Brighton & Hove City Council

Place Overview & Scrutiny Committee

Agenda Item 26

Subject: Devolution Update

Date of meeting: 31st July 2025

Report of: Chair of Place Overview & Scrutiny

Contact Officer: Director for Governance and Law

Ward(s) affected: (All Wards);

Key Decision: No

Note: Urgency

By reason of the special circumstances below, and in accordance with section 100B(4)(b) of the 1972 Act, the Chair of the meeting has been consulted and is of the opinion that this item should be considered at the meeting as a matter of urgency.

Note: Reasons for urgency

The special circumstances for non-compliance with Council Procedure Rule 3, Access to Information Procedure Rule 5 and Section 100B(4) of the Local Government Act 1972 (as amended), (items not considered unless the agenda is open to inspection at least five days in advance of the meeting) were that the recent publication of the relevant legislation and recent updates from Government needed to be incorporated into the report.

1. Purpose of the report and policy context

- 1.1 This report informs and updates members on the devolution programme for Sussex & Brighton.
- 1.2 The appendices to this report set out the key developments, including the decision by Government to proceed with devolution for Sussex & Brighton and the introduction of the English Devolution and Community Empowerment Bill in the House of Commons on 10th July.

2. Recommendations

2.1 Place Overview & Scrutiny Committee to note the update to members on Devolution.

3. Context and background information

- 3.1 On 17th July 2025 the Minister of State, Jim McMahon, announced that the relevant statutory tests had been met to establish Mayoral Strategic Authorities in the six devolution priority programme areas. He indicated that legislation would be brought forward to create a Mayoral Strategic Authority in each of the six areas, including Sussex and Brighton, subject to the consent of the relevant constituent councils. This decision followed the conclusion of the Government's public consultation process in April. The Sussex and Brighton devolution consultation response from Government is set out at Appendix 1.
- 3.2 The Government has also now published the English Devolution and Community Empowerment Bill, building on the commitments set out in the English Devolution White Paper. The Bill represents a significant step forward in the Government's devolution agenda, aiming to strengthen local leadership, enhance democratic accountability, and empower communities.
- 3.3 In addition to the Bill, a Statutory Instrument will be laid in Parliament in order to formally establish the Mayoral Strategic Authority for Sussex & Brighton.
- 3.4 East Sussex County Council, West Sussex County Council and Brighton & Hove City Council are required to formally consent to the establishment of the Sussex & Brighton Mayoral Strategic Authority and it is anticipated that this formal consent will be considered by the Councils for decision in the Autumn, once the funding proposals have been shared by Government.
- 3.5 If the proposals receive consent, the first Mayoral Election will take place in May 2026.
- 3.6 Key elements of the Bill are set out in Appendices 2-4, including proposed devolution structures and a detailed review of the duties and powers conferred, referred to in the Bill as 'areas of competence'. The anticipated next steps are also set out. This information is intended to support members in understanding the implications of the Bill and to inform future engagement with the devolution process.

4. Analysis and consideration of alternative options

4.1 The Place Overview & Scrutiny Committee is invited to note the update report.

5. Community engagement and consultation

5.1 The Government ran a public consultation in areas chosen for the Devolution Priority Programme which closed on 13 April 2025. The consultation sought views on the proposal to form a Mayoral Combined County Authority for the local government areas of East Sussex County Council, West Sussex County Council and Brighton and Hove City Council. The outcome of the consultation is set out at Appendix 1.

6. Financial implications

- 6.1 There are no direct financial implications arising from the recommendations of this report. However the creation of the mayoral strategic authority for Sussex and Brighton will have a range of financial implications for Brighton and Hove.
- 6.2 These include the implications and transitional arrangements of certain grants from government previously directly received by the council, going to the Mayoral authority; as well as functions currently provided and funded by the council going to mayoral authority. The impact of these changes are unlikely to be fully quantified until the new mayor is in office. Transitional arrangements are expected at least for the first year.
- 6.3 In the shorter term there are costs of setting up the authority which are planned to be covered by year 1 of the transitional funding.
- 6.4 The costs of a Sussex and Brighton election are considerable and the Government have indicated the funding requires agreement by the constituent authorities.
- 6.5 Government officials have indicated that further financial information is likely to be provided in mid September which is expected to include years 2 and 3 transitional government funding as well as further details of grants and the 30 year investment fund for the Mayor.

Name of finance officer consulted: James Hengeveld Date:24/07/2025

7. Legal implications

7.1 The legal implications are set out in the report and Appendices.

Name of lawyer consulted: Elizabeth Culbert Date consulted 23/07/25

8. Equalities implications

- 8.1 The Mayoral Strategic Authority will prioritise areas such as transport, adult skills, housing and health and may make changes to reduce inequalities in society, for example, making jobs more accessible across local authority boundaries. These changes may also allow for more locally responsive services that reflect the specific needs of diverse communities, including those with protected characteristics.
- 8.2 An Equalities Impact Assessment will be developed against the different elements of devolution and will inform the decision whether to consent to the establishment of the Mayoral Strategic Authority.

9. Sustainability implications

9.1 One of the areas of competence to be exercised by the Mayoral Combined County Authority under the new devolution framework will be Environment and Climate Change. The ambition set out in the Government's English Devolution White Paper is for the new Mayoral Strategic Authorities to deliver more long-term sustainable development, particularly in the areas of 10 transport and housing. They will have the power to expand and improve public transport services and promote low-carbon initiatives such as electric vehicles. They could also set sustainability standards for new housing developments to promote energy efficiency, for example.

10. Health and Wellbeing Implications:

10.1 The Mayoral Strategic Authority will have a duty to improve health and to reduce health inequalities. It is expected that Mayors will have a pivotal role within the area's Integrated Care Partnership and the Mayoral Strategic Authority can take a more coordinated approach to reducing health inequality across the regions.

11. Conclusion

11.1 Place Overview & Scrutiny Committee is being asked to note the update to members on Devolution.

Supporting Documentation

1. Appendices

- 1. Sussex and Brighton Devolution Consultation Response 17th July 2025
- 2. Slides for Devolution, including English Devolution and Community Empowerment Bill and Next Steps
- 3. Government Guidance English Devolution and Community Empowerment Bill
- 4. Devolution framework Explainer