BRIEFING NOTE

Devolution and the English Devolution and Community Empowerment Act 2026

Summary

- Devolution in England is about moving more decisions from national government to local and regional leaders, especially where decisions need to be made across a whole economic area;
- The English Devolution and Community Empowerment Act 2026 provides the main legal framework for the current phase of reform, including the statutory basis for strategic authorities and the powers that can sit with different models of devolution;
- It also identifies the Act's areas of competence (responsibilities):
    - transport and local infrastructure;
    - skills and employment support;
    - housing and strategic planning;
    - economic development and regeneration;
    - environment and climate change;
    - health, well-being and public service reform;
    - public safety;
    - culture; and,
    - rural affairs and coastal communities;
- Strategic authorities make decisions through a mix of mayoral leadership, council representation, formal votes, published strategies, scrutiny and partnership working. They provide high level, strategic leadership for unitary authorities;
- Spatial development strategies are one of the key tools for joining up growth, housing, infrastructure, transport and environmental priorities across that wider area;
- Strategic authorities are funded through a mix of central government grants, devolved programme funding, investment funds, locally raised income (such as, business rates) and, for the most established mayoral areas, more flexible integrated settlements;

- Devolution gives places more tools to shape growth, transport, skills, housing and regeneration, while keeping national government responsible for the overall system and major nationwide policies;
- For rural areas, the key test is whether devolution recognises distance, sparsity and local economic strengths, so that villages, market towns and countryside businesses benefit alongside larger towns and cities.

Introduction

The new Prime Minister, Rt Hon Andy Burnham, has made it very clear that devolution will be seen as a policy priority for the government. However, the majority of the general public will be unaware as to what devolution actually is, and this is very much the case for those that live and work in rural areas in England.

This guide seeks to demystify devolution, explaining the principles that underpin it, the powers of the new institutions created through the devolution process, and what it means for rural areas.

What is devolution and why it matters

Devolution means transferring powers, responsibilities and funding from central government to decision-makers closer to the people and places affected by those decisions. In England, this usually means giving more influence to elected mayors, combined authorities, strategic authorities and local councils over issues such as transport, skills, housing, planning and economic development.

The government's approach to devolution and local government reorganisation is to establish strategic authorities with powers to plan long-term economic and social development. These may include mayoral authorities led by directly elected mayors, combined authority areas such as the West of England Combined Authority, or large county-based authorities. Beneath them, unitary authorities would deliver the day-to-day functions of local government, including public services. District councils would either be absorbed into unitary authorities or abolished, while town and parish councils would remain.

It is intended to give places more control over their own priorities, so that local leaders can tailor decisions to local economies, communities and geography. It means:

- Better local decisions: local leaders will often understand local needs better than national departments because they are there on the ground;
- Clearer accountability: elected mayors can be held responsible by voters for strategic choices in their area;
- Stronger local economies: devolved powers can support joined-up action on transport, skills, regeneration and housing;
- More joined-up services: devolution can encourage councils, mayors, businesses, colleges and public services to work together.

Why devolution is important for rural

For rural areas, devolution can be especially important because many rural challenges are shaped by distance, sparsity, smaller populations and the higher cost of delivering services across large geographies. A transport plan, housing strategy or skills programme that works well in a city may not work in the same way for villages, market towns, coastal communities or remote rural areas.

Done well, devolution gives rural places a stronger opportunity to shape decisions around their own economic strengths and everyday needs. This can include farming and food production, land-based businesses, tourism, clean energy, nature recovery, market town regeneration, rural transport, digital connectivity and access to housing that local people can afford.

But rural proofing where policies are monitored so that they take into account rural interests, must be applied to devolved strategies, funding decisions and delivery plans. This means checking whether policies will work for dispersed communities, whether funding streams reflect rural costs, and whether data is detailed enough to show rural need.

In practical terms, rural devolution should mean that rural communities, parish and town councils, farmers, landowners, rural businesses, voluntary groups and local service providers have meaningful routes into decision-making. It should also mean that strategic authorities treat rural areas not only as places with service challenges, but as places with major economic, environmental and community assets.

Defining rural affairs

Rural affairs tends to have a wide definition. In statistical terms, a rural area is defined as a geographic area with a population density of less than 10,000. The scope of rural affairs includes the following key sectors:

- Agriculture and Land Use
- Economic Development
- Community well-being
- Environmental conservation
- Rural Proofing

There are linkages in each area and rural proofing is seen by the government as the tool to pull policy together. This means, for example, that policy in transport or infrastructure must take into account rural interests, policies, and priorities when drafting other policies at the initial stages.

It also means that the competences have to link together and there needs to be a relationship between all nine competences.

Devolution to be delivered in stages

It is Important to stress that devolution is to be delivered in a series of stages as follows:

- **Stage 1**: current state of play with metro mayors, some strategic authorities and combined authorities;
- **Stage 2**: over the next couple of years priority areas, such as Cheshire and Warrington, Cumbria and Sussex, will go the strategic authority/mayoral authority route;
- **Stage 3**: Proposed spatial development areas but the detail has still to be confirmed.

The English Devolution and Community Empowerment Act 2026

The English Devolution and Community Empowerment Act 2026 is the main legislative framework for the current phase of English devolution. It puts strategic authorities on a clearer statutory footing and sets out how different types of strategic authority can exercise functions across wider areas.

In simple terms, the Act provides the legal architecture for a more consistent devolution system. It covers strategic authorities, mayoral and non-mayoral models, combined authorities and combined county authorities, mayoral functions, scrutiny, precepts, borrowing, levies and a wider set of powers linked to transport, skills, housing, strategic planning, economic development and regeneration:

- **Strategic authorities:** the Act recognises strategic authorities as the bodies responsible for key wider-area functions.
- **Different levels of devolution:** it supports a framework in which foundation, mayoral and established mayoral strategic authorities can have different powers and responsibilities.
- **Mayoral powers:** it strengthens the role of mayors in areas where a mayoral model is in place, including powers to convene partners and lead on strategic functions.
- **Planning and growth:** it links devolution to economic development, regeneration, strategic planning, local growth plans and housing-related functions.
- **Accountability:** it includes provisions on overview and scrutiny, reporting and financial powers such as precepts, borrowing and levies.

For rural areas, the Act matters because it shapes the governance structures through which rural priorities will be heard. The legal framework does not by itself guarantee rural influence. That depends on how strategic authorities use their constitutions, committees, evidence, funding decisions and engagement with parish councils, rural businesses, market towns, farmers, land managers and voluntary organisations.

The community empowerment parts of the legislation sit alongside the devolution framework. Their practical significance is that devolution should not only move power from Whitehall to

strategic authorities, but also create clearer routes for communities and local partners to influence decisions that affect their places.

Areas of Competence (responsibilities)

The Act groups strategic authority responsibilities into broad “areas of competence (responsibilities)”. These are the policy fields in which strategic authorities and mayors may be given functions, duties or powers, depending on the type of authority and the terms of the devolution settlement. They are best understood as the main subject areas where decisions can be planned and coordinated at a wider geography than a single council area.

- **Transport and local infrastructure:** local transport plans, highways-related coordination, key route networks, bus and mobility powers, and infrastructure decisions that cross council boundaries.
- **Skills and employment support:** adult skills, training priorities and employment support that can be aligned with local labour markets and employer demand.
- **Housing and strategic planning:** strategic planning, housing supply, regeneration, brownfield development and development bodies where these are conferred.
- **Economic development and regeneration:** local growth plans, business support,
- **Environment and climate change:** place-based action on climate resilience, nature, land use, energy and environmental improvement where local and strategic decisions need to be joined up.
- **Health, well-being and public service reform:** collaboration with health bodies and public services to improve prevention, access and outcomes, rather than replacing national NHS responsibilities.
- **Public safety:** functions that may relate to policing, fire, resilience or community safety where the relevant legal arrangements are in place.
- **Culture:** cultural strategy, visitor economy, heritage and creative industries where these support local identity and economic growth.
- **Rural affairs and coastal communities:** recognition that rural and coastal places have distinct needs and opportunities, including dispersed service delivery, agriculture, land-based industries, market towns, coastal economies and connectivity.

The list does not mean that every strategic authority automatically receives the same powers in every area. The practical effect depends on the authority’s category, its statutory functions, any regulations made by government and the devolution deal or settlement for that place. What is important is that the competences must be balanced and proportionate (see Annex 1).

For rural areas, the explicit inclusion of rural affairs and coastal communities is important because it gives strategic authorities a clear basis for considering sparsity, distance, land-based sectors, market towns and coastal economies alongside urban growth priorities.

Rural economic development committees/boards

Rural economic development committees or boards could give rural areas a clear route into strategic authority decision-making. They would not normally replace the formal board, cabinet or scrutiny arrangements of the strategic authority. Instead, they could provide a standing forum for rural evidence, business insight and delivery advice, helping the mayor and constituent councils understand how policies will affect villages, market towns, farming and food businesses, visitor economies and dispersed communities.

A useful model would be to make the board formally linked to the strategic authority's economic growth, local growth plan or investment arrangements. Its role would be to test strategies against rural realities, identify opportunities for rural productivity and advise on priorities for transport, skills, housing, digital connectivity, land-based industries, tourism, natural capital and small business support. They would also act as a bridge between the strategic authority and rural businesses, negating the problem of policy vacuums.

- **Membership:** members could include rural businesses, farmers and land managers, market town representatives, parish and town councils, colleges, the voluntary sector, housing providers, transport operators and environmental organisations, alongside councillors and strategic authority officers.
- **Mandate:** the committee should have clear terms of reference, a defined advisory role and a route for its recommendations to be considered by the mayor, the strategic authority board or the relevant portfolio lead.
- **Evidence:** it should use rural data, local intelligence and case studies to show where area-wide averages hide rural need, costs or economic potential.
- **Influence:** the board could comment on draft strategies, review investment pipelines, advise on business support and help shape spatial development, transport, skills and local growth plans.
- **Accountability:** agendas, membership, declarations of interest and short annual reports should be published so that the board adds transparency rather than becoming an informal lobbying route.

This approach would also help replace some of the business voice previously provided through Local Enterprise Partnerships, whose core functions have been integrated into local democratic institutions. **The key point is that rural economic development committees/boards should be embedded in formal governance, with a clear pathway from discussion to decision, rather than operating as occasional consultation groups. This requires formal engagement, transparency and effective monitoring, particularly in policy areas where decisions, either directly or indirectly impact rural interests.**

A good way to understand the model is that strategic authorities are not meant to replace councils. They make decisions on wider-area priorities where coordination is needed, while councils continue to lead on many local services. The strongest arrangements are those where the mayor, constituent councils and local partners agree a shared strategy, use evidence transparently and make clear who is responsible for delivery.

Spatial development strategies

Spatial development strategies are the proposed strategic planning documents for wider areas. They are intended to look beyond individual council boundaries and set a broad framework for how housing, employment land, transport, infrastructure, environmental improvement and climate resilience should fit together across a functional geography.

The idea is that major growth decisions often need a sub-regional view. New homes may depend on strategic transport links, water and energy infrastructure, employment sites, flood risk management and access to services that sit across several councils. A spatial development strategy should therefore provide the umbrella context for local plans, while leaving local authorities to make more detailed choices about specific sites and local policies.

- **Strategic geography:** the strategy should cover an area that makes sense for housing markets, travel patterns, infrastructure networks, environmental systems and economic activity.
- **Alignment with devolution:** where mayoral or strategic authority geographies exist, they are generally expected to be the preferred footprints for producing these strategies.
- **Connection to local plans:** local plans should sit beneath the wider strategy, so that local planning decisions are consistent with the agreed direction for growth, infrastructure and environmental improvement.
- **Delivery focus:** the strategy should help join up planning with transport, skills, economic development, nature recovery and investment decisions.

For rural areas, spatial development strategies matter because they can make rural needs visible at the strategic level. They should avoid treating rural communities as empty space between towns and cities. Instead, they should recognise market towns, villages, farming and food businesses, natural capital, rural transport corridors, visitor economies, affordable housing need and the infrastructure required to support dispersed communities.

CLA engagement with Government, local authorities and external stakeholders

The CLA recognises the importance of its relationships with local authorities. That is why there is a strong working relationship with Britain's Leading Edge (BLE), an organisation of local authorities that represents those areas without a major urban centre.

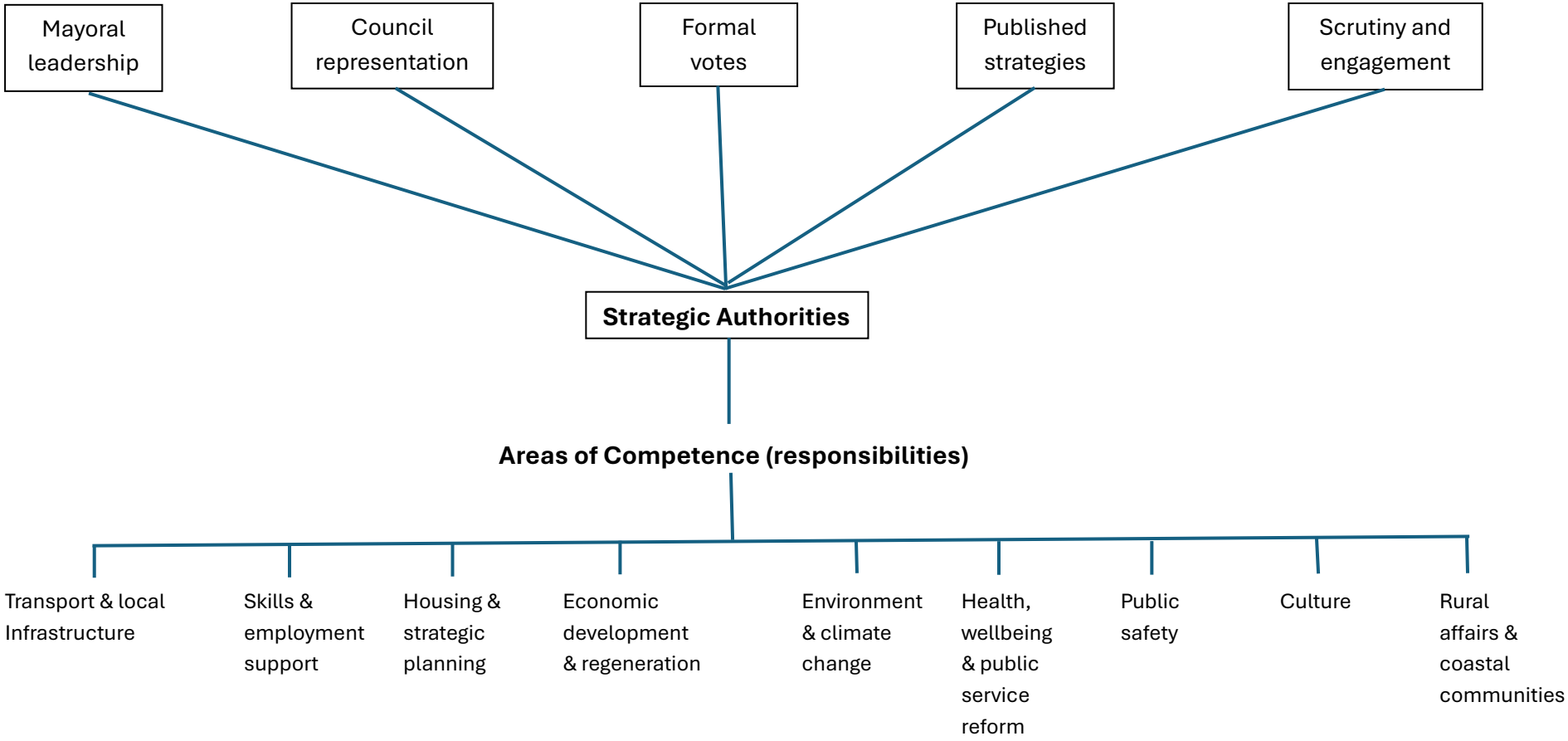
This has been cemented through a joint Memorandum of Understanding which allows the CLA to create the right platform to lobby for rural policies to be recognised and understood.

The CLA also plays an important role in its work with central government. This includes direct links with the Department for the Environment, Food and Rural Affairs (Defra) and the Ministry for Housing, Communities and Local Government (MHCLG).

An essential element in terms of engagement is the CLA's role with external stakeholders. This includes liaison with organisations such, NFU, Rural Services Network, CPRE and

ACRE. It is through these links that common positions can be agreed on rural issues which are then discussed at both central and local government level.

Annex 1: Balancing the Areas of Competence (responsibilities)



Annex 2: Rural decision-making and engagement structure

