

Meeting: Cabinet Date: 9 January 2025

Wards affected: All Wards

Report Title: English Devolution White Paper

When does the decision need to be implemented? Immediately

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1. Purpose of Report

- 1.1 The Government published its English Devolution White Paper on 16 December 2024. One of the Government's priorities within the White Paper is in respect of widening devolution across England, with an approach of "universal" and "devolution by default" rather than the current deals-based approach. The White Paper clearly sets out that the most far-reaching and flexible powers will be for Mayoral Strategic Authorities, describing it as "unprecedented powers and budgets for Mayors."
- 1.2 As a consequence of the position set out in the White Paper, Leaders across all upper tier local authorities in Cornwall and Devon have held informal discussions about the potential to create a South West Peninsular Mayoral Strategic Authority, comprising of Cornwall, Devon, Plymouth and Torbay, in order to maximise the benefit of devolution to our communities. Whilst these discussions have not resulted in an agreement, the Cabinet believe it is important to state publicly its preferred geography for a Mayoral Strategic Authority.
- 1.3 Separately, the White Paper sets out the Government's belief that strong councils are the building blocks for effective Strategic Authorities. In this regard the White Paper sets out an expectation that all two-tier areas and neighbouring smaller or failing unitary councils will develop proposals for local government reorganisation. The Government has advised that they will write to Councils in January 2025 requesting proposals, with interim proposals for

the same due in March 2025 and final proposals due in either May 2025 or Autumn 2025 (depending on whether areas are in priority programmes). It is understood that there will be a phased approach to delivery, and that local government reorganisation should not delay devolution occurring. The development of proposals for local government reorganisation will need to be informed by a detailed evidence base that ensures that all relevant factors are taken into account in decision making. We are expecting further guidance on reorganisation and, at the appropriate point/s, papers will be prepared for decision making.

2. Reason for Proposal and its benefits

- 2.1 The proposals in this report help us to deliver our vision of a healthy, happy and prosperous Torbay by providing the opportunity to explore how a Mayoral Strategic Authority can deliver increased investment in transport and local infrastructure, skills and employment support, housing and economic development and regeneration.
- 2.2 The proposals in this report help us to deliver our vision of a healthy, happy and prosperous Torbay by ensuring that any local government re-organisation that occurs is in the best interest of Torbay residents.

3. Recommendation(s) / Proposed Decision

- 1. That, in light of the policy position of the Government for universal coverage of Strategic Authorities, and in recognition that the most far-reaching and flexible powers will be given to Mayoral Strategic Authorities, the Cabinet confirms its support for a Mayoral Strategic Authority comprising of Cornwall, Devon, Plymouth and Torbay, should agreement be reached by all authorities.
- 2. That Cabinet instructs the Chief Executive to prepare an evidence base and develop an options appraisal for Local Government reorganisation, for consideration by the Council in due course.

Appendices

None

Background Documents

English Devolution White Paper:

https://assets.publishing.service.gov.uk/media/676028c9cfbf84c3b2bcfa57/English Devolution W https://assets.publishing.service.gov.uk/media/676028c9cfbf84c3b2bcfa57/English Devolution W https://assets.publishing.service.gov.uk/media/676028c9cfbf84c3b2bcfa57/English Devolution W https://assets.publishing.service.gov.uk/media/676028c9cfbf84c3b2bcfa57/English Devolution W

Supporting Information

1. Introduction

- 1.1 The Government published its English Devolution White Paper on 16 December 2024. One of the Government's priorities within the White Paper is in respect of widening devolution across England, with an approach of "universal" and "devolution by default," rather than the current deals-based approach. The White Paper clearly sets out that the most far-reaching and flexible powers will be for Mayoral Strategic Authorities, describing it as "unprecedented powers and budgets for Mayors," including:
 - Flexible allocated funding, with a long-term investment fund and, once the area has qualified, funding granted through a flexible Integrated Settlement,
 - A representative sitting on the Council of Nations and Regions,
 - A representative on the Mayoral Council,
 - A mandate to develop a Local Growth Plan, with local growth priorities agreed with the Government providing focus for central government and regional collaboration,
 - Membership of the Mayoral Data Council,
 - Powers drawn from a strengthened Devolution Framework, with a significant devolution offer that will continue to grow over time,
 - A clear pathway to unlocking higher levels of devolution reserved for the most mature institutions, including access to the Integrated Settlement which will grow in scope over time.
- 1.2 It is important to highlight the fundamental difference in the Elected Mayor for a Mayoral Strategic Authority as opposed to the Directly Elected Mayor that was in place in Torbay between 2005 and 2019. The latter was a Mayor with Executive functions, making decisions as an individual over key elements of the delivery of services within Torbay. In contrast Directly Elected Mayors in Strategic Authorities will have a mandate to act, under new powers devolved from central Government, that look to strategically drive growth, designed to bolster, not detract from, the functions and roles of other public bodies, including local authorities.
- 1.3 In light of the benefits of a Mayoral Strategic Authority to areas and residents, informal discussions about the potential to create the same across upper tier councils in Cornwall and Devon have taken place. Whilst it has not been possible to finalise an agreement at this stage, but in recognition of the national direction of travel of universal coverage of strategic authorities and the drive for these to be Mayoral, the Cabinet wish for its support for the same to be noted.
- 1.4 In relation to the contents of the White Paper regarding Local Government re-organisation, it is understood that all two tier areas, together with small neighbouring authorities will receive an invitation from Government during January 2025 to submit proposals for the same. It is understood that interim proposals will be due in March 2025 with final proposals due in either May or Autumn 2025 (dependent upon engagement in priority programmes).

- 1.5 The development of proposals for local government reorganisation will need to be informed by a detailed evidence base that ensures that all relevant factors are taken into account. We hope that the letter to be issued later this month will provide clarity as to the criteria that will be taken into account by Government in their ultimate decision making.
- 1.6 It is important that Officers start to work on developing an evidence base, working with the other authorities across Devon to gather all of the necessary information in order to prepare an options appraisal for Council to consider. Through this report the Cabinet instructs the Chief Executive to prepare the same.

2. Options under consideration

- 2.1 The Government has confirmed that, regardless of the publication of the White Paper, the Devon and Torbay Combined County Authority (DT CCA) will be established in February/March 2025. As set out in the White Paper, the DT CCA will automatically become a Foundation Strategic Authority with the proposed Devolution Framework indicating very similar powers to those which the DT CCA is expected to hold from its inception.
- 2.2 In deepening and widening devolution in England, the Government has set out principles around the geographies of Strategic Authorities. The default assumption is for them to have a combined population of 1.5 million or above (although it is accepted that in some places smaller authorities may be necessary). The geographies must not create devolution "islands" by leaving areas which are too small to go it alone or which do not have natural partners. The draft Statutory Instrument and emerging Constitution makes clear that, within the emerging Devon and Torbay Combined County Authority, a non-constituent seat is available to Plymouth City Council should they wish to take this place up. The Leaders of Torbay Council and Devon County Council have also stated that the door is open to Plymouth to join as a Constituent Member in the future. It is an option therefore to maintain our status (with Devon) as a Foundation Strategic Authority and in the absence of proposals for a Mayoral Strategic Authority this would be the default position. It would also be an option to seek to be become a Mayoral Strategic Authority with other authorities, however it should be noted that no other authorities have expressed a desire to do so.

3. Financial Opportunities and Implications

3.1 The report is asking that Cabinet endorses its support for a Mayoral Strategic Authority, comprising of Cornwall, Devon, Plymouth and Torbay should agreement be reached by all authorities. There are no immediate financial implications of the same. Should proposals for a Mayoral Strategic Authority come forward, the financial opportunities and implications would be considered as proposals are developed. There will however be some resource implications of developing the proposals themselves which will also have an opportunity cost.

3.2 The report instructs the Chief Executive to prepare an evidence base and develop an options appraisal for Local Government Re-organisation, for consideration by the Council in due course. The financial opportunities and implications will be considered as proposals are developed. There will however be significant resource implications in respect of officer capacity of preparing the evidence base and developing the options appraisal which will also have an opportunity cost.

4. Legal Implications

- 4.1 The legal implications of a Mayoral Strategic Authority will be explored should agreement for the same come forward.
- 4.2 The legal implications of local government reorganisation will be considered as the options appraisal is prepared.

5. Engagement and Consultation

- 5.1 Torbay Council would need to work with other authorities in respect of Mayoral Strategic Authorities and on Local Government reorganisation.
- 5.2 In respect of the creation of Mayoral Strategic Authorities, the Government will lead the public consultation.
- 5.3 In respect of Local Government reorganisation, we are expecting guidance from Government as to the public engagement and consultation that they are expecting. Given the timescales that have been indicated it should be noted that the potential for engagement and consultation will be limited.

6. Procurement Implications

6.1 Not applicable

7. Protecting our naturally inspiring Bay and tackling Climate Change

- 7.1 If proposals for a Mayoral Strategic Authority are developed, consideration will need to be given to how they would fulfil the Government's commitment to Strategic Authorities driving progress on green transition and capitalising on the social, economic and well-being benefits for local communities. Strategic Authorities will have a key role in decarbonising the economy and providing environmental and climate leadership.
- 7.2 As proposals are developed for Local Government reorganisation, we would need to demonstrate how all Council functions are delivered, including tackling climate change. The White Paper is clear that proposals will need to demonstrate how resultant councils are

connected to their communities, and in this respect would need to demonstrate how it protected our naturally inspiring bay.

8. Associated Risks

- 8.1 The risks of not exploring deeper devolution are that the full range of powers, funding and opportunities are not available to our councils, emerging CCA and our communities. There is also a risk that without voluntarily developing a proposal for deeper devolution, a sub optimal proposal could be imposed upon us. There are however risks around establishing a Mayoral Strategic Authority given the amount of officer and member time that could be involved. This would be mitigated in part through a robust programme management approach to developing and implementing proposals.
- 8.2 The risks of not preparing an evidence base and options appraisal for local government reorganisation is that the Council will not be able to present a fully informed and evidence based proposal to government for consideration.

9. Equality Impact Assessment

9.1 It is not possible to fully understand the equality implications at present. A completed equality impact assessment will be published alongside any future decision papers.

10. Cumulative Council Impact

- 10.1 The Council has an ambitious programme of delivery already underway alongside its "business as usual." The resource implications of progressing towards a Mayoral Combined Authority will need to be carefully managed.
- 10.2 The Council has an ambitious programme of delivery already underway alongside its "business as usual." The resource implications of progressing the development of proposals for local government reorganisation will need to be carefully managed.

11. Cumulative Community Impacts

11.1 None