

English Devolution and Community Empowerment Bill – Summary

17 July 2025

The Bill puts into legislation the Government's commitment to devolve powers, budgets and decision making away from Whitehall. The Bill has three main sections:

- **Devolution:** outlining the devolution structures, increased powers for Mayors, and the route to devolution for places that do not currently have it.
- **Local government:** ensuring the process for local government reorganisation [LGR] supports the ambition in the Devolution White Paper, outlining changes to local authority governance, accountability and introducing effective neighbourhood governance structures to amplify local voices.
- **Communities:** introducing the Community Right to Buy assets of community value and making reforms to commercial leases.

Headlines

The Bill sets out the legislation needed to create Strategic Authorities in England and put in place local government reorganisation.

Existing Combined Authorities, Combined County Authorities and the Greater London Authority will become Strategic Authorities.

The **Devolution Framework** will give a standardised set of legal powers, funding commitments and partnership arrangements with central government. The framework specifies what Strategic Authorities will be entitled to at each of the four levels of devolution: Established Mayoral, Mayoral, Foundation and Single Local Authority Foundation.

Eventually, Strategic Authorities will have **seven powers of competence** awarded to them, covering: transport and local infrastructure; skills and employment support; housing and strategic planning; economic development and regeneration; environment and net zero; health, wellbeing and public service reform; public safety.

Mayors will have new powers known as 'the Mayoral Powers of Competence', which will include a general power of competence to do anything an individual can legally do, and the power to convene. There will be corresponding duties on local partners, to respond and collaborate to deliver projects and strategies together.

Mayors will have the ability **to raise a 'mayoral council tax precept'** to fund Strategic Authority functions.

Strategic Authority Mayors and Police and Crime Commissioners will be **elected using the Supplementary Vote system.**

The **Secretary of State will have powers** to establish new Strategic Authorities or expand existing ones without the consent of local areas, as well as to require an existing non-

mayoral authority to transition to having a directly elected Mayor. The Secretary of State will also be able to direct councils to reorganise.

All local councils will have to operate a **Leader and Cabinet system** of governance.

There will be a new **Community Right to Buy** an asset of community value, which has been extended to include economic assets, those of historical importance, and sporting venues.

All local authorities in England will have to establish **effective neighbourhood governance**. The aim is to move decision-making closer to residents, so that decisions are made by people who understand local needs. The details of the obligations on local authorities will be set out in regulations that will be made after the Bill is in force.

Devolution

Strategic Authorities

The Bill will create Strategic Authorities as a new category of authority that will be introduced for each area in England. Strategic Authorities are being created to address regional issues and develop the opportunities that exist over larger geographical areas, such as pursuing a more integrated transport network. A Strategic Authority will be made up of constituent top tier local authorities that work together over a specific area. Local councils will continue to represent local communities and deliver public services such as adult social care.

Existing Combined Authorities, Combined County Authorities and the Greater London Authority will become Strategic Authorities.

Strategic Authorities will be one of four levels:

- **Foundation:** without an elected Mayor with limited devolution powers
- **Single Local Authority Foundation Strategic Authorities:** used in rare cases where a single local authority becomes the constituent council – it will have fewer powers than a Foundation Strategic Authority.
- **Mayoral:** available to areas with an elected Mayor, with greater devolved powers
- **Established Mayoral:** available to Mayoral Strategic Authorities who are able to satisfy additional governance requirements. Established Mayoral Strategic Authorities will have access to the broadest range of devolved powers and functions, including the ability to request further devolved powers from the government.

Existing Combined Authorities that will become Established Mayoral Strategic Authorities once the Bill has passed into law are: Greater Manchester, West Midlands, Greater London, Liverpool City Region, South Yorkshire, West Yorkshire and the North East.

Devolution Framework

The Devolution Framework will give a standardised set of legal powers, funding commitments and partnership arrangements with central government. The framework specifies what Strategic Authorities will be entitled to at each level of devolution.

The voting and decision making by constituent councils will be changed to a simple majority method to make most decisions.

To continue to extend devolution in the future the Bill will:

- enable secondary legislation to be used to give more powers to devolved areas, i.e. Ministers can decide and enact the changes.
- specific Strategic Authorities will be able to pilot new devolved powers before central government decides to add them to the Devolution Framework.
- Established Mayoral Strategic Authorities will have a 'right to request' which will allow them to ask for further powers, funding and partnerships to expand the Devolution Framework.

Role of Strategic Authorities

A Strategic Authority will have seven areas of competence:

1. transport and local infrastructure
2. skills and employment support
3. housing and strategic planning
4. economic development and regeneration
5. environment and net zero
6. health, wellbeing and public service reform
7. public safety.

1. Transport and Local Infrastructure

Strategic Authorities will become the Local Transport Authority [LTA] for the area, with responsibility for transport planning and provision. The LTA will have oversight and management of local transport networks including bus, tram and light rail, with the ability to manage travel concessions. Strategic Authorities will need to prepare a Local Transport Plan to set out local transport policies and how they will be delivered, including a coordination role for local roads. Constituent councils will be required to implement this plan in their area including for roads and main routes, for which they retain responsibility. Strategic Authorities will be able to charge a compulsory transport levy to their constituent councils to fund these activities, as well as make grants to support the delivery of transport activities e.g. the creation of a cycle lane. Elected Mayors will have the Power of Direction over how constituent councils use of their local highway and traffic powers over the Key Route [road] Network. The LTA will be able to regulate on street bike and scooter hire schemes.

2. Skills and Employment Support

The Bill will transfer adult education functions from central government to Strategic Authorities, supported by a grant called the Adult Skills Fund. This will apply to people aged 19 and over from free entry to level 3 courses, through work skills, apprenticeship or further learning. The current legal entitlements for fully funded learning will transfer to the Strategic Authority, which will have significant discretion about how to allocate funds with minimal conditions attached.

3. Housing and strategic planning

The Bill will give Mayors of existing Combined Authorities and Combined County Authorities new planning powers which will include call in powers for large or prominent schemes, strategic. A Spatial Development Strategy will need to be prepared, which will set out the vision for development over the Strategic Authority area. Once a spatial strategy is in place Mayors will have the ability to levy a Mayoral Community Infrastructure Levy.

Mayors will have the ability to issue Mayoral Development Orders [MDOs] which will grant planning permission for a particular development instead of relying on an application to be submitted and without the consent of local planning authorities [i.e. the constituent councils.]

The Bill will give all Mayors of Strategic Authorities the power to designate a Mayoral Development Area (MDA) and establish a Mayoral Development Corporation (MDC) to deliver large-scale regeneration and development projects.

4. Economic growth and regeneration

Every Mayoral Strategic Authority will need to produce a Local Growth Plan to outline how economic growth will be supported. There are two associated legal responsibilities:

- all Mayoral Strategic Authorities [except Greater London] will need to produce a Local Growth Plan with an economic overview, shared priorities agreed with government and an investment pipeline. The Plan will show where the region's key economic strengths and challenges are, and how the challenges will be addressed. The Local Growth Plan will have legal weight – making it statutory guidance.
- Certain public organisations [as yet undesignated] must have regard to the shared priorities of a Local Growth Plan, if they are relevant to what they do. i.e. named organisations will need to consider what they can contribute to delivering those shared priorities. The organisations that must do this will be named in regulations after the Bill receives Royal Assent.

5. Environment and climate change

While the Bill does not transfer statutory environmental or climate-related functions to Strategic Authorities, the government recognises the importance of local leadership in these areas. As part of its ongoing commitment to deepen devolution, the government will continue to explore future opportunities for devolution in this area and will work closely with Strategic Authorities.

6. Health, wellbeing and public service reform

The Bill will introduce a new legal requirement for almost all Strategic Authorities to 'have regard' to the need to improve the health of people in their areas and reduce health inequalities between people living in their areas when they act. This will be a bespoke statutory health improvement and health inequalities duty.

This responsibility means that when a Strategic Authority uses any of its powers and functions, it must consider and seek to minimise any negative effects it might have on the health of the people living there, as well as any impact it might have in increasing health inequalities.

7. Public safety

The government is committed to increasing the number of mayors with Police and Crime Commissioner (PCC) and Fire and Rescue Authority (FRA) functions. This is because Mayors have broader local powers than PCCs, and giving them the PCC and FRA functions enables them to join up local services and take an integrated approach to improving local outcomes.

Through this Bill, where mayoral geographies align with police force and FRA geographies, Mayors will be, by default, responsible for exercising these functions. The Bill will also allow Mayors to exercise PCC functions over more than one police force area, where those forces align with a mayoral geography. This is already possible for FRAs, although the Government may explore mergers of FRAs under one Mayor rather than operate two distinct ones within one Mayoral Strategic Authority. Where a Mayor does exercise PCC functions, they will be required to appoint a Deputy Mayor for Policing and Crime for each force area in which they exercise those functions.

To support the alignment of police force and fire boundaries, the Bill will allow the relevant Secretary of State to change police and fire boundaries at the same time as transferring PCC and FRA functions to Mayors of Strategic Authorities.

Mayoral Powers of Competence

To empower Mayors, the Bill will give Mayors new powers known as ‘the Mayoral Powers of Competence.’ These will be:

- the General Power of Competence – a broad general power enabling Mayoral Strategic Authorities, and their Mayors, to do anything an individual can legally do
- a power to convene – enabling Mayors to convene local partners to address local challenges
- a duty to respond – placing a duty on local partners to respond to a Mayor’s request when they make use of the power to convene
- a duty to collaborate – ensuring that Mayors have a formal process by which they can collaborate with neighbouring Mayors to deliver projects and strategies together.

A list of ‘local partners’ will be set out in regulations and will include organisations such as local authorities, NHS partners, police and fire services and organisations providing other public services.

Operation of Strategic Authorities

Mayors already appoint constituent council members to carry out specific pieces of work. The Bill will make it possible for constituent councils to be paid for this work.

Mayors will be able to appoint and pay Commissioners to lead on each of the seven areas of competence, to increase the capacity and give the Mayor more flexibility in how they choose to deliver. Commissioners will not be members of the Strategic Authority and can have some functions of the Mayor delegated to them.

Mayors will have the ability to raise a 'mayoral council tax precept' as an optional levy to add to council tax in their area, to fund Strategic Authority functions.

A new standard voting method will be used for decision-making on budgets – requiring only a simple majority.

Voting System

The government has decided to change the voting system so that Mayors and Police and Crime Commissioners will be elected using the Supplementary Vote system. [Voters can choose their preferred candidate and select a second preference. If a candidate receives more than 50% of first preference votes they are elected, but if not the top two candidates go through to a second round. The candidate with the most votes at this stage is then elected.]

Creation of Strategic Authorities

The Bill will enable the Secretary of State to establish new Strategic Authorities or expand existing ones without the consent of local areas. This power will only be used when other routes to establishing a Strategic Authority have failed. Additionally, the Secretary of State will be able to require an existing non-mayoral authority to transition to having a directly elected Mayor, allowing areas to access further powers.

Local Government

Structures

The Bill will reinstate the ability for the Secretary of State to be able to direct councils to submit proposals to reorganise two-tier areas into a single unitary tier. As all remaining two tier council areas in England are currently working towards unitary council status, this power will only be used to achieve stability for local government or increase value for money for council tax payers. The Secretary of State will also have the power to invite or direct existing unitary authorities to submit proposals for merging with other unitary authorities.

Local authority governance

All top tier local councils will now have to operate a Leader and Cabinet system. Councils currently operating a committee system will need to move to a cabinet system and no new local authority Mayors can be created. The 13 councils currently with elected mayors will have the option to continue with this or transition to a Leader and Cabinet model.

For most councils this will mean no change, as around 80% of councils already operate a Leader and Cabinet model, and the majority of councils currently operating a committee system will be moving to Leader and Cabinet as part of local government reorganisation.

Councils still operating the committee system who are not part of local government reorganisation will be given one year from the date of the legislation coming into force to make the transition.

Other Powers

The establishment of the Local Audit Office to oversee local audit and to simplify and streamline the currently fragmented system for the audit of council, police and crime Commissioner and fire and rescue authority accounts.

Communities

Community Right to Buy

The Bill will introduce a new Community Right to Buy so that when an Asset of Community Value is put up for sale, community groups will be given the first opportunity to purchase it. This will be either through a negotiated price, or at a value set by an independent valuer based on the market value. The moratorium on the sale of the asset will be extended to 12 months.

The definition of an asset of community value will also be expanded to cover:

- economic assets
- historical importance
- and a new Sporting Asset of Community Value [football, cricket grounds etc.], which will retain the designation indefinitely.

Neighbourhood Governance

The Bill will require all local authorities in England to establish effective neighbourhood governance. The aim is to move decision-making closer to residents, so that decisions are made by people who understand local needs.

The details of the obligations on local authorities will be set out in regulations that will be made after the Bill is in force. Before those regulations are made, government will be undertaking a review as to the best way to achieve the aims including speaking to the sector to ensure they have the opportunity to contribute and share existing good practice.

Local authorities can still set up town and parish councils, and town and parish councils which exist now can continue.