Tailored devolution would bring tangible benefits to cities and improve the quality of local governance

Local government boundaries very rarely correlate well with local economies, meaning that some authorities are at the mercy of political forces beyond their control. Discussing a new Centre for Cities report, Zach Wilcox argues that different local authorities can better work together by fostering formal collaborations like combined authorities, as well as through other less formal ways of working together. He encourages government to offer incentives in the form of tailored devolution for those councils which do take on formal collaborations.

Imagine if every city in the country was its own distinct state, with border controls and identity checks at every council boundary. Then consider where you live, where you work, shop, or play sports; you might be crossing unfriendly boundaries simply to run an errand. In fact, for almost half of people who work in UK cities, they’d be going through several checkpoints every day.

Thankfully, city boundaries aren’t hard to cross and our lives frequently play out across them. Yet, the services those cities provide – roads, public transport, health and education – often stop sharp at the borders many of us don’t see.

If life is not confined to political borders, then neither should the services we use be confined. In its latest report Breaking Boundaries, supported by Capita, Centre for Cities shows that working across these borders would not only save precious public money, but it would help councils do more to support growing and prosperous places.

This isn’t to say it isn’t already happening; many local authorities have been working in partnership for years, like the 10 authorities in Greater Manchester or the 12 authorities in the Partnership for Urban South Hampshire.

Recent policy, from city regions to City Deals and Local Growth Deals, has tried to encourage more collaboration by rewarding places that work together. Yet UK cities and surrounding areas still struggle to partner at the scale of the ‘real’ economy. This is in part because the financial incentives are not fully in place, but also because local politics
can be challenging. Moreover, some argue that local accountability is lost as cross-border working grows. But this doesn’t have to be the case.

Ultimately the scale of governance should fit the task at hand. Many local authorities are ‘underbounded,’ meaning their local economy, jobs market or housing market may expand well beyond the council borders. Places like Cambridge and Hull have limited control over some issues influencing the local economy because their economies expand well beyond authority lines.

Take the example of a new power station being built in one authority that can affect air and water quality over a very large area, or building houses in one local authority that will affect road congestion and demand for jobs in neighbouring authorities. Because residents can only hold their councillors accountable for the power stations, homes or roads within their own authority, this restriction limits their democratic voice.

But cities rarely work together just to improve governance. Instead, they often come together to reduce costs, provide better services or to do something they cannot do on their own. And as their purpose varies, so will their relationship.

So if joint working is important and beneficial how can we encourage more of it? The short answer is: tailored devolution. What that really means is giving more powers to places that have the governance structures and institutions to manage things in a more integrated and efficient way.

Some of the UK’s bigger cities are formally coming together to establish combined authorities, for example. Giving these new (and existing) combined authorities the kinds of powers the Greater London Authority has, such as the provision to borrow additional finance, or establish a Transport for London style body, would significantly enhance their ability to work together more effectively to improve their economies.

But this formal style of collaboration won’t work everywhere, and some authorities need to work together in different, less formal ways. Through ‘tailored devolution,’ government can encourage places to collaborate in ways that best suit them. Allowing greater influence over infrastructure or property development, for example, would go some way towards helping these types of cities make decisions at the scale that reflects the daily lives of most workers, residents and visitors.

We may not face checkpoints on the way to the supermarket, but for some cities the borders are all too clear. But, by improving cross-boundary collaboration through tailored devolution, those councils can work at a scale that suits their economy, suits their citizens and saves them money.

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