# EXPLANATORY MEMORANDUM TO

# THE ENGLISH DEVOLUTION AND COMMUNITY EMPOWERMENT ACT 2026 (CONSEQUENTIAL AMENDMENTS) (PRECEPTS) (ENGLAND) REGULATIONS 2026

## 2026 No. 1118

## 1. Introduction

1.1 This explanatory memorandum has been prepared by the Ministry of Housing, Communities and Local Government and is laid before Parliament by Command of His Majesty.

## 2. Declaration

2.1 Jim McMahon, Minister of State (Minister for Local Government and English Devolution) at the Ministry of Housing, Communities and Local Government confirms that this Explanatory Memorandum meets the required standard.

2.2 Kalvir Cheema, Deputy Director, for English Devolution, at the Ministry of Housing, Communities and Local Government confirms that this Explanatory Memorandum meets the required standard.

## 3. Contact

3.1 Laura Parker-Tong at the Ministry of Housing, Communities and Local Government email: Laura.Parker-tong@communities.gov.uk can be contacted with any queries regarding the instrument.

## Part One: Explanation, and context, of the Instrument

## 4. Overview of the Instrument

***What does the legislation do?***

4.1 Section 12 of the English Devolution and Community Empowerment Act 2026 ("the Act") expands the purposes for which Combined Authorities (CAs) and County Combined Authorities (CCAs) can raise a mayoral precept. It also revokes the provision relied on to prevent the West of England Combined Authority having the mayoral precept power. This instrument makes consequential amendments to the Combined Authorities (Finance) Order 2017 so that the existing budget-setting and funding framework operates consistently with those changes. It also removes the provision preventing the West of England Combined Authority from issuing a mayoral precept.

***Where does the legislation extend to, and apply?***

4.2 The extent of this instrument (that is, the jurisdiction(s) which the instrument forms part of the law of) is England and Wales.

4.3 The territorial application of this instrument (that is, where the instrument produces a practical effect) is England.

## 5. Policy Context

***What is being done and why?***

5.1 A Mayoral precept is an additional charge on local council tax bills set by regional mayors. It is a key tool for financial devolution, allowing mayors to raise funds directly for local priorities rather than relying solely on central government grants.

Before the commencement of section 12 of the Act, revenue from precepts could only be used in respect of mayoral functions. Section 12 expands the precepting power so that precepts can be used in respect of all of an authority's functions.

5.2 The Combined Authorities (Finance) Order 2017 contains the detailed budget-setting and financial framework for mayoral precepts. This instrument updates references in that Order so that it operates consistently with the expanded precepting powers introduced by section 12. This instrument also removes the restriction preventing the West of England Combined Authority from issuing a mayoral precept.

***What was the previous policy, how is this different?***

5.3 The key changes are set out above.

## 6. Legislative and Legal Context

***How has the law changed?***

6.1 The existing orders are amended to ensure that the budget setting and financial framework for mayoral precepts is consistent with expansions made to the power, where precepts can now be issued in support of any purposes outlined in section 12 of the English Devolution & Community Empowerment Act 2026.

6.2 The process for setting a mayoral precept is set out in the Combined Authorities (Finance) Order 2017 (S.I. 2017/611) as amended by the Combined Authorities (Finance) (Amendment) Regulations 2024 (S.I. 2024/652).

***Why was this approach taken to change the law?***

6.3 The amendments made by section 12 require consequential changes to existing secondary legislation so that the precepting framework continues to operate coherently. Secondary legislation is also required to remove the restriction contained in the West of England Combined Authority Order 2017.

## 7. Consultation

***Summary of consultation outcome and methodology***

7.1 A formal consultation was not undertaken because the instrument makes consequential amendments arising from provisions already enacted by Parliament. WECA have been notified of changes affecting that authority.

## 8. Applicable Guidance

8.1 No guidance is being issued with this instrument.

# Part Two: Impact and the Better Regulation Framework

## 9. Impact Assessment

9.1 A full Impact Assessment has not been prepared for this instrument because no, or no significant, impact on the private, voluntary or public sector is foreseen.

***Impact on businesses, charities and voluntary bodies***

9.2 There is no, or no significant, impact on business, charities or voluntary bodies because this legislation applies to Mayoral Strategic Authorities.

## 10. Monitoring and review

***What is the approach to monitoring and reviewing this legislation?***

10.1 The impact of this legislation will be kept under review by the Department.

10.2 This instrument does not include a statutory review clause as it does not regulate business or voluntary bodies.

## Part Three: Statements and Matters of Particular Interest to Parliament

### 11. Matters of special interest to Parliament

11.1 None.

### 12. European Convention on Human Rights

12.1 The Minister of State (Minister for Local Government and English Devolution) at the Ministry of Housing, Communities and Local Government has made the following statement regarding Human Rights:

"In my view the provisions of the English Devolution and Community Empowerment Act 2026 (Consequential Amendments) (Precepts) (England) Regulations 2026 are compatible with the Convention rights."

### 13. The Relevant European Union Acts

13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 ("relevant European Union Acts").