English Devolution Bill: Key takeaways for the West Midlands

This note summarises some of the key announcement in the English Devolution and Community Empowerment Bill. The full document is available at gov.uk

Overview

- **Geography and Structure:** The Bill defines "Strategic Authorities" (SAs), (Combined Authorities, Combined County Authorities and the Greater London Authority), and Local Authorities.
- Coverage: The Bill outlines a goal of universal coverage of SAs, which will have three levels: Foundational (without a Mayor), Mayoral (with a Mayor) "MSA", and Established (which unlocks further devolution) "EMSA". In this document, "SA" refers to all types, and "MSA"/ "EMSA" are used where this level is specified. WMCA is an EMSA.
- **EMSA:** To access the Established Mayoral tier, a Strategic Authority must have had a directly elected mayor for at least 18 months, a published Local Assurance Framework, no recent or ongoing external reviews or interventions, and no material accounting concerns affecting its financial management.
- **Secretary of State powers:** SoS will have the power to; add councils to an existing SA, provide a mayor for an existing SA, or create a new SA, without the consent of relevant councils (in cases where devolution has not been locally agreed). SoS will also be able to designate MSAs as EMSAs.
- Mayoral Powers of Competence: Mayor to be given the 'general power of competence' to do anything an individual can legally do, the 'power to convene' to convene local partners to address local challenges, a 'duty to respond' placed on local partners for requests from the mayor and a 'duty to collaborate' to ensure collaboration with neighbouring Mayors.
- **Devolution by default:** The Bill introduces 'devolution by default' via a standardised devolution framework setting out what SAs are entitled to at each level of devolution.
- **Right to Request:** EMSAs can formally request new powers or funding changes to help deliver against the seven areas of competence. Details of this mechanism to be shared in next Mayoral Council.
- **Supplementary vote system:** First past the post will be replaced by a supplementary vote system for all mayoral elections (all MSAs and ESMAs) and Police and Crime Commissioner elections from 2027.
- **Appointing commissioners:** The Bill will enable all mayors of SAs to nominate 'commissioners' to lead on delivering against the SA's new 'areas of competence'. These commissioners would be independent appointees, made by and accountable to the mayor.
- Members of Parliament: Individuals will be unable to be both Mayors and MPs simultaneously.
- **Special responsibility allowance:** SAs will be able to pay a 'special responsibility' allowance to constituent council members in respect of duties undertaken in service of the authority.

Growth

- **Governance:** The Bill aims to standardise governance for SAs by requiring their budgets, including transport, to be approved by a simple majority vote, including the mayor. The single majority vote replaces the current requirement of vote of the mayor plus a two-third majority.
- **Mayoral precept:** Legislation will be expanded so the mayoral precept can be spent on all Strategic Authority functions.
- Local Growth Plan: To address areas' specific challenges and unlock growth, the Bill requires all mayoral strategic authorities to create long-term local growth plans to support economic growth, with guidance from the Secretary of State.
- Local audit reform: The Bill will create a new Local Audit Office (LAO) to simplify and unify the local audit system. The LAO will handle coordination, standards, oversight, and support broader reforms in reporting and audit capacity.
- Ability to issue grants: SAs able to pay grants to constituent councils without Government consent.
- Community right to buy: The Bill replaces the existing community right to bid policy, with a stronger community right to buy policy. This policy will allow community groups first refusal on assets of community value, with up to 12 months to purchase at market or negotiated value.
- **Neighbourhood governance:** This clause introduces a duty on local authorities to make appropriate arrangements for effective governance of any neighbourhood area, with the Secretary of State empowered to define these areas and set rules via regulations.

Jobs

- Adult Education: Strategic Authorities will take over key adult education responsibilities from central
 government, including securing appropriate training facilities for adults (excluding most under 25-yearolds who are subjected to an education, health and care plan), supporting skill development for
 qualifications and ensuring free tuition for certain eligible learners.
- Adult Skills Fund: Under this bill the Department for Education will provide Strategic Authorities with the Adult Skills Fund, allowing them flexibility to address local adult skills needs.

• **Employment Support**: SAs will gain new responsibilities and funding to deliver some aspects of local employment support, including the extension of Connect to Work, continuation of Restart programme for long-term unemployment, and new Pathways to Work funding for people facing complex barriers.

Homes

- Mayoral Community Infrastructure Levy: The Bill gives Strategic Authorities (SA) Mayors similar strategic planning powers to London, including the ability to charge a Mayoral Community Infrastructure Levy (MCIL) if an SDS is in place.
 - SA Mayors gain powers like planning, building control, and managing their own housing stock and strategic land acquisition.
 - Mayors get compulsory purchase powers), which are usable without a full authority vote but it does require consultation with local or National Park authorities.
- Mayoral Development Areas and Corporations: The Bill extends powers for creating and managing
 Mayoral Development Areas (larger boundary area) and mayoral development corporations (focused
 regeneration within that area) to all mayoral SAs, not just the Mayor of London. Mayors can propose a
 mayoral development area (MDA), subject to consultation and approval by the combined authority (CA
 or CCA), requiring a simple majority vote.
- **Planning Authority Powers:** Mayoral development Corporations (MDCs) can be designated as local planning authorities (including minerals and waste) and may seek assistance from local councils.
- Land and Asset Management: MDCs can acquire land compulsorily (with mayoral and Secretary of State approval), and transfer assets and liabilities, including business rates powers.

Journeys

- **Micromobility vehicles:** New powers for combined authorities to regulate/license on-street micromobility (bikes/E-bikes) vehicles.
- Work on highways: Amended functions for combined authorities regarding trunk roads, and the power
 to enter into agreements with strategic highways companies delegated to them, subject to the consent of
 the relevant constituent local highway authorities
- Civil enforcement of traffic contraventions: New CA powers within the geographic scope of existing designated civil enforcement areas of its constituent councils. Enforcement can only be undertaken with the written consent of the constituent local authority in whose area it is proposed that the enforcement functions are to be exercised.
- **Key route network (KRN) roads:** Bill will require mayors to designate and publish a KRN and allows for local changes to the KRN (removing the need for SoS approval).
- New Mayoral KRN power to direct: power of direction of the KRN, enabling mayors to instruct
 constituent local highway and traffic authorities to use their powers on the key route network. However,
 mayors need to consider the impact of the statutory network management duties held by constituent local
 highway authorities.
- **Restating an existing duty:** Metropolitan district councils have a duty implementing the CA's local transport plan, when carrying out their transport functions.
- Local transport authorities and other transport functions: Existing legislation will be clarified so that WMCA will be the sole local transport authority for the area with the relevant powers and duties such as local transport planning, securing public passenger transport services, bus partnerships, bus franchising, and concessionary travel.
- Local Transport Plan (LTP): The Bill moves the duty for preparing, publishing and reviewing local transport plans to the mayors from the CAs. However, an LTP would still require CA approval, with voting approval arrangements to change to:
 - o a simple majority of constituent members and the mayor.
 - o the mayor must be in the majority for it to pass (with an additional mayoral vote if vote is tied).
- **Transport levy:** To allow SAs to carry out their transport functions effectively, the Bill will allow them to charge a transport levy to their constituent councils to fund their activities. The SA will also be able to pay grants to constituent councils when needed to help with the delivery of transport activities.

Public Service Reform

- **New Health Duty:** The Bill will introduce a new health duty on all SAs, requiring them to 'have regard' to the need to (i) improve the health of the people living in their areas and (ii) reduce health inequalities between the people living in their areas when considering whether or how to exercise their functions.
- Police and Crime Commissioner and Fire and Rescue Authority: Where mayoral geographies align
 with PCC and FRA geographies (as they do in the West Midlands), mayors will be by default responsible
 for both these functions (if the SoS is satisfied).