City Council



Date of meeting: 09 January 2025

Title of Report: English Devolution White Paper

Lead Member: Councillor Tudor Evans OBE (Leader)

Lead Strategic Director: Tracey Lee (Chief Executive)

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Your Reference:

Key Decision: No

Confidentiality: Part I - Official

Purpose of Report

On 16 December 2024, the Government published a White Paper (Power and Partnership: Foundations for Growth) setting out their vision for devolution and local government reorganisation, with the aim of shifting power away from Whitehall and simplifying local government structures.

The Government's long-term vision is for simpler structures and a focus on delivering improved services with greater innovation and a more strategic approach. To help deliver these aims, the Government will also facilitate local government reorganisation in England for two-tier areas and for unitary councils where their size or boundaries may be hindering the ability to deliver sustainable, high-quality public services. The new Devolution Framework will deliver the transfer of powers by default rather than previously through a multitude of bespoke deals.

Ahead of the English Devolution Bill, which is expected to start its journey through Parliament in the spring, the Government will bring forward areas ready to move quickly through a new "Devolution Priority Programme", which has a focus on councils working together to form Strategic Authorities that have a combined population of 1.5 million or above sitting within a complete England-wide structure. Government sees these changes as central to its wider growth ambitions to achieve national economic renewal but recognises that implementation will be in phases. These strategic combined authorities must have the ambition to move to a mayoral model.

The Government has invited councils to submit their expression of interest, outlining who they would like to work with to form a strategic authority by 10 January 2025 to be considered for the Devolution Priority Programme.

Recommendations and Reasons That Council endorses the following –

1. The Government has clearly stated that large Strategic Authorities led by directly elected mayors represent their preferred path for devolution, viewing this model as the most effective way to transfer power and resources from Westminster to local regions. In response to this clear policy direction, Plymouth City Council strongly advocates for the establishment of a South West Peninsula Mayoral Strategic Authority. This proposed authority would encompass the combined geography of Cornwall, Devon, Plymouth, and Torbay.

Reason: The longstanding collaboration between Plymouth, Devon, and Torbay authorities in driving economic growth provides a strong foundation for enhanced regional partnership. Building on this proven track record of cooperation, a devolution deal presents a compelling opportunity to secure substantial additional investment, for the benefit of local communities. The formation of a South West Peninsula Mayoral Strategic Authority is the optimal solution for our region, taking into account our distinct geographic characteristics, appropriate operational scale, established economic connections, alignment with existing public service boundaries, and our shared local identity.

2. The necessity to expand the Council's administrative boundaries to achieve the scale required for future sustainability. This must be carefully balanced with preserving both Plymouth's distinctive identity and the identities of neighbouring communities. Work to develop appropriate options and a business case for this will now commence

Reason: In moving forward with devolution, the Government has said they will facilitate local government reorganisation in England for two-tier areas and for unitary councils their size or boundaries may be hindering an ability to deliver sustainable, high quality public services. The Government has said that unitary authorities need to be of a viable size. Councils need to be sustainable and have the scope to grow and thrive. Therefore, we are looking at reviewing our boundaries, to ensure that we are of sufficient size, without losing the essence of our identity. It is important that the options for this are fully considered by Council, before a submission is made.

Devolution alternative options considered and rejected

Do nothing – This is not an option as the White Paper has set out an unequivocal mandate for "universal coverage in England of Strategic Authorities" and its commitment to "devolution by default." The question is not whether devolution will occur, but rather when it will be implemented.

A strategic partnership encompassing Cornwall Council, Devon County Council, and Torbay Council would meet the government's baseline requirement of 1.5 million combined population for Strategic Combined Authorities. This configuration would secure access to enhanced powers and funding opportunities while effectively addressing travel-to-work patterns and functional economic market considerations. Alternative arrangements with smaller populations would prove insufficient in these critical aspects.

Alternative Option – Plymouth, Devon and Torbay - The alternative of a strategic authority limited to Plymouth, Devon, and Torbay, while building on existing collaborative foundations, would be under the 1.5 million that the Government have indicated and would not take into account the strategic imperative of the wider peninsula. This arrangement would not satisfy government requirements or align with established policy direction. Cornwall's inclusion is vital to creating a cohesive peninsula-wide strategic authority that truly represents the South West's unique characteristics and challenges. A combined peninsula approach, incorporating Cornwall, would create a more powerful and unified voice in negotiations with government, particularly on crucial issues such as

transport infrastructure, coastal economy, renewable energy, and rural development. This stronger collective voice would be better positioned to advocate for the distinct needs of the peninsula and attract investment that could benefit the entire region.

Alternative Option – Plymouth, Torbay and Devon join the Heart of Wessex (Wiltshire, Somerset & Dorset). This option has been rejected as it would create an unwieldy strategic authority covering an excessively large geographic area with a population of 3.34 million. While this could theoretically attract higher funding levels, the sheer scale would significantly complicate governance and decision-making. The distance between the furthest points would make coordination challenging and potentially ineffective, while competing interests between multiple urban centres and diverse rural areas would likely create tension in priority-setting and resource allocation.

Local Government Reorganisation alternative options considered and rejected

Do nothing – Maintaining current arrangements is not a feasible option given the Government's clear direction for comprehensive reorganisation of local governance structures. The Government has made it unequivocally clear that Local Government Reorganisation will proceed, with the specific aim of establishing single unitary authorities throughout England. In addition, the Government has told councils that unitary authorities need to be of a viable size. Councils need to be sustainable and have the scope to grow and thrive. Therefore, Plymouth recognises the necessity to expand its administrative boundaries to achieve the scale required for future sustainability.

Relevance to the Corporate Plan and/or the Plymouth Plan

By establishing a South West Peninsula Combined Authority, the Council would be able to unlock funding, new powers and resources that would enable us to deliver the priorities as set out in the Corporate Plan.

Implications for the Medium Term Financial Plan and Resource Implications:

As part of this process there is a need to ensure that sufficient resources are allocated to enable the Council to play a proactive part in the devolution discussions and develop options for local government reorganisation, particularly as the timeframes are so tight. Officers will need to establish internal processes and resources to deliver the programme as a strategic project – making sure that the Council also engages and works with other partners and stakeholders across the city.

A project team will be established using existing staff and backfilling where required. A dedicated fund will be allocated over a two year period for this purpose and built into the 2025/2026 and 2026/2027 budgets.

In the White Paper, the Government commits to making funding available for combined authorities to kick start their devolution discussions. This funding would be available in the year leading up to the Mayoral Election and the detail of this would need to be explored further in due course.

Financial Risks

We are preparing a full risk and opportunity register for this programme of work.

The Government has explicitly indicated that future funding allocations, particularly those targeting economic growth initiatives, will be channelled predominantly through Mayoral Combined Authorities.

Delayed participation in this framework would severely restrict our access to these essential funding streams, potentially compromising our region's economic development opportunities. Swift action is therefore imperative to secure our position and maintain our competitive advantage in accessing crucial government resources.

Carbon Footprint (Environmental) Implications:

Devolution brings clear opportunities to work faster to deliver our carbon reduction commitments and priorities. Through devolution, the government has committed to making Britain a clean energy superpower. So that Strategic Authorities can play their role in this mission, they will make the following changes:

- Mayors will be handed control of retrofit funding as part of the Integrated Settlements, providing a strengthened route to local delivery of the Warm Homes Plan.
- Strategic Authorities will have a strategic role in the delivery of the Great British Energy Local Power Plans, delivering local sustainable energy generation.
- They will also have a role in the wider energy system, delivering our transition to Net Zero, become the zoning co-ordinators for local heat networks, and with their plans taken into account in the National Energy System operators' Regional Energy Strategic Plans.
- The Government will expand Strategic Authorities' role in leading Local Nature Recovery Strategies.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

* When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.

Appendices

*Add rows as required to box below

Ref.	Title of Appendix	If some	Exemption Paragraph Number (if applicable) If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.								
		ı	2	3	4	5	6	7			
Α	English Devolution White Paper Briefing paper										

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are <u>unpublished</u> works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exem	Exemption Paragraph Number (if applicable)								
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	I	2	3	4	5	6	7			
Government White Paper										
LGA briefing report										

Sign off:

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Originating Senior Leadership Team member: Tracey Lee

Please confirm the Strategic Director(s) has agreed the report? Yes

Date agreed 08/01/2024

Cabinet Member approval: Councillor Tudor Evans OBE approved verbally.

Date approved; 08/01/2024