A road map for pluralistic and 'asymmetric' devolution in the UK

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Devolution to a model set out by the centre is not devolution at all, writes **Jonathan Carr-West**. We need local authorities and groups of local authorities in cities and counties to come forward with detailed and realistic proposals on how they plan to grow their local economies and improve local services and what powers they need to achieve this.

Devolution is all the rage right now. The Chancellor has made it clear that he sees this as a key task for this parliament and has argued that devolution offers the opportunity to "create a balanced, more healthy economy for working people across our United Kingdom". The appointment of Greg Clark as Secretary of State for Communities and Local Government underlines the strategic importance of this approach, bringing CLG to the forefront of it for the first time.

The government has acted quickly to give legislative form to this agenda and the Cities and Local Devolution Bill is currently moving through parliament. It sets out how new devolution settlements will give cities greater control over transport, housing, skills and healthcare in return for establishing elected mayors.

There is much to be welcomed in this. Devolution is a terrible word – one which emphasises the very power hierarchies it purports to undermine – but it is in general a good thing. It is worth reminding ourselves why. Importantly, there is a compelling democratic logic: all things being equal, decisions should be taken by the people they most effect.

There are also good reasons to think that better public services will depend on greater localism. We know that we need to move from a system that is geared towards acute intervention to one that is characterised by demand management, prevention, integration of services, multi-agency working and which is co-produced with, and designed around, the needs of service users.

It is simply a category error to think that we achieve this through central government departments and their agencies. They remain overwhelmingly geared towards acute intervention and channel the vast majority of public spend down ring-fenced silos which fail to connect either at Whitehall or local level.

Delivering services that wrap around complex needs, that work in conjunction with users to prevent problems at source, and that are integrated across different agencies requires an understanding of need, an attention to detail that can only be achieved at local level.

So the question is not whether we devolve but how. The Cities and Local Government Devolution Bill provides for the devolution of powers to cities with elected metro mayor and to remove the limitation on the mayors functions (currently limited to economic development, regeneration, and transport). The Bill also allows the government "to empower" towns and counties, building on the programme of Growth Deals which the government implemented in the last parliament.

It remains to be seen just how the county deals promised by the Bill might work, and county council leaders have tended, in private, to express frustration at their inability to get government to respond to deals, but the onus must be on councils to make these as ambitious as possible and to aspire to the same levels of devolution promised to the cities.

The Bill sets out some broad parameters and some red lines such as mayors, but within these we must push for variation. Devolution to a model set out by the centre is not devolution at all. Just as devolution should proceed at

different paces in different places, so too it should take different shapes. There's no need for government to try and 'pick a winner' among different models, all of which have things to recommend them.

If devolution is to fulfil its potential it must be 'asymmetric'. This inevitably presents a political and practical challenge. Combined authorities and elected mayors offer a clear framework and a clear political message, but beneath this must sit a plurality of different settlements, even though these are more complex and harder to distill into easy soundbites.

It is an obvious point, but it bears repeating, that different parts of the country have wildly varying needs and equally variable capacities. In this landscape, improvement cannot be delivered by doing the same thing everywhere, but requires us to set clear national aspirations (a strategic role for central government) and leave local areas to decide how best to use their assets to achieve these goals.

How likely is it that we achieve this sort of pluralistic, asymmetrical settlements? The signals are mixed. On the one hand, the details of the Cities and Local Government Devolution Bill allow the Secretary of State to devolve powers to combined authorities whether or not they have elected mayors, so there is legal flexibility to allow wide ranging devolution to non-metropolitan areas. On the other hand, the government has shown a tendency to latch on to successful examples, as in Greater Manchester, and turn them into models for wider application. This is not devolution as we understand it.

There is a real risk that if we adopt a model of devolution that is led by central government then progress in this agenda will become limited by the processing power of DCLG and the Treasury. So if we want to make real progress in this parliament we need local authorities and groups of local authorities in the cities and the counties to come forward with detailed and realistic proposals on how they plan to grow their local economies and improve local services and what powers they need to achieve this. In a recent report, Devolution: a road map, Patrick Diamond and I propose five key tests that central government needs to apply to these proposals:

- 1. Benefit: can it be demonstrated that the Local Deal proposed will deliver real value for local people through economic growth and development, better or more sustainable public services, pooling of resources across services, improved infrastructure, or in some other way driven by local requirements?
- 2. Financial probity: can central government be confident that public money will be spent legally, honestly and transparently?
- 3. Financial management: how will councils ensure that return on spending is at least as effective as under the current system?
- 4. Ethical Standards: can it be demonstrated that the benefits of the local deal will be fairly distributed throughout the population?
- 5. Governance: are there adequate structures in place to make any new arrangements under the local deal properly accountable to local people? Accountability through the ballot box is an important part of this, but not all of it: Local deals must also demonstrate how they will inform local people of progress and get continual feedback from them.

Unless there is good reason to believe that these tests will not be met the default position of the government should be to agree these proposals. Thus we shift from devolution granted by government to devolution as the starting assumption. The next five years will show us whether the government is willing to be this radical in pursuit of its devolution agenda.

About the Author

Jonathan Carr-West is Chief Executive of LGiU (Local Government Information Unit), a think-tank and membership body for local government that works to strengthen local democracy and to drive innovation in public services. Follow him on Twitter @joncarrwest.

