NEW LOCAL

NEW THINKING

Short papers, big ideas

REWIRING THE STATE, REIMAGINING POWER

Anna Randle

Acknowledgements

This report was authored by Anna Randle, Chief Executive of New Local, with significant contributions from the wider New Local team, especially Grace Pollard, our Head of Policy and Insights, and our Chair, Katie Kelly.

The report is inspired by insights from our membership networks of local and strategic authorities, who shared their thinking with us in sessions over the summer and early autumn of 2026. We are also grateful for the ongoing support of Norse Group, who supported a roundtable on this topic in October 2026, and to the attendees of that roundtable, whose views informed and enriched many of the insights below.

Introduction

We are on the cusp of a once-in-a-generation opportunity to transform how power works in England. But will that power reach councils and communities?

Released just 11 days after Andy Burnham took office, the Cabinet Office's Rewiring the State statement set out a vision of unprecedented ambition: to shift power and resources away from Whitehall, drive good growth and create public services that better respond to people's lives. A White Paper expected this autumn will set out how that ambition will be delivered. These are heady times for those who, like New Local and many of our members, have argued for just this shift over many decades.

But, while Rewiring the State focuses on devolving powers and resources to strategic authorities and mayors, it leaves fundamental questions unanswered: how will communities access and benefit from this newly shifted power, and what role will local government play in connecting them to it?

It's dangerously compelling to get drawn into zero-sum debates here about which powers and resources should sit at which tier of government. The truth is that, in a successful system, national, regional and local governments all have their own essential role to play, and each depends on the others to succeed. In working alongside the members of both our local and strategic authority networks we have seen the difference that regional leadership and collaboration can make on the ground in places, and what good collaboration between the tiers of government looks like.

The real goal should be to build collaborative systems and ways of working across all parts of government and public services that enable everyone to play to their strengths – or develop new ones – to achieve the shared objective of strong communities, better outcomes and successful places. Devolution must be deliberately designed to equalise power relationships across the public sector and to maximise the distinct strengths that each part brings. It needs to be designed with people who understand those strengths so they can recognise how their input shapes what emerges. The policymaking process itself is, therefore, an opportunity to model the leadership behaviours, values, relational

approaches and power dynamics that we want to see in a rewired state: ensuring that everyone has had input and shares accountability for making new arrangements work.

This inclusiveness needs to be visible in the policy that emerges and its execution. The real prize of devolution is not simply shifting powers from one part of government to another, but transforming the state in ways that improve people's lives. This means going beyond changing who holds power and changing how that power is exercised, how institutions and parts of government work together and how communities are empowered to shape their own futures.

Local government must be central to that transformation. Its role must be recognised, not simply as another tier in a devolved system (and certainly not as the local 'service delivery arm' of either national or regional government), but as a democratic, relational and place-based institution that directly connects strategic ambition with the needs, strengths and aspirations of communities and therefore brings unique and irreplaceable strengths to a more devolved system.

Since the summer, we have been listening closely to our local and strategic authority members, to our partners and to other radical, progressive leaders across our networks: exploring the role that local government must play in a rewired state, and what the forthcoming White Paper needs to deliver to enable this role. Drawing on these conversations and our wider practice and research work, we have distilled four key messages for government about how to realise the full potential of devolution by ensuring local government and communities can play their part.

1. We need a bigger vision: strong, connected, empowered communities

A new settlement between citizens and the state is long overdue, and the scale of this government's ambition to rethink what this will look like is hugely welcome. But, as the best of community-powered local government already shows, we must be just as ambitious about our vision for the society it will help to create. The vision for a rewired state must therefore sit alongside a compelling vision of what strong, empowered communities look and feel like: the contribution they make to wellbeing, health and wealth, and the relationships, social connections, collective action and social infrastructure that enable them to thrive.

If devolution is to make a material difference to the ability of people in communities to organise, provide mutual support and guide decisions and services where they live, power cannot simply shift to and stay with mayors or even local authorities. It is essential that devolution policy also helps shift power into the streets and neighbourhoods where people live, facilitated by a state that works differently with communities and strengthens civil society.

2. Councils are the connective tissue of community power

This broader vision for devolution means recognising the role played by local government – which goes far beyond delivering services – in supporting strong communities and a thriving civil society.

Local authorities are the closest tier of government to communities in both governance and delivery – with elected members and services both deeply rooted in the places where people live. They are able to directly empower communities in a multitude of ways: involving them in local decision making; encouraging and enabling them to take active roles within their communities and to shape decisions and services that affect their lives; and investing in social infrastructure. Councils work in deep collaboration with community leaders and organisations, building relationships and trust and investing in, partnering with and supporting civil society to help strengthen communities, civic infrastructure and participation.

Strategic authorities also have a vital role to play in championing and enabling these ways of working alongside their local authority partners, as demonstrated through programmes like Greater Manchester's Live Well. Initiatives like these reflect that deep prevention happens both through and upstream of formal services, strengthening the social fabric, building relationships and unlocking the capacity of communities. Government policy should send a strong signal that this form of partnership is expected of councils and strategic authorities, and provide the flexibilities needed to make it happen.

3. New regional powers must unlock constraints at the place level

We recognise that some things are better done at the regional scale, but the place level matters too. Devolution therefore needs to change the constraints which currently hold place-based leadership and reform back.

Councils know their communities, places and partners better than any other part of the state, and know where the challenges, strengths and opportunities in their places are. They see the connections between things in a place: how transport links affect opportunity; how housing affects mental health; how the social fabric can help people stay at home for longer; what's happening on the local high street. They know the history and stories of places and how those affect life today, and they help weave new stories for the future and realise them through the decisions they make and the relationships they build with partners.

With this knowledge and their local democratic accountability, councils are also essential system convenors in their places and devolution policy needs to help local leaders to go further in this role. New powers and resources devolved to the regional level should be designed to facilitate not only regional collaboration but also the same freedoms to innovate for local government and its partners. This could include: greater democratic influence for local government over wider public services; a duty to collaborate across place; Total Place-style financial freedoms to bring budgets together across public services and invest collectively in prevention; or ensuring that new tax- and revenue-raising powers for strategic authorities can be used to help to lift financial pressures on local authorities, enabling them to innovate and act as genuine regional partners.

National government policy should also emphasise a more collaborative framing for devolution (reminding us that strategic authorities are, at their best, 'local government organising itself collectively at scale', as Thomas Johnson from Greater Manchester Combined Authority recently wrote in the MJ) and clarify how local government's place-based insight will not be obscured in new agendas, but drawn into regional work.

4. Public service reform is a team sport

A successfully rewired state needs a common approach to working with communities and principles for public service reform that underpin this approach at all levels, providing coherence and common purpose. As New Local has documented in its work, many local authorities have pioneered new models in response to the pressures of austerity over the past decade and more, establishing a rich foundation of innovation and learning on which to build. Articulating the principles that underpin these efforts in national policy would support the efforts of both strategic and local authorities to convene partners around coherent place-based public service reform and send a powerful signal to all public services. Building on the work of our members and others across the country, we think these principles should be:

- **Unlocking community power**: public services should orientate themselves towards looking for ways to strengthen and empower communities as the basis for good lives and the ultimate prevention approach.
- **Relationships as the starting point:** strengthening relationships within communities, working through relationships in public services and working in the spaces between formal services and civil society should be the starting point for all public service bodies.
- **Prevention not just intervention:** public services should combine predictive analytics, neighbourhood working and deep relationships to understand how to support people to thrive and avoid demand.
- **Collaboration and integration:** using the above to wrap the right support around people when needed, regardless of traditional public sector and service boundaries.

Conclusion: building on what's already strong

While we rewire the state through national policy, the real work of pragmatic, collaborative redesign is already happening in places across the country, with people working it out together as they go. We know that, in practice, local government is already responding to a tough environment with creativity and working closely with communities and local partners.

We also know that councils and strategic authorities are already collaborating effectively in many areas, bringing the best of each other to the table to solve complex challenges together. Local leaders are pragmatists as well as idealists – clear about what they are trying to achieve and willing to work within even the most challenging of environments and policy frameworks to make it happen for local people.

One of the opportunities of devolution is to radically change that operating environment, enabling changemakers across national, regional and local government and communities to pull together, with the right powers and resources to bring the best of themselves to the task, each motivated by the same ultimate vision – stronger communities and better lives – guided by shared principles and a spirit of collaboration.

Let's not just move the deckchairs; let's change the game.



New Local is an independent think tank and network with a mission to transform public services and unlock community power.

© New Local November 2026
All rights reserved
Published by New Local

Email: info@newlocal.org.uk
Website: newlocal.org.uk