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From "Simpler Structures", to "Rewiring the State" and "Devolution by Default" – what does it all mean?

August 2026

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Prior to joining PLMR, John served as a ministerial advisor; was a co-founder of the Education Policy Institute; led the education and labour market policy work at the CBI; and most recently was Executive Director at UCAS, led the renewal of their corporate strategy, the integration of apprenticeships, and established UCAS as an influential voice in the national public policy debate. Alongside this, John has served on the board of the Institute for Apprenticeships and Technical Education (the predecessor to Skills England), has stood for parliament, and is an elected local councillor.

In the run-up to the December 2024 White Paper, the big question in English devolution was whether the government would opt for radical, country-wide unitarisation or a gentler path of carrots and nudges. Eighteen months on, we certainly have our answer. What began as a limited promise of "simpler structures" has become the largest redesign of English local government since 1974, and, since Andy Burnham entered Downing Street in July, the centrepiece of the new Prime Minister's entire domestic agenda.
As a local councillor in an area going through reorganisation and unitarisation, the speed at which change has been announced has felt close to whiplash. Implementation will be far from as fast, with repercussions, disaggregation, and funding uncertainty for years to come, while 'efficiencies' remain elusive in the short to medium term.

So where are we now?

The English Devolution and Community Empowerment Act 2026 received Royal Assent on 29 April 2026, creating "strategic authorities" in law for the first time, tiered as Foundation, Mayoral, and Established Mayoral, each with statutory areas of competence spanning transport, skills and employment, housing and planning, economic development, environment, health and public service reform, and public safety. Alongside the legislation, the reorganisation of the 21 remaining two-tier areas has moved at remarkable pace.

Through decisions announced in March and July 2026, the government has now confirmed the new map for almost every county area in England; across the areas now decided, 134 existing councils will be replaced by around 38 new unitary councils, with 14 further areas decided in July alone. Surrey is the pathfinder, with shadow authority elections held in May 2026 and two new unitaries (East Surrey and West Surrey) going live on 1 April 2027. Pretty much every other area follows a year behind: shadow elections in May 2027 and vesting day on 1 April 2028, although West Sussex and Cambridgeshire and Peterborough remain undecided. Meanwhile, mayoral elections for Greater Essex, Hampshire and the Solent, Sussex and Brighton, and Norfolk and Suffolk have been pushed back to May 2028 so that reorganisation completes first, with Cumbria and Cheshire and Warrington electing their first mayors in May 2027.

Then came the political earthquake. Andy Burnham became Prime Minister on 20 July 2026 and has made devolution his defining mission, opening "No. 10 North" in Manchester within days of taking office. On 31 July the whole Cabinet signed a statement, "Rewiring the State", that goes far beyond anything in the 2024 White Paper. The headlines: a share of local income tax assigned to every mayor from 2028; business rates retention from April 2027; an Overnight Visitor Levy; control of 16 to 19 education budgets and new technical pathways from age 14; devolved employment support;

deeper transport, housing, innovation, and cultural powers; police, fire, and Integrated Care Board boundaries aligned to strategic authorities by the end of the Parliament, with police and crime commissioners abolished when their terms end in May 2028 and their functions passing to mayors or, where no mayor exists, new police and crime boards; and a new Whitehall operating principle of "devolving by default", under which Secretaries of State must justify holding a power centrally. Strategic authorities are to cover the whole of England by the end of 2028. A further White Paper is promised this autumn, alongside the Budget on 28 October and a fiscal devolution roadmap.

In other words, the kind of "grand vision" that looked politically improbable in 2024 is now, formally, government policy, with a Prime Minister whose personal authority rests on delivering it.

Questions to consider ahead of the autumn White Paper

The restructuring years are here, and they will drag on delivery

The transitional risks that were apparent back in 2024 are no longer hypothetical. Shadow authorities are hiring, services are being disaggregated (at huge cost), and Section 24 consent regimes mean outgoing councils need the sign-off of their successor unitaries before entering major contracts or disposing of significant assets. For anyone selling into, partnering with, or funded by local government, decision-making will be slower and more cautious through to 2028, and institutional memory will walk out of the door as districts and counties wind down

A two-speed England

The Institute for Government points out that around half of England's population still has no mayor, and the government has conceded (via amendments to the Act) that it cannot impose one without local consent. This potentially causes a long tail of areas left without the same powers, resources, or influence. Organisations and businesses with a national footprint will need to work two very different systems at once: powerful mayors with integrated settlements on one side, and foundation authorities or unfinished geographies on the other.

Fiscal devolution cuts both ways

Assigning income tax and retaining business rates sounds fantastic and true devolution. But it automatically rewards wealthy, economically vibrant places rather than areas that are left behind. Surely not what the Prime Minister intends? There is already a promised equalisation mechanism that must be designed through the autumn Budget's fiscal devolution roadmap and the upcoming Spending Review – but it's unclear how this doesn't just end up allowing areas to retain lots of local taxes, with 'equalisation' then topping up other areas, resulting in basically the same fiscal set up we have now. In short, new funding mechanism, but same cash available for councils.

Some of the new councils also start life carrying enormous inherited debt

Even after the £500 million committed in principle towards Woking's liabilities, West Surrey begins with around £4 billion on its balance sheet. Is it fair the government is in essence mutualising this debt between residents that haven't had any of the benefits of the spending that caused the debt?

Tendering at greater scale favours a few large providers

This risk has sharpened. As 38 unitaries and a growing family of strategic authorities re-let contracts at much larger scale, smaller and specialist providers, and charities in particular, may find themselves squeezed out unless commissioners deliberately design lots and social value requirements to keep markets open.

Higher reward, higher stakes

The mirror image applies: winning a contract across a whole strategic authority is transformative, but losing an incumbent contract at re-procurement, at exactly the moment everything is being re-procured, has pushed sound organisations to the brink before. The 2026 to 2028 window concentrates that risk into a short period.

Leadership and capacity are stretched thin

The government itself acknowledges the pressure, with more than £1 million of transition funding per new unitary and a targeted package of up to £10 million to retain and develop leaders in children's services, adult social care, and public health. Even so, the same officers must run today's services, build tomorrow's councils, and deliver national reform programmes simultaneously. They are the unsung heroes in all of this.

Opportunities to consider

Simplification is actually happening

Unlike the scenario many feared back in 2024, new layers are not simply being stacked on old ones. Districts and counties are being dissolved into unitaries, police, fire, and health geographies are being aligned, and the confusing patchwork of "incoherent policy geographies" should genuinely shrink. Single points of accountability make it clearer who to engage, and who owns a problem. Don't be surprised when there are calls for Towns, Parishes, and Neighbourhood Boards, however – unitaries sitting across massive geographies and 500,000 people will by default be more remote than what they replaced.

Mayors are becoming the most powerful figures in domestic policy outside the Cabinet

With income tax assignment, integrated settlements, deputy mayors for public services, and control of everything from bus networks to 16 to 19 budgets, a mayor who makes your issue a priority can move faster than Whitehall ever could. The corollary still stands: being outside a mayor's priorities, or too small to register on them, is now an even bigger strategic problem.

Skills, employment, and young people sit at the heart of the settlement

The commitment to regionally shaped technical pathways from age 14, mayoral control of 16 to 19 funding, and devolved employment support is the most significant restructuring of the skills system in a generation. Providers, employers, universities, and colleges that build relationships with strategic authorities early, and can evidence delivery across a whole region, will shape how these budgets are spent.

Contracts, and capital, across much wider areas

Beyond larger revenue contracts, the new Good Growth Funds, backed by national public financial institutions and the Local Government Pension Scheme, create regional patient capital that simply did not exist before, alongside devolved innovation, housing, and cultural funding.

New institutions mean new relationships, and they are being formed now

Shadow unitaries, incoming strategic authorities, and future mayoral teams are writing their first corporate plans, commissioning strategies, and local growth plans as we speak. Organisations that engage during this formative period will find far more receptive audiences than those who wait for vesting day.

When the autumn White Paper is published, the key questions to ask will be:

1. How will fairness between places be protected? The equalisation mechanism sitting alongside income tax assignment and rates retention will determine whether fiscal devolution narrows or widens regional gaps.

2. Consent or compulsion? With the power to impose mayors removed from the Act, how does the government intend to complete the map by 2028, and what is the offer to areas that choose the non-mayoral route?

3. What moves next from Whitehall and its quangos? "Devolving by default" and the review of arm's length bodies could put budgets from Arts Council England to Sport England, and beyond, on the table. Which functions actually transfer, and which are quietly retained?

4. Can the timetable survive contact with reality? Aligning police, fire, and health boundaries, standing up strategic authorities everywhere, and completing reorganisation, all by the end of 2028, is a heroic sequencing challenge, and slippage in one strand will cascade into others.

5. Where does accountability really sit? Chief executives becoming Local Accounting Officers, a stronger Local Audit Office, and a streamlined outcomes framework are promising, but scrutiny capacity and public engagement with mayoral politics remain weak, and turnout at mayoral elections remains stubbornly low.

The direction of travel is no longer in doubt; the government has bet its authority on rewiring the state. The question for every organisation that works with, sells to, or relies on local government is whether they are positioned for the system that will exist in April 2028, rather than the one that is disappearing in front of us.