

ENGLISH DEVOLUTION AND COMMUNITY EMPOWERMENT BILL

Policy Brief

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Introduction to the Bill

The English Devolution and Community Empowerment Bill, introduced in July 2025, establishes a framework to extend and standardise devolution through new “Strategic Authorities” to improve local delivery in areas such as transport, planning, education, and regeneration. Building on the December 2024 English Devolution White Paper, the Bill aims to streamline English local government and empower councils and communities as key drivers of England’s future growth and renewal.

Our Key Takeaways



The Bill marks a **significant step forward for English devolution**, with the inclusion of **environment and climate change as an area of competence**, a particularly welcome highlight, though further detail and ambition will be critical to maximise its impact.



Although national and local climate goals are already in place, the Bill **does little to strengthen the ability of local authorities to deliver on climate or clean air**. This was an opportunity to equip local areas with the powers, resources, and responsibilities but has been missed even while some of these were explicitly mentioned in the White Paper. Our members called for a statutory duty on climate with the necessary powers and funding in our report [Local Net Zero 2.0: The moment to deliver](#).



The Bill **does not address fiscal devolution**, long-term integrated funding across departments, or the consolidation of local growth funding into a single pot. This creates uncertainty over whether Strategic Authorities will have the **stable and flexible resources needed to use their new powers effectively**. This was a key ask from our members as highlighted in our report [Local Net Zero 2.0: The moment to deliver](#).



It is not clear in the Bill that the new powers for Strategic Authorities are genuinely devolved from Westminster, **raising concerns they may instead be shifted away from lower-tier authorities**.

Beyond the headline gaps



The Bill provides only **limited new tax-raising powers for Strategic Authorities**. The fiscal powers outlined largely mirror existing local authority controls over council tax and road user charging, raising questions about whether this could dilute or centralise powers currently held by councils.



A notable gap in the Bill is the **absence of a clear duty for new Strategic Authorities to collaborate across regions and sectors**, which risks creating fragmented approaches to delivery.



The Bill lacks key climate powers, raising questions on how devolution will support local action and **help unlock wider community benefits**.



The Bill overlooks Strategic Authorities' role in tackling transport-related air pollution. It includes powers for road charging and micromobility but lacks wider support for clean air initiatives.



It fails to confirm Strategic Authorities' role in GB Energy's Local Power Plan, Regional Energy Strategic Plans or Local Area Energy Planning, despite White Paper commitments.



The Bill is also silent on Strategic Authorities leading Local Nature Recovery Strategies and expanding their role in environmental delivery, as previously proposed.



There is no commitment to devolve the Warm Homes plan and retrofit funding or give Strategic Authorities control over affordable housing strategy, beyond a mention to sustainable development and design.



The role of Strategic Authorities in green skills has been overlooked, including joint oversight of Local Skills Improvement Plans or defining the relationship with Skills England, and their wider role in the business ecosystem.

CONCERNS AROUND DELIVERY

- ▶ The proposed approach risks exacerbating disparities in climate action between regions with differing levels of capacity, potentially leading to unequal progress in the pace and scale of local climate delivery.
- ▶ There is significant climate expertise and delivery capability within local councils, particularly district councils, which may be lost if not actively retained and integrated within the new governance structures.

- ▶ While the Bill sets out ambitious reforms, it provides limited clarity on delivery timelines and lacks measurable success criteria, making it difficult to assess progress and impact.
- ▶ The additional responsibilities outlined in the Bill, such as the development of Spatial Development Strategies (SDS) and Transport Plans, will require significant investment in local capacity-building and expertise, which is currently unaddressed.

KEY PROVISIONS OF THE BILL

The Bill creates a **new legal category of “Strategic Authority”** to make it easier to transfer powers from Westminster to local government. Strategic Authorities will address regional issues like integrated transport without replacing councils, which will remain responsible for local representation and services such as adult social care. Existing local institutions will form the basis for these authorities across England.

- Combined Authorities are groups of councils working together across boundaries on devolved issues like transport or economic development. They will typically cover a single-tier area with only unitary councils and can be either mayoral or non-mayoral.
- The Greater London Authority (GLA) – the strategic governing body for London.
- Combined County Authorities are like Combined Authorities but cover two-tier areas with county and district councils but only upper-tier councils can be constituent members.
- In rare cases, a single council agreeing non-mayoral devolution with government can be designated a Strategic Authority.

Each Strategic Authority will belong to 1 of these levels of devolution:

- ▶ **Established Mayoral Strategic Authority:** will have the widest range of devolved powers and functions, with the option to request further powers from government. Available to Mayoral Strategic Authorities that meet additional governance criteria.
- ▶ **Mayoral Strategic Authority:** will have greater devolution and be applicable in regions with an elected Mayor and can include mayoral Combined and Combined County Authorities.
- ▶ **Foundation Strategic Authority:** will have limited devolution and include non-mayoral Combined Authorities, Combined County Authorities, and single councils designated as a Strategic Authority.

Areas of Competence: Strategic Authorities will have the ability to perform functions in the following areas:

- Transport & local infrastructure
- Environment & net zero
- Public safety
- Housing & strategic planning
- Economic development & regeneration
- Skills & employment support
- Health, wellbeing & public service reform

The government aims to deepen devolution through three ways:

- ▶ power to expand the Devolution Framework over time using secondary legislation
- ▶ the ability for specific Strategic Authorities to pilot devolved powers before it can be expanded more widely
- ▶ The Bill will empower Established Mayoral Strategic Authorities with a ‘right to request’ for additional powers

TRANSPORT AND LOCAL INFRASTRUCTURE

- Strategic Authorities will lead transport planning as the 'Local Transport Authority,' and upper-tier councils will retain this role where no Strategic Authority exists.
- Strategic Authorities will need to produce a Local Transport Plan, aligned with growth and spatial planning strategies, which constituent councils will be required to implement using local powers.
- Strategic Authorities will have oversight of local transport networks and the powers to manage them, with a legal duty to ensure passenger services are provided where appropriate.
- Mayoral Strategic Authorities will need to set up and coordinate a Key Route Network to ensure strategic oversight of the most important local roads in their area. Mayors will hold a Power of Direction over councils' use of their local highway and traffic powers on it to support the Local Transport Plan.
- Strategic Authorities will have powers to implement joint road user charging scheme (e.g. congestion charging) with relevant constituent councils.
- The Bill will enable all Local Transport Authorities, including Strategic Authorities, to license on-street micromobility schemes.
- Strategic Authorities will be able to apply for powers to issue Penalty Charge Notices, with constituent councils' consent, to improve road traffic management.
- Strategic Authorities will be able to charge a transport levy on constituent councils and provide grants to support transport delivery.
- Constituent councils will manage local roads, but Strategic Authorities will be expected to coordinate local road networks across their area.
- Mayors will have a legal power to set Traffic Reduction Targets on the Key Route Network to tackle congestion, environmental impacts, and support sustainable transport.
- Strategic Authorities will have powers to manage travel concessions.

HOUSING & STRATEGIC PLANNING

- Strategic Authorities will be required to publish a Spatial Development Strategy (SDS), to set out the vision for development across their areas.
- Mayors of Combined Authorities and Combined County Authorities will receive new planning powers including the ability to direct refusal and call in strategically important applications, helping unlock beneficial development.
- Mayors of Strategic Authorities will also gain the power to prepare Mayoral Development Orders (MDOs), a planning tool that allows the Mayor to grant planning permission for specific developments without a separate application.
- Mayors of Strategic Authorities will be able to charge developers a Mayoral Community Infrastructure Levy (CIL) if they have a Spatial Development Strategy in place. Mayors will need a simple majority of constituent councils to approve a Mayoral CIL charging schedule and will hold the casting vote if there is a tie.
- The Bill will also empower all Mayors of Strategic Authorities to designate Mayoral Development Areas (MDAs) and establish Mayoral Development Corporations (MDCs) which historically delivered large and complex development and regeneration projects.

»»» GROWTH AND REGENERATION

- Mayoral Strategic Authorities (except the Greater London Authority) will have a legal responsibility to produce a Local Growth Plan including an economic overview, government-agreed priorities, and an investment pipeline.
- The Bill will also require Strategic Authorities to collaborate with Local Government Pension Schemes.
- Certain public organisations will be legally required to 'have regard' to the shared priorities in each Local Growth Plan, meaning they must consider how to support these priorities when bidding for government funding, developing related plans, or if requested by a Mayoral Strategic Authority. The specific organisations will be named in regulations after Royal Assent.

SKILLS AND EMPLOYMENT SUPPORT «««

- Adult education functions will transfer from central government to Strategic Authorities, enabling them to receive the Adult Skills Fund grant.
- Strategic Authorities will have discretion over the Adult Skills Fund, which will be allocated on a non-ringsfenced basis to allow local flexibility.

»»» ENVIRONMENT AND CLIMATE CHANGE

- ? The Bill does not transfer statutory environmental or climate functions to Strategic Authorities, including powers related to clean air and nature, but the government acknowledges the importance of local leadership and will continue exploring future devolution opportunities in collaboration with Strategic Authorities.
- ✓ Strategic Authorities will take forward heat network zones and create zone coordinators.

HEALTH AND PUBLIC SERVICE REFORM «««

- The Bill will require almost all Strategic Authorities to 'have regard' to improving local health and reducing health inequalities in their actions.

»»» COMMUNITIES

- **Community Right to Buy:** The Bill will introduce a new Community Right to Buy, giving community groups the first opportunity to buy an Asset of Community Value (ACV) when it is put up for sale, with a 12-month moratorium to raise funds. It will also create a new category — Sporting Asset of Community Value — automatically covering eligible sports grounds.
- **Neighbourhood governance:** The Bill will require all local authorities in England to establish effective neighbourhood governance. Local authorities can still set up town and parish councils, which will remain independent, but neighbourhood governance will ensure councils engage with communities directly rather than relying solely on town and parish councils.

MAYORAL POWERS OF COMPETENCE

Mayors of Strategic Authorities will gain new powers called the Mayoral Powers of Competence, designed to strengthen their role in driving growth, collaboration, and improvements. These include:

- ➡ **General Power of Competence** — a broad power allowing Mayoral Strategic Authorities and their Mayors to do anything an individual can legally do.
- ➡ **Power to Convene** — enabling Mayors to bring together local partners to address local challenges.
- ➡ **Duty to Respond** — requiring local partners to respond to a Mayor's request when the power to convene is used.
- ➡ **Duty to Collaborate** — establishing a formal process for Mayors to work with neighbouring Mayors on joint projects and strategies.

REFORMS TO HOW STRATEGIC AUTHORITIES OPERATE

- **Remuneration of constituent members:** The Bill allows Strategic Authorities to pay council members appointed by the Mayor for key roles in areas like housing and transport, with levels set by an independent panel.
- **Commissioners:** Mayors will be able to appoint and pay 'Commissioners' to lead on specific areas, tailor portfolios to their authority, and delegate functions to them for greater flexibility and capacity.
- **Voting system:** The Bill introduces the Supplementary Vote, where voters select first and second preferences to ensure the winner has broader support.
- **Mayor and MP roles:** The Bill will prohibit individuals from serving simultaneously as a Member of Parliament (or devolved legislatures) and as a Mayor.
- **Precept:** The Bill expands the optional mayoral council tax levy to cover all Strategic Authority functions, allowing funding for priorities like growth or fire services.
- **Budget voting arrangements:** The Bill will apply a simple majority voting method, which needs to include the Mayor, for Strategic Authority budgets, but will not apply to the Greater London Authority and Foundation Strategic Authorities.

FUTURE OF DEVOLUTION - WHAT NEXT?

BECOMING A STRATEGIC AUTHORITY: **THREE MAIN ROUTES**

- Councils can come together to propose a new Combined Authority or Combined County Authority for their area.
- The Secretary of State can propose creating new Combined or County Authorities, subject to local consent.
- Where a Combined or County Authority is not viable, the Secretary of State may invite a single local authority to become a non-mayoral Foundation Strategic Authority as a temporary step.

The Bill also introduces a new route allowing the Secretary of State to establish or expand Strategic Authorities without local consent, but only when other routes have been exhausted.

LOCAL GOVERNMENT REORGANISATION

- The Bill restores the Secretary of State's power to direct councils in two-tier areas to submit proposals for creating single-tier unitary authorities.
- It also allows the Secretary of State to invite or direct existing unitaries to propose mergers with others, supporting simpler and more sustainable local government structures.
- Local audit reform: The Bill will create a new body - the Local Audit Office to oversee and simplify the local audit system.

PROPOSED AMENDMENTS

While UK100 supports the bill, we believe it is a missed opportunity to unlock local ambition and control over their destinies. We have proposed the following amendments to the Bill committee.

Duty to contribute to delivery of nature and climate targets

(1) When exercising their functions, a strategic authority, a mayor, or a local authority, must contribute to—

- meeting the targets and carbon budgets set under Part 1 of the Climate Change Act 2008;
- meeting the targets and interim targets set under Part 1 of the Environment Act 2021; and
- the delivery of the programme for adaptation to climate change under section 58 of the Climate Change Act 2008

and they must not make any decisions that would be incompatible with meeting the targets listed in subsections (a)-(c).

(2) The Secretary of State must publish guidance describing in measurable terms the contribution that each strategic authority should make toward meeting the targets listed in subsection (1)(a)-(c).

Fiscal Devolution Strategy Strategy

The Secretary of State shall, within 12 months of this Act coming into force, prepare and publish a strategy for fiscal devolution.

(1) The strategy must include—

- a framework for devolving additional tax-raising powers to Strategic Authorities and local authorities;
- proposals for longer-term fiscal settlement arrangements extending beyond current spending review periods;
- proposals for devolving specific taxes including but not limited to visitor levies, environment levies, land value tax;
- proposals for enabling retention of percentages of specific taxes including but not limited to income tax, stamp duty, business rates;
- safeguards to maintain fiscal responsibility;
- a timeline for implementation over a 5 year period.

Preamble

A statutory duty requiring councils to pursue climate action would directly support the UK's national target of achieving net zero emissions by 2050 through coordinated local action. Such legislation would respond to growing public concern about climate change, demonstrating government recognition of the multi-level action required and addressing citizen demands for decisive climate measures.

The duty would ensure consistent approaches across all councils, replacing the current patchwork of voluntary initiatives with unified national standards. By providing councils with a clear legal mandate, authorities would be empowered to prioritise climate action and allocate resources accordingly, while the legal obligation would compel faster and more decisive progress toward emissions reduction.

Preamble

The White Paper promised to consolidate the number of grants and funding into Integrated Settlements for Established Mayoral Strategic Authorities, however this remains missing from the bill. There are several new programmes such as the Warm Homes Plan where funding has not been devolved in the bill.

Regardless of specific pots or taxes to devolve, there is a clear need to give local governments more control over their budgets. This would help them better allocate their resources to their priorities, be that climate or otherwise. Empowering local governments without giving them financial power is a very narrow interpretation of empowerment. The bill is an opportunity to amend the fiscal imbalance and put local governments on similar footing to their counterparts across the world.

THE BILL VS THE WHITE PAPER

The table below lists some of the commitments made in the White Paper that are not reflected in the Bill.

FUNDING & INVESTMENT	Foundation	Mayoral	Established
Access to a multi-departmental, long-term integrated funding settlement**			✓
Long-term investment fund, with an agreed annual allocation		✓	✓
Consolidation of local growth and place funding in a single pot**	✓	✓	✓
ENVIRONMENT AND CLIMATE CHANGE			
Devolution of retrofit funding this parliament subject to a successful transition period**			✓
Coordinating local energy planning to support development of regional network energy infrastructure	✓	✓	✓
A strategic role on net zero in collaboration with government, including on Great British Energy's Local Power Plan and Warm Homes Plan	✓	✓	✓
Responsibility for coordinating delivery and monitoring of Local Nature Recovery Strategies^	✓	✓	✓
HOUSING AND STRATEGIC PLANNING			
Ability to set the strategic direction of any future programme to support affordable housing provision in their area			✓
Support to establish a public sector land commission			✓
TRANSPORT AND LOCAL INFRASTRUCTURE			
Simplification and consolidation of local transport funding**	✓	✓	✓
Priority for strategic rail engagement (including mayoral partnerships) with Great British Railways	✓	✓	✓
Statutory role in governing, managing, planning, and developing the rail network		✓	✓
An option for greater control over local rail stations		✓	✓
A 'right to request' further rail devolution			✓
Priority for support to deliver multi-modal ticketing			✓
A clear, strategic role in the decarbonisation of the local bus fleet	✓	✓	✓
Formal partnership with National Highways		✓	✓

ECONOMIC DEVELOPMENT AND REGENERATION	Foundation	Mayoral	Established
Partnership working with Department for Science, Industry and Technology and U K Research and Innovation to explore opportunities for closer long-term collaboration in strengthening local research and innovation capacity	✓	✓	✓
Develop joint innovation action plans with Innovate U K to shape long-term strategies and investments		✓	✓
Embed UK Research and Innovation lead points of contact for enhanced collaborative working on innovation with Mayoral Strategic Authorities that are committed to work collaboratively on innovation		✓	✓
Responsibility as the accountable body for the delivery of Growth Hubs	✓	✓	✓
Devolution of Growth Hubs funding**			✓
A Strategic Partnership with the Department for Business and Trade focused on domestic growth, exports, investment, and delivery of local growth priorities.		✓	✓
SKILLS AND EMPLOYMENT SUPPORT			
Joint ownership of the Local Skills Improvement Plan model, with Employer Representative Bodies	✓	✓	✓
Central convening of youth careers provision including greater flexibility for Careers hubs		✓	✓
A clear role in relation to 16-19 education and training		✓	✓
Responsibility for developing local Get Britain Working Plans	✓	✓	✓
Devolution of supported employment funding**	✓	✓	✓
Co-design of future employment support that is additional to core Jobcentre Plus provision		✓	✓
Delegated delivery or commissioning of employment support that is additional to core Jobcentre Plus provision			✓
Alignment of Jobcentre Plus boundaries with Strategic Authorities			✓

(**) refers to functions for which funding will be included in Integrated Settlements for Established Mayoral Strategic Authorities

(^) refers to functions which apply to Combined and Combined County Authorities only

WHAT'S NEXT?

UK100 will be working with our members, parliamentarians, businesses and the wider sector to improve the Bill and deliver the key asks of our network.

To share your views or feedback please get in touch with UK100 at tunisha.kapoor@uk100.org