

**Meeting:** Council

**Date:** 8<sup>th</sup> January 2025

**Classification:** Part 1

**Key Decision:** Yes

**Title of Report:** Progressing Devolution in Essex

**Executive Director:** Claire Shuter, Executive Director for Strategy and Change

**Report Author:** Nicola Spencer, Senior Policy Advisor and Suzanne Newman, Interim Director of Policy & Customer Experience

**Executive Councillor:** Cllr Daniel Cowan, Leader of the Council

## **1. Executive Summary**

- 1.1. The purpose of this urgent report is to advise the Council of a report to Cabinet which sets out the implications of the English Devolution White Paper published on 16 December 2024 and will seek endorsement for taking the initial steps needed in response to the proposals set out in the White Paper, and invitations from the Minister to all two-tier areas and smaller unitary councils to submit proposals for devolution and local government reorganisation within a very short timescale.
- 1.2. The Minister of State for Local Government and English Devolution has introduced a Devolution Priority Programme, designed to accelerate devolution in areas with a sensible geography and a willingness to adopt mayoral devolution in 2026.

## **2. Recommendations**

### **It is recommended that:**

- 2.1. Council debates, and recommends that Cabinet approves, the Cabinet report attached at **Appendix 1**. The Cabinet report recommends that Southend-on-Sea City Council responds by 10<sup>th</sup> January 2025 to the invitation from the Ministry of Housing, Communities and Local Government to be considered for the Devolution Priority Programme and to commit to working with partners to develop the proposal on local government reorganisation.

## **3. Background**

- 3.1. The English Devolution White Paper sets out the Government's plans for English devolution and local government reorganisation. Key proposals include expanding mayoral devolution across England, simplifying the local government funding landscape, and streamlining local government structures by creating larger, more efficient unitary councils in order to "fill in" the devolution coverage map.

- 3.2. The White Paper introduces a new statutory framework for devolving powers to Strategic Authorities - a new statutory entity - with powers automatically devolved according to an authority's governance arrangements. Less granular than the previous Government's framework, and therefore offering less scope for tailored, bespoke devolution deals, it offers instead "devolution by default", with the powers and funding described in the Framework available on a statutory basis to each type of authority described.
- 3.3. In conjunction with the Government's Plan for Change, the White Paper clarifies devolution's purpose in delivering the five national missions. The Economic Growth mission sets out the legislative framework for local places to seek a devolution deal that would enable greater local control over a range of powers and funding currently held by central Government, with Established Mayoral Strategic Authorities to be held to account for the outcomes associated with their Integrated Settlement via an outcomes framework aligned to national missions, other national priorities and local economic concerns.
- 3.4. Local government reorganisation is positioned as central to the government's intention of achieving universal coverage in England of Strategic Authorities and therefore fundamental to achieving the national missions.

#### **4. Financial Implications**

- 4.1. At this stage there are no direct financial implications for the Council in respect of submitting a letter of our request to participate early in the Devolution and local government reorganisation programme to Government. However, if the Council is accepted as part of the Government's Devolution Priority Programme, then there will be significant short, medium and long-term financial implications that will impact the Council. Even if we are not accepted at this stage the eventuality is that the Council will need to be part of the Government's drive for devolution and local government reorganisation.
- 4.2. The financial implications arising will depend upon the eventual form that any future local government reorganisation and combined authority might be for this Council. At this stage it is not possible to quantify the costs and benefits to the Council but the financial implications will be far reaching over a period of time. Areas that will need detailed research and financial assessment/modelling may include any short-term capacity funding, a sizeable long-term investment fund and potential future integrated settlement; existing funding streams being consolidated; potential freedoms and flexibilities on existing financial arrangements; and the costs associated with local government reorganisation and setting up a new strategic authority.
- 4.3. As matters become clearer on timescales and the inevitable detailed work that will be undertaken by officers within and across Essex, a fuller understanding of the financial implications will be known. These will be reported to Members for decision at the appropriate time as the programme of reform develops.

## 5. Legal Implications

- 5.1. There are no particular legal implications arising from the recommendations of this report. The Council has already, as set out in the report, expressed a commitment to participating in the Devolution Priority programme. The report asks for a decision to enable the Council to comply with the Government's request, for a written commitment by 10<sup>th</sup> January 2025.
- 5.2. Proposals in respect of local government reorganisation will be developed in line with instructions to be issued by Government in January 2025. Such proposals will be the subject of consideration by legal services, and any detailed legal implications of those proposals will be reported to a future meeting of Members.
- 5.3. It is considered the impact of the decision on all wards in the borough makes the decision a key decision that under the Council's constitution is reserved to Cabinet for determination. The short period given by the Government for a response means that the Council has not been able to include the decision in the Forward Plan. The decision will therefore be taken in accordance with Part 4b, Rule 15 of the Constitution.

## 6. Appendices

- 6.1. **Appendix 1:** Report to Cabinet on 9 January 2025 - Progressing Devolution in Essex through the Government's Devolution Priority Programme

## 7. Report Authorisation

This report has been approved for publication by:		
	Name:	Date:
Executive Director(s)	Claire Shuter	23.12.24
S151 Officer	Joe Chesterton	30.12.24
Deputy Monitoring Officer	Jayne Middleton	23.12.24
Relevant Cabinet Member(s)	Councillor Daniel Cowan	23.12.24