#### **CABINET**

#### 17 MARCH 2025

# REPORT OF PORTFOLIO HOLDER FOR ECONOMIC GROWTH, REGENERATION AND TOURISM

# A.6 <u>GREATER ESSEX DEVOLUTION GOVERNMENT CONSULTATION</u> ESTABLISHING A MAYORAL COMBINED COUNTY AUTHORITY

#### **PART 1 – KEY INFORMATION**

# **PURPOSE OF THE REPORT**

Cabinet is asked to endorse the proposal that the consultation response to the Government's Greater Essex Devolution Consultation be undertaken by the Leader of the Council in consultation with the Portfolio Holder for Economic Development, Regeneration and Tourism (Deputy Leader). The response on behalf of Tendring District Council could either be standalone or form part of an Essex-wide response to go forward as part of the open consultation which closes on 13 April 2025.

# **EXECUTIVE SUMMARY**

The Government published the English Devolution White Paper in December 2024. Devolution concerns taking Whitehall powers and devolving these to more local institutions. The Government styles these local institutions as 'Strategic Authorities'. The White Paper sets out the Government's aim of universal coverage in England of Strategic Authorities – which should be a number of councils working together, covering areas that people recognise and work in.

The local council leaders from Essex County Council, Thurrock Council and Southend-on-Sea City Council wrote to Government on 10 January 2025 expressing their interest in taking forward devolution within Greater Essex through the establishment of a Mayoral Combined County Authority, with the first election for a Mayor taking place in May 2026.

Tendring District Council reported progress with Devolution to its members at Full Council in January 2025. The Council acknowledged work will continue to ensure that the District of Tendring is in the best possible position should devolution and / or local government reorganisation go ahead and mandated the Leader of the Council and Chief Executive to seek to ensure that the voice of Tendring, and north Essex more generally, is as strong as possible in any negotiations around devolution and local government reorganisation recognising its opportunities and challenges.

### The consultation

Government has accepted Greater Essex onto the 'Devolution Priority Programme', but before taking a decision on whether to proceed to make the necessary legislation to enact devolution in Essex, the Government has launched a consultation seeking views from interested parties on a proposal to form a Mayoral Combined County Authority. The text of the consultation and its questions is included as Appendix A and open until 13 April 2025.

The consultation seeks views from those who live and work across Greater Essex on the effect of establishing a Mayoral Combined County Authority in the area and includes questions on

the proposed geography and how the Mayoral Combined County Authority will make decisions.

# **Introduction to Combined County Authorities and Mayors**

Combined County Authorities are organisations made up of a group of councils who come together over larger areas that people recognise and work in. They allow councils to work together in a structured way and take decisions over a wider area footprint, with powers and responsibilities being held by that Combined County Authority. Combined County Authorities do not replace the councils within the area delivering services, these will continue to be provided by the council.

A Combined County Authority can be led by a directly elected Mayor. This is then known as a Mayoral Combined County Authority. The government's consultation states "it is supportive of places having Mayors because they have a mandate to take big decisions affecting more people, they have convening power to tackle shared problems, and they are accountable to the local electorate for the decisions they take. Mayors in other parts of the country have become vital local leaders, delivering on the promise of change in their area to drive growth, more joined-up delivery, and earning trust."

# **Local Government Reorganisation**

This would replace the existing two-tier system, where services are split between a county and district council, and bring these services together in unitary local government. This process is a separate process to the one in this consultation. On 5 February 2025, the Minister of State for Local Government and English Devolution invited all councils in the area to develop unitary proposals. All councils in Greater Essex have been invited to undertake wide engagement before submitting robust and evidenced unitary proposals to government by 26 September 2026. The Government will assess and make decisions to determine which, if any, of the proposals submitted are to be implemented.

Further information on LGR is contained within the report to Full Council at its Extraordinary meeting on 11 March 2025.

# The role of Tendring as a district council in devolution

Essex has 'upper-tier' Essex County Council and 'lower-tier' district, borough and city councils – with responsibility for local services split between the two. In addition, there are the two unitary councils of Southend and Thurrock. The Levelling Up and Regeneration Act 2023 introduced Combined County Authorities consisting of upper tier local councils only - so in Greater Essex: Essex County Council, Southend and Thurrock. As a district council, Tendring District Council cannot be a full constituent member of the Combined County Authority but it can participate as a non-constituent member and serve on committees.

Greater Essex Combined County Authority's constituent members (ECC, Southend, Thurrock Councils and the Mayor) would be able to appoint a maximum of **seven** non-constituent and associate members to support the delivery of their work programme.

- **Non-constituent** members are representatives of an organisation; for example, a district council, local NHS trust, the Police and Crime Commissioner, or a local registered housing provider. Non-constituent members *could* be given voting rights, at the discretion of the Combined County Authority (see below).
- Associate members are named individuals who can provide particular experience or expertise – for example, on active travel, or local businesses. Associate members cannot have voting rights (see below).

# **Voting rights**

The Combined County Authority's constituent members (the Mayor and seven constituent council members) would be the decision makers within the Combined County Authority. Constituent members would automatically have voting rights. Non-constituent members can be given voting rights at the discretion of the Combined County Authority; associate members cannot be given voting rights. All members would have a single vote. The default voting arrangement for Combined County Authority decisions to be approved would be a simple majority in favour, including the Mayor (i.e. 5 out of 8).

**Mayoral Combined County Authority** summary, as proposed by the Government consultation, with Mayoral elections in May 2026:

ECC
3 members

Southend
2 members

Thurrock
2 members

Mayor

Eight members with one vote each. Majority for decisions, five votes.

Seven additional members - either non-constituent (organisational) or associate (individual) - can be appointed to the authority. Non-constituent (organisational) members can be given voting rights at the discretion of the combined authority.

The Mayoral Combined County Authority will change should local government reorganisation take place. The new unitaries would replace Essex County, Southend and Thurrock Councils as constituent members, alongside the Mayor and legally, it will become a Combined Authority. This change does not affect the functions, powers or funding available to the area. The governance and decision-making arrangements within the Combined Authority will then be updated to reflect any changes needed.

#### **Next steps**

Local authorities in Greater Essex are discussing how best to progress Devolution and respond to the consultation. There is an ambition to submit one response from Greater Essex councils, which are supportive of devolution and positive about the benefits it can bring to 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, and public safety. The response would also support the establishment of a Mayor in Greater Essex. The consultation response will come to a view on the number of members from each Upper Tier authority on the Combined Authority and the voting rights of districts.

# **RECOMMENDATION(S)**

It is recommended that Cabinet:

- a) acknowledges work is continuing to ensure that the District of Tendring is in the best possible position should devolution go ahead; and
- b) endorses the Leader of the Council approving the Council's response to the Essex Devolution Consultation in consultation with the Portfolio Holder for Economic Development, Regeneration and Tourism.

# REASON(S) FOR THE RECOMMENDATION(S)

It is important to focus on the residents of Tendring District as the District Council engages with partners on Devolution. While the Council is not a Decision maker on devolution, it should advocate to put local residents and businesses in the best place possible as the Strategic Authority is planned.

The Leader and Deputy exercising their responsibilities on behalf of Cabinet will allow for the District Council to sign off the response at the appropriate time either alone or alongside other local authority partners before the deadline on 13 April 2025.

# **ALTERNATIVE OPTIONS CONSIDERED**

To not respond to the consultation would be possible, but the voice of Tendring District in relation to devolution would not be heard. The Council needs to be best placed to act as both a strong voice for Tendring and to grasp those opportunities for more locally held power.

#### PART 2 – IMPLICATIONS OF THE DECISION

# **DELIVERING PRIORITIES**

With regard to the Council's Corporate Plan 2024-28, devolution is a process which will be farreaching and impact across the themes within the Plan. In particular, Devolution will relate to the Council's stated aims of:

- Pride in our area and services to residents
- Raising aspirations and creating opportunities
- · Working with partners to improve quality of life

The impacts will be felt as the new Strategic Authority will influence transport, economic development, climate change, housing, skills and community safety, and it will reshape our relationships with partners operating in these areas.

**OUTCOME OF CONSULTATION AND ENGAGEMENT** (including with the relevant Overview and Scrutiny Committee and other stakeholders where the item concerns proposals relating to the Budget and Policy Framework)

This report relates to the Government's current and open Greater Essex Devolution consultation which is due to close on 13 April 2025. The proposal outlined will allow for the Leader and Deputy Leader to represent the District by taking decisions on behalf of the Council to best represent Tendring's interests.

The Government's consultation is seeking views from interested parties, including those that live and work in the area, on a range of questions. The Council has notified the public of the consultation through its website, who are able to respond directly to it.

LEGAL REQUIREMENTS (including legislation & constitutional powers)					
Is the	/NO	If Yes, indicate which	□ Significant effect on two or		
recommendation		by which criteria it is	more wards		
a Key Decision		a Key Decision	□ Involves £100,000		
(see the criteria		-	expenditure/income		
stated here)			☐ Is otherwise significant for the		
			service budget		

And when was the		
proposed decision		
published in the		
Notice of forthcoming		
decisions for the		
Council (must be 28		
days at the latest prior		
to the meeting date)		

X

Not applicable in this instance

The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:

There is a statutory process that has to be followed to establish a Combined County Authority. This includes a public consultation to seek local views and inform a final decision by government.

The consultation is clear that the Government is minded to establish a Mayoral Combined County Authority for Greater Essex. It is required to take a decision on whether to proceed with the necessary implementing legislation after considering responses to this consultation and whether a series of statutory tests have been met. In particular, Ministers will need to decide:

- Whether they consider that the establishment of a Combined County Authority in the area is likely to improve the economic, social and environmental wellbeing of some or all of the people who live or work in the area;
- Whether establishing a Combined County Authority in the area is appropriate, having regard to the need to:
  - o secure effective and convenient local government; and,
  - o reflect the identities and interests of local communities.

Ministers will also consider all factors in the round when taking the decision on whether to proceed with the necessary implementing legislation, including an equalities impact assessment and an environmental principles policy statement.

If a decision is taken to proceed, and providing Essex, Thurrock and Southend-on-Sea Councils consent, the next stage is for ministers to make secondary legislation establishing the Combined County Authority and providing for the election of a Mayor on 7 May 2026. This legislation will also confer some transport and economic regeneration functions onto the Combined County Authority. This will allow the Combined County Authority to begin work on delivering local priorities from day one.

Section 2.3 of the Government's consultation sets out the 'role of district councils' and states "Much of England has two tiers of local government – upper-tier county councils and lower-tier district councils – with responsibility for local services split between the two.

While all the councils in an area are constituent members of a Combined Authority, the Levelling Up and Regeneration Act 2023 introduced Combined County Authorities consisting of upper tier local councils only.

District councils cannot be full constituent members of a Combined County Authority but can participate as non-constituent members and serve on committees (see section 2.5 on non-constituent members' role in decision making)."

### FINANCE AND OTHER RESOURCE IMPLICATIONS

Although Devolution and LGR will have far-reaching financial implications, at this stage and with the recommendations outlined, there are no specific financial or resource implications to raise.

X The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:

It will be important via the various governance and practical activities associated with devolution and local government reorganisation, that the Council along with is Greater Essex partners continue to make the case to the Government for the necessary financial support and financial flexibilities needed, which in turn support the wider aim of ensuring that the District of Tendring is in the best possible position should devolution and / or local government reorganisation go ahead.

# **USE OF RESOURCES AND VALUE FOR MONEY**

The following are submitted in respect of the indicated use of resources and value for money indicators:

- A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;
- Although Devolution will have far-reaching financial implications, at this stage and with the recommendations outlined, there are no specific financial or resource implications to raise.
- B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and
- This paper recommends a specific governance process and identifies decisionmakers to ensure transparency and openness as Devolution progresses.
- C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.

Devolution represents specific opportunities around economy and efficiency which, by having a clear decision-making process in place, the Council will be better able to respond to.

# MILESTONES AND DELIVERY

High level timeline:

- **Mid-spring**: Public consultation closes
- Late spring: Government decides which areas it wants to proceed with making the legislation to create the institution
- **Early summer**: Government announcement of the decision
- Late autumn: Devolution legislation is laid before both houses of Parliament
- Early 2026: Combined County Authority established
- May 2026: First mayoral elections held

# **ASSOCIATED RISKS AND MITIGATION**

There are limited risks associated with submitting a response to the Government consultation. It is possible a common response from a number of organisations in Greater Essex may have more impact on Government's approach than a single response from the Council, although ultimately the Government will decide on its course of action.

# **EQUALITY IMPLICATIONS**

No protected characteristics would be affected positively or negatively by these recommendations being implemented.

# **SOCIAL VALUE CONSIDERATIONS**

There are no specific social value benefits for this recommendation to respond to the consultation. However, should Devolution go ahead, there are wider opportunities for local residents, businesses, and community groups to contribute more fully if powers were decentralised to a new Strategic Authority. An opportunity exists, in this pre-Devolution period, for the consultation response of the Council to speak up for Tendring residents and businesses.

# IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2050

This recommendation will not have any specific implications on Council meeting its stated net zero target.

# OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder	No specific impact anticipated via this recommendation.	
Health Inequalities	No specific impact anticipated via this recommendation.	
Subsidy Control (the requirements of the Subsidy Control Act 2022 and the related Statutory Guidance)	No expenditure or receipt of funding relates to this recommendation and therefore subsidy control is not relevant in this case.	
Area or Ward affected	Tendring wide	

#### **PART 3 – SUPPORTING INFORMATION**

# **BACKGROUND**

Government considers in its consultation that the Mayoral Combined County Authority across Greater Essex could have the following impacts

- Transport: New transport powers, including through the Mayoral Combined County Authority becoming the Local Transport Authority, could make it easier for people to commute and travel around Greater Essex. On buses, the Mayoral Combined County Authority could decide to pursue opportunities across the whole area such as a single 'enhanced partnership' or 'bus franchising'. This could improve public transport provision and enable more people to access a wider pool of job opportunities. Improvements to local transport infrastructure will support Greater Essex's role as a major gateway between international markets and the UK economy. Given the key strategic roads that go through Greater Essex, a stronger, more formal relationship with National Highways could be particularly beneficial. The Mayoral Combined County Authority could tackle existing transport issues, including improving rail connectivity through strategic engagement with Great British Railways and a statutory role for the Mayor in governing, managing, planning and developing the rail network.
- **Skills:** The skills powers and funding available to the Mayoral Combined County Authority could help tailor training and support for adults in the area to the types of jobs

available locally and local priorities. This could help address skills shortages in key sectors such as aerospace, MedTech and agri-tech. It could also represent opportunities for key skills-related opportunities such as Freeport East.

- Housing: The funding and powers available to deliver new housing across the Mayoral Combined County Authority geography could help address issues around the need for new housing across the area and improve housing affordability.
- Economic development: The Mayoral Combined County Authority would play a key
  role in attracting greater levels of international investment and supporting more local
  businesses to grow and thrive through new economic development and regeneration
  powers. This could be particularly beneficial to major sectors, such as advanced
  manufacturing and life sciences. It could also be particularly impactful given the
  importance of Stansted and Southend Airports as well as Thames Freeport and
  Freeport East. It could also support new businesses in Greater Essex to grow and
  succeed.
- Environment and climate change: A strong role for the Mayoral Combined County Authority, such as playing a leading role in local nature recovery strategies, could help maximise the benefits from Greater Essex's natural environment. As a partner in the government's energy and climate change ambitions, the Mayoral Combined County Authority could also help the UK to meet its clean energy mission, which could build on Greater Essex's existing strengths to drive a greener economy, such as in green energy and offshore wind development opportunities.
- Health, wellbeing and public service reform: The Mayoral Combined County Authority could play a key role in improving health and wellbeing, underpinned by a new bespoke duty in relation to health improvement and health inequalities. This would mean that the Mayoral Combined County Authority would need to have regard to the need to improve health, and reduce health inequalities, in the exercise of its functions. Combined with an expectation that the Mayor would be appointed to one or more of the relevant Integrated Care Partnerships in the area, this could help strengthen the focus and increase the join up of action to address issues around ill health and inequalities across the area, and build on the work local councils are already doing to tackle this.
- Representation: The Mayor would take a seat at the Prime Minister's Council of Nations and Regions as well as the Deputy Prime Minister's Mayoral Council, which would give the area a stronger voice with the government. Greater Essex would be one of the first parts of the South East of England to be represented.

# PREVIOUS RELEVANT DECISIONS

Microsoft Word - A1 Report - Devolution and LGR proposals

Local Government Reorganisation report to Council – 11 March 2025

# **BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL**

Annex A Greater Essex devolution - GOV.UK

APPENDICES		
None		

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