

# The main parties' race to the top on local devolution promises much – but will it deliver?

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By Democratic Audit UK

2014-7-15

*The Conservatives' proposals for 'Northern powerhouses' and Labour's Adonis report illustrate the promising nature of the emerging consensus on delivering meaningful devolution of powers from central to local and regional government. Here, the Chief Executive of the Centre for Cities think tank **Alexandra Jones** argues that we should encourage these developments, but also keep the pressure on politicians both national and local, and be wary of the some of the challenges that may be faced along the way.*



Cities like Newcastle could benefit from the new 'race to the top' on local growth (Credit: Les Bessant, CC BY NC ND 2.0)

The battle to be the political party with the best offer on devolution and cities is on. First it was the Chancellor setting out a vision of 'Northern powerhouses'. Then it was the final report of Andrew Adonis' Growth Review. Most recently, the Labour Local Government and Innovation Taskforce reported on the same day the Coalition Government's Growth Deals were announced, and two days before the Communities and Local Government Select Committee published its recommendations for greater fiscal devolution across England. This week they may take a rest, but the message is clear: devolution matters, it's going to be an election issue, and all the parties are determined to compete to set out their pathway forward.

What's striking about all the announcements is the shared ground between the parties. At the root of all the announcements is a common view that the UK is too dependent on London and does not make the most of other places, and that there is a need to move away from an over-centralised culture in which Whitehall has far too much control over funding and delivery. So the parties agree that there is a problem, and what's most incredibly is that they also agree that its most effective remedy will be devolution, albeit at different levels, including economic powers being distributed to institutions working at a 'city-region' level – which can be understood as the area within which

people live and travel to work.

But there are also clear differences. The Chancellor has argued strongly that cities opting for elected metropolitan Mayors should receive greater powers and control over funding. He also focused more on the belt of cities across the north of England, arguing that only by helping them to achieve scale through improved inter-city connections, could they realise their economic potential. The Chancellor's speech was explicitly intended to set out an ambition to be realised, with last week's ensuing 'Northern Futures' announcement from the Deputy Prime Minister demonstrating the Government's desire to work with cities to put more meat on the bones of the ideas. The advantage of already being in Government is that they can point to work that has already happened on devolution, such as City Deals and now Growth Deals, to bolster their perceived commitment to the cause and the gains that have been made in practice.

The final report of the Adonis Growth Review, by contrast, sets out both a vision for how the Labour Party should work with cities across the country and some of the explicit policy measures this might involve. Rather than arguing for Mayors, the Review recommends that groups of authorities should be given greater funding, powers, freedoms, tools and incentives to take their own decisions about how best to invest in economic success.

Most powers would be given to Combined Authorities, statutory bodies formed of local authorities working together across a 'travel to work' area, rather than being restricted by administrative boundaries. The Adonis Review sets out plans to triple funding to Combined Authorities, to support improved transportation, training and skills in their city-regions, as well as handing back control over Business Rates, reclaimed by Westminster in 1990. The spatial element of these areas would be reinforced by reforming Local Economic Partnerships to be coterminous with Combined Authorities.

All the announcements over the past few weeks have been welcome; in one of the most centralised countries in the developed world, it's good to finally see a 'race to the top' on cities and devolution policy. The Scottish referendum may even further increase the pace. But all the political parties still need to confront and manage some fundamental tensions running through their respective visions for devolution.

First, they need to recognise that achieving their ambitious visions for devolution will require more than simply incremental change. The risk of Whitehall deciding precisely who gets which powers, when and why, is that devolution becomes a traditional bidding process – with Whitehall departments always keen to limit the amount of control they relinquish – rather than the much more radical devolution promised in the parties' words.

Second, while all the parties critically seem to recognise that devolution can and should move at different paces, this will in reality present challenges. Some places already have the capacity, desire and plans to take on much more significant responsibilities and autonomy; others are further behind. Instead of moving at the speed of the slowest, as is traditional, national Government must look to enabling the fastest to try different ways of working, demonstrating how money can be managed more efficiently in austerity, while supporting the less-equipped place with a clear route map for the future.

Finally, successful devolution requires cities to step up. They need to set out what they can achieve and how greater autonomy and powers will enable them to deliver greater value for money when it comes to investing in the local economy and public services. They will need to be prepared to shoulder the risks associated with their increased authority and responsibilities, and to demonstrate what change will deliver – not just for local residents and businesses but also, as a result, the national economy.

Managing these tensions will require all parties sustaining the momentum behind their respective ambitions, ensuring the detail of their visions can support their realisation over time. This may mean incremental change in the short-term, perhaps, but they must also maintain the pressure to keep delivering and moving forward, even in the face of further challenges. Devolution is one of those topics that is often more talked about than delivered – here, with so much political consensus, we have an opportunity to set the course straight and achieve what has eluded

our leaders so many times before.

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*Note: this post represents the views of the author and not those of Democratic Audit or the LSE. Please read our [comments policy](#) before posting. The shortened URL for this post is: <http://buff.ly/1mMKNQp>*

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