
Regional Devolution Proposals

Executive Member: Councillor Bill Revans, Leader of the Council and Lead Member for Governance and Communications

Local Members and Divisions affected: ALL

Executive Director: Duncan Sharkey, Chief Executive

Executive Summary

The Government set out its devolution intentions post the 2024 General election, with policy outlined further in a devolution white paper in December 2024. As an enabler for its growth mission the Government intends to extend the geography of devolution across the country and accelerate the devolution of powers, responsibilities and budgets through a standardised approach to devolution rather than the negotiation of individual deals with local areas which was a feature of the devolution policies of the previous Government.

The White Paper strongly incentivises the model of directly elected mayors and the creation of mayoral strategic authorities. The Government expects devolution at scale, with strategic authorities to be created working across the combined geographies of individual local authorities and typically having a population threshold of 1.5 million people. Alternative devolution models are limited, and it is likely that mayoral strategic authorities alone will have devolved investment funds for growth and regeneration, have access to greater devolution of budgets and powers in other policy areas including skills, housing, transport and infrastructure and scope and flexibility to negotiate additional devolved responsibilities over time.

The Leader of Somerset Council, jointly with the leaders of Wilshire, Dorset and Bournemouth, Christchurch and Poole (BCP) Councils, has indicated to Government interest in the creation of a mayoral strategic authority on the basis that this is the most appropriate response to the agenda outlined in the white paper and because of our shared economic and wider strategic interests.

In making this case leaders have indicated their openness to other authorities in the region joining this proposal and their willingness for this proposal to be considered as part of the devolution programme that the Government takes forward in the first wave of implementation post the white paper. From a Somerset perspective the opportunity to decentralise additional powers and funding to support the delivery of the Council Plan priority agendas and facilitate growth in Somerset are important reasons for this. It is important to note that alternative options for Somerset to pursue a regional approach to devolution are limited – to our north Somerset is bounded by the established West of England Combined Authority and to our south the new Devon and Torbay County Combined Authority.

Recommendations

Executive recommends that Full Council:

(i) endorses the principle of Somerset Council working with partner local authorities (including Dorset, Wiltshire and BCP Councils) to secure a devolution settlement for the Wessex area and the ambition of the partners to be part of Government's Devolution Programme.

(ii) accepts that Wessex has agreed to be available to Swindon Borough Council and North Somerset Council should they wish to join Wessex at a later stage.

(iii) recognises that the geographies of authorities within the Devolution Programme are identified as areas for the creation of a new MSA.

(iv) notes the potential opportunities to promote economic growth, skills and prosperity alongside the financial benefits and strategic and operational implications for Somerset Council arising from a devolution settlement and the creation of a MSA.

Executive agreed on 3rd February:

1. Noted the publication of the Government's devolution White Paper and welcomes the Government's devolution policy objectives (as set out in section 2 of this report), including the ambitions to extend the geography of devolution across the country and increase the powers, functions and budgets devolved to local areas.

2. Authorised the Leader and Chief Executive to continue to work with partner authorities and Government departments (including Dorset, Wiltshire and BCP Councils in the Wessex grouping) to promote and develop a joint strategic approach to devolution.

Reasons for Proposals

The approach outlined in this report are in response to the policy approach to devolution outlined by the Government since the 2024 General Election culminating in a devolution white paper in December 2024. Specifically, the interest in developing a strategic regional approach to devolution is the result of ongoing dialogue among leaders of South West local authorities and the proposals for a "Wessex" mayoral strategic authority have been developed initially by Leaders of Somerset, Dorset and Wiltshire and Bournemouth, Christchurch and Poole (BCP) Councils with an openness for other authorities to join this grouping.

The provision of additional powers and funding through participation in Government's proposed Devolution Programme and the establishment of a Mayoral Strategic Authority offers the opportunity to deliver our shared priorities, improve the lives of local residents and enable economic growth.

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Background and purpose of report

Introduction

1. Successive governments have been moving towards devolution of national powers/functions to regional/local government. (This is different to devolution of local council services and funding to town/city/parish/community groups).
2. In December 2024, Government published its English Devolution White Paper entitled 'Power and Partnership: Foundations for Growth'. The White Paper sets out Government's approach to resetting the relationship with local and regional government. This will be achieved by widening devolution across England. Government sees devolution as a key tool for achieving its growth mission and is seeking universal coverage of Strategic Authorities as a means of delivering this. As set out later in the report, there are to be three tiers of Strategic Authority, including those without an elected mayor, and those with an elected mayor. Government's preference is for Strategic Authorities with a mayor, for whom devolution of funding, functions and powers will be greatest. This change will empower Mayors and local leaders to make the right decisions for their communities, and working together to grow an inclusive economy, reform public services and secure better outcomes.
3. This report sets out Somerset Council's developing approach, and background to devolution through joint proposals with Dorset, Wiltshire and BCP Councils for a devolved 'Wessex' Mayoral Strategic Authority (MSA).
4. Initial submissions for a Wessex devolution area covering Somerset, Dorset, BCP and Wiltshire Councils included an openness for other authorities to be included.
5. This approach is not a merger of the four councils - all four councils will remain separate local authorities. It does not mean further unitarization - this is about the creation of a new Mayoral Strategic Authority (MSA) which would work with the existing authorities. The aim of devolution is to unlock additional funding, functions and powers from central government that will mainly be devolved to the new MSAs. Government has made clear in the white paper and supporting statements that there will be a considerable "premium" in the level of powers, responsibilities and funds devolved to areas that adopt the model of a mayoral strategic authority with an elected mayor this will offer significant opportunities, including the ability to develop a long-term investment plan for critical infrastructure and the ability to bring in additional private sector investment.

Background

6. In July 2024, the Deputy Prime Minister wrote to council leaders, following the King's Speech (which included plans for an English Devolution Bill), inviting councils to 'partner with Government to deliver the most ambitious programme of devolution this country has ever seen'. This stated an intention to devolve new powers over transport, skills, housing, planning and employment support. Councils were invited to submit Expressions of Interest (Eols) in devolution stating their preferred geographies and preferred governance models.
7. Discussions took place with leaders of neighbouring councils to establish the options that were open to Somerset. The West of England (covering Bath and NE Somerset, Bristol and South Gloucestershire) already has a Mayoral Combined Authority. Somerset's closest neighbour to the west, Devon, has already secured devolution for a Devon and Torbay Combined County Authority. Both of Somerset's neighbouring authorities, Wiltshire and Dorset Councils, were seeking partners for devolution, and discussion took place to submit a joint Eol on this geographic footprint as requested by Government in September 2024 as a means for local authorities to set out their aspirations. North Somerset Council have been active participants in these discussions but have concluded their preference is to join the existing West of England Combined Authority.
8. At this point the Leaders of Somerset, Dorset, BCP and Wiltshire agreed in promoting a 'Wessex' footprint to keep the option available for other councils to also join.
9. Since the general election government has continued to emphasize the importance of establishing Mayoral Strategic Authorities (MSAs) through:
 - Reiterating that there will be a 'mayoral premium' – additional long-term funding for areas that agree to a directly elected mayor.
 - Establishing a Mayoral Council for England and a Council of Nations and Regions to bring together the Prime Minister and devolved leaders on their work to drive growth
 - The Local Government Minister Jim McMahon MP stating that he wants all areas to have a mayor and that ultimately '*it is not acceptable to have parts of England not part of that*'.
 - Publishing a draft Industrial Strategy which emphasized the role of mayors in creating a pro-business environment and supporting key sectors
 - Announcing in the 'Get Britain Working Paper' that MSAs would trial and lead new approaches to tackling worklessness.
 - Announcing in the Budget that core Local Enterprise Partnership funding would end and a consultation on ending funding for Pan Regional Partnerships, given the emphasis on MSAs
 - Announcing in the Budget 'Integrated Settlements' for Greater Manchester and West Midlands MSAs next year, with other MSAs following suit the year after. (This would enable MSAs to vire funding

between regeneration, housing, skills and other funding streams). It was also announced that MSAs will have borrowing powers in the future.

- Announcing in the Budget that government will be '*working with councils to move to simpler structures...with efficiency savings from council reorganisation*'.

10. Government published its English Devolution Paper on 16 December 2024. This stated that government will create in statute a new type of devolved authority known as a 'Strategic Authority' There will be three tiers of Strategic Authority:

- **Foundational Strategic Authorities** – those without a mayor
- **Mayoral Strategic Authorities** – any authority with a mayor
- **Established Mayoral Strategic Authorities** – for eligible Mayoral Strategic Authorities.

11. The deepest powers will only be available to those devolved authorities that have a mayor and government's ambition is that powers available to Mayoral Strategic Authorities will continue to increase. Government has ruled out mayoral deals for single councils.

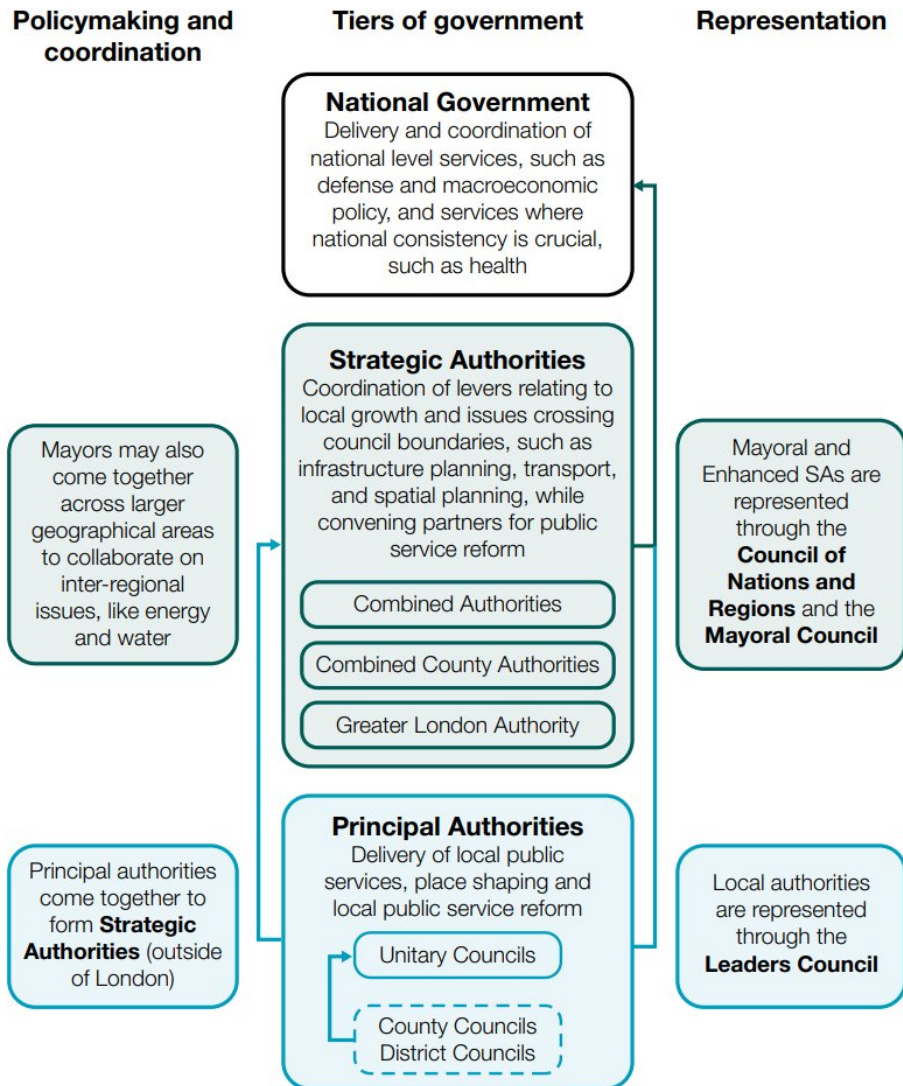
12. Government have made it clear that it wants universal coverage of Strategic Authorities and where progress is slow, they will have the power to mandate this. Strategic Authorities will bring together leaders of constituent councils. The deepest powers will only be available to those where the Leaders of constituent councils are joined by a directly elected Mayor. Once a MSA has been established for eighteen months or more and provided there are no Best Value or other concerns about the performance of the MSA, then that MSA will have access to an 'integrated settlement', enabling additional flexibility on how it uses its funding.

13. Areas of competence for Strategic Authorities will be set out in law via the English Devolution Bill. These will be conferred on existing Combined Authorities and Mayoral Combined Authorities as Foundational or Mayoral Strategic Authorities. The title 'Strategic Authority' will support clarification that the organisation is not merger of constituent councils, or their functions and that Strategic Authorities will not be directly involved in many areas of delivery. The move to establish a uniform set of competences will end the 'deal-based' approach to devolution favoured by the previous Governments and remove disparities in powers that are in place across the country.

14. The functional scope for MSAs as set out in the white paper is broad and may encompass responsibilities across the following policy and programme areas (as part of the establishment of a Wessex MSA the implications of this will need to be considered by the local authorities, Government and, in due course, the emerging MSA).

- **Funding and investment** – New funding/investment, powers and flexibility
- **Strategic leadership** – Duty to produce Local Growth Plans, Mayoral representation on Council of Nations and Regions, and Mayoral Data Council
- **Transport** – Simplified funding and new powers relating to bus franchising, rail network influence, station control, key road networks, and more.
- **Skills and employment** – Devolution of Adult Education Budget and Supported Employment funding, responsibility for Get Britain Working Plans, joint ownership of Local Skills Improvement Plans
- **Housing and Planning** - Spatial Development Strategies, call-in powers on strategic infrastructure, Mayoral Community Infrastructure Levy; Homes England partnership and compulsory purchase powers
- **Business** – Closer working with Govt on research and innovation (UKRI), trade and investment (DBT), and culture, heritage and sport (DCMS).
- **Environment and Climate** – Coordination role in local energy planning, and on green jobs and skills, working with Govt on Local Power Plans, delivery and monitoring of Local Nature Recovery Strategies
- **Health, Wellbeing and Public Safety** - Aligning geographies (police and fire) with mayoral accountabilities, mayors on Integrated Care Partnerships, health improvement and inequalities duty

15. The White Paper proposes a standard approach to governance so that in almost all circumstances decisions will be taken by council leaders and “majority voting, *including the mayor*”. The mayor will chair the Strategic Authority, Scrutiny arrangements will be in place alongside audit and local public accounts committees.



16. Government is using the following criteria in its consideration of devolution agreements:

Scale – The default assumption is for a combined population of 1.5 million or above, but governments accept that in some places, smaller authorities may be necessary,

Economies – Strategic Authorities must cover sensible economic geographies with a particular focus on functional economic areas.

Contiguity – Any proposed geography must be contiguous across its constituent councils (with or without a clear plan to ensure contiguity in the future through local government reorganisation)

No 'devolution islands' – Geographies must not create 'devolution islands' by leaving areas which are too small to go it alone or which do not have natural partners.

Delivery – Geographies should ensure the effective delivery of key functions including Spatial Development Strategies, Local Transport

Plans and Get Britain Working Plans.

Alignment – The government will seek to promote alignment between devolution boundaries and other public sector boundaries.

Identity – A vital element of successful devolution is the ability for local residents to engage with and hold their devolved institutions to account – and local identity plays a key role in this.

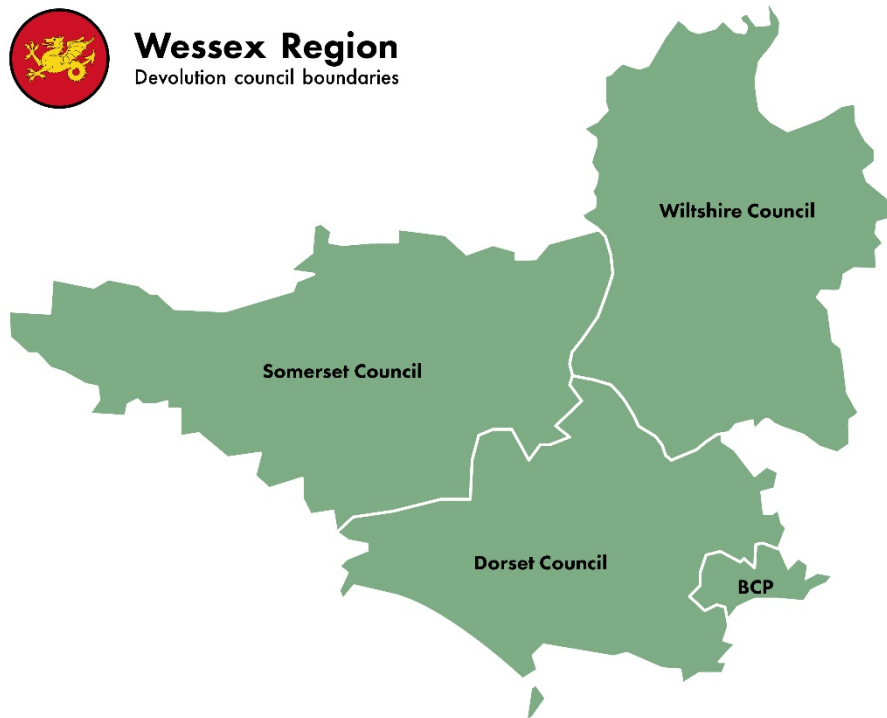
17. As government has made it clear that it intends all devolution deals to ultimately culminate with MSAs a revised EoI was submitted by the Leaders of Somerset, Dorset and Wiltshire Councils on 25th November 2024, following further informal discussion between leaders. This was subject to a press release and FAQs sheet. This model ensures clear accountable leadership to drive economic growth, improve public services, and invest in vital infrastructure across the region, working closely with the leaders of the constituent councils. As noted elsewhere BCP Council formally joined ‘Wessex’ on 15th January 2025, having been closely involved during 2024 prior to that decision. This proposal for a Wessex MSA creates an opportunity for Somerset post LEP to be part of a strategically significant region. The financial settlement and additional decentralised powers associated with this will enable Somerset to deliver Council Plan priorities and facilitate growth in the county.

18. In terms of this report and in relation to government’s criteria on geographies, it should be noted that Somerset, Dorset, Bournemouth, Christchurch and Poole and Wiltshire have a combined population of 1.9 million people; share travel to work and housing market areas as well as other economic characteristics; and are contiguous. The proposal for a Wessex MSA maintains an open door for other Councils in the region to join so that no devolution islands are created and to ease delivery of functions and alignment of public sector boundaries. The historic identities of the ceremonial counties of Somerset, Dorset and Wiltshire have all been shaped as the heart of the historic Wessex region (for example, the College of Arms has used dragons, in token of ancient Wessex, in each of the arms awarded to Somerset, Dorset and Wiltshire).



Wessex Region

Devolution council boundaries



19. Somerset Council as part of the Wessex devolution proposal was invited by government to consider participating in the Devolution Priority Programme. If accepted this would potentially have seen the establishment for the 2026/27 financial year of a MSA and provision of additional powers and funding that offers the opportunity to deliver the area's shared priorities and improve the lives of residents.
20. Post endorsement of this report by Somerset Council's Executive in February, which included support of inclusion in the Devolution Priority Programme and creation of a MSA for the proposed Wessex region, mayoral elections in May 2026, Leaders of the four councils were informed that Wessex was one of the areas that had not been accepted onto the Devolution Priority Programme. Government ultimately decided to only include in the priority programme six of the nineteen proposals received from across England.
21. The local authorities are awaiting formal correspondence from Government about the next steps for areas not included in the priority programme. Informally officials have indicated that they are keen to work with local authorities including the Wessex partners to further develop their proposals in readiness for a future wave of areas proceeding towards devolution settlements and the creation of MSAs. Feedback indicates that our proposals align with the aims of the White Paper and are well positioned to support Government's growth priorities, particularly in clean energy, defence, digital technologies, life sciences and tourism. The Leaders are committed to pursuing devolution based on this premise.

Summary of the proposals

These proposals were agreed by Executive in February 2025, this included proposals for the Wessex region to be a part of government's Devolution Priority Programme. The report presented to Full Council has therefore been amended to reflect the announcement that the Wessex region would not be participating in the DPP, but will continue work to develop proposals in readiness for future devolution settlements and creation of MSAs.

Links to Council Plan and Medium-Term Financial Plan

22. The decision to make a Wessex joint submission to government's Devolution Programme aligns directly with the priorities detailed in the Council Plan and MTFP. The Council Plan sets a clear vision for Somerset that puts local needs and communities at the heart of the Council. A MSA would ensure that Somerset is empowered to deliver on our agenda through additional powers and funding to facilitate growth and deliver priorities as outlined in the Council Plan.

Other options considered

23. Options considered - Somerset Council works with neighbouring authorities (BCP, Dorset and Wiltshire) as outlined to develop regional devolution for the Wessex region, or does not and as a consequence could miss out the significant 'mayoral premium' associated with devolution to a MSA. This includes delaying access to an integrated settlement as established MSA (which needs to be in place for eighteen months to qualify for this).

Key considerations for the Council

Scrutiny comments / recommendations:

24. This report has been to Corporate and Resources Scrutiny Committee on 29 January and feedback has been incorporated into the report.

Consultation and feedback

25. No formal consultation has been undertaken on this proposal, however, there has been a number of press releases informing the public on Somerset's Wessex devolution proposal.
26. Should the proposal be approved by government, there will be a government led consultation as set out in paragraph 24 of this report.

Financial and Risk Implications

27. The detail of future funding through devolution to a Wessex MSA would be confirmed once the Spending Review is completed in summer 2025.
28. The expectation is that Mayoral areas are expected to attract a significant funding premium with a long-term investment fund (which so far have been

between £377 and £815 per capita over 30 years and lately seem to have settled around £650 per capita with a 60/40 revenue/capital split). If a similar amount was awarded this would equate roughly to £30-40m a year for a Wessex MSA with a population of 1.9m. A long-term Investment Fund would provide greater stability than Government funding regimes typically allow, enabling long-term regeneration and infrastructure projects to be planned without the risk of sudden changes to government funding schemes and with greater ability to lever in significant amounts of private sector investment. Alongside the long-term Investment Fund there would be the prospect of additional or devolved funding for other areas including local growth funding, housing delivery, adult skills, employment support and innovation. Potentially MSAs may ultimately receive a single 'integrated settlement' and borrowing powers.

29. Apart from its size, much of the value of a long-term Investment Fund would be the stability it would provide, allowing long-term regeneration and infrastructure projects to be planned without the risk of sudden changes to government funding schemes and with the ability to lever in significant amounts of private sector investment. The Government has indicated that it will announce capacity funding for MSAs over an initial three-year period.

30. There are likely to be financial considerations for Somerset Council associated with the establishment of functions within an MSA. There may be some changes to how certain programmes currently managed by the Council (eg relating to economic development, skills and employment support) are delivered and the implications of a future role for the MSA in aspects of certain functions (including economic development, strategic planning and transportation will need to be considered by the local authorities, Government and, in due course, the MSA.

31. There are a number of risks that may arise for Somerset Council (and partner Councils) in relation to proposals to join the Devolution Programme: Proposals are in the early stages, and identified risks will require review and monitoring as the programme develops.

32. The current risks identified are:

- **Risk 1. Capacity and resources** – there are potential risks for the Council (and partner Councils) associated with having the capacity and resources to deliver and develop what is required for successful implementation of a programme of devolution.
- **Mitigation** – Government has indicated that this risk will be mitigated by the Capacity Funding in recognition of the work required to develop and deliver regional devolution. In addition through working closely together the participating Councils can share tasks and expertise thereby reducing individual burdens during the process. Finally local government networks including the LGA and CCN are looking to provide advice, support and networks for peer exchange for authorities involved

Current Risk Score:

Likelihood	4	Impact	4	Risk Score	16
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Projected risk score if recommended actions are agreed and delivered:

Likelihood	2	Impact	4	Risk Score	8
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- **Risk 2, Stakeholder engagement** – there are risks associated with not engaging adequately with key stakeholders regarding the opportunities associated with regional devolution proposals, poor communication could have implications for the outcomes government’s Public Consultation.

Mitigation- A robust communications strategy will be put in place to ensure that key stakeholders (and the public) are well informed and have a clear understanding of the opportunities associated with devolution and the process to deliver it.

Current Risk Score:

Likelihood	3	Impact	5	Risk Score	15
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Projected risk score if recommended actions are agreed and delivered:

Likelihood	2	Impact	4	Risk Score	8
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- **Risk 3. Strategic risk associated with rejecting the proposals** outlined in the report, should the proposals be rejected Somerset would lose out on the opportunities associated with Integrated Settlement, Investment Fund and power to invest in local communities.
Mitigation – to work with Government and partner authorities to develop and deliver devolution for the area recognising that Government may favour areas more closely aligned.

Current Risk Score:

Likelihood	3	Impact	5	Risk Score	15
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Projected risk score if recommended actions are agreed and delivered:

Likelihood	3	Impact	5	Risk Score	15
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Legal and Procurement Implications

33. There are no direct procurement implications arising from the proposal described in this report, and no implications arising from being part of o the Devolution Priority Programme.

HR / Workforce Implications

34. There are no direct HR/Workforce implications arising from the proposals described in this report. It is not fully clear what the implications for staff working

in establishing a Mayoral Strategic Authority and this will need to be considered as part of the development of detailed proposals.

Equalities Implications

35. There are no direct equality implications arising from this report, however one of the aims of devolution would be to secure funding to improve social mobility and tackle inequalities.
36. It has been confirmed that EIA is not required for this report, however equality and equality due regard will be included and form part of the scope for the Wessex area.

Community Safety Implications

37. There are no direct community safety implications arising from the proposals set out in this report. However, a MSA would take a role in police and fire services as public planned public services reform and this has the potential to improve community safety.

Climate Change and Sustainability Implications

38. There are no direct climate change and sustainability implications arising from the proposals set out in this report. However, a MSA would take a role supporting the development and implementation of Local Nature Recovery Strategies.

Health and Safety Implications

39. There are no direct health and safety implications arising from the proposals set out in this report.

Health and Wellbeing Implications

40. There are direct health and wellbeing implications arising from the proposals set out in this report. However, a MSA has the potential to improve the health and wellbeing of Somerset's residents through the provision of additional funding to tackle inequalities. The White Paper highlighted that the Mayor would be expected to co-chair the Integrated Care Partnership.

Social Value

41. There are direct social value implications arising from the proposals set out in this report. However, MSA and funding arising from the settlement has potential improve the lives of Somerset's residents and tackling inequalities and disadvantage.

Background Papers

42. [English Devolution White Paper: Power and partnership: Foundations for Growth](#)

Appendices

None

Report assurance checklist

	Officer Name	Date Completed
Legal & Governance Implications	Scott Wooldridge	14/01/2025
Finance & Procurement	Nicola Hix	20/01/2025
Workforce (*)	Dawn Bettridge	14/01/2025
Asset Management (*)	Simon Lewis	17/01/2025
Executive Director	Relevant Executive Director – Duncan Sharkey	20/01/2025
Executive Lead Member	Relevant Lead Member – Cllr Bill Revans	17/01/2025
Consulted:	Councillor Name	
Local Division Members	List local members	n/a
Opposition Spokesperson(s)	Relevant Opposition Spokesperson – Cllr Mandy Chilcott	17/01/2025
Relevant Scrutiny Chair(s)	Relevant Chair – Cllr Steven Pugsley	17/01/2025