for addition to the framework.

4.6 A full list of powers, functions and abilities under the new Devolution Framework can be found online ([see pp. 86-90 of the English Devolution White Paper](#)).

Strategic Planning

5.1 The White Paper sets out that all areas will be required to develop Spatial Development Strategies over a strategic geography and within a defined timeframe, regardless of the devolution model agreed.

5.2 Local Plans will need to be in general conformity with these high-level documents. The responsibility for detailed policy-making and site allocations will remain with Local Authorities through their Local Plans.

5.3 For mayoral areas, Mayors will be empowered to develop and propose Spatial Development Strategies. Mayors will also have access to development management powers allowing them to intervene in planning applications of potential strategic importance. For non-mayoral areas covering multiple Local Authorities, members will need to work together to deliver Spatial Development Strategies.

Assessment

6.1 The Devolution White Paper is of seminal importance for the Council and the communities that we serve. It represents a significant shift in direction from the devolution framework previously set out in the Levelling Up White Paper (2022). In particular it signals a far more strident and directive approach to securing universal coverage as opposed to negotiating devolution deals on a case-by-case basis. Alongside the streamlining of local government structures there is an explicit preference for Mayors. This is backed up by incentives, such as the promise of integrated settlements and more flexible powers, as well as the threat of Ministerial directions if consensus cannot be reached. The policy intent extends beyond local government and seeks to align wider public service boundaries such as job centres, police, probation, fire and health.

6.2 Responding to the White Paper presents a rare challenge for the Council, working alongside our peers and stakeholders. It is clear that this needs to consider how both strategic and principal authorities can be constituted to best effect. There are a number of potential building blocks for this, including existing local government areas alongside functional geographies including housing and labour markets (as represented by travel to work areas). But, as the contrasting coverage of the current police (Devon and Cornwall) and fire & rescue services (Devon and Somerset) highlights, it is difficult to discern a single 'uber' geography to which ever public service naturally snaps.

6.3 In relation to the coverage of Strategic Authorities experience elsewhere in the country highlights that new partnerships are being forged. For example Dorset, Somerset and Wiltshire Councils are promoting the creation of a new Heart of Wessex Mayoral Combined Authority (MCA) that will also become the Strategic Authority. There is considered to be a particular opportunity to promote an equivalent arrangement for the peninsular covering Devon, Plymouth, Torbay and Cornwall. This would exceed the guideline population threshold of 1.5m people and bring together an area that includes established industries, such as tourism, together with key growth sectors such as advanced manufacturing, clean energy, digital and professional services.

6.4 The need to secure access to the types of investment and funding streams that a mayoral arrangement would unlock is particularly acute in a District such as East Devon due to the significant growth agenda with the highest rates of housing delivery and economic growth across the peninsular. Subsequently it is a specific recommendation of this report that the potential to establish a Mayoral Combined Authority for the peninsular geography is endorsed. This would be as a successor to the ongoing establishment of a Combined County Authority for Devon and Torbay. The CCA will become a Foundation Strategic Authority under the terms of the White Paper. As the name suggests, this would be very much at the bottom end of the range in terms of accessing powers and finances.

6.5 In terms of constituting Principal Authorities there are considered to be a number of potential permutations as set out below. These are not necessarily mutually exclusive and regard will need

to be paid to the guideline that new unitary authorities should have a minimum population of 500k people.

- 1) A single unitary Council covering Devon – this is likely to be favoured by the County Council
- 2) Two Unitary Councils covering Devon, potential constructed on a north/south or east/west axis. This option is favoured by the majority of the Devon Districts
- 3) Potential combinations with the existing unitaries of Plymouth and/or Torbay
- 4) Creation of a new Exeter Unitary Council – this option is favoured by Exeter City Council. With a current population of around 130k the City is though significantly below the 500k threshold for unitary councils set out in the White Paper. It remains to be seen whether a new administrative boundary for this unitary council, which potentially splits existing District boundaries, is advocated.

6.6 There is no doubt that the negotiations necessary to resolve the way forward in a Devon setting will be delicate and potentially divisive. Nonetheless there is a clear expectation in the White Paper that, as far as possible, consensus is reached. The Leaders of the eight Devon Districts have already issued a joint statement (Appendix B) opposing the single Devon unitary option and advocating further consultation with residents, businesses, elected representatives, and stakeholders.

6.7 It is a specific recommendation of this report that this statement is endorsed. Furthermore it is recommended that authority is delegated to the Chief Executive in consultation with the Leader and Portfolio Holder for Council and Corporate Co-ordination to advance these negotiations and ensure that the best interests of East Devon residents are represented.

Next Steps

7.1 The White Paper signals an intent for the majority of key reforms to be in situ by the end of the current parliamentary term. This includes coverage of Spatial Development Strategies for example. In terms of Local Government Reorganisation there will be a phased approach to delivery, taking into account where reorganisation can unlock devolution. A new Devolution Priority Programme (DPP) will be introduced for those areas seeking to deepen and broaden devolution proposals.

7.2 Ministers intend to formally invite unitary proposals in January 2025. This should set out their criteria for sustainable unitary structures, how and when to submit proposals and how the government intends to respond to proposals. It likely that interim plans will then need to be submitted in March 2025. The subsequent deadline for formal proposals will then be as follows;

- May 2025 for areas that want to move at pace with LGR to unlock future devolution, where County Council elections would also be postponed
- Autumn 2025 for areas that are part of the DPP, where council elections have been postponed
- Autumn 2025 for other areas, with Council elections going ahead in May 2025

The expectation is that new Unitaries will go live in either April 2027 or April 2028 depending upon capacity and the devolution proposals in the area.

7.3 An immediate issue therefore becomes whether a request to delay the County Council elections planned for May 2025 is made by the requisite deadline of Friday 10th January. This request can only come from the County Council. A special meeting of the County Council has been arranged for 10:00 on the 9th January 2025 in this respect. A verbal update on the outcome of this meeting will be given at the EDDC Council meeting.

Conclusion

8.1 The publication of the Devolution White Paper marks a very important milestone. As well moving to a position of devolution by default, it also sets out a twin pronged approach with local government reorganisation. There is considerable emphasis placed on the role of Mayors, with associated structures able to access the most far reaching and flexible powers including integrated financial settlements. Universal coverage of Strategic Authorities will provide delineation between strategic decisions and front line service delivery.

8.2 There are potentially a number of different options that future local government structures could take in Devon in conjunction with wider devolution proposals. Close partnership working will be required with our peers and stakeholders in order to consider and develop these options including how they best serve the needs of East Devon communities moving forward.

Financial implications:

There is no direct financial request being made in this report to affect the immediate financial position of the Council, however the implications of devolution and future funding for the area needs to be carefully considered by members.

Legal implications:

There are no significant legal implications at this stage as the report simply updates Full Council on the government white paper and the options available moving forward. The process for taking any proposals forward will be clarified by the Secretary of State in due course.