



Ministry of Housing,
Communities &
Local Government

English Devolution White Paper

Power and Partnership:
Foundations for Growth

December 2024

The White Paper in a nutshell...

- Government's (Gov.) preference is for every area in England to have a mayor.
- Gov. is establishing new 'strategic authorities' – to be led by Mayors ideally.
- These strategic authorities will be given a range of devolved powers – from transport to skills to economic development to public health (etc).
- Strategic authorities will be responsible for writing the Local Growth Plan, Local Transport Plan, Local Natural Recovery Strategy, Local Skills Improvement Plans, Spatial Development Strategy, Local Get Britain Working Plans, etc.
- Strategic authorities will be given additional funds to undertake their new role – with established mayoral strategic authorities receiving the most.
- The Gov. wants to end the two-tier council system, and replace it with unitary councils with a population over 500k. These unitary councils will be 'principal authorities' that will deliver the public services.
- Mayoral elections expected from May 26 – so councils asked to work with Gov. on their devolution plans asap.



This PowerPoint covers the English Devolution White Paper.

It contains four sections:

- What is devolution?
- The new Strategic Authorities & Mayoral Functions
- The reorganisation of the existing local government structure
- The fine print details at the back of the White Paper.

Why is devolution needed?

- Economy has flatlined
- Low levels of local government investment – UK = 0.8%, OECD countries = 1.4%
- Public trust in politicians has fallen – 8 in 10 people say public services have been getting worse
- Communities feel disempowered – 50% of people say it's important to be able to influence local decision-making, but only 23% feel able to do so.

How will devolution help?

- Devolution to capable local leaders at strategic scales is linked to higher **growth productivity**.
- Devolution means policy can be **tailored to local** situations.
- Devolution enables **co-ordinated action** in a place.
- Devolution gives communities **a greater say** in decisions.
- Devolution done right drives **innovation**.
- In other countries with greater devolution, people are **more satisfied** with public services.
- Directly elected Mayors are the **most recognisable** local political figures, and people want more power at a local, not national, level.



Growth & Innovation
Co-ordination
Satisfaction & Recognition
Community Involvement
Locally Responsive

What will devolution look like?

Gov. wants new local government architecture, as this diagram shows:

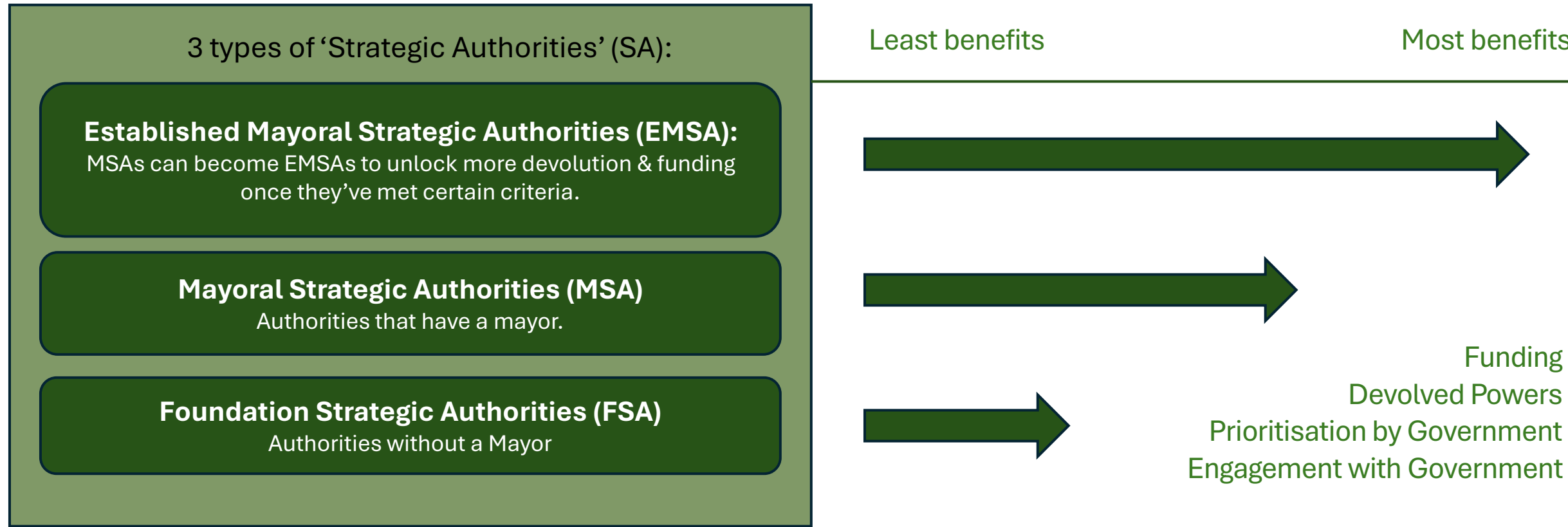


- Strategic Authorities are new.
- Gov. wants universal coverage of SAs across England.
- Deepest powers and funding will only be available to MSA & EMSA – as mayors are Gov's strong preference.
- Ministerial directive will allow Gov. to create SAs in places where local leaders cannot agree on devolution.
- Gov. to replace district & county councils with unitary authorities.
- To start this journey, Gov. will establish Combined County Authorities first (not Combined Authorities, so districts will not be constituent members).

The following slides relate to the new Strategic Authorities (SA) & Mayors:

Which Strategic Authority option is best?

All areas of England must be covered by a strategic authority, so which option should Kent and Medway choose?



EMSA receives the most benefits, with FSA having the least benefits. For example, MSA and EMSA both have a representative sitting at the table of the **Council of Nations and Regions** with the Prime Minister; FSAs do not.

Please see next slides for funding & engagement differences between these 3 SA types.

The funding offer for each type of Strategic Authority?

All types of strategic authorities to benefit from simplified funding landscape:

Established Mayoral Strategic Authorities (EMSA)

- EMSA to receive **Integrated Settlements**.
- Integrated Settlements will be confirmed at each Spending Review on the basis of EMSA's functional responsibilities, and their value by a formulaic process.
- Access to **30-year investment funds** (and gateway reviews removed).
- Ability to raise a **mayoral precept**.

Mayoral Strategic Authorities (MSA)

- MSAs to receive **consolidated funding pots** covering:
 - local growth, place, housing, and regeneration;
 - non-apprenticeship adult skills; and
 - transport.
- Access to **30-year investment funds** (with gateway reviews).
- Ability to raise a **mayoral precept**.

Foundation Strategic Authorities (FSA)

- MHCLG will provide **dedicated local growth allocations, decided by formulae**, and with lighter-touch investment sign-off.

How will the Government engage Strategic Authorities & Unitary Authorities?

The **Council of the Nations and Regions**:

- Chaired by the Prime Minister
- Contains Mayors of Strategic Authorities (i.e. **MSA & EMSA**, but not FSA) & devolved nations
- Purpose is to collaborate across the national missions.

The **Mayoral Council**:

- Chaired by the Deputy Prime Minister
- Contains Mayors of Strategic Authorities (i.e. **MSA & EMSA**, but not FSA).
- Purpose is to engage re: Local Growth Plans, devolution asks, feeding back best practice, and identifying opportunities to better coordinate national and local policy.

The **Leaders Council**:

- Contains a representative group of **unitary authority** leaders with Deputy Prime Minister and other ministers
- Purpose is so that policy solutions can be co-designed with local government.

Also worth noting that:

- EMSA & MSA already work together to provide a cohesive voice to the government through the **UK Mayors Network**.
- The Gov. states “**Mayors and Combined Authorities** are the right bodies to lead **regional collaboration** (not **pan-regional partnerships**)”. The Gov. intends to support Mayors in collaborating at pan-regional level and 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**.

How MSA can become a EMSA?

MSA may wish to become EMSA to access the Integrated Settlement & more powers.

To do so, MSA must met these criteria:

- ☐ MSA must have existed at least 18 months with:
 - a mayor in place, and
 - without being subject to a statutory inspection/intervention, Best Value Notice, or a MHCLG commissioned independent review.
- ☐ MSA has a published Local Assurance Framework in place.
- ☐ The MSA is not subject to implementing recommendations from an externally mandated independent review.
- ☐ There are no material accounting concerns covering the Strategic Authority's ability to manage public money.



Once these criteria met, the Secretary of State will consider requests to become EMSA and consider MSA's track record of delivering mayor programmes. The SoS will have the power to legally designate MSA as EMSA.

What will the relationship be between Mayor and the unitary authorities?

“When residents elect a Mayor, they need to know that **key decisions cannot be blocked by a single council**, and that decisions will be taken that drive long-term economic growth”.

“**Mayors will always be expected to work in partnership** with local authorities and key stakeholders; but a desire for perfect consensus must not get in the way of tough decisions. To enable this, this devolution framework will override any existing governance arrangements”.



“In MSA & EMSA, **a majority vote which includes the Mayor will be required** to approve decisions on the use of most functions. **Specific functions** set out in the Devolution Framework **will be exercisable only by the Mayor.**”

“In FSA, most decisions will require a majority but key strategic decisions will require unanimity.”

“Mayors should have a unique role in an institution which allows them to focus fully on their devolved responsibilities, while council leaders must continue to focus on leading their place and delivering vital services.”

What will be the geography of new strategic authorities?

The Gov. will consider these principles when agreeing new SA geographies:

- **Scale:** SA to have a combined population of 1.5 million or above.
- **Economies:** SAs to cover functional economic areas, reflecting travel-to-work patterns and local labour markets.
- **Contiguity:** SAs must be contiguous across its constituent councils.
- **No 'devolution islands':** SAs must not create devolution 'islands' by leaving areas which are too small to go it alone.
- **Delivery:** SAs to effectively deliver key functions including Spatial Development Strategies, Local Transport Plans, and Get Britain Working Plans.
- **Alignment:** Gov. will promote alignment between devolution boundaries and other public sector boundaries.
- **Local Identity:** A vital element of successful devolution is the ability for local residents to engage with and hold their devolved institutions to account.



N.B. Gov's long-term aim is for geography of police, probation, fire and health services boundaries to align with Strategic Authority's.

What will be Strategic Authorities' remit?

Strategic Authorities will have a mandate to act strategically to drive growth and reshape public services in these areas:

1. Transport and local infrastructure
2. Skills and employment support
3. Housing and strategic planning
4. Economic development and regeneration
5. Environment and climate change
6. Health, wellbeing and public service reform
7. Public safety

ESMA will be able to propose additional functions to be added to the statutory Devolution Framework.

This will be an annual process ahead of fiscal events.



Which transport and local infrastructure powers will be devolved?



- The Integrated Settlement (for EMSA) will include **local transport funding streams**.
- MSAs and FSAs will have **funding consolidation**.
- Every SA will be held accountable through a **transport-specific accountability framework**.

Roads:

- MSA to manage **Key Route Network** on behalf of the Mayor.
- Mayors to hold a Power of Direction over **Key Route Network** to support delivery of their **Local Transport Plan**. (New LTP framework due soon).
- Responsibility for **local roads** to remain with unitary authorities.
- **Local Transport Authorities** empowered to regulate **on-street micromobility schemes** (like hire bikes).
- Approval of local **Lane Rental schemes** (that permit authorities to charge for works on busy roads at peak times) to be devolved to EMSA & MSA. In FSA, approval remains with SoS.
- Approval of **stopping up orders** devolved to EMSA & MSA. (These orders allow MSA to permanently close roads, subject to planning consent).
- **Changes to tolls** on certain tolled undertakings will be devolved to EMSA & MSA.
- **National Highways** to have strengthened relationship with EMSA & MSA.



Which transport and local infrastructure powers will be devolved?

Rail:

- **Great British Railways** to engage EMSA & MSA on local rail ambitions.
- A **statutory role for Mayors** in governing, managing, planning, and **developing the rail network**.
- Greater **reciprocal data-sharing**, including through the Rail Data Marketplace.
- **Mayors** to have **greater control over local stations** to capitalise on economic growth and intermodal connectivity opportunities in and around stations.
- EMSA able to **request further rail devolution** (up to full devolution of local services).
- Gov. to work with EMSA and MSA on **reforming rail ticketing system**.

Buses and active travel:

- All local transport authorities to decide whether to pursue **bus franchising**, a strengthened **Enhanced Partnership**, or **publicly owned** bus companies.
- Every SA to develop plans to **decarbonise** and **reduce air pollution** from their local **bus fleet**.
- **Active Travel England** to support every SA to increase their capability and address skills gaps.

Taxis:

- Gov. to consult on making all local transport authorities responsible for **taxi and private hire vehicle licensing**.



Which skills & employment support powers will be devolved?



Non-apprenticeship adult skills funding:

- Adult Skills Fund part of **Integrated Settlements** for **EMSAs**.
- Adult Skills Fund devolved to **MSA**, with **un-ringfenced** funding for Free Courses for Jobs & Skills Bootcamps.
- Adult Skills Fund devolved to **FSAs**, with **ringfenced** funding for Free Courses for Jobs & Skills Bootcamps.

Local Skills Improvement Plans (LSIPs):

- LSIP's geography to align with SA's geography.
- LSIPs to be **jointly owned** by each SA and designated Employer Representative Body.
- Every SA involved when **designating** a new Employer Representative Body, with their comments informing SoS's decision to designate.
- LSIP development to commence with each SA establishing the **sector skills priorities** and sharing **relevant data** with designated Employer Representative Body.
- Each SA and Employer Representative Bodies must confirm **both content with LSIP** before it is sent to SoS for approval.
- LSIPs to clearly link to Local Growth Plans, Industrial Strategy, and Skills England's assessment of skills need.



Which skills & employment support powers will be devolved?

16-19 skills:

- EMSA & MSA to have regular, structured opportunities to feed their priorities into DfE's annual strategic conversations with colleges.
- EMSA & MSA to use their convening powers to secure work and industry placements with local employers for 16-19 year olds.
- Jointly-owned LSIP to facilitate opportunities for 16–19-year-olds to undertake apprenticeships, education and training that lead to good quality employment opportunities.

Employment and careers:

- Every SA to produce a **Local Get Britain Working Plan**.
- **Supported employment provision funding** devolved to every SA to tackle economic inactivity.
- Every SA to help **co-design non-Jobcentre Plus employment support**.
- **EMSA to play integral role** in the **design** and **delivery** of the employment support.
- Gov. will work in close partnership with every SA to design, develop, and test the **National Jobs and Careers Service**.
- **Jobcentre Plus geographies** to be realigned to match existing MSA geography.
- EMSA and MSA to have central role in convening **local youth careers provision**.



Which housing & strategic planning powers will be devolved?



Spatial Development Strategies

- All areas to develop a **Spatial Development Strategy** (SDS) over the strategic geography (irrespective of authority status). (Enacted through Planning and Infrastructure Bill).
- The content of SDS will be kept deliberately high level.
- SDS to include assessment of the cumulative total of the local housing need of each constituent member.
- The apportioned figure set for each constituent member in the SDS will then be the minimum housing requirement in each member authority's next Local Plan.



Mayoral Strategic Authority powers

- Mayors to have powers to:
 - raise a **Mayoral Community Infrastructure Levy**
 - apply **compulsory purchase orders**
 - establish **Mayoral Development Corporations**
 - make **Mayoral Development Orders**.
- Mayors to have **development management powers** allowing them to intervene in planning applications of potential strategic importance.
- EMSA to be allowed to establish their own **public sector land commissions**.
- EMSA & MSAs to control **grant funding to support regeneration and housing delivery**.



Which housing & strategic planning powers will be devolved?



Relationship with Homes England

- Every EMSA already has **Strategic Place Partnerships** with Home England. MSA to now access these partnerships.
- EMSA to be granted ability to **steer and monitor Homes England's progress** in delivering on objectives agreed through Strategic Place Partnerships, and to escalate any issues to ministers.
- **Homes England** to work with **FSA on a targeted basis** to develop a shared development pipeline and joint action plan.
- **Homes England** to move to a **more regional and place-based operating model** to align its structures and ways of working to Gov.'s devolution agenda.



Social and Affordable Housing

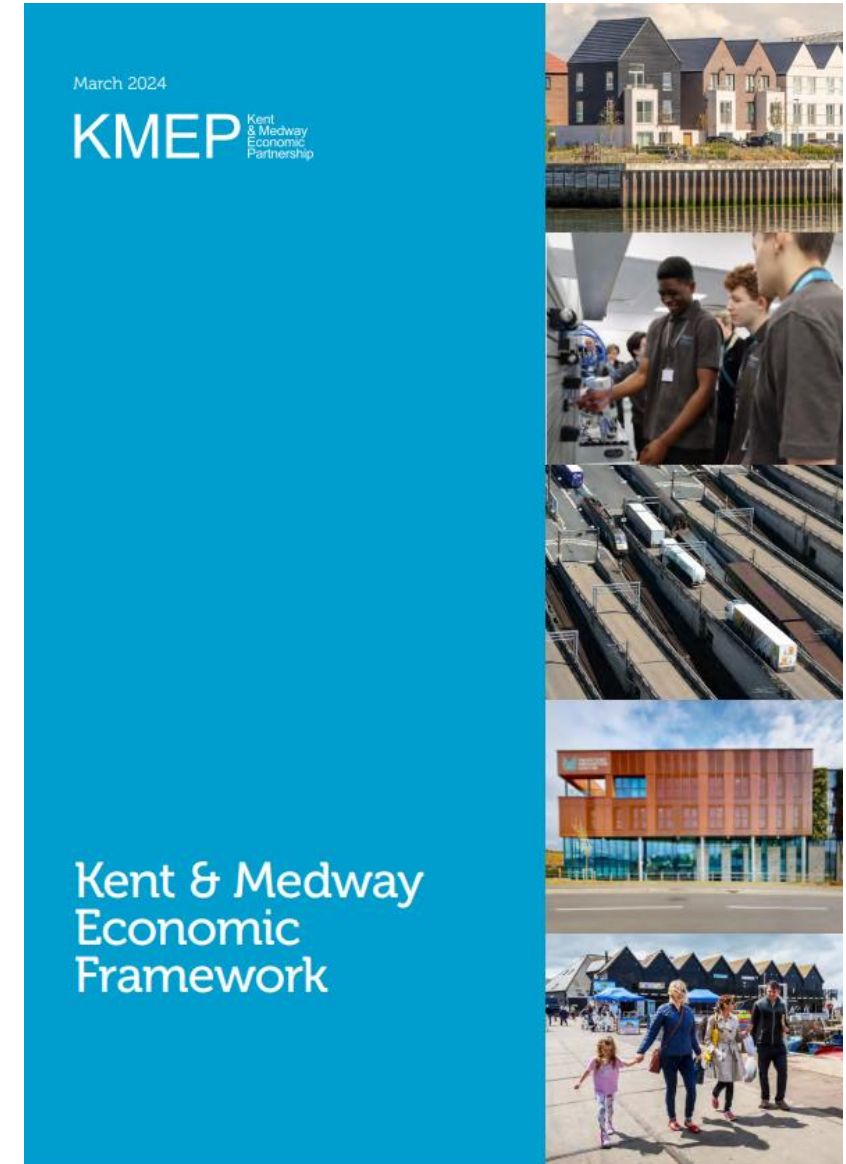
- Over time, Gov. wants **full devolution of funds and delivery** for affordable housing.
- As an interim step, Strategic Place Partnerships to be able to set the **strategic direction of any future affordable housing programme** in their area, including shaping the tenure mix and identifying priority sites for housing development to be supported by grant.
- To support planning, Gov. will **include upfront indicative spend** (on affordable housing) per **EMSA**, subject to suitable projects being identified.



Which economic development and regeneration powers will be devolved?



- A new statutory requirement for all EMSA & MSA to produce a **Local Growth Plan**.
- FSA to set out a vision for growth in their area. As each FSA becomes a MSA, taking on additional powers, functions and funding, they will be required to update their vision to produce full Local Growth Plans (LGPs).
- To ensure LGPs hold weight, Gov. and each EMSA/MSA to agree a limited number of shared strategic priorities, to act as a focal point for collaboration.
- LGPs to galvanise action and investment.
- LGPs to include pipeline of investment opportunities.
- Gov. to consult on a duty for Local Government Pension Scheme administering authorities to work with their EMSA/MSA to identify suitable investment opportunities, and to have regard for LGPs when setting their high-level investment strategies.



Which economic development and regeneration powers will be devolved?



The Department for Business and Trade (**DBT**) will:

- Establish **bilateral strategic partnership forums** with every EMSA & MSA.
- Engage EMSA & MSA on the development and implementation of a **Small Business Strategy** (to be published next year), setting out Gov.'s new approach to business support.
- Small Business Strategy will describe a new **Business Growth Service**, bringing a range of existing core services under the Business Growth Service banner.
- Work with EMSA & MSA to roll out a **tailored export growth programme** for small businesses with **high international growth potential**. It will commence initially in the north of England, before rolling out to the Midlands, then the South.
- Integrate **Growth Hubs** into EMSA & MSA, which will lead in managing and focusing local business support and delivering a core suite of business growth products.



The **Office for Investment** will:

- work with every EMSA to develop and market **investible propositions** for significant, commercially viable opportunities. This offer will be extended out to other MSA where possible.
- explore establishing a **senior official-level forum** with EMSA and SMA on a pan-regional basis.

Which economic development and regeneration powers will be devolved?



R&D, innovation & diffusion of ideas:

Gov. to build on existing commitments to support effective **innovation partnerships** by empowering regional innovation decision-making through stronger direct connections with UK Research and Innovation (**UKRI**).

This will include:

- Develop a future **regional innovation funding programme** with each EMSA to build on lessons learned from successful innovation accelerator pilots.
- **UKRI to extend its partnership working** with EMSA & MSA that are committed to work collaboratively on innovation.
- **Innovate UK** collaborating with EMSA & MSA to produce **joint plans that shape long-term innovation** strategies and investments.
- Publish **UKRI data** on the location of investments to help each SA to understand publicly supported innovation activity in their region and how to best take advantage of it.
- Establish **annual engagement between EMSA's Mayors and the Science Minister**, plus more regular senior engagement with UKRI senior leaders.
- **Consult EMSA** on the development of relevant DSIT and UKRI strategies.



**Innovate
UK**



Which economic development and regeneration powers will be devolved?



Culture, heritage, sport, and the visitor economy:

- DCMS to review how funding is currently allocated across regions.
- DCMS to review the Arts Council England to ensure every part of the UK has access to the arts.
- DCMS to encourage television broadcasters to be more ambitious in growing the sector across the whole UK.
- Gov. to work to address skills challenges through the creative industries sector plan.
- Gov. to work with mayors and unitaries to ensure decisions about funding are made with them and align with Local Growth Plans.
- Gov. to co-produce an ambitious, transformative National Youth Strategy to be published next year.
- Gov. to work with mayors and unitaries to ensure public appointments to major cultural institutions are representative of the whole country, including geographically.
- DCMS to review the data it publishes to provide a better picture of local impact and investment.
- DCMS and its Arm's Length Bodies to explore the potential for partnerships with each SA to share expertise across culture, heritage, sport, communities, and the visitor economy.



Which environment and climate change powers will be devolved?



Decarbonising:

- **Great British Energy** to work with local government through the **Local Power Plan** to support roll-out of small-medium renewable energy projects at local level (with every unitary and SA expected to deploy up to 8GW of additional power from small-medium sized generation projects by 2030).
- The EMSA' Integrated Settlement for 2025/26 to include these funding streams:
 - The Warm Homes: Local Grant
 - The Warm Homes: Social Housing Fund, and t
 - The Public Sector Decarbonisation Scheme.
- **Department for Energy Security and Net Zero** (DESNZ) to move to a **simplified, allocative approach for funding** schemes, for example via Strategic Partnerships in the social housing scheme.
- The **National Energy System Operator** to **engage** every SA as it develops **Regional Energy Strategic Plans**.
- Zoning coordinators within every SA to be able to designate areas as heat network zones.



Which environment and climate change powers will be devolved?



Environment and Climate:

- Gov. to enhance the roles and functions of the responsible authorities for **Local Nature Recovery Strategies**. Over time, Gov. wants **EMSA, MSA, & FSA to become responsible authority** for Local Nature Recovery Strategies.
- **Future opportunities for devolution** (e.g. water management, the circular economy, pollution, or flood resilience) to be explored with every SA.
- Gov. to **explore how every SA and Mayor** can provide greater local leadership in relation to **climate change**, and a better route for **rural communities** to be considered in local policy decision making.



Which health, wellbeing, and public sector reform powers will be devolved?



Improving the public's health:

- Gov. to **introduce a new bespoke duty** so **every SA** has regard to the need to improve health, and the need to reduce health inequalities, in the exercise of their functions.
- Gov. to work with stakeholders to identify areas where **aligned geographical boundaries** can improve coordination between public services.
- Mayors (or delegate) to be appointed to Integrated Care Partnership(s) in their area and be considered for the position of Chair or co-Chair of the ICP.
- Integrated Care Boards to engage mayors during the ICB Chair appointment process and to involve them in priority setting and plan development.



Kent and Medway
Integrated Care System



Public service reform and prevention:

- **Every SA** to collaborate with unitaries to deliver **public service reform** and innovation.
- Gov. to continue to work with the sector to identify where **Mayors** can add value, including considering the **devolution of any funding relating to public service reform and prevention**.



Which public safety powers will be devolved?



Police and Fire:

- Where mayoral, police and fire services' geographies align, **Mayors will be responsible** for exercising **Police and Crime Commissioner** and **Fire and Rescue Authority** functions by default.
- Where mayoral, police and fire services' geographies do not currently align, Gov. will align them over the longer term.

Offender rehabilitation:

- Gov. to work closely with Mayors to explore how their **skills, employment support, health, and housing levers** can be better brought together at local level to **support rehabilitation** and **reintegration of offenders** into society.
- Gov. to seek increased **co-commissioning between probation and local partners** to protect the public and reduce reoffending.
- In the long term, Gov. to explore **greater alignment of probation and EMSA / MSA boundaries**.

Local resilience:

- Gov. to encourage close working between **every SA** and their **Local Resilience Forums**. The Gov.'s review of national resilience (announced July 24) will inform the development of **resilience responsibilities adopted by every SA**. (Civil Contingencies Act 2004 may be amended to recognise every SA as a categorised responder, so SA adopts the duties and responsibilities of a member of the Local Resilience Forum).



Kent Fire &
Rescue Service



HM Prison &
Probation Service



How the National Wealth Fund fits in with these devolved powers?

- The Gov. will establish the **National Wealth Fund** with a strong regional objective to unleash the full potential of cities and regions.
- It will work in **close partnership with Mayors** to support investable propositions in their **Local Growth Plans**, to support their investment plans, being led by local needs.
- The National Wealth Fund will have increased resources in both its Local Authority and Banking and Investments teams.
- It will conduct more outreach to identify expanded project pipelines and structure innovative transactions with project sponsors, industry, Local Authorities and government departments.
- It will work collaboratively, focusing on additionality and never crowding out private investment.

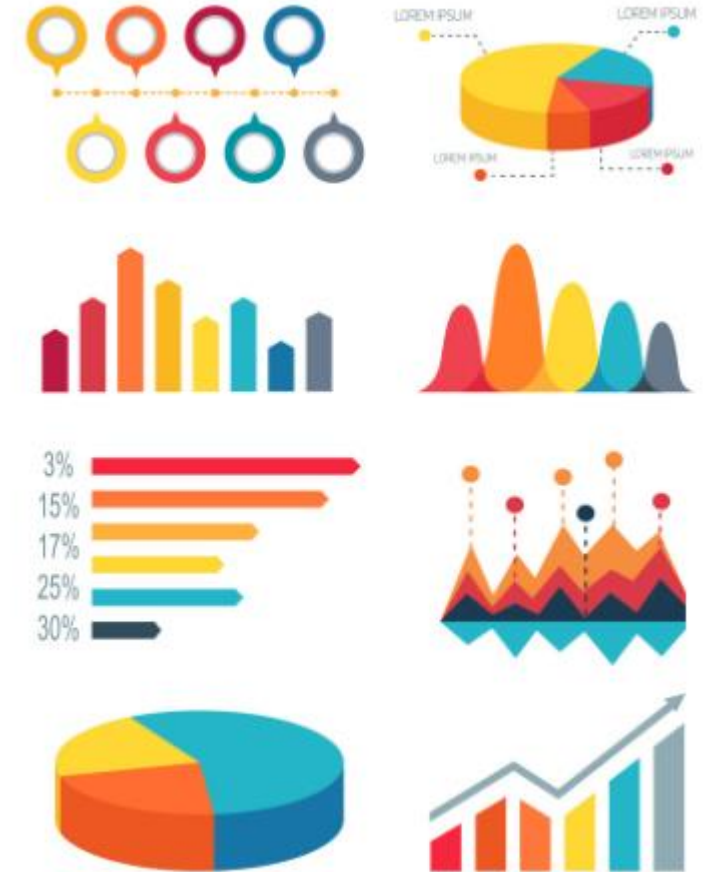


How Gov. will help every SA with data management to monitor progress?

- A new Mayoral Data Council (MDC) to be established - to integrate senior data leaders from EMSA & MSA into central decision-making on data issues that affect them.
- **MDC will champion better data and better use of data, as well as improved data sharing.**
- MDC will input into the Mayoral Council and the central government digital and data function.
- MDC will refine and implement the data partnership principles.

In addition:

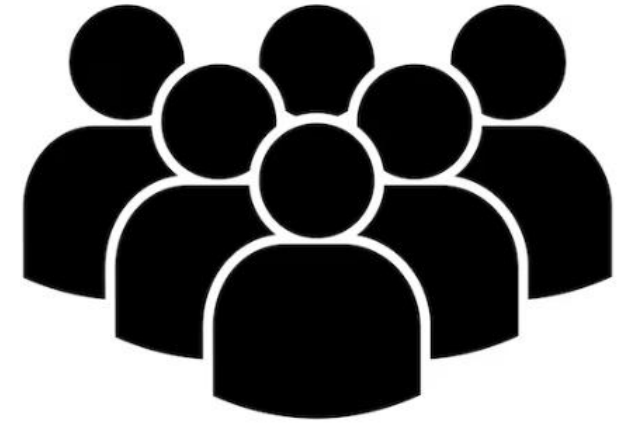
- Office for National Statistics to lead a refresh of the subnational data strategy – to deliver better local statistics.
- Every SA will be consulted on the development of cross-government services that enable easier data discovery and access.
- Gov. will legislate to allow for information sharing to improve public service delivery to businesses.



How the mayors will interact with Commissioners and Business Boards?

Commissioners:

- Gov. to legislate so Mayors can appoint and remunerate '**Commissioners**' to support the delivery of key functions.
- **Commissioners would not be members of the Strategic Authority**, and the roles would be expected to reflect the areas of competence.
- **Mayors to determine the portfolios of the Commissioners.**
- In certain circumstances, the government envisages that Mayors may be able to delegate functions exercisable by the mayor to a Commissioner.
- Where a Mayor is the Police, Fire and Crime Commissioner they will continue to be able to appoint a **Deputy Mayor for Policing, Fire and Crime** to provide leadership to the 'blue lights' services.



Business Advisory Boards:

- Gov. to continue to work with Strategic Authorities to ensure that business voice continues to play an important role (for example through advisory business boards).



How the Gov.'s devolution agenda will empower communities?

The Gov. wishes to **empower communities through devolution** and create new opportunities for communities to have a say in the future of their area. Hence, they will introduce action and targets in the following areas:

- For the most deprived communities, Gov. will reform the **Long Term Plan for Towns** into a new regeneration programme, which will work with 75 towns.
- To protect cherished community assets & high streets, Gov. will:
 - strengthen **Business Improvement Districts**.
 - fund projects through the **Community Ownership Fund** in 2024/25.
 - replace the community 'Right to Bid' with a strengthened '**Right to Buy**' Assets of Community Value.
 - implement **new High Street Rental Auction regulations**, providing locals with a right to rent premises that have long sat vacant.
 - work with local government to ensure that the existing structures and **mechanisms for community partnership** enable them to fulfil their role of convening local partners around neighbourhoods.
 - strengthen Local Authorities' ability to take over the management of **vacant residential premises** and **introduce large selective licensing schemes** to improve conditions in the private rental sector, without requiring SoS's approval.
 - give Local Authorities greater control over the **location of local establishments to support healthier lifestyles**, improved socio-economic outcomes, and high street vitality.



What are the next steps for areas without a devolution deal yet (e.g. Kent & Medway?)



- Deputy PM already received mayoral devolution proposals from councils back in Sept 24.
- Gov. is reviewing these proposals currently and will select a number of these places to join the **Devolution Priority Programme**.
- This programme aims to establish new SA institutions asap and have **Mayoral elections in May 26**.

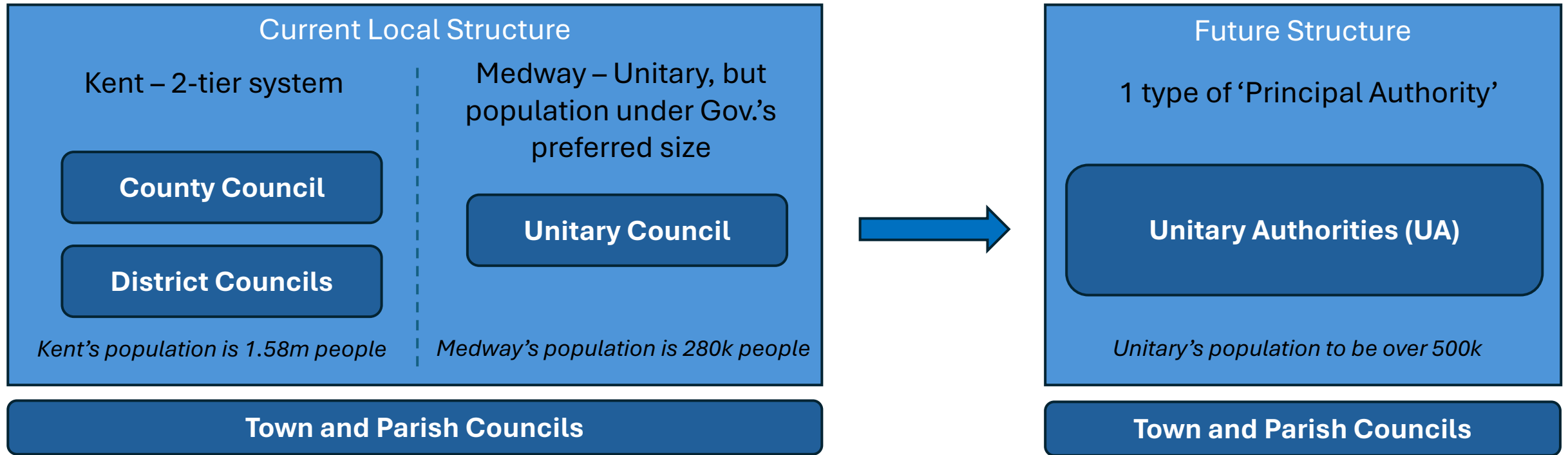
The following slides relate to reorganisation of the existing local government structure.

This local government reorganisation will happen alongside the establishment of & devolution to new strategic authorities.

The reorganisation will not be allowed to delay devolution.

Local Government Reorganisation

- Gov. wants to reorganise local government as follows:



The Government's preferences are:

- All England to move to **unitary authorities**, and away from two-tier areas.
- All small unitary councils (with population below 500k) to be replaced with a **larger unitary authority**.
- All unitaries where there is **evidence of failure** to deliver sustainable & high-quality services to be replaced by new unitary.
- The new unitary authorities to have **stronger community arrangements** so they engage at a neighbourhood or area level.
- Gov. will **rewire the relationship between town and parish councils** and **principal authorities**, strengthening expectations on engagement and community voice.

What are the next steps for Local Government reorganisation?



- All county, district, smaller unitaries and failing unitaries are expected to develop proposals for reorganisation.
- They are expected to work together to develop unitary proposals that are in the best interests of the whole area, rather than developing competing proposals.
- Gov. will write to council leaders **asap** to **formally invite councils to submit these proposals**. The Gov. will say in the letter how it intends to respond to proposals.
- Gov. will have a phased approach to delivering reorganisation – prioritising areas:
 - where local government reorganisation can unlock devolution,
 - which are keen to proceed at pace or
 - where reorganisation can address wider failings.
- Gov. will work closely with local leaders to support them in developing robust proposals. This support may include **deciding to postpone local elections** where this will help to smooth the transition process.

The fine print details at the back of the White Paper.

How will the relationship between central government and local authorities be different in future?

- Gov. wants to fundamentally reset the relationship between local and central government, creating a new partnership based on **trust**.
- Local government leaders to be treated as **leaders of place**, convening partners across the public and third sectors in their areas to deliver public service reform.
- Gov. will **reform local authority funding**. The Gov. will:
 - give local authorities **multi-year funding settlements**.
 - reform the **Local Government Finance System** – building on the previous government’s Fair Funding Review. As part of this, accumulated business rates growth will be subject to **periodic redistribution across the country**, through a business rates reset.
 - consider how a **new model of enhanced business rate retention** could support **every SA** to drive growth.
- Gov. to **end micromanagement** of local authorities by:
 - reforming the use of **funding pots** & reduce the number of restrictive grants to Local Authorities – consolidating them into the Local Government Finance Settlement, where possible.
 - Rationalising the number of **capital-focused growth funds**.
 - Streamlining MHCLG **grant reporting & evaluation requirements**.
 - Reviewing requirements for LAs and SAs to seek **SoS’ consents** for use of powers and remove these requirements when possible.
 - As part of this review, Gov. to determine if councils should be able to **enforce byelaws via Fixed Penalty Notices** rather than through the courts. **Every SA** should be able to **make byelaws** on matters relevant to their functions.
 - Gov. to give councils **stronger tools to improve their housing markets**, including removing the requirement to seek SoS approval for larger selective licensing schemes.

How the Gov. will help build capacity in new Strategic Authorities (SA)?



- Gov. to consider the best way to provide resource '**capacity**' **funding** to each SA - such as via the Local Government Finance Settlement.
- Subject to Spending Review decisions, each new SA will receive **Mayoral Capacity Funding** to kickstart their organisation.
- Gov. to introduce a **secondment scheme** between central government and SA, including placement of civil servants in SA officer roles.
- Gov. to work alongside Bloomberg Philanthropies and others to build a **capacity support offer** to better support strategic leadership, peer-to-peer support and sharing best practice on innovation.

How the Gov. wants to improve accountability of use of an Integrated Settlements by an EMSA?

The Gov. want to improve accountability in how an ESMA uses its Integrated Settlement, hence...

- Integrated Settlement will be supported by a single streamlined **outcomes framework**, rather than multiple accountability frameworks.
- The primary objective of this **outcomes framework** is to set **outcome-based targets** that are clear and transparent, so local and central government, as well as the public, know what the EMSAs are working to deliver with their Integrated Settlement.



The outcomes framework will:

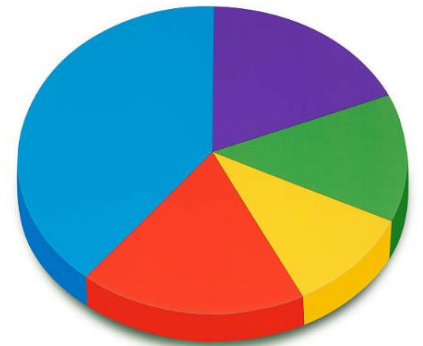
- Provide a single, **streamlined approach to accountability and reporting** to central government.
- Align local priorities and national priorities with **Local Growth Plans**.
- Become a scalable feature of the accountability landscape as devolution is deepened and widened.
- **Monitor activity** which can be genuinely influenced within the Integrated Settlements' themes whilst moving away from existing programme and project-specific monitoring of inputs and outputs that central government track.
- Provide **sufficient evidence to inform delivery performance** within the Spending Review period.

How the Gov. wants to improve accountability and scrutiny of local public spending?

The Gov. wants to improve accountability in how every SA uses funding, hence Gov. will explore:

- A review of the **Scrutiny Protocol** to drive improvements to the scrutiny of each SA as more functions and funding are devolved.
- How to improve **external scrutiny of value for money** on local public spending, including exploring a Local Public Accounts Committee model alongside reforms to local audit.
- How to ensure the **oversight and transparency of decision making and activity** conducted by the bodies that each SA establish.
- How to **clarify lines of accountability**, such as establishing Local Accounting Officers to enhance the accountability of each SA.
- Ensuring the system of stewardship, as it applies to each SA, is operating as effectively as it can, including the case for setting up an **annual conversation with each area** to allow a clearer understanding of the connections between different funding streams and local priorities.

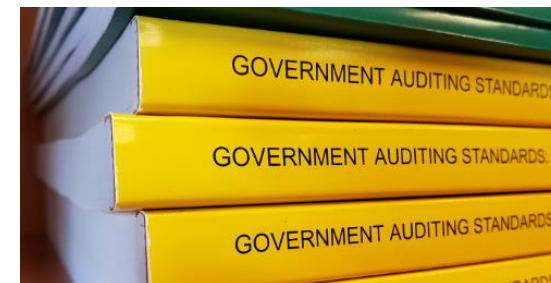
The DCMS SoS will shortly develop a local media strategy – as Gov. is keen to promote **local journalism**. The strategy will explore how local authorities can support local journalism (e.g. by easier access to information).



scrutiny of local public spending

How the Gov. wants to reform local authority audit, insights & standards?

- Gov. to fundamentally **reform the local authority audit system and its standards**.
- Gov. to work closely with the **Office for Local Government** to bring as many audit functions as possible into **one body**.
- The Gov. will consult on:
 - A **mandatory code of conduct** – to establish a higher minimum standard of expected behaviours.
 - A requirement for **principal Local Authorities** (i.e. unitaries) to convene formal Standards Committees – to ensure they have formal, transparent processes.
 - A **role for a national body** to deal with the **most serious cases** and appeals.
 - **Powers to suspend**, including imposing premises and facilities.
 - **Disqualification** if subject to suspension more than once.
 - **Interim suspension** whilst under investigation. This could be used in serious cases that may involve protracted investigations or the police, for example alleged fraud or assault.
 - Subject to discussions with the sector, Gov. will explore **immediate disqualification** in certain instances of **serious misconduct**.
 - **Publication of all code breach investigation outcomes** – to enhance transparency.



How the Gov. wants to develop local authorities' members & workforce?

The Gov. will:

- Establish a local **government workforce development** group – this will identify practical solutions to help resolve and improve workforce issues and promote the sector as a great place to work.
- Encourage a greater diversity of people to stand as councillors. The Gov. is formally seeking views on enabling elected members to **remotely attend** formal council meetings to see if this will help.
- Seek views on enabling elected members to use **proxy voting** – so a member of a decision-making body may delegate their voting power to another representative to enable a vote in their absence.
- **Remove the requirements for a local government member's home address** to be published – to remove risk of councillors or their families being subject to violence and intimidation.



How Gov. will engage non-mayoral authorities while English Devolution bill goes through Parliament?

While we wait to see if Kent & Medway is included in Devolution Priority Programme, the Gov. will engage every non-MSA area on:

- Identifying where Gov. can provide **more freedoms** for Local Authorities to use powers without central approval.
- Developing proposals to improve support for councillors and address barriers to **attracting and retaining elected members**.
- Consulting on **local government standards**.
- Setting out Gov.'s vision for radically simplifying the **local audit system**, including our intention to establish a new body for local audit.
- Establishing a **local government workforce development group** to identify practical solutions to workforce recruitment and retention.
- **Local government reorganisation**, inviting proposals to form a unitary council from all remaining two-tier areas and those unitary councils where their size (below 500k residents) or evidence of failure may be hindering their ability to deliver high-quality services to their residents.
- Developing further proposals for **public service reform** and prevention, alongside place-based leadership models.
- The **areas of competence for SA** and how these are supported by the powers to deliver against them.
- Confirm effective **strategic planning voting arrangements** outside of SA.

