

Written evidence from The Buckinghamshire Growth Board (EDE 38)

Public Administration and Constitutional Affairs Committee The Evolution of Devolution: English Devolution

Devolution has become an established part of the UK constitutional architecture, but while legislative and executive devolution has been established and evolved in Scotland, Wales and Northern Ireland, there has been no equivalent devolution in England, creating asymmetry in the UK governance arrangements.

Since 2014, there have been a number of initiatives to “devolve” power within England: ten combined authorities have now successfully negotiated bespoke “devolution” deals, but this has only added to the complexity of English local government. The Government has committed to publishing an English Devolution White Paper in 2020, setting out its “plans for full devolution across England”.

Ahead of the White Paper, the Committee invites evidence in response to the following questions.

Summary of response (391 words)

1. There is a pressing need to reform devolution in England where policy-making is more centralised than in most other comparable countries.
2. Devolution should provide greater freedoms and flexibilities at a local level. The results would be more effective and better targeted public services and greater economic growth.
3. Future devolution should go further and faster than earlier rounds; the economic imperative to recover from the effects of COVID-19 demands it.
4. The current situation is not a stable end-point; it is instead a patchwork of bespoke deals with different powers covering a minority of the English population. The future development of devolution has to see the whole of England covered by authorities with devolved economic and other powers.
5. Devolution has to relate to coherent local economies, people’s identities and their sense of community. Only then will devolution enhance democratic engagement and accountability. City regions are not the only identifiable geographies or functional economic areas. Devolution needs to allow for other geographic areas including unitary councils, two-tier areas and partnerships of councils.
6. County geographies, such as Buckinghamshire, are ‘building blocks’ for devolution; they are recognised and understood by communities, service providers and markets.
7. The Government should embrace differing models of devolution whether they are growth boards, non-mayoral authorities, county mayors, mayoral combined authorities, directly-elected mayors or other models.

8. If it is needed, institutional change should come from the bottom-up; each area deciding the best form of governance to meet its priorities and ambitions. For example, a local growth board would provide the single point of accountability sought by Ministers, without the additional cost and bureaucracy of a directly-elected mayor.
9. Unitary councils and their partners, such as those in Buckinghamshire, have strong appetites for devolution that genuinely empowers local communities. They are ready and willing to work with the Government to bring powers to local communities, based on the scale and geography of county areas.
10. The Buckinghamshire Growth Board is a partnership of Buckinghamshire Council, Buckinghamshire Local Enterprise Partnership, Buckinghamshire Business First, Buckinghamshire Clinical Commissioning Group, Buckinghamshire Healthcare National Health Service Trust and business specialists, as well Government departments and agencies.
11. The Board has its sights set on a ‘best in class’ devolution settlement which can drive the post-COVID recovery, as well as creating jobs and prosperity for the UK economy as a whole.

Full response to questions

Q1: Should there be comprehensive reform of the English devolution and local government system?

Response

English devolution:

1. There is a pressing need to comprehensively reform how devolution is developed and applied across England. Policy-making is more centralised in England than in most other comparable countries. Decisions about public services are made in Whitehall. English local authorities have little fiscal autonomy, with a lower share of taxes collected at the local level than in any other G7 country.
2. The Government has said that improving productivity is a driving motivation for further English devolution. In March, 2019, the Ministry of Housing, Communities and Local Government stated that:
“Devolution within England aims to provide local areas with the levers they need to boost productivity in local economies and improve and integrate public services.”
3. The longstanding gaps in productivity across the country suggest, however, that the recent approaches to policy-making have not been working. There is a clear rationale for devolving to a lower tier of government those policy powers that can be more responsive to local economic needs. It has been noted that “The difference between great projects and average projects is often knowledge of the local context”; local government, rather than central government, can bring local knowledge, understanding and priorities to the fore.

4. The current situation is not a stable end-point; it is instead a patchwork of bespoke deals with different powers currently covering a minority of the English population.
5. The future development of devolution has to be such that the whole of England becomes covered by authorities with devolved economic and other powers.
6. In short, there are strong and compelling cases for devolution, demonstrating both the ambition and the potential of local government.

English local government system:

7. It is important that devolution relates to coherent local economies, people's identities and their sense of local political community. Only in this way will devolution enhance democratic engagement and the accountability of the devolved bodies.
8. City regions – the focus on many existing devolution deals – are not the only identifiable geographies or functional economic areas. Devolution needs to allow for other geographic areas including unitary councils, two-tier areas and partnerships of councils (see the response to Question 8). Devolution should be available to all areas that are economically, culturally and politically coherent, rather than focused only on metropolitan areas.
9. Devolution should not, however, result in, or be the driving force for, local government restructuring. There may be a case for changing the scale and pattern of local government in England, but it is not the same as the case for the devolution of powers and responsibilities to local areas.
9. There is no inherent reason why local government reform should be a condition for devolution. That said, in designing the best model for modern local governance, it is highly unlikely that anyone would invent a two-tier system such as currently exists in much of England.

Q2: What aims and principles should underpin devolution in England?

Response

Aims

10. Devolution in England should be underpinned by the aim of decisions about local services being taken close to the people that they affect. The transfer of powers and funding from national government to local areas ensures that decisions are made closer to the communities and businesses they affect. There is clear and significant evidence that outcomes improve and the country gets better value for money when councils have the freedoms and funding to make local decisions – place-based devolution.
11. Devolution should embrace the aim of providing greater freedoms and flexibilities at a local level, meaning that each devolved body can work more effectively to improve public services for its area. The results would be more effective and better targeted public services, greater growth, and stronger partnerships between public, private and community leaders in local areas.
12. As the country plans its recovery from COVID-19 and prepares for life outside the European Union, with greater demand for public services, councils are not looking for handouts. Rather, they seek the freedoms, flexibilities and investment to help rebuild the country and accelerate their economies.

Principles

13. The principles of place-based devolution in England should include establishing an operating agreement that:
 - confirms the Government’s presumption to devolve as the default position;
 - ensures that the population size of an administrative area should not be a condition of, or obstacle to, devolution;
 - avoids a standardised approach that requires all places to accept the same deal;
 - allows places to move incrementally in accord with the best interests of place, businesses and people that live there; and
 - focuses on outcomes.
14. The Government, through the White Paper and other channels, should set out the aim to always devolve powers, decision-making and funding to the lowest appropriate level. This would allow for all localities, regardless of size, to exercise their ‘sovereignty’, establish their priorities for place-making (such as providing affordable homes) and act upon them.
15. There is no clear evidence to suggest what the optimal population size for devolution should be. At its most fundamental, devolution has significant merit; it empowers local authorities and communities, while simplifying bureaucracy. Devolution needs to: work for communities; improve services; generate funding; and strengthen local democracy, while being backed by a stable and reliable legal framework.

16. The Government should, through the White Paper and other routes, avoid a standardised approach that requires all places to accept the same deal. Parity should be ensured, and conditions should be commensurate with powers - no one place should be allowed privileged concessions. Different levels of devolution should allow for different institutional arrangements, to respect local identities, sense of belonging, and the value of place.
17. Devolution should embed the principle of focusing on outcomes so that it is more than a redistribution of powers and resources, but can properly tackle structural impediments and underlying inequalities.

Q3: Should devolution in England use the reserved powers to bring it in line with devolution in the rest of the UK?

Response

18. The Government should, through the promised White Paper and other channels, make clear its commitment to devolve powers, decision-making and funding, as the default position, so that in time all places in England will be included and have a greater level of devolved power.
19. There should be an open, transparent, and structured approach to devolution, with an accompanying legal framework. The Government should make clear the full portfolio of powers and duties that it is willing to devolve, and which functions will need institutional change. Local areas could then work with local partners and the Government to determine which powers, responsibilities and funds would be appropriate to meet the priorities for their area and communities.
20. Each locality should have the opportunity to move through different levels of devolution, at an appropriate scale, and according to its local ambitions, needs and capacity.

Q4: To what extent should there be consistency in devolved and local governance within England, and to what extent is asymmetry necessary?

Response

Powers and scale of devolution

21. Looking at the powers and scale of devolution, a “one size fits all” policy to devolution is inflexible.
22. Councils and their partners are, and the Government should be, willing to embrace differing models of devolution whether they be growth boards, non-mayoral authorities, county mayors, mayoral combined authorities or other suitably identifiable and accountable model. These options could be accompanied by, but do not have to be subject to, local government reform. Directly-elected mayors should not be a requirement for devolution deals.

23. The path followed to date by the Government has resulted in a significant degree of standardisation of the powers in each of the devolution deals.
24. The Government might be expected to seek new devolution deals that contain many of the elements already devolved to mayoral combined authorities, with a similar focus on economic regeneration, transport and skills. In addition, those areas that have already secured deals may seek greater fiscal and financial independence.
25. There is, however, no reason why existing and new devolution arrangements should not include a different or broader mix of powers. Devolution deals should include the powers that closely relate to the needs and priorities of the local area and communities.

Governance

26. Looking at governance, the Government has encouraged the formation of combined authorities and elected Mayors. This has become the preferred model for devolution.
27. Cornwall - a unitary authority - is the only area to have successfully negotiated a non-mayoral deal. The Government has made it clear that any future enhancement of Cornwall's current deal will be predicated on strengthening of local governance, which would meet the Government's ambition for visible and accountable leadership; the Government wants to understand who is taking local decisions.
28. In promising devolution, the Government has sought to negotiate deals and demanded a strengthening of local governance and accountability, suggesting these are commensurate with new powers and responsibilities.
29. In not considering alternative ways forward, the Government has hindered discussions, progress and innovation outside mayoral combined authorities. It has also reintroduced the prospect of local government reform as a route to devolution – but this is not necessary.
30. The opportunity for alternative paths – that is without combined authorities and elected mayors – seems to have diminished. Rather than renewing local democracy through devolution, central government has wanted to add layers of bureaucracy and cost, with top-down restructuring of local government, citing greater accountability in the form of elected mayors.
31. Institutional change should come from the bottom-up, with each area deciding for itself the best form of governance to meet its priorities and ambitions. For example, a local growth board would provide the single point of accountability sought by Ministers, without the imposition of an additional layer of bureaucracy and cost.

Q5: What is the purpose of current the “devolution” deals and mechanisms? Are these purposes being achieved?

Response

Current devolution deals

32. Devolution has been mostly successful, where it has been delivered, and is now largely accepted by people in those areas. It has begun to make headway in addressing the problem of over-centralisation of power in the Government. Some strong regional and more local identities, such as in Cornwall, may be well-served by having power devolved to them.
33. The Committee notes in its call for evidence that there have been a number of initiatives to devolve power within England. In 2014, the Government announced the first devolution deal with Greater Manchester, followed by a deal with Cornwall in 2015.
34. The Government invited proposals from local areas as part of the 2015 Spending Review. In response, there were 34 bids from local areas. Of these, only 12 were taken forward for negotiation; 11 areas have devolution deals signed off by both local and national leaders.
35. Many of the unsuccessful areas felt they lacked a clear response from the Government as to why their proposals were not taken forward. There was also concern that the criteria for success were not transparent enough or focused too heavily on the need for a directly elected mayor.
36. Areas that were successful in putting together devolution deals went through a process whereby their proposals were tested with government departments. This resulted in a significant degree of standardisation across each of the devolution deals.
37. The impetus, and main argument, for devolution has been primarily economic. This has been evident since the first wave of city deals in 2012, and the first Devolution Deal for Greater Manchester in 2014. This approach has prioritised large “metro-regions” over smaller places. Metro-regions were proposed as the drivers for growth that could help the lagging second-tier cities, and their neighbouring urban areas, compete with their international counterparts, all of which enjoyed higher productivity levels and a greater degree of self-governance.
38. Local government viewed devolution as a place-based solution to tackle both growth and public service reform – to simultaneously address an over dependency on public services, while creating jobs, raising skill levels, and improving wages. Central government, however, led by HM Treasury, seemed to regard devolution as a means to stimulate growth and fix the “productivity problem” while rebalancing a national economy that had become overly dependent on London.
39. Mid-sized cities, towns, districts, and counties – despite often growing at a faster rate than metro-regions – have been, at great national cost, locked out of the devolution process.

40. The current, deal-based, model for devolution has initiated a gradual decentralisation of powers, but this has slowed, narrowed and shallowed.

Achievement

41. The longstanding gaps in productivity across the country suggest, however, that the recent and current approaches to policy-making have not been working. There is a clear rationale for devolving to a lower tier of government those policy powers that can be more responsive to local economic needs.
42. As the country begins the recovery from COVID-19, the devolution of funding, resources, freedoms, and powers will be vital in levelling-up the economy and allowing local communities to take control of their own fate.
43. Local government has played a crucial role during the COVID-19 crisis and demonstrated the strength that comes from local leaders able to work with partners and communities.
44. The next and subsequent rounds of devolution should seek to go further and faster; the economic imperative to recover from the effects of the global pandemic demands this. This must be accomplished as part of an agenda that enables places to build resilience to future economic shocks and other unpredictable crises. To achieve this devolution must be attainable in all places, in all communities.

Q6: How should decisions on English devolution be agreed?

Response

45. The Government's election manifesto made clear its commitment to devolution across all of England, not just to cities. It is vital that the Government uses the promised White Paper to empower areas, such as Buckinghamshire, to: drive forward economic recovery and growth; deliver new high quality housing; regenerate town centres; reskill the workforce; and invest in digital connectivity, physical and green infrastructure, to unlock development and support the economy.
46. Decisions on English devolution should be reached and agreed through clear and open discussion between local leaders (business, health, education, community and local government) and Ministers. The Government's forthcoming 'Devolution White Paper' should set out this approach in paving the way for devolution across the country.

Q7: How should the interests of different parts or regions of England be better represented to central government and in intergovernmental arrangements as well as in Parliament?

Response

47. Steps have been taken in England towards greater devolution. Much of the emphasis, so far, has been on councils coming together to create combined authorities in order to

draw down powers and resources from, largely unreformed, central government structures.

48. Locally, the partners in Buckinghamshire have established the appropriate way for bringing together local partners and central Government which is through a Growth Board (see below Q9). This is proving to be an effective way of representing the interests of key stakeholders within Buckinghamshire through the collaborative and responsive approach taken by the Board.
49. The Government now needs to grasp the opportunity to consider how it, together with local government and other partners, might accelerate the pace and broaden the scope of devolution. The Government should also explore the reform needed at the national level to enable the Government to better engage with the challenges and opportunities facing towns, cities and rural areas across the country.
50. Governments have allocated roles for a given region or regional function, such as the Northern Powerhouse, to individual Ministers. Now might be the time for the Government to work with the leadership in areas that already have devolved powers, and those that seek them, to explore the potential for, and scope of, Ministerial roles for each devolved area or neighbouring devolved areas. Such a Ministerial role could serve as a clear and direct conduit for discussion with each layer of government. It would also identify the representative of the devolved area in Parliament, and the Government's spokesperson in the local area.

Q8: Is there a public demand for such structures/measures? a. On what basis should the form, geography and extent of devolved regions or areas be determined, and what should be the role of culture and identity?

Response

Form, geography and extent

51. It is important that devolution is delivered to the geographies where it can be maximised so that councils can help create the jobs of tomorrow and generate the best chance of rebuilding and reshaping.
52. Unitary councils, county administrations and their partners, such as those in Buckinghamshire, have a strong appetite for devolution deals that genuinely empower county areas and their communities. They are ready and willing to work with the Government to bring powers to local communities, based on the scale and geography of county areas.
53. In its report for the CCN, ResPublica made a compelling argument for devolution and reform at the county scale, concluding that existing county and unitary geographies are the essential units for transformative devolution.
54. The argument for devolution to county areas is compelling: the Oxford Economics report for the CCN shows that devolution of full public spending to county areas could

create 1bn new jobs in the next decade, generate £26bn extra for the national economy, and deliver £11.7bn in savings per year over a five year period.

55. The county scale provides for strong collaboration and geographical alignment with key public sector partners including Clinical Commissioning Groups, Local Enterprise Partnerships, business representative organisations and the voluntary and community sector.

Culture and identity

56. There is evidence that county and unitary county geographies, such as Buckinghamshire, are the ‘building blocks’ for devolution; these are recognised and understood by communities, service providers and markets. Counties are assets; they have the ability to reach into district and parish economies, and reflect how people live and where they work while providing the best opportunity to secure efficiency savings and growth.
57. The breadth and depth of devolved powers should vary between devolved areas to reflect local priorities, ambitions, culture and identity. For example, the Growth Board in Buckinghamshire seeks:
- the powers and funding to front-load the delivery of 50,000 new high quality, affordable and carbon neutral housing to achieve existing locally agreed targets;
 - continued investment in regenerating and reviving town centres, including new purposes for residential and business uses;
 - powers and funding for reskilling the workforce;
 - investment in business networks and the innovation ecosystem;
 - investment in digital connectivity, as well as physical and green infrastructure, to unlock development and support a connected rural economy.
58. The headlines of Buckinghamshire’s devolution proposals are summarised in Table 1 of this submission.
59. Arguments about the form, structure and scale of local government, point to unitary local government, of any size, being the best building block for devolution. A unitary council reflects the culture and identity of the area.
60. The potential for devolution to develop resilient economies is currently restricted by the Government’s slow and piecemeal “deal-making” approach. Guided by the principle of subsidiarity, devolution should be unconditional - with the presumption that power and resources are best shared with communities that are affected by them.

Q9: Introduction to your organisation and your reason for submitting evidence:

Response

61. The Buckinghamshire Growth Board is a partnership of Buckinghamshire Council, Buckinghamshire Local Enterprise Partnership, Buckinghamshire Business First, Buckinghamshire Clinical Commissioning Group, Buckinghamshire Healthcare National Health Service Trust and business specialists, as well as the Ministry of Housing, Communities and Local Government, Homes England, Department for Business, Energy and Industrial Strategy, Department of Health and Social Care, Highways England and Natural England. The Board is one of four specific Growth Boards established across the South East region.
62. The Board has its sights set on a ‘best in class’ Recovery and Growth Deal and devolution settlement which can drive the post-COVID recovery benefiting the residents and businesses of Buckinghamshire, as well as creating jobs and prosperity for the UK economy as a whole.
63. Although relatively new, the Buckinghamshire Growth Board is developing into a body that can provide effective place leadership. If successful in its bid, the Board will be responsible for the governance and delivery of its proposed Recovery and Growth Deal. The Board would be Buckinghamshire’s single voice for economic, place-based governance, able to enter into agreement with the Government, and to then oversee delivery with and through its partners. The Board’s membership may be expanded over time to include all key delivery partners.
64. Buckinghamshire Council is one of the newest and largest unitary authorities in the UK, building on the proven track records of delivery by the former councils and their partners. It is coterminous with its Growth Board partners, as well as its further education and higher education institutions. In demonstrating its commitment to decision-making at the lowest level, Buckinghamshire Council has recently approved 14 devolution pilots as part of its devolution programme. The aims are to: improve outcomes and service quality for residents; empower town and parish councils; and help local communities improve their local services and facilities to meet local needs.
65. The local devolution of services and assets to local communities will enable them to become stronger, more resilient and more sustainable. The pilots will cover a wide geographic area and a diverse mix of services and assets. Over the following months the Council will work with relevant service teams and partners as they move into detailed business planning, to explore the devolution opportunities in detail.

<p>Headlines from Buckinghamshire’s Recovery and Growth Deal Succeeding as a place, succeeding as a country: A scalable Buckinghamshire proposition to accelerate UK recovery</p>
<p>Places</p> <ul style="list-style-type: none"> ● A Housing Investment Board with Compulsory Purchase Order powers, borrowing, funding, permitted development rights ● A £100m Single Pot Housing Investment Fund ● A county-wide approach to public land
<p>High-tech sectors</p>

- A £400m Single Pot Investment Fund
- Ability to extend Enterprise Zones
- A pilot area for NHS investment in digital applications
- Principles of an Enterprise Zone or freeport in South Buckinghamshire

Skills

- Devolution of the Adult Education Budget
- Become a designated body for Kickstart
- Devolution of the Apprenticeship Levy
- A county-wide Apprenticeship Training Agency with a Skills Fund
- A pilot agreement with the Department for Work and Pensions and cross-Government on shared data to assist employment support and job matching

Infrastructure

- A £60m Digital Infrastructure Investment Fund
- Pilot traffic powers at the local level
- County-wide bus regulation
- Funding and statutory status for England's Economic Heartland

November 2020