

DEVOLUTION REVOLUTION

THE NEXT STEPS TO DELIVER OUTCOMES



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EXECUTIVE SUMMARY

England is in the midst of the largest programme of devolution the country has seen for generations. The creation of combined authorities and metro mayors is highly significant, giving cities a level of control over their economic and social destiny they haven't had since the 19th century. At the same time, we are now negotiating the process of 'Brexit' which will see a host of new powers returned to central government from the EU. With everything in flux, this is a perfect opportunity to think about what is needed to make the next steps of devolution a success.

However, to date, the process of devolution deal-making has focussed disproportionately on structures and governance. While these are important, the more interesting question is about what the new combined authorities will actually be able to do to improve the lives of their residents, through public service reform and new efforts to generate and capture the benefits of growth locally. None of these questions are settled by a focus on form over function.

In order to investigate these questions further, NLGN ran a 'game' in which senior local government officers were challenged to solve their sector's biggest problems. The game reflects a rapid development in the way councils are approaching the challenges of austerity. Instead of trying to solve their problems by simply looking at their own internal systems, or even by working across the local public sector, the devolution context demands that councils work on a greater scale. We set participants the challenge of reshaping the economy of a fictional city region, Chamberlainville, which became a combined authority and received its first devolution deal in 2015. Through the lens of approaching further devolution, we asked them to connect economic development and public service reform to achieve good, inclusive local growth.

Each game participant was given the job of leading one of the councils in Chamberlainville City Region. Their task was to develop and pitch a second devolution deal to central government with a focus on making their place economically successful. The report uses the conclusions of the game to explore issues facing real combined authorities.

RECOMMENDATIONS AND ACTIONS

1. Devolution is being held back by an 'us and them' mentality that continues to dominate relationships between central and local government. This is exacerbated by a perception in councils that civil servants are hesitant to engage in conversations where both parties meet as equals, and a view in central government that local government lacks ambition and realism. Both sides must change in order to resolve this.

2. Members of combined authorities must work together to become stewards of a long-term vision for place. For devolution to work, places must find a way to make the differences between them work to their collective advantage. They need to collaborate to create a clear vision of place which integrates their economic strategy, their cultural offer and their plans for public service reform.

3. Central government must create the conditions for local government to take risks.

For devolution to result in more innovative approaches to delivering inclusive growth and public service reform, central government cannot allow anything to be 'off the table' in the next round of devolution. They must also make the process more transparent and be clearer about what they need from local authorities. In turn combined authorities should be able to demonstrate improved outcomes resulting from their collective endeavours in the first round of devolution.

4. Devolution cannot just be about the mayors, and must create opportunities for far more distributed forms of leadership.

Making mayors and combined authorities work will require a very delicate balancing act between the role of the mayor, council leaders, councillors, communities and the wider public sector. But if it can be made to work, the new arrangements clearly offer huge opportunities for better governance and growth.

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