

Report to: Cabinet

Date: 27 January 2026

By: Chief Executive

Title of report: Devolution and establishment of the Mayoral Combined County Authority

Purpose of report: To provide an update on the progress of devolution in Sussex, and to seek consent to the establishment of the Sussex and Brighton Combined County Authority.

RECOMMENDATIONS:

Cabinet is recommended to:

- 1) Note the changes announced by the Minister to the proposal to devolve to Sussex and Brighton Combined County Authority, in the letter of 4 December 2025;**
 - 2) Reconfirm the approval of and consent to the establishment of the Sussex and Brighton Combined County Authority;**
 - 3) Delegate authority to the County Council's Chief Executive, in consultation with the Leader, to agree the contents of, and consent to, the making of the Sussex and Brighton Combined Authority Order 2026; and**
 - 4) Delegate authority to the Chief Executive to take such action as necessary to give effect to the above recommendations and to facilitate the establishment of the Combined County Authority.**
-

1 Background and context

1.1 In December 2024, Government published the English Devolution White Paper which set out its ambitions for devolution and the eventual creation of Mayoral Strategic Authorities (MSAs) covering all areas of England. In February 2025, an application from West Sussex County Council (WSCC), East Sussex County Council (ESCC) and Brighton and Hove City Council (BHCC) to join the Devolution Priority Programme (DPP) and to establish a Mayoral Combined County Authority (MCCA) for Sussex was accepted by the Government.

1.2 National government undertook an 8-week public consultation from 17 February to 13 April 2025 to engage and seek responses from a range of interested parties across the region. In July 2025, following a public consultation, the Government confirmed that the proposal to create a Mayoral Combined County Authority for Sussex and Brighton had met the statutory tests and that it would move forward with mayoral elections scheduled for May 2026. In October, all three

constituent councils agreed to the establishment of the MCCA and delegated authority to Chief Executives to consent to the laying of a Statutory Instrument to create the new Authority.

1.3 In October 2025 Cabinet agreed to provide its consent, with authority delegated to the Chief Executive, to the laying of the necessary Statutory Instrument by Government that would provide the legal force to create a new mayoral combined county authority (CCA) for Sussex with mayoral elections scheduled for 7 May 2026. The Government also previously confirmed that the CCA would receive an annual Investment Fund of £38 million for 30 years following the election of a mayor and a further £1m per year capacity funding for three years to help establish the authority.

1.4 On 4 December 2025, the Parliamentary Under Secretary of State for Devolution and Faith Communities, Miatta Fahnbulleh MP, wrote to the Leaders of West Sussex County Council, East Sussex County Council and Brighton and Hove City Council (Appendix 1) to set out the Government's intention to continue with the establishment of a Mayoral Strategic Authority in Sussex and Brighton from 2026, but to postpone the mayoral elections in 4 DPP areas, including Sussex and Brighton, until 2028.

1.5 In light of these changes, an amended Statutory Instrument to create the Sussex and Brighton CCA will be issued by the Government, for constituent councils to agree. The purpose of this report is to update Cabinet on these developments, set out the implications for East Sussex County Council where they differ from the previous report to Cabinet on 21 October 2025, and seek renewed approval in principle to consenting to devolution in the terms outlined.

1.6 The intended effect of this change would be that once the English Devolution and Community Empowerment Bill is passed and prior to the election of a mayor in May 2028, the new Sussex and Brighton CCA would have access to those powers available to a Mayoral Strategic Authority, bar those that are only exercisable by a mayor. These are set out below in paragraph 2.4.

1.7 The Government also confirmed that in light of the postponement of the elections, DPP areas that would now elect a mayor in 2028 would receive one third of their annual allocated Investment Fund in the years 2026/2027 and 2027/2028, albeit over the 30 year period the amount received will remain unreduced. The reason provided by the Government for postponing the elections was to allow for the completion of Local Government Reorganisation in advance of the election of a mayor.

1.8 Subject to the consent of the three constituent councils, the Statutory Instrument will be laid in Parliament imminently and will be debated by both Houses. If approved, it is anticipated that it will take effect in early 2026.

1.9 Despite the postponement of the mayoral election and a reduction in Investment Fund available in the next 2 financial years. It is recommended that ESCC moves forward with the creation of a new Sussex and Brighton CCA at the earliest opportunity on the basis that it represents a significant opportunity for East Sussex and the wider region. A new Sussex and Brighton Combined County Authority would still benefit from significant powers ahead of a mayoral election with

the opportunity to take a more strategic approach to transport, develop a regional plan for growth, take responsibility for adult skills funding and take action on carbon reduction. The region would also still receive over £12 million a year in new investment funding.

1.10 Under the new timeline, with a mayor not elected until 2028, the Constituent Authorities will be setting the priorities for investment in Sussex and Brighton and the focus of the County Combined Authority. Backed by the Mayoral Investment Fund, this will provide a significant opportunity to set the direction for the future, prior to the election of the mayor for Sussex and Brighton.

2 Proposal details

Changes to the Statutory Instrument

2.1 The Statutory Instrument (SI) will be called *The Sussex & Brighton Combined County Authority Regulations 2026*. Under parliamentary procedure for the introduction of legislation, the full and final text of the SI would be made public at the point it is laid in Parliament. To support Cabinet decision-making, a breakdown is provided that sets out the functions which will be available to the Sussex and Brighton CCA ahead of the inaugural election, through both the Statutory Instrument and the English Devolution and Community Empowerment Bill, once it receives Royal Assent, and the powers and functions which will be reserved to the mayor (Appendix 2).

2.2 The effect of the previous version of the Statutory Instrument was set out in detail in the previous report to Cabinet. The changes to the amended SI are as follows:

- Changing the date of the inaugural mayoral election from 7 May 2026 to 4 May 2028.
- Extending the transitional period during which requirements relating to the production of a Local Transport Plan will be held concurrently by the CCA and constituent authorities from 31 March 2027 to 31 March 2028.
- Changing the date at which point Part 5 (Mayoral functions) comes into force from 11 May 2026 to 8 May 2028.
- Amendments to ensure that the Sussex and Brighton CCA will have the ability to approve a Local Transport Plan before the mayor is in place.

2.3 As set out previously, should all three Constituent Authorities consent to the laying of the SI, it will then need to be debated in and approved by both Houses of Parliament. Parliament can only approve or reject SIs; it is not possible for them to be amended once they have been laid. Parliament is allowed up to 8 sitting weeks in which to approve the SI, and it is expected that this process would be completed at some point in early 2026, at which point the Sussex and Brighton CCA would formally come into existence

Changes to the impact of the English Devolution and Community Empowerment Bill

2.4 The effect of the devolution aspects of the English Devolution and Community Empowerment Bill and the powers it would convey on a Mayoral Combined County Authority for Sussex and Brighton were set out in detail in previous reports to Cabinet. The implication of the recent Government announcement to postpone the mayoral election until 2028 is that those powers that are exercisable only by the mayor would not be available until after the election. Those powers include:

- Key Route Network power of direction
- Spatial Development Strategy (clause 52 of the Planning and Infrastructure Bill: Part 1A of the Planning and Compulsory Purchase Act 2004) (An MSA would be able take steps to prepare an SDS prior to a mayoral election but it could only be signed-off once a mayor is in place).
- Compulsory purchase powers under the Housing and Regeneration Act 2008 and Housing Act 1985 (Clause 34, 35 and Schedule 15, 16)
- Power to convene and duty to respond
- Duty to collaborate
- Strategic Development Management Powers
- Mayoral Development Orders
- Mayoral Development Corporations
- Mayoral Community Infrastructure Levy
- Mayoral Council Tax Precept
- Police and Crime Commissioner and Fire and Rescue Authority functions (subject to secondary legislation).

2.5 The English Devolution and Community Empowerment Bill seeks to move Mayoral elections from the current First Past the Post voting system to the Supplementary Vote system. The Government had confirmed that given the expected timescales for passing the Bill, mayoral elections planned for 2026 would have been conducted using First Past the Post. Subject to the Bill receiving parliamentary approval, it is expected that any future mayoral elections will be conducted using the Supplementary Vote system.

Investment Fund

2.6 Prior to the decision taken by Cabinet in October 2025 to consent to the creation of the Sussex and Brighton CCA, Ministers had provided written confirmation that the Sussex and Brighton CCA would receive a £38 million a year 30-year Investment Fund following the election of a mayor in 2026. In the letter received on 4 December setting out the intention to postpone the mayoral elections until 2028, the Minister confirmed that the Sussex and Brighton CCA would receive one third of its annual allocated Investment Fund in the years 2026/2027 and 2027/2028 rising to the full allocation following the mayoral election. The fund will be split 50/50 between capital and revenue spend.

Establishment of Devolution Delivery Programme

2.7 Prior to the Government announcement to postpone the election, significant progress had been made to lay the foundations for the creation of a combined county authority in Sussex. This work continues at pace. Following the appointment of an interim Chief Officer for the shadow CCA, a Devolution Delivery Programme has been established to oversee the creation of the CCA. The interim Chief Officer is currently assembling a Programme Delivery Team to lead delivery of critical workstreams and work alongside the Constituent Authorities and other partners as part of a Devolution Delivery Programme Board. An Informal Partnership Board and a Stakeholder Forum have also been established to ensure effective engagement with stakeholders from across Sussex.

2.8 The early priority workstreams of the Devolution Delivery Programme include governance, organisational design, strategy and policy, communications and engagement, and finance. The Programme Delivery Team are in the process of developing a governance framework and an implementation strategy as well as other critical policies and processes. A two-day policy 'sprint' involving over 80 council officers and stakeholders from across Sussex was held in early December to start the work to develop a prosperity strategy for the new CCA.

Development of a Local Assurance Framework

2.9 Before the investment funding can be released and before the Statutory Instrument can take effect, it is necessary for Constituent Authorities to agree a Local Assurance Framework (LAF) with the Ministry of Housing, Communities and Local Government (MHCLG). The purpose of the LAF is to set out how the new Sussex and Brighton CCA will use public money responsibly, openly and transparently, and achieve best value for money. The LAF is a legal requirement.

2.10 The process, requirements and principles relating to the LAF were considered by the Member Reference Group at its November 2025 meeting. An early draft LAF was submitted to MHCLG in November 2025 for initial feedback from government departments. A final draft of the LAF was submitted on behalf of Constituent Authorities ahead of the 15 January 2026 deadline set by Government. Subject to the views of Government, it will then be considered for adoption by the MCCA at its first meeting.

2.11 The alternative to the recommendation to consent in principle to the laying of the amended Statutory Instrument outlined above is to refuse consent to move forward with devolution in Sussex and Brighton, which would have a number of negative impacts. This would include preventing or delaying the predicted benefits of devolution and the flow of new funding and powers from government to Sussex and Brighton, including the new investment provided by the 30-year Investment Fund.

3 Financial implications

3.1 The reduction in anticipated investment funding over the next two financial years – from £38 million per year to approximately one third of that amount – will

result in less funding available to support regionally agreed priorities to drive economic growth, create jobs and strengthen public services during that period.

3.2 The postponement of the mayoral election until 2028 will postpone the previously estimated cost of delivering an election in 2026. These costs are anticipated to be met from resources available to the CCA. Any costs incurred by Local Returning Officers due to the cancellation will be assessed on their merit and reimbursed from capacity funding if necessary.

3.3 The costs associated with the delivery of CCA functions prior to the mayoral elections will be met by resources available to the CCA, such as the Investment Fund, capacity funding or by top-slicing grant funding streams. The budget for any forthcoming year will need to be agreed with the Constituent Authorities in advance, and it is anticipated that a local agreement will be in place to ensure that expenditure provisions are in line with voting provisions until 2028, when this will be reviewed in light of the outcome of Local Government Reorganisation.

Equality consideration

3.4 As a public body receiving public funds, the new CCA will be subject to the Public Sector Equality Duty under the Equality Act 2010 in relation to the legally protected characteristics (age, disability, gender reassignment, pregnancy/maternity, race, religion/belief, sex, sexual orientation and marriage/civil partnership) to eliminate discrimination, advance equality of opportunity, and foster good relations between people who share protected characteristics and those who don't. The new CCA must have 'due regard' to these duties in their day-to-day work, considering the impact of their policies, decisions, and services on people sharing protected characteristics.

3.5 The process of creating a CCA is not expected to disproportionately affect any specific group sharing any of the legally protected characteristics. Its aim is to move decision making closer to those affected, which should help people sharing protected characteristics access services and economic opportunities more fairly than if decisions remained at the central government level.

Crime and Disorder

3.6 The Bill provides for the transfer of Policing and Crime Commission and Fire and Rescue Authority functions as well as duties to share information relating to crime and disorder:

- Sharing of information in relation to crime and disorder - These powers both enable and place a duty on Strategic Authorities to disclose information relating to the reduction of crime and disorder, including anti-social behaviour, to other relevant authorities (such as local authorities, social landlords and the police). This function is exercised concurrently with constituent authorities.

- Police and Crime Commissioner Functions - Mayors will be, by default, accountable for the exercise of Police and Crime Commissioner (PCC) functions where mayoral boundaries align with police force boundaries, or with two police force

boundaries when taken together. Transfers will be subject to secondary legislation and we understand that the functions will transfer in 2027. These functions will be exercisable by the mayors, but mayors will have to delegate PCC responsibilities to a Deputy Mayor (for Policing, Fire and Crime for each police force area for which they have PCC functions).

Public Health

3.7 The CCA 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 Boards or Partnerships in the area. By establishing a tailored health obligation, the CCA would be formally recognising the importance of addressing health disparities within the community.

3.8 A 'health in all policies' approach could lead to dedicated policies and programmes aimed at tackling broad determinants of health, such as housing, employment, skills and access to healthcare services. In practice, the mayor's involvement with Integrated Care Boards or Integrated Care Partnerships, or equivalent, could foster collaboration among various stakeholders—such as NHS organisations, local councils, voluntary sector groups, and community leaders—enabling the alignment of strategies and resources. This coordinated effort could help ensure a more cohesive response with investment directed towards the most pressing local health challenges. Through these initiatives, the CCA has the potential to contribute towards helping to improve overall population health and bridge the gap between different social groups.

4 Conclusion and reasons for Recommendation

4.1 Members will be familiar with the issues around Devolution and the proposed establishment of the Sussex and Brighton CCA having received a previous report seeking consent. This report sets out the update and the changes in relation to the timings of its implementation and the election of a mayor.

4.2 Notwithstanding the proposed changes, Devolution and the creation of a Mayoral Combined County Authority could bring major benefits to the region. The Government has committed to a £38m annual investment fund over 30 years (£1.14bn) for agreed priorities, aiming to drive economic growth, support employment, and improve local services. The Bill also devolves new powers over transport, housing, and adult skills for more local decision-making.

4.3 Certain powers and responsibilities currently managed by ESCC will shift to the newly formed MCCA, fostering strategic cooperation on important regional matters like infrastructure and workforce development. While the election of the mayor and devolution of some powers will now be delayed the MCCA remains able to assist and strengthen partnerships across Sussex.

4.4 It is recommended to reconfirm the approval and consent to establish the MCCA and that authority be delegated to the Chief Executive, in consultation with the Leader, to agree to the SI so that consent can be given in a timely manner and within the timescales set by Government. It is also proposed to delegate authority to the Chief Executive to take any action needed to enact the recommendations and facilitate the establishment of the MCCA.

BECKY SHAW
Chief Executive

Contact Officer: Philip Baker
Tel: 01273 481564
E-mail: philip.baker@eastsussex.gov.uk

Background Documents

[Agenda for Cabinet on Tuesday, 21st October, 2025, 10.00 am | East Sussex County Council](#) – Item 5