

Report to Cabinet

Report Title	Devolution and Local Elections 2025				
Date of Meeting	7 January 2025				
Report Author	Stephen Taylor, Head of Freeport				
Corporate Director	Alex Powell, Assistant Chief Executive				
Lead Cabinet Member(s)	Leader and Cabinet Member for Strategic Relationships, Reputation, and Influence				
Why is this a key decision?	<table border="0"> <tr> <td>1. Expenditure over £500K</td> <td>no</td> </tr> <tr> <td>2. Significant impact on 2 or more wards</td> <td>yes</td> </tr> </table>	1. Expenditure over £500K	no	2. Significant impact on 2 or more wards	yes
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2. Significant impact on 2 or more wards	yes				
Wards Affected	All				
Identify exempt information and exemption category	N/A				

Is report Urgent?	Yes
Reasons for urgency (<u>only</u> where applicable)	<p>The Devolution White Paper was released on 16 December and includes proposals to deliver an ambitious programme of devolution and facilitate local government reorganisation. Recognising the impact timing of elections may have on delivering both devolution and local government reorganisation Government has asked Councils for requests to postpone local elections to be submitted by Friday 10 January at the latest.</p> <p>The Chair of the Corporate Overview and Scrutiny Committee has been notified that this item is being considered under the special urgency rules, pursuant to paragraph 14, Chapter 8 of the Constitution (urgent decisions).</p> <p>This decision is exempt from call in as it is being taken under urgency provisions.</p>

Appendices (if any)	<ol style="list-style-type: none"> 1. English Devolution White Paper 2. Letter from the Secretary of State 16 December 2024
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1. Executive Summary

- 1.1 The White Paper on English Devolution was released on 16 December 2024 and includes wide ranging changes to the framework of local government across England, including devolution of powers and funding from central government to strategic authorities and local government reorganisation.
- 1.2 Thurrock has previously worked with neighbouring upper tier authorities to develop proposals for devolution and has indicated an interest in participating in the Devolution Priority Programme.
- 1.3 This report summarises the proposals contained in the White Paper including the parameters for devolution and for local government reorganisation. It summarises the ambitious timeframe for areas participating in the Devolution Priority Programme, delivering Mayoral elections for strategic authorities by May 2026 and new unitary authorities in 2027 and 2028. To ensure there is no delay to delivery the Government has indicated it is minded to postpone local elections for areas that are ready to engage in the priority programme. This report seeks Cabinet approval to express interest in the priority programme and for the Leader of the Council and Chief Executive to request that the Secretary of State postpones the May 2025 elections in Thurrock to enable the Council to focus on developing the new arrangements.

2. Recommendations

For the reasons set out in this report, the Cabinet is recommended to agree:

- 2.1 To commit to the Governments Priority Programme for Devolution, enabling the Council to focus on working with neighbouring authorities to develop the devolved strategic authority alongside local government reorganisation
- 2.2 To agree that as a consequence of participation in the Government Devolution Priority Programme the Leader and Chief Executive approve a letter to the Secretary of State asking to postpone local elections to be held on 1 May 2025
- 2.3 If 2.2 is agreed, where there is agreement between the Council and one or more partner authorities to submit a joint letter to the Secretary of State

3. Commissioner's Comments

- 3.1 Commissioners will be concerned to ensure that in the decisions the Council makes throughout this process in responding to the White Paper, that it continues to address the requirements for sustainable financial outcomes, responsible and effective leadership and good governance in decision making.

4. Proposals – the rationale and evidence for the recommendations

English Devolution White Paper

- 4.1 On 16 December the Ministry of Housing, Communities and Local Government (MHCLG) published a White Paper on English Devolution. The White Paper forms Appendix 1 to this report. It positions devolution as a fundamental pillar of the Government's growth mission and outlines plans to reset the relationship between local and central Government, reform the local government finance system, facilitate local government reorganisation and to extend devolution across the whole of England.
- 4.2 The White Paper sets out the case for mayoral devolution unlocking growth by enabling decisions in a number of policy areas to be taken at a more local level and for those decisions to be tailored to reflect local priorities and challenges. A number of examples from existing devolved administrations are used to illustrate the power of devolved administrations to make the changes that will help drive innovation, productivity gains, cost savings and growth.
- 4.3 The Government proposes to standardise the approach to devolution, moving away from bespoke deals for each area to a pre-defined model devolving powers in a number of policy areas, underpinned by a statutory devolution framework that will set out the powers and functions available to the different kinds of authorities.
- 4.4 The Government will legislate to create Strategic Authorities with three new defined statuses – Foundation Authorities, Mayoral Authorities and Established Mayoral Authorities. Strategic Authorities will be new legal entities with population of 1.5 million or more (save in exceptional circumstances). The White Paper strongly advocates for the mayoral model of devolution, arguing it provides strong leadership, accountability and convening power. Many of the powers proposed are only available to Mayoral Authorities. Current Combined Authorities with a strong track record will be able to apply for Established Status to unlock further devolution powers and funding including an Integrated Financial Settlement. This category includes a number of existing Combined Authorities and the Government will also explore how an integrated settlement can be applied to London.
- 4.5 Strategic Authorities will have a defined list of areas of competence. They will also have a mandate to act strategically to drive growth as well as support the shaping of public services where strategic co-ordination adds value. The proposed areas of competence include:
- transport and local infrastructure
 - skills and employment support
 - housing and strategic planning
 - economic development and regeneration
 - environment and climate change
 - health, wellbeing and public service reform

- public safety

4.6 Alongside devolution the Government intend to facilitate local government reorganisation for two-tier areas and for those unitary councils where there is evidence of failure or where their size or boundaries may be hindering their ability to deliver sustainable and high-quality services for their residents. All councils in an area are expected to work together to develop unitary proposals that are in the best interest of the area as a whole and there is an expectation that new unitary authorities will usually have a population of 500,000 or more.

Timeframe and Delivery

4.7 The Government will establish a Devolution Priority Programme which will be for places able to come together under sensible geographies which meet the criteria and where they are ready to achieve mayoral devolution at pace.

4.8 Local authorities were invited to express interest in joining the priority programme in September 2024 and the Leaders of Thurrock Council, Southend-on-Sea City Council and Essex County Council, supported by most of the district council leaders and the Police, Fire and Crime Commissioner, wrote to the Secretary of State asking to be considered. The priority programme will aim to deliver institutions and have mayors elected in May 2026.

4.9 The government's view is that reorganisation should not delay devolution and proposals should complement plans for the devolved authorities. The Government expects to deliver new unitary authorities in April 2027 and April 2028.

4.10 The Government has recognised the impact that elections could have on the planning for devolution, particularly if it is alongside reorganisation. As a consequence the Secretary of State wrote to leaders of all two-tier councils and neighbouring unitary authorities on 16 December to indicate they are minded to lay legislation to postpone local council elections from 1 May 2025 in areas where local elections could delay devolution. The letter from the Secretary of State forms Appendix 2 to this report. Recognising the significance Ministers have indicated that they will consider requests for postponing elections in two scenarios:

- in areas who are minded-to join the Devolution Priority Programme where they will be invited to submit reorganisation proposals to Government by Autumn 2025
- in areas who need reorganisation to unlock devolution, where they will be invited to submit reorganisation proposals by May 2025.

4.11 In order to lay the relevant legislation to postpone elections the Government has asked for a clear commitment to devolution and reorganisation from the upper tier councils and a formal request for elections to be postponed on or before Friday 10 January 2025.

4.12 The Secretary of State has power to change the years in which an authority's ordinary elections take place under s.87 of the Local Government Act 2000. The Council has no formal role in any decision, but the secretary of state is

seeking the council's support for the proposed change by means of an application to postpone the elections on 1 May 2025.

- 4.13 Given the complexity of developing a devolution proposal alongside local government reorganisation within the ambitious timeframe for the Priority Programme, Cabinet is asked to consider requesting a postponement in the local election cycle from May 2025
- 4.14 Supporting a proposal to defer the council's all out elections is a very significant decision. Whilst the position is complicated by the move to all out elections this impact needs to be balanced against the benefits of making the request to the secretary of state.
- 4.15 If Cabinet decide to support the proposals for involvement in the priority programme and therefore request a postponement to the local elections in May 2025, a letter will be sent to the Secretary of State by deadline of 10 January 2025. If agreed, a joint letter of support may be sent by leaders of Thurrock, Essex County Council and Southend-on-Sea City Council. The latter two councils are seeking to make decisions in the first week of January.

Next Steps

- 4.16 Given the ambitious programme for implementation of both devolution and local government reorganisation the Council will work with neighbouring authorities to develop proposals at pace.
- 4.17 To ensure there is cross party consultation and contribution to the decision to participate in the Priority Programme and to request that elections are deferred the General Services Committee will meet on the same day as Cabinet to consider this report and will convey its views verbally to the Cabinet meeting.
- 4.18 The local authority leaders and chief executives will meet on a regular basis to oversee the work programme and key officers in each upper tier local authority have been identified to work together, develop the proposals and deliver a comprehensive stakeholder engagement programme.
- 4.19 Briefings and reports will be presented to members on a regular basis throughout the process to shape the development of proposals in the best interests of Thurrock residents and businesses.

5. Alternative options considered

- 5.1 Cabinet may choose not to participate in the Priority Programme or seek the postpone of elections. If the Council does not participate in the Priority Programme it risks being left behind as other areas secure devolution of powers and funding across the areas of competence outlined in the White Paper.
- 5.2 The White Paper makes clear that devolution to Strategic Authorities will be implemented across England. The Government will reserve the right to issue a directive to develop a Strategic Authority if local leaders are unable to agree a proposal.
- 5.3 A different decision would also be contrary to current council policy. Thurrock Council, Southend-on-Sea City Council and Essex County Council have

previously developed proposals for devolution and last summer expressed interest in joining any priority programme the Government proposed.

- 5.4 The final decision to defer elections rests with the Secretary of State and the deferral of elections are usual practice where there is imminent reorganisation, e.g. Northamptonshire.

6. Consultation

- 6.1 General Services Committee will consider the request to postpone local elections on 7 January and make any representations to Cabinet at the meeting.
- 6.2 There will be a full consultation and engagement programme associated with development of the proposals for devolution and local government reorganisation including Members, MPs and local partners. Further reports will be prepared and presented to Cabinet for consideration as proposals develop.
- 6.3 Thurrock Council staff will need to be kept informed as proposals develop. A staff briefing has been arranged for 7 January 2024 and further briefings will be arranged on a regular basis.

7. Financial Implications

- 7.1 If the Secretary of State postpones the elections on 1 May 2025 there will be a cost saving to the Council, but this should not be a factor in decision making. It may also be the case that some costs are incurred in by-elections arising from casual vacancies regarding councillors who intended to stand down resigning from office.

Implications Verified by Caroline May, Assistant Director Strategic and Corporate Finance (Deputy S151)

Date 20 December 2024

8. Risk Implications

- 8.1 This report focuses on the decision to join the Devolution Priority Programme and request a postponement of local elections. The decision itself rests with the Secretary of State.
- 8.2 The proposal to postpone elections has implications for local residents whose vote will be deferred from May 2025. The issue needs to be considered against the benefits of delay to facilitate development of devolution and reorganisation proposals and draw down powers from central Government to a Strategic Authority overseen by a mayor elected in May 2026. Failure to engage in this process could lead to the risk of reorganisation being imposed on the council rather than participation in its formation and structure.

The risks and the opportunities associated with the Devolution programme will be considered and reported to Members as proposals are developed.

Implications Verified by Kelly McMillan, Risk Manager

Date 20 December 2024

9. Legal and Governance Implications

- 9.1 The Council already supports devolution, and this report sets out its benefits in terms of additional powers for the region and an added layer of democracy through an elected mayor for the region. Being part of the priority programme provides a significant opportunity for Thurrock and Essex to gain the benefits set out in the White Paper ahead of other parts of England. It is noted also that the Council is not committing to any specific form of reorganisation but it has a very tight timetable to work with other authorities to put forward meaningful proposals for Thurrock and Essex.
- 9.2 Experience of past reorganisations across the country have shown that they require very significant focus of all councillors and officers and resourcing and in this case agreement between a number of different authorities. There is a significant amount of work to do to prepare proposals for reorganisation and for devolution if the timeframes set by Government for the priority programme are to be met. The upper tier authorities are expected to develop full proposals in line with Government guidance which will be issued in January 2025, working with and alongside the District Councils and local partners including MPs to develop plans for sustainable unitary structures.
- 9.3 In Thurrock's case, there are the additional demands of completing its improvement journey and the end of the statutory intervention. Cabinet can also take into account that both Essex CC and Southend-on-Sea Council are both supportive of the proposals for devolution and consequently reorganisation.
- 9.4 The report sets out the secretary of state's statutory power to change the year of ordinary elections. The legislation does not require the council to make an application for the exercise of the power, but it may do so and may rely on its general power of competence under s.1 of the Localism Act 2011 to do so. None of the limitations on the s.1 power in ss.2 to 4 of the 2011 Act apply to this decision but the exercise of the power must be a rational decision. The report sets out relevant factors for Cabinet to consider when making this decision and it is noted that there are no significant direct financial implications to this decision.
- 9.5 The exercise of s.1 powers are executive functions under the regime of executive arrangements in the Local Government Act 2000. It is considered the impact of the decision on all wards in the borough makes the decision a key decision that under the Council's constitution is reserved to Cabinet for determination.
- 9.6 The Council is in communication with the Local Government Boundary Commission for England about the implications of the postponed election as the current Thurrock (Electoral Changes) Order 2025 which was laid before Parliament on 4 December provides that the new ward boundaries will come into force on ordinary day of elections in 2025, which may not happen. This may then have further implications for any vacancies that arise for "old" wards after 1 May 2025. The Boundary Commission have indicated they are considering the implications of the white paper. It is possible to envisage solutions, but they are not within the Council's powers.

- 9.7 This decision has been made using the Council's general urgency provisions as it is not possible to place this matter on the next forward plan and meet the 10 January deadline. The Chair of Corporate Overview and Scrutiny Committee has been notified and relevant public notices issued.

Implications Verified by Helen Nicol, Assistant Director Legal and Governance
Date 23 December 2024

10. Equality and Diversity Implications (including the public sector equality duty)

- 10.1 There are no direct equalities implications to this decision.

Implications Verified by Natalie Smith, Head of Community Development
Date 20 December 2024

11. Other Relevant Implications

- 11.1 None at this stage.

12. Background Documents

- 12.1 None at this stage.