

CABINET
21 APRIL 2026

Devolution Update: Thames Valley Strategic Authority

Report by the Chief Executive

RECOMMENDATION

The Cabinet is RECOMMENDED to:

1. Note progress on devolution discussions across the Thames Valley between December 2025 and March 2026.
2. Note the evolving national policy context and the emerging position on governance and the supplementary expression of interest (EOI) submitted on 20 March 2026.
3. Agree the proposed next steps to continue constructive engagement with partner authorities and Government, while maintaining the Council's commitment to securing a Mayoral Strategic Authority (MSA) for the Thames Valley.

Executive Summary

4. This report provides a focused update on devolution discussions across the Thames Valley since the Cabinet considered this matter in December 2025. At that meeting, Cabinet confirmed its strong strategic preference for a Mayoral Strategic Authority (MSA) as the model best able to secure significant powers, long-term funding, and national influence for the region.
5. Since December, Government policy has evolved. National messaging has clarified that, for areas not yet within the Devolution Priority Programme, the expected route to an MSA is now via the establishment of a Foundation Strategic Authority (FSA) as an initial stage. In response, Thames Valley partners have pursued a pragmatic approach: continuing to advocate for an eventual MSA, while exploring the scope and potential role of an FSA should Government require an interim foundation phase. As a result a further expression of interest was submitted on 20 March 2026 (Annex 2A) for an FSA.
6. The Councils now await the Minister's response to the Thames Valley's expressions of interest and further clarity on the pathway, pace and criteria for progression from an FSA to an MSA.

Background and Context: Key Developments Since December 2025

In December 2025, Cabinet agreed that Oxfordshire County Council should continue to work with partners to pursue devolution for the Thames Valley and that a Mayoral Strategic Authority represented the preferred and intended governance model, given its ability to provide clear accountability, stronger leadership, and access to the fullest range of devolved powers and funding.

Since that decision, three developments have materially shaped the direction of discussions:

1. Clarification of national policy – The Ministerial Statement in December 2025 <https://questions-statements.parliament.uk/written-statements/detail/2025-12-04/hcws1128> and correspondence from the Minister on 12 February (Annex 1) have made clearer that areas outside the Devolution Priority Programme are expected to build capability and partnership through an initial FSA before accessing mayoral arrangements.
2. Linkage to strategic planning and growth – Ministerial correspondence (Annex 1) explicitly linked strategic planning responsibilities (including Spatial Development Strategy geography) with invitations to come forward as an FSA, reinforcing the role of FSAs in preparing areas for deeper devolution. Councils were encouraged to consider the Spatial Development Strategy geography as a sensible geography for any future FSA.
3. Increased emphasis on readiness and deliverability – Engagement with Ministers and officials has highlighted Government's focus on strong foundations, demonstrable joint working, and credible governance as prerequisites for progression to an MSA.

These changes represent a shift in sequencing rather than ambition. Thames Valley Leaders and officers have consistently reaffirmed that an MSA remains the intended end-state, while recognising the need to respond constructively to the national framework now being applied by Government.

On 20 March 2026 the Leaders agreed to submit an expression of interest (EOI) in response to the Ministers letter of 12 February to proceed with an FSA. This EOI was supplementary to the earlier EOI submitted by the Thames Valley Leaders in December 2025 (Annex 2B).

Progress December 2025 – March 2026

Engagement with Government

Informal engagement has continued with Ministers and officials to understand expectations on governance, geography and timing. Government has reiterated that mayoral governance remains its preferred model, while signalling that an FSA is now the expected entry point where partnership maturity and delivery track record need to be strengthened.

In discussions with Ministers on 10 March 2026, Leaders were clear that the Thames Valley remains ambitious for an MSA and that any FSA would be pursued explicitly as a step towards that goal.

Partnership Working Across the Thames Valley

Leaders across the Thames Valley have continued to explore options for a strategic authority that reflects functional economic geography while respecting local political realities.

Work has focused on identifying areas of clear strategic common ground and on understanding differential readiness across the geography. While variation of opinion regarding an FSA exists, there has been continued commitment to constructive dialogue and maintaining momentum.

Strategic Case for Devolution

Further evidence has been developed on the economic, housing, transport and skills case for devolution at Thames Valley scale (Annex 2C)

This work continues to underline the strategic importance of the Thames Valley to national growth and the value of devolved decision-making to unlock infrastructure and productivity.

Strategic Authority Models: An FSA as the foundation for an MSA

As a first-wave FSA, the Thames Valley would be well-placed to act as a pioneer for this model, shaping how FSAs operate in practice and demonstrating how they can accelerate progress towards an MSA.

An FSA would enable the Thames Valley to:

- Establish a formal strategic authority covering agreed functional economic geography.
- Carry out defined strategic functions, including:
 - Strategic planning and preparation of a Spatial Development Strategy;
 - Strategic transport coordination and prioritisation under a Local transport Plan;
 - Economic development, productivity and inward investment under a Local growth Plan;
 - Skills coordination and engagement with national programmes with specific responsibility for adults skills;
 - Supporting housing delivery at scale through strategic alignment and the potential to work with Homes England in a strategic partnership.

- Strengthen joint working, shared capacity and collective decision-making.
- Build a demonstrable track record of delivery and partnership in advance of mayoral governance.

A table of the FSA functions is included at Annex 3.

Importantly, any move towards an FSA would be pursued on the explicit basis that it is a stepping stone to an MSA, not an alternative end-state. This approach is consistent with the position agreed by Cabinet in December 2025 and reflects a pragmatic response to the Government's current policy framework.

Corporate Policies and Priorities

Progress on devolution continues to support the Council's objectives for inclusive growth, infrastructure delivery and increased local influence over strategic decisions affecting residents and businesses.

Financial Implications

There are no direct financial implications arising from this update report. Any future devolution agreement would be accompanied by a full assessment of financial implications.

Comments checked by: Ian Dyson, Director of Financial and Commercial Services,
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Legal Implications

There are no immediate legal implications arising from this update. Any formal devolution arrangements would be subject to detailed legal advice and approval.

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Staff Implications

There are no immediate staff implications. Further programme capacity requirements will be considered as proposals develop.

Equality & Inclusion Implications

No specific equality or inclusion impacts arise at this stage. These considerations will be integral to the development of any future proposals.

Sustainability Implications

Devolution offers opportunities to strengthen strategic action on transport, climate and sustainable growth, which will be developed further as proposals mature.

Risk Management

Key risks remain:

- Continued alignment across partner authorities where forthcoming elections could impact the political landscape of the Thames Valley;
- Uncertainty over Government timing and progression criteria as the FSA would be established under the English Devolution and Community Empowerment Bill which has not yet received Royal Assent
- Opportunity costs if the area is unable to move at pace.

These risks are being managed through continued engagement, evidence-building and dialogue with Government.

Consultations

Engagement to date has focused on partner authorities and informal Government discussions. Formal consultation would follow a favourable Government response to our EOI.

A programme of stakeholder engagement would also be expected to commence in early Summer.

Annex 1: Ministers' letter 12 February 2026

Annex 2A: Supplementary expression of interest

Annex 2B: Existing expression of interest

Annex 2C: Strategic Case for Devolution at Thames Valley Scale

Annex 3: Table of FSA functions

Background papers: Devolution White Paper December 2025

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