



English Devolution and Community Empowerment Bill

Bill Committee

UK100 Submission

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Introduction to UK100

UK100 is the only network of ambitious local authorities led by all political parties working together to tackle climate change. We help councils overcome challenges and turn innovation into solutions that work everywhere. We build the case for the powers needed to make change happen. From cities to villages, we help communities across the UK create thriving places powered by clean energy — with fresh air to breathe, warm homes to live in, and a healthy natural environment.

Executive summary

UK100 has produced an [in-depth briefing](#) on the Bill for our network of local leaders, below is a summary of the key points.

While UK100 supported the original White Paper and supports the Bill, we believe it is a missed opportunity to unlock local ambition and control over their destinies.

The Bill provides only **limited new tax-raising powers for Strategic Authorities and none for existing or new local authorities**. The fiscal powers outlined largely mirror existing local authority controls over council tax and road user charging, raising questions about whether this could dilute or centralise powers currently held by councils. We would like to see more radical changes to revenue and spending to allow our members greater flexibility and certainty with meeting their climate goals and national missions.

In a 2024 devolution survey of our members, 83% said they could not reliably predict funding streams for their projects. This breeds uncertainty and creates delays to projects, limiting economic growth and the potential to realise the co-benefits of this work. Other organisations have found similar issues across a broad range of policy areas, the centralisation of financial resources is a handbrake on local authorities across all areas of delivery.

While the Bill extends an area of competency around climate for Strategic Authorities, the Bill lacks the key climate and energy powers, trailed in the White Paper and provides **no new powers or responsibilities for local authorities on climate or energy**. This raises questions on how devolution will support local climate action and help unlock wider community benefits. The Bill **overlooks Strategic Authorities' role in tackling transport-related air pollution**. It includes powers for road charging and micromobility but lacks wider support for clean air initiatives. It fails to confirm Strategic Authorities' role in GB Energy's Local Power Plan, Regional Energy Strategic Plans or Local Area Energy Planning, despite those previous White Paper commitments.

The Bill is also silent on Strategic Authorities leading Local Nature Recovery Strategies and expanding their role in environmental delivery, as previously proposed.

There is **no commitment to devolve the delivery of the Warm Homes plan and retrofit funding**, or give Strategic Authorities control over affordable housing strategy, beyond a mention to sustainable development and design. This is another significant missed opportunity to align the Bill and its powers with the Government's priorities.

The role of Strategic Authorities in green skills has been overlooked, including joint oversight of Local Skills Improvement Plans or defining the relationship with Skills England, and their broader role in the business ecosystem.

Given the pace and scale of local government reorganisation, which is taking place in parallel to the passage of this legislation, we were deeply disappointed to see little in the Bill to devolve meaningful power to existing and developing unitary local authorities.

Proposed amendments:

1. Duty to contribute to delivery of nature and climate targets

(1) When exercising their functions, a strategic authority, a mayor, or a local authority, must contribute to—

- a. meeting the targets and carbon budgets set under Part 1 of the Climate Change Act 2008;
- b. meeting the targets and interim targets set under Part 1 of the Environment Act 2021; and
- c. the delivery of the programme for adaptation to climate change under section 58 of the Climate Change Act 2008

and they must not make any decisions that would be incompatible with meeting the targets listed in subsections (a)-(c).

(2) The Secretary of State must publish guidance describing in measurable terms the

contribution that each strategic authority should make toward meeting the targets listed in subsection (1)(a)-(c).

Preamble:

A statutory duty requiring councils to pursue net zero would directly support the UK's national target of achieving net zero emissions by 2050 through coordinated local action. Such legislation would respond to growing public concern about climate change, demonstrating government recognition of the multi-level action required and addressing citizen demands for decisive climate measures.

The duty would ensure consistent approaches across all councils, replacing the current patchwork of voluntary initiatives with unified national standards. By providing councils with a clear legal mandate, authorities would be empowered to prioritise climate action and allocate resources accordingly, while the legal obligation would compel faster and more decisive progress toward emissions reduction.

Local authorities in the UK100 network overwhelmingly back a statutory duty¹, as does the Local Government Association following a consultation of its membership².

2. Develop a fiscal devolution strategy

The Secretary of State shall, within 12 months of this Act coming into force, prepare and publish a strategy for fiscal devolution.

(1) The strategy must include—

(a) a framework for devolving additional tax-raising powers to Strategic Authorities and local authorities;

(b) proposals for longer-term fiscal settlement arrangements extending beyond current spending review periods;

(c) proposals for devolving specific taxes including but not limited to visitor levies, environment levies, land value tax;

(d) proposals for enabling retention of percentages of specific taxes including but not limited to income tax, stamp duty, business rates;

¹ Councils want new climate duty as part of relationship reset with next government, new survey reveals <https://www.uk100.org/press-release/2024/06/councils-want-new-climate-duty-part-relationship-reset-next-government-new>

² Local government and legal responsibilities to act on climate change: An LGA open consultation <https://www.local.gov.uk/about/campaigns/make-it-local/back-local-climate-action/local-government-and-legal-responsibilities>

- (e) safeguards to maintain fiscal responsibility;
- (f) a timeline for implementation over a 5 year period.
- (g) co-produced with local and Strategic Authorities, including but not limited to the Local Government Association and Mayoral Council for England.

Preamble:

The White Paper promised to consolidate the number of grants and funding into Integrated Settlements for Established Mayoral Strategic Authorities, however this remains missing from the bill. There are several new programmes such as the Warm Homes Plan where funding has not been devolved in the bill.

Regardless of specific pots or taxes to devolve, there is a clear need to give local governments more control over their budgets. This would help them better allocate their resources to their priorities, be that climate or otherwise. England is one of the most centralised governments in the world. Empowering local governments without giving them financial power is a very narrow interpretation of empowerment. The bill is an opportunity to amend the fiscal imbalance and put local governments on similar footing to their counterparts across the world.