



Public Administration and Constitutional Affairs Committee

Oral evidence: [The Evolution of Devolution: English Devolution, HC 534](#)

Tuesday 6 July 2021

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[Watch the meeting](#)

Members present: Mr William Wragg (Chair); Ronnie Cowan; Jackie Doyle-Price; Rachel Hopkins; Mr David Jones; John McDonnell; David Mundell; Tom Randall; Karin Smyth; John Stevenson.

Questions 1 - 50

Witnesses

I: Rt Hon Andy Burnham, Mayor, Greater Manchester Combined Authority; and Jamie Driscoll, Mayor, North of Tyne Combined Authority.

II: Alderman Roy Perry, Chair, South East Councils, and former Leader, Hampshire County Council; Councillor John Fuller OBE, Chair, District Councils' Network; and Councillor Martin Tett, Leader, Buckinghamshire Council.

Written evidence from witnesses:

- [The South East England Councils](#)
- [The District Councils' Network](#)
- [The Buckinghamshire Growth Board](#)

Examination of Witnesses

Witnesses: Rt Hon Andy Burnham and Jamie Driscoll.

Q1 **Chair:** Good morning and welcome to the Public Administration and Constitutional Affairs Committee. This morning, our evidence session is a continuation of our inquiry into English devolution. Today our two panels will provide their views on how this has unfolded to date as well their views on possible directions of travel for England. The Committee is very grateful indeed to all our witnesses who are giving their time today. I will ask our first panel to introduce themselves for the record, starting, please, with the right hon. Andy Burnham.



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Andy Burnham: Good morning, Chair, and colleagues. Andy Burnham, recovering MP and current Mayor of Greater Manchester.

Jamie Driscoll: Good morning. Jamie Driscoll, North of Tyne Mayor, and I even have a sign to prove it.

Q2 **Chair:** Thank you very much indeed. As usual, the first question rests with me and I direct it to Mr Burnham. How would you describe the current state of governance arrangements in England?

Andy Burnham: Work in progress, I think. A less charitable way of describing it would be patchy, but I certainly feel we are making positive progress towards a healthier set of governance arrangements for England. I would put it to the Committee that the recent mayoral elections have endorsed the idea. Go back to 2017. I think the public were unsure then about regional devolution. The common criticism we heard back then, at that election, was that it would be a white elephant, an unnecessary layer. It is very different in 2021. People have had a taste of it. They quite like the idea of places being able to do more for themselves, and I think the polling would suggest that people are saying, "We might like a bit more of this."

It is work in progress. We are in a transitional phase, but I would certainly encourage the Government—and indeed all parties in Westminster—to support English devolution, which is beginning to work, building a healthier political culture in the country where places feel less forgotten and more engaged in making change happen. I would say, first, fill in the map, come up with a model of devolution for all parts of England, and secondly, in areas that are more established, allow places to take on more powers as they become more mature as systems, as I think we are here in Greater Manchester. That would be how I would describe it.

Q3 **Chair:** Further to that, what would you describe as the main problems with the current arrangements for local and devolved government?

Andy Burnham: There are many problems in terms of the public's expectations of what we can do and what Jamie and I and other Mayors can actually do. There is possibly a feeling that we have more powers than the ones we have and, if we are not careful, that can create a problem for this embryonic English devolution, in that the public will misunderstand the range of powers at our disposal and become disillusioned with devolution if we cannot do more.

I have more powers than other Mayors because of the way the Greater Manchester devolution deal was constructed. I would say that the more you have, the more you can join the dots and make things work. You can come up with coherent policies. The critical component of Greater Manchester devolution is the health element. I have certainly found that the involvement of the health service in our discussions is a game changer in that you can have a health-in-all-policies approach to your thinking. You can break down the silos between Whitehall Departments at



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the city-region level and you can come up with policies that are coherent across the policy front.

It is work in progress. I would say to the Government, "Do not stall it at this point in time, just because the odd Mayor has answered back and that might be politically inconvenient." Mayors have a job to do, to speak up for their places. If Mayors of any political persuasion speak up for those places that helps to counter the feeling of alienation that some places have.

The final thing I would say on this question, Chair, is that I think it is in all of our long-term interests to build a different political culture in England, where more parts of the country are able to do more for themselves. I think that will build healthier politics. If you are starting with place rather than party, you can build a more unifying way of engaging people in the public and political debate.

I would also say to the Government that, while it might be in all of our long-term interests to see the success of English devolution, I also believe it is in the short-term interests of this Government because the entities that Jamie and I lead will be the vehicles of levelling up. We are the people who can make levelling up work at scale and make it work more quickly. I think our interests are aligned here, because we want to see levelling up as much as the Government do.

Q4 Chair: What are the main obstacles in the way of the vision you paint? I will play devil's advocate. We are always told, "Oh, it's all the Government's fault," but are Government the main obstacle? Are there not others?

Andy Burnham: No, it is not all the Government's fault. I am on record as saying that this Government and their predecessor, the coalition, created these structures. I think they are beginning to work, but they could work even better if certain obstacles were removed. Funding is obvious.

The 10 members of the Greater Manchester Combined Authority, as you know, are our local authorities. That makes us different from the GLA and the London arrangements. If I might say so, I think ours is a superior arrangement because it allows the whole of the Greater Manchester system to move in one direction if we can agree on that direction. But the funding of local government is a problem. It is an obstacle. It is holding back the progress of devolution.

The culture of bidding is a problem. I think Jamie and I would both say that. It is wasteful of everyone's time, of everyone's energy. Where the Government have helped us is where they gave us long-term devolved funding through a project called Transforming Cities. That is much better at building quicker delivery than was—in Greater Manchester—the funding that was given at the headline level for devolution through the earn back scheme.



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We delivered the Trafford Park Line extension to the tram much more quickly than we would have done if it was through a bidding round, where everyone is queuing up and everyone is wasting time and energy putting in bids to Whitehall.

There has to be a culture change in Whitehall. If you create these entities, devolve funding and more power to them to get on and do the job and they will make levelling up work more quickly.

Q5 **Chair:** Thank you very much, Mr Burnham. Mr Driscoll, the same question to you: how would you describe the current state of governance arrangements in England?

Jamie Driscoll: If we look at what the Government are there to do, to fix problems, then there are no easy problems left to fix. They have been done. The complex ones—how do we prevent ill health rather than treat disease; how do we integrate transport infrastructure with economic development; how do we apportion costs and revenue—are fragmented. They are slow and they produce suboptimal outcomes.

We have national agencies that may well be well run internally, but they are divorced from the democratic parts of the state. Homes England is not integrated with the people who run the planning system. Highways England is not integrated with the transport authorities. Sport England is not integrated with public health. On top of that, we have the bidding rounds where you have stalled projects.

Andy was talking about the health-first policy. It is the same with every policy. You cannot integrate the individual parts of these things. The solution is long-term devolved funding for those things that work best on a regional level, or a local level, but for those things that should be national projects—strategic highways, for example—let's have a levelling-up board that the Mayor chairs and with representatives from all the domestic Departments where they say, "This is our objective here. Can you help us deliver it better?"

If we had done that with Kickstart, it would have been hitting its targets of a quarter of a million young people in jobs rather than—I don't know what it is—16,000 at the moment. The same with the Green Homes Grant. These are the problems; you are trying to do things that have to be delivered locally but designing and organising them centrally. No corporation and no army would do that, and neither should the Government.

Q6 **Chair:** In summarising, what you see as the main obstacle seems very much to be that it is still Whitehall government. Is that the main obstacle as you see it?

Jamie Driscoll: It is the remote-control nature of things, and it is not a problem peculiar to Governments. It applies to any large organisation. If you have to transmit information through lots of stages, by the time it gets to the end, the objective you are trying to achieve has probably moved on.



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Q7 Jackie Doyle-Price: Mr Burnham, the Government have announced they are about to abolish English votes for English laws. As we have a blank sheet of paper, from your perspective how best could we make sure the interests of England, distinctly, are represented in Parliament?

Andy Burnham: I think the interests of England are well represented in Parliament, and some might say dominant in Parliament. From my perspective, I don't think that is where the problem lies. I think the problem lies in the completion of the devolved picture. There needs to be some connection and, once you have filled in that map of the English regions, there needs to be some mechanism at the national level for those entities to be represented in Parliament and in Government.

Personally, I would not so much look at the technical fixes—English votes for English laws and all of the complexity that brings—I would come at it in a different way and look at a reformed House of Lords, a regionally constituted House of Lords, where I would say that some representation should be found for all the devolved entities in England. I think that would be a better solution.

I have long advocated for the indirect election of the House of Lords via votes cast for the House of Commons; the secondary mandate, I think it was called. That could be done on a regional-list basis. I think that is the way to go to ensure that all the regions of England have an equal voice in Parliament, because you would have a House of Commons representing all parts of the country and a House of Lords that was evenly constituted from a regional point of view. That is what I would do.

I think there is a question mark about COBR and some of the national arrangements with regard to handling the situation we are in. Jamie and I have both made the argument through the pandemic that, as well as the devolved nations, there should have been a place for the devolved regions. I think some of the difficulties we got into were because of a lack of communication between the UK Government and the devolved English city regions. This will all be for when we look back on the pandemic.

There is a requirement to have more involvement in Cabinet committees and in the structures of government but, when it comes to Parliament, I would prefer to see a reformed House of Lords along a regional basis, either directly or indirectly elected.

Q8 Jackie Doyle-Price: I would like to come back to something you just said about COBR. I know where things have happened in London, the Mayor of London has been involved. Are you saying that you have not been part of those discussions in relation to the pandemic, even when additional restrictions for Greater Manchester were being discussed?

Andy Burnham: It happened on more of an ad hoc basis. I am not in any way saying that we did not have plenty of discussions with the Government; we did. When we were in those moments—prior to it all becoming more public—there was plenty of discussion. I know that Steve Rotherham attended COBR with regard to the situation in Liverpool at one point.



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I was grateful to Michael Gove for inviting me to the four nations COBR committee recently, because we had a concern about a ban imposed by Scotland, a travel ban on Manchester, Salford and Bolton, and I was able to bring the issue to that forum. We have accessed those forums but in an ad hoc “as and when” way, rather than being there when the broad policy framework was being discussed, where we would have put in our input.

I don't want to labour this point, but I think that, if we had been involved in discussions about yesterday's announcement, all of us would have made the argument about masks on public transport. In fact, we all did do that yesterday in different ways. We were not formally consulted on yesterday's announcement. The Government may have chosen to ignore our advice, but we would have appreciated an opportunity to say that the reality of managing public transport in a city like this, when there is no longer clarity about masks, will cause issues for us; it will have an operational impact. The chance to debate that with the Government before it was confirmed would have been helpful.

Q9 Jackie Doyle-Price: To summarise your position—I don't want to put words into your mouth—the question I asked was about Parliament and you would say perhaps that is a red herring. That the issues are not with the lack of English representation in Parliament but with Whitehall.

Andy Burnham: No, I would definitely say English representation because I think Parliament over-represents London. If you look at the House of Lords—I am guessing here, because I have never seen the data—I would imagine that a majority of people in the House of Lords have a primary residence inside the M25, so I don't believe the House of Lords equally represents England. That is a major problem in a national Parliament. The Commons evenly reflects the country, but the Lords does not. I would say, if there is parliamentary reform needed, it is there. I can't see how there can be any justification at all for continuing with the House of Lords in its current form.

Q10 Jackie Doyle-Price: Mr Driscoll, I share Mr Burnham's view that policymaking is too London-centric, but what is your view on how we make sure that the rest of England is better represented?

Jamie Driscoll: You are not going to get any argument out of me when you say that policymaking is too London-centric.

If you look at England, the idea that England needs to be represented as a bloc, that is where the problem arises. The north-east, economically, has very little in common with London. Given the distance between Cornwall and Manchester, why would we necessarily think they have common interests when it comes to those things that are geographically based? Obviously, national matters—how we determine the murder laws, the burglary laws—are national issues, not local issues. For that reason—just on a population basis, the northern Mayors alone represent a larger population than Wales, Scotland and Northern Ireland—why would we lump all of England into a separate additional entity? It is a problem that



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appears only in a structural form and not when you look at reality on the ground.

Jackie Doyle-Price: Thank you. That is very helpful.

Q11 **David Mundell:** Mr Burnham, you referenced your public dispute with the First Minister of Scotland. Then you referenced the fact that it had been resolved in a meeting that Mr Gove pulled together. Is there any formal process that allows engagement directly between you and other Mayors and the devolved Administrations?

Andy Burnham: No, but we have constructive engagement with the Welsh Government because of the proximity of our city region to Wales. We have had plenty of constructive contact there, and some with Scotland, but less so. There is no formal protocol and no clearly laid out guidance to say that, if a devolved Administration, be it national or regional, is taking a decision that is going to impact on another there has to be prior consultation or discussion.

In our case, it was a case of me reading in *The Guardian* on the Saturday morning, after it had been announced, and clearly that is a problematic situation. I am not saying the Scottish Government could not have made a case for what they were doing, but I believe it has to be better handled than that.

At the start I described it as work in progress. I don't think the machinery or the architecture of the country has caught up properly with English devolution. We are devolved entities, in my case representing 2.8 million people. We now have a Mayor in West Yorkshire representing around 2 million people, and in Liverpool representing 1.7 million. If you add us together, we represent a significant body of people and yet the structures at a national level have a blind spot when it comes to English devolution. I have to be honest and say that our own party structures have a blind spot when it comes to English devolution.

Some catch-up is needed here to have a set of working arrangements that everyone can feel comfortable with. I am not making this comment in a partisan sense, because a pandemic will stress the working arrangements of the country, won't it? The speed at which decisions have to be taken will make it all creak. What the pandemic has done is expose the inadequate machinery of government when it comes to devolved entities, regional and national, talking one to another and coming up with reasoned and agreed approaches to these things.

Q12 **Rachel Hopkins:** You have touched on concerns, and we have heard them elsewhere, about the centralisation of power in Whitehall. Can you elaborate on your experience of this and how you think it should be addressed?

Andy Burnham: It is just the way things have always been, isn't it? There is a sort of "Whitehall knows best" mentality that governs the country. I was saying that sometimes our party does not have full visibility of English devolution, but it is certainly true of Whitehall.



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To be fair, it is not a blanket observation because it differs. I think Jamie would say this, too. It differs from one Department to another. Some are much more open to the idea. The Department for Transport is starting to work much more closely with us, recognising that we can play a very big role in improving transport across the country. MHCLG has always been a supporter. Treasury can be from time to time, and I think it should be because it can lead to public spending efficiency in delivery, as I said before. We can speed up the way projects are managed.

If you look on the other side, however, I think we would all have the Department for Education as the least supportive. There is generally, across all Departments still, a "Whitehall knows best" culture and that is what gives rise to the bidding culture: "We don't trust any of you. Therefore, we will make you all queue up and put your best argument forward." Whitehall is holding all the cards and constantly gives out the power here and there.

Of course, the danger with levelling up is that Whitehall starts to use that power in a divisive way, saying, "You can have some levelling-up funding, but you can't." If that is how it proceeds, the divisions of recent times in this country will only be widened. The genie is out of the bottle. English devolution is a thing. People like it. It is starting to make positive change happen around the country. The only way to go with it is not to stall it—as it feels a bit like we are at the moment—but to fill in the map, give everywhere the chance of a devolution deal. So, Whitehall not doing the pots of bidding and all of this but saying, "Here is long-term devolved capital for your area, effectively the replacement for European funding. It is just devolved." Then people at a local level can start to decide how best it is spent.

One last, quick point if I may, as to why this is in the interests of us all. I have long taken the view—and this is under all Governments—that the silo culture of Whitehall is a real problem in that no one takes responsibility for the whole child or the whole community. Everyone is working within these narrow parameters, working to their own little internal targets. When it lands on the ground, it often does not make sense because the public are left with services that do not match up, and you don't get a coherent response.

The thing about devolution in England is that we can break down those silos on the ground. We can join the dots and we can come up with a place-based approach, a whole-person approach, and that can lead to public spending being much more effectively used. Overcentralisation is a problem, but so is the policy-specific silo approach of the way we organise government. English devolution is a way of making things work much more coherently when policy hits the ground.

Jamie Driscoll: Every time I speak to a civil servant, whether Treasury, MHCLG or DfT, they are professional, helpful, on top of the brief, capable of imagining new ways of doing things but handcuffed by a system that prevents them from doing anything innovative. I am not a Whitehall insider, so I don't know whether that is because of the reporting lines,



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the culture of fear of making mistakes, labyrinthine sign-off procedures or, as I suspect, simply because it is an organisation that spends more time talking to itself than to people who live in the outside world, and it does not work across Departments.

If we could get to a system of co-design, where the national objectives are discussed and shaped with Mayors, we would all see better outcomes. Something like transport affects housing, climate change, skills, people getting to college and university, economic development and health. One of the best ways of dealing with the obesity crisis is a better public transport system and active travel.

There is no way that you can get the separate departmental budgets to co-fund things. It is a labour of Hercules even to try to attempt that. That is why we need to be devolving things. I can tie that together in the north-east. Andy can tie them together in Greater Manchester. Whitehall cannot tie them together from anywhere because there are too many thousands of people in different Departments.

Q13 Rachel Hopkins: That leads on to my next question: is it an oil tanker, split into silos, that just cannot manoeuvre or is it that they just don't want to relinquish power? What is your view, and do you have examples to cover that?

Jamie Driscoll: Talk about education. Part of the devolution deal—I didn't draw it up, as I was elected Mayor after the devolution deal for the North of Tyne was written—is our education challenge. Getting the Department for Education to engage with it has been particularly difficult. Perhaps this is what Andy was saying about it depending on the Department, but I could not tell you why. What I could say is that the DfT does engage, is willing to talk to us, is willing to be persuaded, and we are now re-opening a railway line as a result.

Andy Burnham: It is a great question. I think it is a bit of both, Rachel. I think what happened in this country was that in the 1980s there was a growing distrust of local government in the Government of the day, the attempt to centralise and control, and it carried on into the Government that I was in. It was very much about, "If we are going to have delivery, we are going to have to have top-down targets imposed on everybody." That culture has become baked into Whitehall culture. They just cannot trust people out in the system, people on the ground. It never was true, but the pandemic has completely disproven it because central Government has tried to create these grand schemes for test and trace and everything else, and it has not worked.

It has often not been our voice so much as Jamie and I taking the voices of our directors of public health and projecting them nationally, to say, "Look, localise, decentralise, and you will have a better response to the pandemic." I think test, trace, isolate would have been so different if it had been localised at the start. There is something about them not trusting people to deliver when they should. There is also this thing about just not wanting to give up what they currently hold.



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To echo a point Jamie made, it is not going to serve the country well in the 21st century if we cling on to this way of working. Take climate; take an issue as complex as retrofitting properties to make them zero carbon, where you have to bring together disparate players, the housing sector, colleges and skills providers, energy providers. It is a complex thing to get all of that lined up, and the Whitehall system will not be able to do it because it will not be able to make those relationships work at a local level.

I feel that, if we are to get the kind of energy we need in rising to the climate crisis, it will have to be driven from the bottom up rather than the top down. It will be the cities that become the early adopters of electric transport, retrofitting buildings more quickly. Then we will be able to help other areas as they catch up, because we will have built the skills base and will have got the knowledge about how to do these things. I don't think the country is going to rise to the challenges by carrying on in the way it does now. You will not level up this country top down from Whitehall. It simply will not happen.

Q14 David Mundell: Jamie, the North of Tyne Combined Authority includes a metropolitan city, semi-urban and rural areas. How have you found dealing with the different needs of these areas?

Jamie Driscoll: Although rural and urban areas are geographically separated, of course, people move between them. In the North of Tyne, many people who live in rural areas work in urban areas. There is a small flow in the other direction, although not to the same extent. The areas are integrated, and many services are integrated. From that point of view, it helps to see the different areas as a living system.

A lot of our programmes—the community hubs programmes, the way we are creating jobs, the access to adult education—are designed with that in mind, by working effectively with our local authorities, getting those sorts of programmes co-designed with people on the ground who understand these things, not least through me going out and talking to people across the entire area. That is working quite well. What is not working quite so well is the transport system. I do not have transport devolved. That is an historical artefact of the way the North of Tyne was created.

If we could get a better bus system, an integrated transport system, it would particularly help those people who cannot afford cars. Given the climate emergency, we want to reduce the number of cars overall, of course. That is why I have been working across the region to get the whole of LA7—County Durham, the whole of Tyne and Wear, north and south of the Tyne, and Northumberland—to try to get us together, so that we can have those powers and the funding, to have a better transport system. For the rural areas, it is particularly transport that needs to be addressed.

Q15 David Mundell: Do you think the mayoral model could work for all areas of England, including those that are primarily rural?



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Jamie Driscoll: I would not presume to know what works in Norfolk or Devon. The whole point of the mayoral model is that the Mayor knows what works in their own area. What I would say is that the model is stacked in favour of collaboration, and that fact is independent of geography. There is no shadow Mayor sitting opposite me or Andy and trying to score points every week, which means that I collaborate with all my MPs, all the councillors in my region, regardless of party.

I meet the councillors who are not even in the relevant groups, the Independents, the Greens, the Lib Dems. A Mayor has a personal mandate, so to succeed you have to build partnerships. It is not about having a majority or a good Whip operation. Success is built on personal relations, not party patronage, so it is a different kind of leadership. It is very much about the win-win, and I think that works everywhere. It gives a focal point. The business organisations love having someone to talk to, so do the trade unions. Brendan Foster, who runs the Great North Run, said to me recently that the north-east has suffered because there is no one person you can pick up the phone to.

Q16 **David Mundell:** Andy, do you have a view on the suitability of the mayoral model for all parts of England?

Andy Burnham: I think it could work everywhere. I would not focus on the word "mayoral" because obviously we are MCAs, mayoral combined authorities, and maybe focus more on the combined authority element of our model. We are effectively clusters of local authorities, so finding areas of common ground where it works for everybody to come together and to develop visions together. Greater Manchester has done that over many, many years.

All over England, clusters of combined authorities could definitely improve the governance of England. I personally think it helps to have somebody who sits in the chair to broker agreements between those local authorities. It is what I was saying before, and I am not making this an anti-London point. I want to reassure you about that, before I go any further.

However, in retrospect, the GLA sitting above the local government base in London would probably be a mistake in that you have more entities on the pitch, and it is more confusing. The fact that the GMCA is the local authority improves public governance, definitely, because you then create an alignment between the local authorities, the NHS and the police service. You create the conditions for much more coherent policymaking.

As Jamie was saying, it helps to have that one person to pick up the phone to, or often, for us, to resolve disputes or differences of opinion between our local authorities. That is probably the least attractive side of our jobs. It is still an important one because, if you can broker agreements between clusters of local authorities in a particular area, you rise above the parochialism that can sometimes infect local government. You can make people see the bigger picture, rather than the smaller picture. You can then create a situation where a rural area could bid for



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funding more successfully than it has previously, because there is then a sense that they have their act together and they may well deliver, so I think it could work. Maybe the Government should allow people not to have the Mayor, if that is the deal breaker, if people do not want that and would rather run things on a sort of committee basis. I would say the mayoral combined authority model definitely works.

Q17 John Stevenson: Mr Driscoll, as you know, combined authorities have different deals, different sets of powers. Do you currently have the right set of powers, and do you use all the powers you presently have?

Jamie Driscoll: Yes, a very good question. For the benefit of the Committee, the power that I do not have, which most other metro Mayors do have, is over transport. In Manchester, Andy, who is the Mayor, has a great many other powers. All we have, effectively, is adult education—which we have done a cracking job of delivering in extremely difficult times—and our investment fund. Beyond that, the only other powers we have are to create mayoral development corporations.

At the moment, mayoral development corporations are highly geographically bounded, and the Mayor would take on planning functions for them. They are quite limited. I would like to see them allowed to have non-geographic bases. For example, where there are properties to be developed, rather than going through the process of setting up a corporation for one little row of shops in an area, it would be much easier if we could do it and just bring them into it so that, in effect, they could hold equity rather than necessarily specific geographic planning powers. That would help us accelerate a lot of economic redevelopment.

The key thing we want is fiscal innovation. The other power we have is to raise a precept. That is a power we have in theory. Some Mayors have tried to raise a precept but have been blocked because of the model, in that we are the only people who do not get to choose who is in our cabinets, which comprise the leaders—or in some cases the leaders and deputies—of each local authority.

In the north-east, my tax base is less than one third of London's, so I do not think it is very effective to be taxing people in the most economically deprived part of England in order to try to get it on the front foot. If we had the power to borrow at close to base rate to set up a regional wealth fund, that would massively turbocharge the north-east.

I would particularly like the powers to be able to offset expenditure against future savings in health outcomes and crime reduction so that we could invest in a better public transport system, in skills development and in economic development. Those are the sorts of powers that we do not have but I would like us to have.

Q18 John Stevenson: Mr Burnham, the same question to you. You have considerably more powers than every other combined authority. Do you use them?



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Andy Burnham: Yes. If I look across the range of levers that I have, I think we have used all the powers to one degree or another. The one thing I would say, though, is that some powers are quite difficult to use. To give you an example, I do have—or Greater Manchester asked for—the power to reregulate buses here. This is quite ground breaking for England in that we will be the first city outside London to create what we would call a London-style public transport system where a single ticketing system operates over buses and trams. We are using those powers, but the powers as laid down by Parliament in the Bus Services Act 2017 are difficult to use. They take a lot of time. There are a lot of hurdles, and some might say justifiably, but they are cumbersome.

Another power: there is a requirement on me to bring forward a spatial plan, but that is also difficult for the reason that Jamie and I have given, which is that we have to broker between local authorities. On something as controversial as planning, it can be difficult to get full alignment between all 10. We have managed it between nine of our authorities, but not all 10.

The powers that we have are being used, yes. I think they could be streamlined. Jamie and I would both say that more powers over the post-16 skills system are urgently needed, if we are to ensure that we have a talent pipeline in our city regions that matches the jobs that are available in our economies. That is a classic example of something that cannot be run from Whitehall. I don't think our country has ever done technical education properly in my lifetime. Embracing technical education delivered through English devolution would create a much better solution.

Q19 **John Stevenson:** Looking ahead, and thinking about not just your own areas but English devolution generally, what additional powers do you think should be devolved to Mayors across the country? And what about the tax element?

Andy Burnham: Just to emphasise that point again, powers over skills are essential. We were encouraged by the previous Government to bring forward a local industrial strategy, and we are still very supportive of that strategy. If it is to be delivered, though, it needs a local skills strategy beneath it and the powers to make it real.

I would like to see much greater devolution of DWP functions. That is a classic example of where the "computer says no" approach of national benefit systems, tick boxes and all, does not work as well for people. We have had an element of DWP devolution here for people longest out of the labour market, and we have had double the success rate in getting people back to work. Why? Because it is a very person-centred approach. There is a bigger emphasis on mental health as part of getting people back to work. If we had more control here of the housing component of universal credit, we would spend much less of it on properties that are not properly maintained by absent landlords. We would use that budget to drive up standards within our private rented sector. I could give you lots of examples of where we could take existing public spending and spend it better.



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To answer your final point, I believe the first stage should be about getting existing public spending spent better. I think we can do that, as we are already proving.

Longer term, we should be planning for fiscal devolution, as Jamie is saying. It could be modest steps to begin with, for instance a tourist tax. English cities outside of London don't have that ability. If you go into most of Europe, you expect to see a tourist tax added to your hotel bill. That would be one example. A workplace parking levy, which I think has been trialled in some English cities, could be looked at.

More broadly, and into the longer run, I think we should have much greater borrowing freedom to get on and build the homes and transport that people need. But I would not say all at once. I am not asking to run before we can walk. We are in a gentle jog at the moment, if I could carry on this analogy. We have been walking for a bit, we are now breaking into a bit of a jog. By the end of this in, let's say, 10 to 15 years' time, we will be moving much more into a sprint and English regions, like cities around the world, will be much more able to do much more for themselves.

We are far less powerful than other cities in Europe, and certainly those in the US where there is a culture of Mayors and city leadership. I feel the 21st-century economy will be driven by cities, very strongly. The digital economy, the green economy. A country that is going to succeed in the 21st century needs to empower people from the bottom up to bring through the change that is going to come. It is a very 20th-century notion to think we can run everything top down. If we try that, we are going to get left behind.

Q20 John Stevenson: Mr Driscoll, not thinking about your own patch but thinking about Mayors generally across the country and English devolution, what powers do you think we should be giving them in the short to medium term? And the tax element, which I know you touched on slightly.

Jamie Driscoll: The objective is to generate wealth in areas. We have tended through the public services overall to fix problems after they have occurred. This is where the real local element can make a difference. If we want to improve housing, job prospects and local transport, the approach has to be about generating wealth rather than paying from any kind of centre to redistribute the wealth as a result of wealth deficits in order to generate them. That requires giving us the powers to borrow to invest in local economic development in an equity-holding regional wealth land.

Longer-term powers for things like land value uplift. We are in the middle of reopening the Northumberland line—a £162 million project—and the value of the land around it is going to go up by more than that. If we could put a charge on that land, Mayors around the country will be able to borrow against future revenue. Nobody will be any worse off because



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we would be making the place more valuable. That has to be the long-term goal.

Yes, we need more funding. Yes, local government is being underfunded, but it is not fish we are asking for; it is fishing rods.

Q21 Mr David Jones: A long-term issue with the governance of England has been the fact that there are no clearly identifiable administrative units to which to devolve power. Andy, you speak approvingly of combined authorities. Do you consider combined authorities to be the solution to this difficulty for the whole of England?

Andy Burnham: I do, because obviously the entities from which you are creating a combined authority are longstanding delivery organisations, local authorities. You are building on a long history of understanding public governance and delivery. The risk would have been to do what we did in Government, which was to come up with a whole new layer that was going to be the north-east regional assembly or the north-west regional assembly. I was very supportive of that at the time.

Looking back, I can see how this is a preferable model. It is leaner, because you are building from what is already there, the building blocks of local government. It is a kind of shared endeavour because then you do not have that potential conflict between the delivery entity at the regional level and local government, so the GLA and London councils point I made before.

I genuinely think this is the answer. It works more because I am closer to the communities I represent than I would be if I was in a regional body at north-west level. I always describe the difference between my old job as Health Secretary and my current job as Mayor of Greater Manchester. As Health Secretary I could see numbers not names; in Greater Manchester I can work with names not numbers. You can build from the bottom up. It is a better way of doing things.

I also feel you are going with the identity of the public. The Greater Manchester identity is something—I hope the Chair would agree with me when I say this—that I know can vary from one part of Greater Manchester to another. People, by and large, have forgotten Lancashire, where I was born, and Cheshire, which used to be part of Greater Manchester. I would say the under-40s are buying into the identity that is Greater Manchester and, consequently, you have that emotional connection with people as well.

Q22 Mr David Jones: You are clearly speaking very prudently of the culture of an area in terms of how devolution or where devolution should be effected. Is it just culture or are there other factors, such as economic or existing administrative structures?

Andy Burnham: We are lucky in Greater Manchester because of the geography. There is a symmetry to the Greater Manchester entity, the 10 councils circling the main city. Jamie's geography is more complicated. The Liverpool geography is more complicated. Maybe West Yorkshire is a



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little more like us, but we are lucky. That symmetry brings benefits because when you can align public bodies with that entity, so Greater Manchester Police, Greater Manchester Fire and Rescue Service, it all starts to make sense. The more you align all public delivery bodies on the same footprint, the greater sense it starts to make.

We have a North-West Ambulance Service. We can manage that because there is a longstanding Greater Manchester operation within it. As a principle, aligning all public bodies is an important point.. If you give all public bodies the same footprint on which to work, you can say to those organisations, "All of you, your first loyalty is not to your organisation or to your Department but to the people within that footprint." Then you can get a culture of place first as opposed to organisation first or the internal turf wars that can happen between public bodies. The more you align public services on one geographical footprint, the better delivery becomes.

Q23 Mr David Jones: There also has to be the pre-existing cultural association. In Manchester that is very clear. There is a long history of Manchester local authorities co-operating, for example in connection with Manchester airport. That phenomenon may not be so well defined in other parts of the country.

Andy Burnham: Possibly, but I see the west midlands becoming more coherent, given what has been happening there under Andy Street's leadership. I certainly think Tees Valley would probably feel that. It may not be there, but the creation of these roles and these entities can bring coherence to areas that may have felt a little disparate. Sometimes that can be through the pettiness of local politics, one local authority arguing with another. That may have held back areas from feeling coherent and joined up.

I am not saying we get everything perfect here. A big part of the reason we are where we are is because of Manchester airport and the decision of the 10 councils to carry on working as owners of the airport, when Greater Manchester County Council was abolished in the 1980s.

There is more of a tradition here, but I do not in any way think it is beyond any other part of the country to build a more collaborative approach to the way they work. West Yorkshire was probably watching what was happening here, and the demands for devolution there have grown and grown and grown. Credit to the Government for creating the new mayoral combined authority there.

Q24 Mr David Jones: Jamie, would you agree with that analysis?

Jamie Driscoll: When you look at somewhere like the north-east, the people who live in Wallsend actually live in North Tyneside Borough Council, but they think of themselves as living in Newcastle. The people of Gateshead, if you were to be on holiday and say, "Where do you come from?" they would probably say, "The north-east." "Is that Newcastle?" "Yes." So, these local authority boundaries do not mean that much to people in a cultural sense.



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When we look at how we should be organising, it is where do you go to work? Where do you go to college, if you are going to college? Where is your nearest hospital? If you are going for a night out, where do you go? That is what determines that technocratic term of the functional economic area. The functional economic area is certainly the level at which we should be organising things. Andy is bang on. If you get the footprints of things to work together, you get far greater synergy and far more effectiveness.

The only things I would suggest that need to be different from that is where you are talking about intercity transport. Then we have bodies like Transport for the North, which is a great way for us to work together. In short, that is the answer.

Q25 Karin Smyth: I am interested, we are talking generally about the culture or, as Andy said, the long tradition of these local authorities working together. Without airing all our party's dirty linen, how much do you feel that is because you are largely operating in single-party areas? Obviously, I am from the west of England, and we are in a very different situation. How much is the broad political agreement in the areas that you represent a factor in your ability to work more closely with your colleagues?

Andy Burnham: It is a great question. I come back to the point I made about place first, rather than party first. If you look at all the Mayors and the votes we all got, it is clear that people of all parties voted for people as individuals. The results say that, given the percentages that were achieved.

To do this job properly, you have to come into it with that approach. This is about making the place what it should be, representing its interests. If people approach it in that way, you can rise above what you said. Of course the tensions are there but, as you know, in politics sometimes the tensions on your own side can be worse than the tensions working with others.

We are not 10 Labour authorities. Bolton is Conservative controlled, Stockport is Labour led but no overall control. The Chair will know this. We try to manage these things as best as we possibly can and, yes, people can rise above it. I have noticed that transport policy has been quite contested policy in this country since the mid-1980s, with the deregulation of buses and the privatisation of trains.

The creation of English devolution is almost bringing it back to a more practical space where we can all agree. It has moved much more to a single mind, more public-controlled position. That is the drift of transport policy.

It can move policy at a local level and at a national level because it moves things into a more place-based practical space, as opposed to some of the big political arguments that go on in Westminster very much on party lines.



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One last point—this is a bit of a prod to colleagues from Wales and Scotland on the call—one of the weaknesses of Scottish and Welsh devolution is it is not sufficiently devolved to the place-based level. That is something that would benefit devolution in both Wales and Scotland because, as I keep saying, city-based devolution is where we are going to be in the 21st century. You have to empower your cities to play on that global stage. That is as true of Scottish and Welsh cities as it is English cities.

Jamie Driscoll: Our geography and our politics are much more complex than Andy's. Of my six cabinet members, two are Conservatives. The relationships are good, because I know if I want to achieve anything they have to be good. That point scoring, we have sat down and agreed to take that out of it, because I will get re-elected if I do well for the people in the Tory areas, and so will the people who are currently elected there. There is an in-built incentive for finding a win-win.

Q26 **Tom Randall:** Mr Driscoll, could I pick up on boundaries? My understanding is the original plan was for a north-east combined authority. That collapsed and three councils formed the North of Tyne Combined Authority and, as you have said at a number of points, one of the consequences is that you do not have responsibility for transport in your region. Do you think that perhaps a deal was struck so that central Government could say there was a deal that was made in that area rather than because it was the right deal for the region?

Jamie Driscoll: What was going on in the heads of the people in central Government at the time? That is probably not something I can speak to reliably. If you will indulge me for showboating a little bit, I was elected two years ago, so this is: has it worked for the region? Day one, our three permanent staff had to build an organisation from scratch. We have had a general election, Brexit and a global pandemic in that time. One major target from central Government was to create 10,000 jobs over 30 years. Two years in I should have 700 jobs in the pipeline; the actual figure is 4,193 and another 2,600 jobs safeguarded through the pandemic.

We have devolved adult education and trained 10,000 people, brought global firms in, boosted small businesses and reopened the Northumberland line. Last July we secured £23 million to develop brownfield housing sites, and we had spades in the ground by Christmas. Anyone who understands planning knows what a feat that is. We run the organisation incredibly leanly, so the target was to keep it at 10% and we are bringing it in at 7% of running costs. Has it worked well for the region? It has. Could it be even better? Yes, it could. The history of it, I regard as water under the Tyne bridge. But the LA7 deal is there to be done. I have been negotiating with Government. There is a deal on the table. Not the finer points but the headlines are there, based on our comprehensive spending review last year, which we submitted, which would cost over the period of time £2.8 billion but would create 55,000 jobs. Our track record of delivering it is there.



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The PAYE alone from those 55,000 jobs would pay the deal back in something like four or five years. That is on top of all the savings, as we know. If you get more people into work, you get health benefits. The deal is a start for the North of Tyne, but I would rather see us united as a region.

Q27 Tom Randall: Picking up on that water under the Tyne bridge, Newcastle and Gateshead are quite closely linked as the NewcastleGateshead Initiative, to sell Newcastle and get on to the world stage, but they are in separate combined authorities at the moment. Is that an issue? Are the boundaries properly drawn, in that sense?

Jamie Driscoll: They are in separate combined authorities. It is worth noting that the North-East Combined Authority, NECA, has no funding and so has a very different nature. It is four councils that meet together on occasion to discuss things. Throughout the pandemic we have been working as LA7 with all of us—including me as Mayor—working on the response to Covid and the response to our economic recovery plans. About this time last year, I was asked by central Government to develop a plan. I brought in the south of the region, the LEP, the business organisations and the universities, to create that sense of unity. That has allowed us to make this progress towards it.

Sitting on the table is the intracity transport fund, which only becomes available if we change the governance because the biggest transport asset in the region is the Tyne and Wear Metro system. It is half north of the river, half south of the river, so unless we change the governance we cannot get transport fully devolved. There is £0.5 billion on the table and that is a good reason for people to come together and decide to change the governance.

Q28 Tom Randall: In spite of these arrangements, you said earlier that in your region there is not a single person who can pick up the phone. Would you say there is now, in spite of the problems with the governance arrangements?

Jamie Driscoll: There is in the North of Tyne. I am particularly careful not to extend and claim any influence on the south of Tyne, except by soft convening, because I am not elected by the people there. On that basis, that is why we need to change it.

Chair: There is no need to apologise for showboating, because I know that is not a common characteristic of Mayors.

Q29 Karin Smyth: We just touched on the principles of devolution that we currently have. Jamie, you said there is a deal on the table. This is because in England the discussions have been in private, a bit technocratic, some of us are not sure how the deals have been arrived at, whereas for Scotland and Wales it was obviously a legislative process. Do you think if we had had a legislative process in England, the power would be different? Do we have this limited power in England because of the way in which it has been approached?



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Jamie Driscoll: There is probably some truth in that, which is why we have arrived where we are with the limited powers. I think the reason that Scottish and Welsh devolution is stronger is because they have a stronger national identity, which has perhaps greased the political process somewhat because it kind of speaks to independence anyway. You have to go back a long way before you have an independent Northumbria.

The substantive point here is it needs to be on a constitutional basis and not based on ministerial patronage. That is ultimately where we need to get to. It is where every other advanced economy is, and we should not have to be on the right side all the time. Andy has mentioned it. At times, Mayors have to speak truth to power to central Government and say, "No, you are doing it wrong. You are letting us down," and that should not be a barrier to looking after the people that we are elected to represent. We need a constitutional basis for English devolution.

Karin Smyth: It is also a long time since we had an independent Wales, but I will let David Jones come back on that.

Andy Burnham: What the Chair might call "showboating" I would call strongly calling out the London-centric nature of our country. It is the case that Whitehall is not used to being answered back to. Perhaps it needs to be answered back to a bit more because, if Whitehall had been answered back to a bit more through history, we would not have such an appallingly regionally unequal England. That is what we have. That is where it goes back to.

Look at the pandemic in England, look at the case rate and death rate in some of our poorest communities. This is a very unequal country. An authority no less than Lord Kerslake has said we are so unequal because we are politically so overcentralised. The two things are connected. We are the most politically overcentralised in the OECD and one of the most regionally unequal. That is what I would say. You can call it what you like, but somehow this has to be broken. If levelling up is to happen, the old mentality, the old way of thinking about the English regions, has to change.

Q30 **Karin Smyth:** Should it be legislative in England?

Andy Burnham: Absolutely, it should. The combined authorities need to be put on a strong footing. We need to get rid of Whitehall holding all the cards. The situation I faced, if I am being honest—and there were some voices here—is that I was not going to accept the two-thirds furlough for people who work in pubs and betting shops in Greater Manchester. I did not see why that was in any way right. It was a point of principle. It was not about finding a reason to fall out with the Government. It was a point of principle.

But people said, "If you speak out, the Government might turn off the tap on Transforming Cities or brownfield funding." That is the problem we find ourselves in at the moment. We are meant to go on bended knee to Whitehall, because if we speak up too much we might lose. That is not an



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acceptable arrangement, it is not a mature arrangement between the centre of our country and the regions of our country. You need a much more respectful relationship of equals than we have at the moment. What we have at the moment is a system that almost tells the regions, "Do not answer back, because we might punish you later down the line." That cannot be right.

Karin Smyth: Even MPs, as part of that central Parliament, are not part of it in terms of their local region.

Chair: That is me told. On that note, John McDonnell.

Karin Smyth: We like to keep the Chair in check sometimes.

Q31 **John McDonnell:** All I can say to Andy and Jamie is to be careful, because I was abolished. We will save the easiest question to the last, in which you can develop your imaginative powers. What would a clear vision for the governance of England and the future of devolution and local government look like?

Jamie Driscoll: I operate on the maxim that done is better than perfect. If we are trying to develop a neat system that addresses all the questions that have been asked today, we are not going to get there. For me, the ideal system is one that gets on with it. Maybe we would not have started with the mayoral combined authorities, but that is what we have. They are working and they are popular. We use that model and extrapolate from it. In some areas, particularly rural areas of England, it might need to be a bit different. That basic principle is what matters: that we have government that is about getting on with it and where you have fiscally devolved powers. There are certain things that I do not think we should have fiscally devolved, by the way. We should not have any variation in corporation tax or income tax, because they lead to a race to the bottom.

What we are talking about is the power to generate wealth. This involves getting the footprints of the key public services matching the key travel to work areas, those functional economic areas. If we do it on that basis, Britain—England, in particular—can get rid of these regional inequalities. If you go back to 1981, the north-east had 93% of GDP per capita—100 hundred years before that we were about 90% of GDP per capita—and then it went down and down and down when we lost our heavy industry.

In that same period of time, there have been 51 initiatives from central Government to try to boost local economies. Not a single one has changed and reversed that decline. Before the pandemic, we were down to 73% of GDP per capita. It is not so much about the lines on the map as the functional economic areas and the power to knit things together as a local area. I would go on principles rather than structures.

Andy Burnham: John, your history is in my mind when I answer this question. The vision has to be of a more equal England, where places are equal, and people are more equal than they are. That means having equal access to power, power to do more for themselves individually, locally or regionally. How do you do that? There are three levels: there is local, regional and national.



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Reform at local level means we need a much more empowered, well-funded and trusted local government base than the one we have. That is the building block for all of this. It is important for me to say that. Local government needs to be built up and empowered to do more for itself. Levelling up starts there, and we need a completely new settlement for local government. Obviously, it includes social care. That is the first step.

The second step is combined authorities everywhere built from more powerful local government that has more devolved long-term control over public spending that already takes place in our region. There is lots of public spending taking place here that we cannot control, or at least influence. We should be able to, and I have mentioned the DWP budget as one prime example of that. That is the second level.

Then I get to the third level, and this might get more controversial for people. At parliamentary level you have to have a Parliament that represents all of those entities across England equally, in the way that it just does not at the moment.

I said I was a recovering former MP at the start. My reflection on my time in Parliament is that the parliamentary Whip system almost creates a problem as well, because it starts to see everything through a party lens rather than a place lens. If we had more of the American culture, I know some call it pork barrel politics but why should individual MPs not be empowered to exercise more leverage over the Government—I am talking of the permanent civil service here—by working cleverly and collaboratively with people from opposing parties within their region? Why should they not be able to do that? They should be able to do that, because from my reflection on my time in Government, what the governing party is often doing is just rubber stamping in the Commons what the civil servants think. That is not always, as Jamie was saying, in the best interests of all the regions represented on this call, because many of them do not live there and do not know what life is like there. If you have those three steps at local, regional and national level, you will create the conditions for a more equal England in the 21st century.

John McDonnell: The whipping system never bothered me in that respect.

Chair: Mr Burnham, the Government Whip's office will be even more concerned by my voting record than they already are, but I am going to allow a quick supplementary from John Stevenson.

Q32 **John Stevenson:** Mr Burnham, picking up on the theme you just ran with, do you not think one of the fundamental problems is that when people get elected as MPs and get into Government they like the power and want to centralise the power to themselves rather than devolving it out to the regions? Should you ever return to national politics, can you envisage yourself giving up that power?

John McDonnell: I'd take the fifth, Andy, if I was you.

Andy Burnham: A very dangerous question. I learned a lot on my journey through Parliament and out the other side. I have a lot of



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affection for all of you on the call, for Parliament and for the way it works, but I can see a lot of what is wrong with it as well. The point about the Whip system is that it makes people vote and speak in certain ways that perhaps is not true and therefore it leaves politics looking quite remote from people. That thing about the greasy pole and people coming into ministerial positions, the power of those positions can go to people's heads, I guess, and make them want more of it.

I suppose for me, having lived through all of that and come out the other side, the example I always give is Hillsborough. For me, that was when my personal world clashed with my professional world because it was an example of where the system in which we have all worked, and in which you are working, simply could not hear an entire English city crying injustice. It was simply unable to hear it and unable to respond to it. For me, it was a moment of saying this really does not work for big cities outside of London. It really does not, and therefore I have been on a journey. We are all on a journey through politics, aren't we?

I have come to a point where, if I were ever to return to national politics, to answer your question, it would only be to champion fundamental constitutional reform of England to make it work fairly and equally for all of the constituent regions of England. My journey through politics has shown me that that really is not the case at the moment. Some people and places are much more equal than others.

Chair: Thank you very much indeed. I thank Mr Burnham and Mr Driscoll for a good-humoured exchange. It is certainly useful to take your considerable experience, and we are very grateful indeed for your time.

Examination of Witnesses

Witnesses: Alderman Roy Perry, Councillor John Fuller OBE, and Councillor Martin Tett.

Q33 **Chair:** That leads us smoothly on to our second panel who I can see on the screen before me, representatives of local government in England. Can you introduce yourselves for the record?

Councillor Fuller: I am John Fuller, leader at South Norfolk District Council, one of seven districts in Norfolk. I am chairman of the District Councils' Network and, for the benefit of Mr McDonnell, I was born and raised in Great Yarmouth.

Alderman Perry: I am Roy Perry. Not yet an Alderman, I am a retired councillor. I was formerly leader of Hampshire County Council. Before that I was leader of Test Valley Borough Council and I served 10 years in the European Parliament. I am here this morning as the chairman of South East Councils.

Councillor Tett: Good morning. In the same way that you talked about Andy, please do not call me Councillor Tett? I am Martin to everybody, so please refer to me just as Martin. I am the elected leader of Buckinghamshire Council. We are the newest unitary council in terms of a



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county geography in the country. One of the important things, which I am sure we will develop in this conversation, is that we are coterminous with our local enterprise partnership, with our clinical commissioning group, with our acute hospital trust, with our main business representative organisation. Therefore, we have a strong feel about the place that is Buckinghamshire, and it is something that we address at scale.

I also chair South East Strategic Leaders, which is a grouping of the wider south-east counties and unitaries, and am also currently chairman of something called England's Economic Heartland, which is a sub-national transport board, a bit like Transport for the North, stretching from Swindon right across through Oxford to Cambridge.

Q34 Chair: Thank you very much. Martin, how would you describe the current state of governance arrangements in England?

Councillor Tett: I only caught the tail end of Andy and Jamie's bit, so I may be repeating some of the stuff they said to you, but bear with me. If I had to sum it up, I would say it is confusing and potentially dysfunctional. You have so many different types of authority within England. You have counties, county unitaries, districts, unitary districts, combined authorities, metro Mayors, metropolitan authorities. It is a pretty bewildering array, quite frankly, and very different from what you have for example in Scotland and Wales, where there is a lot more structure historically.

It is also highly centralised. The point I caught at the end of Andy's speech is that it is probably one of the most centralised structures in the western world. Policy and finances are controlled very centrally from Whitehall. In many cases local government is seen by Whitehall as their delivery arm, rather than a partner. The point that was made by Andy about mutual respect, I do not feel there is a mutual respect between central and local government. It is much more one of central Government and local administration or local delivery on their behalf, from the point of view of many Government Departments that I work with. I think we need to be seen far more as a partner for central Government, because we can deliver a place-based approach to the objectives of any central Government or any political party.

There is very little real fiscal autonomy. What you have now is a system whereby even council tax levels are effectively controlled by Whitehall. The amount we can raise them by is very strictly circumscribed, and no council has ever managed to raise it by more than the standard set by MHCLG. I would love to be able to go out and say to my residents, "Look, you are complaining about the state of the roads. I am going to put up council tax by more than the norm. In return, I am going to fix your potholes and roads." I cannot do that. In reality, that is not within my power. I think we need to change the relationship between central and local government, but that would involve some changes in local government as well.



Q35 **Chair:** Could I go to Roy for your perceptions of the current state of governance arrangements in England?

Alderman Perry: I agree with Martin; it is a total mess at the present time. It is confusing to the people who work in them, and it is totally confusing to the general population. In that sense, something needs to be done about it. Most certainly there is insufficient autonomy for local authorities.

Also, we often use the term “devolution” as if it is implying local government reorganisation. They are two separate issues, and devolution must mean some power has to be devolved from the centre down to local people. It is a complex situation at the present time that is not serving the people of this country well.

Councillor Fuller: It is certainly a complex landscape. Is that necessarily a bad thing? It is only complex if you move around a lot. People tend to live in houses and, while I accept there is a different argument for businesses that work across the country, if you are settled in an area the area is what it is, but I will not deny that the complexity certainly looks difficult from London. There is a cat’s cradle of different tiers.

Not everywhere is parished, of course, but you have parishes, district, county, in Cambridgeshire there is a Mayor as well. In the recent May elections in Cambridgeshire the returning officer had to manage seven different elections, by-elections and so forth. It is untidy, but of course not everywhere is parished. New towns, particularly, and old county boroughs do not have parishes at all.

We are talking about structures and organisations, but there is a fundamental something that is broken, and that is there is a dramatic electoral inequality in local government. As MPs, you are going through a boundary review at the moment based on electoral equality. The typical London borough will have 3,000 electors per councillor. In the county of Kent there are over 15,000. That is extraordinary. There are more councillors in the counties beside London than there are councillors in the London boroughs, 33 of them.

If we ask politicians, we immediately go to lines on maps, but I think we need to develop some principles and directional electoral equality should be attended to. My view is we would end up with something like no more than 5,000 electors per councillor, and there are only seven authorities where there are more than 90 councillors. If you get more than 90 councillors in an organisation—I know, Martin, you have 147—the authority becomes unmanageable.

We need to have some ground rules there. We also need to understand what the purpose of local government is. It is odd that social care, which is absolutely a tail that wags the dog—it is most expensive—is lumbered in with local government. It is so distorting, one half to two thirds of income is expended on that one thing, which may benefit at any one time 2% to 3% of the residents. Take away social care and the purpose of



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local government becomes clear. It is about fostering the best environment to live in and raise a family, the best environment to grow a business and generate wealth and tax as well as providing a safety net. Some of this is again lost.

My other point—and then I will draw breath for a moment—is that too much is about managerialism in local government, and that is something Martin referred to. There is a dismal descent into the language of numbers and spreadsheets at scale. I find this terribly depressing, because it removes the representational role, the local championship, of the place and the person. Talking about ever-larger numbers is fundamentally depressing and wrong, because when we start talking about organisations rather than the place and the person we end up losing what we are here to do.

Q36 John McDonnell: Do you think central Government has been able to understand the different needs of different parts of England?

Councillor Fuller: I think successive Governments have tried and one can understand that the permanent civil service would prefer convenience, so they have tried it. If I think of the rural districts—that is before we look at the urban centres, the London boroughs and other mets—it is easy to make the distinction that you have urban and rural. It is not even as close as that. We have cathedral cities, John, like you would be familiar with in Norwich. We have the new towns like Stevenage, coastal communities like Great Yarmouth and rural areas based on market towns and so forth. There is a huge diaspora even within what you might say are district councils. Then of course you get the regional differences of mets and so forth.

Levelling up is the new jargon, of course, but what happens if you are too rich to be poor, or even too poor to be rich, if you are in no man's land? I think Government have tried to help us, but that language and the language of finance is not really understood, so a relook at helping the financial sustainability.

One of the key things is that, in the pursuit of ever-larger blocks of government, we have lost granularity. We are all presupposing in the conversation I have heard so far that only authorities that are next to each other and touch each other can come together, but that is not how it is. Having said that, if there is sufficient granularity—John, as you asked the question, let us look at Norfolk—the authorities around the coastal edge into Suffolk can form a coastal partnership, whereas those between Norwich and Cambridge can form different economic geographies to drive for economic growth. That is very difficult if you have large blocks of government.

Government have tried. They made a colossal mistake in 2015 when there was the last big push to give certain councils vetoes over others, and that drove bad behaviours and mistrust. Having sat in the room with some of the senior civil servants as well, it is no surprise to me that it all fell apart at the last moment. You need trust, granularity, a degree of



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finance, but local people and place, and some of that got wiped away and the whole thing foundered on the rocks.

John McDonnell: If I remember, the Yarmouth motto is Rex et Nostra Jura, "The King and our rights," but it was in London that they plotted the execution of the king.

Alderman Perry: The key thing here is that there must be a degree of fiscal autonomy and trust of local communities. For a short while I was a member of a parish council. They are the luckiest guys of the lot because they can levy a tax and are not dictated by grants and dependent on grants and they are very closely in touch with the local community. I would be a very firm supporter of parish councils and the more community town councils.

If we are talking about devolution, you need to have something that is of a scale that can make things work. Listening to the evidence you were receiving from the two very successful Mayors, it is different in city regions like Manchester and Tyneside than in the south-east of England or other parts of rural England. I totally agree with John, to think that all of rural England is just villages and not very much happening is not the case.

The other point I would make here, because it is important for the area I am speaking for, is that you so often hear of London and the south-east as if they are one and the same. They are not. The south-east of England has different needs and different abilities, but I would certainly say we have to find a better way of trusting local communities to help themselves.

Q37 **John McDonnell:** Do you think central Government understands the needs of local areas?

Alderman Perry: I do not believe they do. I used to get very worried when I sat in the leader's office in Hampshire County Council, and civil servants would come down trying to tell the local people what was happening in Winchester or Hampshire. They think they know it, but they do not understand it very closely.

Councillor Tett: From my point of view, the question is whether they aspire to and whether they try? Yes. Do they succeed? Invariably no. I agree with some of what John said and a lot of what Roy said. If you look at central Government, they are effectively organised in what we would disparagingly call silos, inevitably. You have DCMS, you have MHCLG, you have BEIS and so on. Each has a functional or service-oriented approach, and they effectively try to beam that policy down to a local level. What they do not have is a co-ordinated place-based approach.

When you get to an area—and I am going to use Buckinghamshire as an example, but it might be Hayes and Harlington or wherever—when you get down to that level, what you do not have is anybody pulling it together and saying, "Well, hang on a minute. If you want to implement that, what you need is better digital connectivity. You cannot get better



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digital connectivity because of—” so what you do not have is a holistic picture that brings it all together currently.

One of the strengths I have here now in Buckinghamshire is that I do that. I do not have the multiplicity of layers that John referred to. I can bring together the health service, the business community, all of the various functions of local government in a single place, and we have put in a very strong bid on a place basis to central Government around a multi-departmental approach to a place, and I think that has a lot of merit.

A lot of your earlier discussion was based on cities, and quite understandably. Your two earlier witnesses were very city-based, and I think you have to look at the complexity of the whole country. John Fuller is absolutely right; it is not all haystacks and churches. It is big new settlements, it is older towns, it is small villages, large villages and so on. You have to understand the complexity of that.

Central Government operates far too much in a silo. Most Government Departments have some form of regional structure. Invariably those regional structures differ by Department, so the DfT has a different regional structure from that operated by MHCLG, which is different from the one operated by BEIS and so on. There is not even a common regional structure that everybody overlaps on. I think there is a lot of work that needs to be done. For me, you must start from the place end of the telescope. You must look at it from the location that is on the receiving end and ask what is right for the place, and then almost orchestrate back into central Government the elements that you need to deliver for your residents and your businesses.

Q38 Tom Randall: We have heard that one of the main issues with the governance of England is the centralisation of power in Whitehall. How do you think the powers could be effectively devolved out of Whitehall? Are there any particular powers that you would like to see devolved?

Alderman Perry: I do not see why we should not look, for example, at the powers that have been devolved in Wales. There are 10 million people in the south-east of England. Whether one would treat it all as one single region or whether we would look at a county basis is a matter for others to decide. So long as you have a sufficient population and economic base, I do not see why you cannot look at the sort of powers that the Welsh Assembly and the Welsh Government have.

Reference was made earlier to education and skills. That is clearly too centralised at present, and I think there is a case there. Transport is another one; more co-ordination, more ability to influence that. With environment, there are a lot of disputes about planning policies at the present time. If more autonomy was given to local areas, so that they could take the people with them, you would find you get more ready acceptance than something that is being imposed from the top down.



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Education, FE in particular, transport I think, public health, more powers there. All things that could be done more effectively and with more public support than being dictated from London.

Q39 **Tom Randall:** In your view, if we followed the Welsh model, is that something that should be done by legislation rather than an Executive decision?

Alderman Perry: I think it is going to require primary legislation, certainly if we are not going to be playing at it, if we are going to treat this seriously and we are going to make Britain a more devolved nation. The situation we experience now of areas having to bid for money and dance to the tune of Ministers and civil servants who are going to hand it out is not devolution at all. That is increasing central control and the ability of the centre to dictate what happens locally.

Q40 **Tom Randall:** John Fuller, what powers would you like to see devolved? Do you think the powers could be effectively devolved out of Whitehall?

Councillor Fuller: All sorts of powers. Part of the dilemma we face is that, at the moment, so much of our income is tied up in business rates, and they are up in the air, and so much of our cost is tied up in social care. That is up in the air. We do not have a level playing field and a full understanding of where we are.

It was interesting listening to Andy Burnham a bit earlier, because he made a very persuasive case. I am not going to disagree with him, but I am going to make the observation that asking for powers is one thing but central Government releasing them is another.

Let's say there was a map on the wall of No. 10 that had, say, 30 mayoralties over it. I can see that large parts of the wider civil service outside the Ministry of Housing, Communities and Local Government would think, "My goodness, if we have to have 30 separate bespoke negotiations, that is going to be a tricky thing." There is a boundary there, but it depends on what sort of place.

I mentioned earlier that Great Yarmouth might have a particular interest in flooding or offshore energy, whereas others—Crawley, for example—might have an interest in aviation. Of course, there is nothing stopping Crawley, Uttlesford and Manchester getting together if there was sufficient granularity to have a virtual authority to promote the business of airlines.

Having said it is about place, and there does seem to be consistency there, I would challenge Martin to say that Buckinghamshire is a place. I do not mean to be trite, but Buckinghamshire includes Milton Keynes and Milton Keynes is not in Buckinghamshire. It is a unitary authority within the ceremonial county of Buckinghamshire, and the new Buckinghamshire unitary is unfinished business.

If we take the housing market of Milton Keynes, it spills along the M1 corridor into Aylesbury Vale. The creation of a unitary that is 500,000 to



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600,000, more than twice its neighbouring Milton Keynes, has probably put a line in the sand that will preclude some of the joining up on health and housing policy there as well. It is certainly very different from the M40 corridor in Denham.

I would encourage members. You will all have your own views, but my observation is that if you take corridors and clusters—and being as Martin raises it—a boundary laid down in 1066 is probably not the way to plan for 2066. It is not sensible to have a geography that it takes one and a half hours to drive across, top to bottom, not least because how on earth do you get a representative democracy? People may not have a car, or whatever, to do these things.

We understand that the Secretary of State is poised to make some announcement of having Selby, Scarborough and Skipton in the same authority. It is all, bar seven miles, the entire width of England. That is not a place. Yorkshire is a place. It has heft, it has provenance, but it is not a place in the sense that it is a housing market, a travel to work area. Almost as Buckinghamshire is so large versus smaller Milton Keynes, why on earth would you want to have Selby, Scarborough, and Skipton in one authority and then have York totally landlocked, with 210,000 people condemned to a life of poverty for ever more?

This is why it is absolutely right that, if legislation is to come, it should be done on a consistent basis whereby we can have electoral equality directionally baked into these things, and to recognise what we are going to do for those areas that are not parished, like the new towns, like Worthing borough, like King's Lynn and so forth.

I suppose, when you try to say something is a place and it is not—balkanisation, for example—eventually the public reject it. There are other actors in play, especially in Chesham and Amersham, but do not take power so far away from the people that they kick back.

Q41 **Tom Randall:** Your thoughts on that, Martin, and also on the role of Milton Keynes in Buckinghamshire?

Councillor Tett: Let me start by saying, as you have probably gathered, John is a long-term opponent of unitary counties, so I understand entirely where he is coming from.

Can I start by answering your question rather than getting drawn into that particular debate immediately? You started by asking about the powers we would like to have devolved. If I address that question, I agree very much with Roy. You could model it on what has been happening in Wales and Scotland, which moved from devolved powers to reserved powers. That is a very big step, in my view. I do not want to break up England. I do not want to see a situation, quite frankly, where we have Wessex, Mercia and Northumbria again. I think we are one country and should stay as such.

There is a strong drive towards having far more powers devolved. You could almost have a subsidiarity issue, which says to central Government,



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“What powers do you need to reserve, as opposed to devolve?” because there are things that can be done much better down at local level. I agree with Andy Burnham about health and social care, I think they are very well placed down at a local level because social care is so integral to the health agenda.

Trying to separate them out is difficult and, by operating on a place basis, you can look at the different health determinants that are relevant to your area, which may be very different from a neighbouring city or a neighbouring coastal town. The ability to fine tune your health outcomes and, therefore, your health commissioning is significant.

That is inextricably linked to the social care agenda, because social care is not just about the elderly. A very large proportion of social care is about the care of people of working age who suffer some form of disability or special need. You need to join it up with children’s services so that you have a seamless transition from children’s services into adulthood. If you try to unpick that, you can get into very complex issues.

I would go back to the answer that Roy gave. I think you have issues around funding and long-term sustainable funding for local government. I would give far more autonomy to local government in terms of the ability to drive and maintain its own funding base. I would look at planning. It is important, if you are not going to have a situation where local people walk away from decisions around planning and spend all their life fighting and contesting them, that local plans are driven by local people in local areas around local issues, so that, although people may not like the decisions, they recognise who has done it as opposed to it being effectively imposed from Whitehall.

I completely agree on the skills agenda. The skills agenda will differ markedly between different parts of the country. For example, in Buckinghamshire we have Pinewood Studios. We also have the British television skills studio. For us, the creative industries are really important, as indeed they are in Hertfordshire and Leavesden. The ability to grow our skill base around the creative industries is important to us. In other parts of the country, you will have a different focus in terms of maybe more industrial skills, manufacturing skills and so on. That fine tuning of skills is significant.

I would also say transport is very important. We as a county area have most of the transport powers, but what we choose to do is a coalition of the willing. We will join up with adjacent areas so that we can look seamlessly across boundaries, so we work for example with Oxfordshire, Northamptonshire, Hertfordshire and so on, to make sure that somebody who has a bus pass or who is travelling around can move seamlessly between those areas.

There are a whole range of things that could be devolved. You do not need to get into breaking up the UK, but to have a menu of services that we can have devolved to us would be significant.



Q42 **Karin Smyth:** As a girl brought up in Hillingdon, I am not going to comment on the boundaries of London and Buckinghamshire or, indeed, as a Bristol MP talk about the county and city of Bristol.

Councillor Tett: As somebody who comes from Ruislip I know exactly what you mean.

Karin Smyth: Another time we will share our burdens. I think we have touched on this, but to cover it off from all of you: the discussion in the last session, and one I agree with, is you do not necessarily need a Mayor, but the combined authority model looks like it is gaining more support. You are right, our last session was dominated by cities. I would be interested in all of your views. Given the ad hoc way that devolution has evolved and some need for uniformity, do you think the combined authority model is what we should establish across England?

Councillor Fuller: I was married in Chorleywood, if we are going to play bingo. What are we trying to achieve? If the fundamental purpose of local government is to have the best possible environment to grow a business and so on, who is going to travel the world and drive inward investment? Who is going to create that narrative? Who is going to be the individual?

I feel that we should have combined authorities, but there should be a directly visible person who is not going to be criticised for going to land finance, because so much of the shires of Britain are not going to benefit from the levelling-up funds, perhaps, but how are we going to be helped to help ourselves? Some of that is going to have to go internationally on a much larger canvas, to get inward investment. While that strategic overview of a combined authority can help, we need a named person.

I totally agree on transport, but sometimes the transport infrastructure gets merged together. I think there is a distinction between the physical, hard infrastructure of roads and rail and, more importantly, the person-centred personal passenger transport. Having a national Oyster card could be a way forward, rather than having local ad hoc arrangements, because you are always going to get boundary issues.

As you look overseas, the Local Government Association, when we last met in Bournemouth, had a guest speaker. That guest speaker was the head of the local government association in Iceland. She had a unitary authority comprising 350 electors and that was it. They ran a full set of services on 350 people. It is horses for courses. You can look overseas and see what goes on. Germany would be a good example where they have some very large what you might call combined authorities in the Länder. That is an interesting approach, but there are 17 million people in some of those Länder. It is a question of optimisation.

At the end of the day, rather than just focusing on the need to have some combined authorities, I would support a strong leadership model across England, whether it be elected Mayors or by some other method. You have to have sufficient granular building blocks. It was interesting that the example was given of the studios at Denham, and they go across into Hertsmere as well.



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If we had sufficient granularity to these building blocks the authorities around Denham, Hertsmere and Leavesden could focus entirely on that. It is about the size of the building blocks. It is about priorities and zooming in where we are. Finance and the ability to raise cash is as important as knowing what you are going to spend it on.

Q43 **Karin Smyth:** Roy, take us away from that part of outer London to the north-west. Combined authorities.

Alderman Perry: There is a case for combined authorities. I keep making the point that local government reform and devolution are not one and the same thing. There is a good case for devolving some of the powers out of London. That means it has to be at some sort of scale that will have the population base, the skills base and the funding to be able to operate at scale. At the same time, one does not want to lose local representation, so I think combined authorities are a way of doing that.

I have often been a great fan of the German Länder. They differ in size. Some of them are very big and some of them are quite small. I think that is a model that your Committee would do very well to look at, to see if there is a model that we can follow there. I certainly agree, and the point I have been making all along is that, whatever organisation you are going to have, it has to have adequate funding and autonomy over its funding. If you want a region or an area to fight for itself, it must have the ability to control some things itself, but always having to bid for money is not going to work. Look at the German Länder. I think that is a pretty good model.

Q44 **Karin Smyth:** Martin, combined authorities across England?

Councillor Tett: I am in disagreement with both Roy and John in some ways. In terms of combined authorities, I think you would have to follow the old maxim of form following function. You have to know what you are trying to achieve. To me, combined authorities are in some ways used by central Government to patch over some of the mess that is local government in terms of the multiplicity across a geography, trying to bring things together and make some sense of it.

You have Cambridge and Peterborough in a combined authority, and obviously Manchester, but in other parts of the country where would you draw the boundaries? Why would you draw the boundaries? If your objective is to have combined authorities everywhere, what happens if areas do not want to go into one because they do not see anything in common with the area that the Government are trying to shoehorn them into? To me you have to say, "What is the combined authority there to achieve?" and Greater Manchester has a communal interest. There is a lot of history that goes back decades. I used to live in Manchester. I know the area very well. There is a sense of identity and common purpose there that makes that combined authority work.

If you try to strap together areas that do not recognise that they have things in common, just because it is convenient to central Government, I do not think that is a recipe for success. There are examples already of



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Government trying to shoehorn people together, and you get resistance whether it is a district, a county or whatever.

Combined authorities may have their place. I think they are good, particularly where you have geography that is coterminous around an urban area, maybe the suburbs of an urban area or a city. I get that, but if I was going to go into other areas, I would have more of a form follows function approach.

To follow up my example from earlier, Pinewood Studios want to work with Leavesden, which is in Hertfordshire. They also want to work with Shepperton, which is in Surrey. In that particular industry there is a strong commonality of interest with two adjacent counties. On the other hand, I have Westcott, which is the centre for rocket and space research. They identify with Harwell, which is over in Oxfordshire. For them it makes much more sense to work with Oxfordshire. I could take so many industries. I have half of Silverstone in my county. They want to work with Northamptonshire.

From my point of view, what I need—I am a big piece of geography, and I have a lot of strength from that, I have a lot of resource and capability—and what I want is the ability to work with adjacent areas for what is appropriate for the purpose. For business I am going to work with Northamptonshire with some industries, Oxfordshire for some, Surrey and Hertfordshire for others. It will work better because there is that linkage, that need to work together, rather than having something strapped together artificially by central Government that, quite frankly, is going to lead to resistance.

There is an attempt to put Buckinghamshire into this so-called Oxford-Cambridge arc, and I cannot explain to people in Marlow what they have in common with people in Corby. It just does not work, and you need buy in from people and businesses at grassroots if these things are going to be effective.

Councillor Fuller: Martin has just made my point. When you end up with too large a construct, you end up having to totally compromise. Why should local government be compromised in this way?

Councillor Tett: I completely agree with John. I do not want to be in with Northamptonshire or Corby.

Chair: There is geographical politics in everything, gentlemen. On that note, we go to David Jones.

Q45 **Mr David Jones:** North Walians feel very much the same way about South Walians. We have heard from Roy Perry that the German Länder model is one that should be looked at in this country. Martin, you are shaking your head. Would you like to disagree violently?

Councillor Tett: I am a historian by background, so I know a little bit about the history of Germany. The Länder almost came out of the old states that used to be in Germany. There is a lot of history there in terms



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of an affinity to those particular Länder. If you wanted to go back and recreate Wessex and Mercia, as I said, you might have a better comparison. But Germany was 1880. Wessex and Mercia disappeared back in about 800, so there is a difference there. I think England is too small to break up into Länder.

What we need is a different structure where you have significant-sized local government bodies with capability to deliver with grip and pace, which is what this country needs now. It does not need slow, ponderous central Government. It needs grip and pace to help us recover from the pandemic, and an ability for those building blocks to work collaboratively together on a case-by-case basis, as I said before.

Councillor Fuller: Having been stuck on the Rhine and having to fight off fire brigades from two different banks, the German system does not always work as you might think. In North Rhine-Westphalia—I take an interest, having been rescued—they have 54 districts of about 300,000 to 400,000 population in five blocks. I think there is something to commend that.

I agree in a sense that the Länder are very large, but within the five subregions, five combined authorities, which collectively look at 54 different districts of about 300,000 to 400,000 seems optimal. From my perspective, 300,000 to 400,000 based on a large town or, in UK terms, two or three districts bolted together, say around Norwich, Ipswich or Exeter, you can see that on the map. That is the optimal scale of location, locality and representation but then, if you scale up with five, eight or 10 of them into the subregions that they have in these Länder, you end up with a combined authority. I would not go at the Länder level, but one step down, for those subregions with membership of more or less equal sizes.

One of my beefs, if the Government are so minded to have a single authority for Skipton, Selby and Scarborough, is that you would have an authority of nearly two thirds of a million people, in the same county as York at 210,000. It is not just about equality of electoral representation. It is about equality of size because, if you are to have a combined authority, having lopsided members where one is huge and the other is tiny, you never quite get it. That is probably one of the reasons that the North of Tyne works around Redcar and Stockton, because they are all of a similar size. They have equal say.

I have a beef with the way our Government have gone in the last few years, because they have not seen that it is not grounded in equality of representation and equality of size. That is why we have ended up with a complicated system that does not quite work. If it is to be remade and legislation is to be required, equality of size and equality of representation; equality within an area so that every voice counts for the same should be a fundamental part of the future. If we are going to do it, it is a one in 50 year opportunity. The hotchpotch we have at the moment is not really there.



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Q46 **Mr David Jones:** Roy, do you want to defend your advocacy of the Länder model in England?

Alderman Perry: John is talking very much about local government reorganisation. Whereas, if we are going to talk about devolution, we have to talk about what is going to be the unit that has the scale and capacity to cope with some of the powers that are currently taken by central Government. That requires a bigger scale than perhaps John was talking about.

Regional boundaries are very difficult, so I do not envy anybody who is going to have the task of trying to do that. If I can just say one other thing where I will get the chance to defend the situation of the German Länder, the boss of the German Länder is called the Minister President, not a Mayor. Chosen by the Länder Parliament, so it is people who have some knowledge of the capabilities and the capacity of the person they are putting into that very prominent and powerful role.

I have occasionally spoken to British Ministers and said, "What about having Minister Presidents?" It has never been a popular proposal, but it does not have to be directly elected Mayors. It can be somebody chosen by the regional council, the local council, who is going to have that capacity to go out and promote the area on an international scale.

Chair: I am getting concerned by people's respective titles. They are very grand indeed.

Q47 **David Mundell:** To each of the witnesses, what powers would you like to see devolved, either to a more local devolved body or to local authorities? We have touched on some of them, but perhaps we could summarise them.

Councillor Fuller: There needs to be a settlement of what we are going to do about social care. I accept entirely that social care is not just about old ladies; it is about people of working age, some of whom—thanks to the health service—might have passed away at birth in previous generations. They are with us and need to be looked after. It has become a financial millstone, I make no argument about that, which is acting as a drag anchor to local government. There needs to be a settlement there.

If social care is to go in with the health service, as we are led to believe from press reports—we are all in the dark on that—the purpose of local government then becomes absolutely clear. It is about the economy, the environment and, yes, skills, and having the best possible environment to build a national economy, one local economy at a time. If that is the case I agree that local authorities need to have sufficient scale. That does not have to be huge. There are finance reforms so that we can access money more straightforwardly. There is a distinction between funding and finance. Funding is writing the cheque. Financing is putting the deal together, and I think there is an opportunity for Government to be more flexible about us with bonds, drawing investment income and withdrawing some of the constraints that we have at the moment.



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Brandon Lewis, when he was Minister, appointed me to the SIL review and I was astonished. It is impossible for local authorities to borrow against future SIL revenues for a consented scheme, so how on earth are we going to get the infrastructure in first if we cannot forward-fund it? There is some basic stuff about funding.

This is not a criticism of Andy but, like I said earlier, it is an observation. If there are to be 30 Mayors, say, how are they going to act and how are they going to interface with central Government or local government? We cannot have 30 different side conversations going on, so there needs to be some ground rules.

In so far as devolution is concerned, it is horses for courses. We need to recognise that some of the services that people value the most in terms of street cleaning, bin collection, housing, homelessness, planning are fundamentally local democratic principles, and taking power away from people is not good. I have made my point previously about electoral equality. I do think the Government have to stop looking back to 1066 and start looking to what the economy needs so that it is more flexible and agile and is not grounded in blocks that are too large.

In the last session somebody mentioned travel to work areas or housing market areas. Sometimes local bus routes are the best proxy for what is a local economy. Recognising that they are the building blocks, then allowing those building blocks to join others either contiguously, which may be within a historic county or across county boundaries, or even linearly between Oxford and Cambridge, so that the benefits for Brackley can be achieved without upsetting the good burghers of Marlow.

This is where we need to be, so flexibility, granularity and allowing authorities to pal up to do some of the larger stuff, like passenger transport and the Oyster card type thing, and probably carve off social care into the ICSs, which might reasonably be on county health boards. We have been there before, and that might be the unlocking that allows us to go forward together.

Q48 David Mundell: How do you think the issue of accountability to the public is going to be dealt with in the different divisions of responsibilities between central and local? One of the striking things after 20 years of devolution in Scotland—and that is devolution to Scotland because, let us be clear, we do not have devolution within Scotland—many people still do not understand the relative responsibilities for health and transport, for example.

Councillor Fuller: I am here partly because I am the leader of a local authority, but I also chair the District Councils' Network and you would expect the district councils to want to die in a ditch to preserve ourselves. That is not our view. Our view is that two or three districts together might reasonably coalesce on a sensible geography, provided there is local accountability and local representational democracy to have a larger block than we currently have, and then to work as that block, say, the



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three authorities in Greater Norwich, for example, or the two around Ipswich or the three around Exeter.

One has larger blocks that represent travel to work areas and housing market areas, and then collectively those blocks, which are built up from where we are at the moment, five or six of them might reasonably form a combined authority of 1.5 million to 2 million. It is very interesting that had it happened—and it did not—the Norfolk, Suffolk and Cambridgeshire combined authority that was announced in the 2015 Budget and then foundered on the rocks would have had the same population, GDP and GVA as Greater Manchester.

There is an opportunity, and unitary was one of the prices that we would have had to pay to get there, but two authorities in Norfolk, Suffolk and Cambridgeshire, possibly three, seven people sat around a board table, 1.5 million, with local accountability. There is a mechanism there that could work, and if there is to be legislation, that is probably the way it would go.

Having seven larger-capacity authorities, unitary, would simplify the job if there is to be a Mayor over the top. It would probably be easier than having a Mayor, county and 15 further districts. I think there is a middle way, but we must maintain the granularity, electoral equality and equality of size within a combined authority, otherwise you will find the loudest voices will shout loudest and that is not necessarily right, because democracy is sometimes about cherishing some of the quietest voices.

Q49 David Mundell: Martin, what do you think on the issues I have raised: the powers that should be devolved, the capability of taking on those powers and the wider public understanding of the respective responsibilities of central and local government?

Councillor Tett: Let me try to answer the question without going off on a tangent. What powers should be devolved? I agree with some of what John says in terms of what the core functions of local government are. They can be summarised from my point of view in terms of community, environment and economy. What we are here to do on a place basis is make sure that our communities are healthy and prosperous. We need to make sure that our businesses can thrive and grow. We need to make sure that our environment is protected and enhanced. We need either devolved to us or funded by central Government the ability to do those things.

I think there is the ability on a place basis to have that dialogue with Government. Preferably, what I think Government should do is offer a menu of services that councils can call on and say, "On a place basis, that is what we want. Give us that" and then the onus is on Government to explain why they do not devolve it, rather than the other way round, and the funding has to follow it down to local government. There is no point giving the responsibility without the funding. Absolutely community, environment and economy, for me, underpin the role of local government.



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There is a realism here that I have to inject. John is a lifelong opponent of county unitaries. I completely understand that, but let me inject a note of realism. Not all local government is successful. I understand a little bit of the hesitation of national Government. You have to look at Croydon, Slough. There are poorly run councils that go bankrupt. There are councils that do not deliver. There are local enterprise partnerships, which were one of central Government's inventions, that have failed to spend the money allocated to them. Not everything works, I get that. What you need to be successful is to have a degree of scale and capacity that can deliver. Competency, scale and capacity that enables you to take those services, whether it is about community, environment, or economy, and to deliver for your place. That does need some degree of scale.

For me, to respond to the challenge from John, on one of the points that was made to Andy Burnham, I do the holiday test. If I am somewhere on holiday and I say to somebody, "Where do you come from?" if they come from Sheffield, they say they come from Sheffield. If they come from Teesside, they will probably say they come from Newcastle or wherever. People identify with cities. The next thing they will often do is say they come from Amersham, or they say they come from Buckinghamshire. I have never heard anybody say, "I come from Chiltern District Council."

You need to root your local government organisation in a place that your community identifies with, rather than some arbitrary travel to work area or whatever else you are describing. You need buy in. you need your community to accept the building block of local government fundamentally. Where it does not happen, and if you go back to some of the 1970s Peter Walker-type organisation of local government, it does not stick. You have to bring your community with you if you are going to be successful. You need community buy in, you need scale, you need capacity and then you need to focus on those three essentials of economy, environment and community. You need to have the right to demand those from central Government and the funding that comes with it.

Alderman Perry: I very much agree with Martin. I think he sums it up very well: community, environment and economy. We want to make it easier for local areas to be able to promote their economy, and that is something devolution could offer. There has to be fiscal autonomy. These local areas have to be able to control their own funding, and I can understand where John was coming in and saying, "Let's just abandon social care." It is a problem, but that seems to be another step towards overcentralisation in Britain.

Over the years I have been involved in local government, I have seen education largely taken away, housing was taken away, planning is being dictated more and more centrally. If you hand over social care, you are not talking about devolution; you are talking about even more centralisation.

Q50 **John Stevenson:** To a very large extent, you have all covered my question, but as this is a final question it gives you an opportunity to



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summarise some of your views. If you were to be appointed Secretary of State tomorrow with a blank piece of paper, what would be your underlying principles and visions of local government reform and devolution?

Alderman Perry: In a word, subsidiarity. Trust local people. Trust local areas. Give them the encouragement, the support and the tools so that they can help promote their areas. I fully applaud what is being done by Andy in Manchester, but more could be done if you gave local people their head to promote their own regions. Subsidiarity is a good principle.

Councillor Fuller: Local government is more important than being reduced down to numbers and spreadsheets. Bigger is not better. Yes, I accept there has to be a degree of scale, but some of the scale for the very largest things could be dealt with by the combined authorities. We need to have some design principles, as you are with your current boundary review. I would say probably no more than 5,000 electors per councillor and probably no more than 75 members in an authority would be a target.

Of the 360 councils in England, 344 of them have 75 members or fewer. Only seven have more than 90. That tells you about the evolution. I would make it no more than half an hour to get to the seat of power, whether it be the town hall or the county hall. In your own area, John, I know there are proposals to put Carlisle and Barrow-in-Furness in the same local authority. I do not know how long it would take to drive, but certainly the civil servants in London have obviously never attempted it.

It is that point of place. We need to have local authorities that are in building blocks of people and play to their heart. Travel to work areas are all contested space; the easiest way is to look at your local bus maps. People may not know they are in the Chesham District Council area or whatever the title of their most local authority is, but they do understand the extent of their local economic geography.

Let us look forward to 2066. Let us not be constrained by historic boundaries—arbitrary as they were at the time, set down in 1066—and there should be freedoms with sufficient granularity for local authorities to form the relationships that make better outcomes for people and place and for business across historic county boundaries as well. Having said that, I probably would establish health boards on the ICS principle, so that the contamination and the financial drag anchor of social care is removed from the core business of local government that, as I think we have all agreed, is about the environment, employment, the economy, housing and that sort of thing.

Councillor Tett: It is a good summary of everything we have discussed on this call, and of what I caught from the tail end of what Andy was saying as well. If you want to look at a structure—and it should not start with structure but should be about purpose—the purpose should be very much around economy, environment and community, and I would include



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the whole social care and health agenda within that. The wellbeing of your residents should be at the heart of everything.

I agree with Roy. I think subsidiarity is a great principle to start with. Why is power not devolved to local government? Is there a reason for it? There might be a reason, but you need to justify it. The finances need to be sustainable going forward, with as much ability locally to raise your own money and your own finances, and leave those decisions between you and your electorate as much as possible.

The ability to have a dialogue between central Government and local government—we should be local government, not local administration, or local delivery on behalf of central Government—probably requires some significant building blocks with sufficient capacity. That might be around cities. It might be around larger geographies. It might be counties. It might be bus map areas if you follow John's logic. That is an option, but I would not personally.

In conclusion, I have spent most of my life in business. What that has taught me is there is no stable endgame in this. Whatever you have has to have pace and grip to recover from Covid. It has to be able to deliver quickly, but it will be constantly changing and evolving. We can never predict what the future will be like, what the business environment will be like and so on. Whatever structure you put in place will probably not be the same structure that you have in 20, 30 or 40 years' time, but it has to be fit for purpose today. What is very clear from this discussion is, quite frankly, that what is in place today is not fit for purpose.

Chair: Roy, John and Martin, thank you very much indeed for your time this morning and for sharing your expertise and experience with us. If there is anything else you wish to furnish the Committee with, please feel free to write. For the moment, thank you very much indeed.