

## Written evidence submitted by Dr Richard Carr, Lecturer in History and Politics, Anglia Ruskin University [DEV 58]

Over the past year the above author, in his capacity as Senior Visiting Fellow at the think tank Localis, has authored a number of reports making the case for further devolution. As and where key findings and statistics from these relate to the purview of the present enquiry, they are included below. This submission is made in a personal capacity.

### 1. Manchester as a model for further devolution

In October 2015's report [Making Devolution Work](#) (Localis/Grant Thornton), the co-authors and I noted that:

'Greater Manchester has provided a trailblazing example to councils across England. But their example will be **best interpreted as a general atmosphere of collaboration and long-term partnership rather than the specifics of the GM deal**. In other words, **trying to take the powers GM has received 'off the rack' and applying them to another set of circumstances is a sub-optimal approach to say the least.**<sup>1</sup>

**The centre has also stressed the need for authorities to do things 'differently' and 'better.' The government is certainly not looking for places to unthinkingly copy GM wholesale, as we noted in *Making Devolution Work*:**

'The Government has made clear its desire to see innovation and the understanding that devolution will mean a non-uniform set of delivery models and governance. It will also want to see results (not least where policy areas have a direct link to national tax receipts and priorities). By showing how they can deliver both and couching their asks in such terms, authorities will take a positive step towards gaining further autonomy.'<sup>2</sup>

### 2. Health

As for health, this same report noted that 'existing [devolutionary] deals suggest that skills, transport and economic development are the areas where a devolutionary case can be most effectively made. However, there is **hesitancy around pushing for health and social care**. **Only 15% of our 176 survey respondents (including council leaders, chief executives and other leading members and officers) identified the latter as the area they think could bring the most benefit to local residents and many places told us they would be waiting on the results from Greater Manchester before committing to any healthcare devolution.**<sup>3</sup>

### 3. Building on existing local accountability structures and ensuring appropriate governance mechanisms are put in place for devolved functions

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<sup>1</sup>Alex Thomson, Jack Airey and Richard Carr, *Making Devolution Work*, (Localis/Grant Thornton, 2015) <http://www.localis.org.uk/images/GT1171%20Making%20devolution%20work%20-%20FINAL.pdf>

<sup>2</sup> Thomson, Airey and Carr, *Making Devolution Work*, (Localis/Grant Thornton, 2015)

<sup>3</sup> Thomson, Airey and Carr, *Making Devolution Work*, (Localis/Grant Thornton, 2015)

***Making Devolution Work* placed greater emphasis on the need to get accountability and structures right.** Within that report it was revealed that **41%** of the 176 local government leaders, chief executives and other key stakeholders we surveyed **backed the creation of ‘a local public accounts committee** – independent and forthright like its parliamentary equivalent – as a price for [further] devolution.’<sup>4</sup>

We have previously noted that LEPs need to be part of this agenda too.

In my single authored March 2015 Localis report [The Next LEPs](#) it was recommended that, as a prerequisite of money being devolved down to the LEP level,

- **LEPs publish regular and transparent accounts, minutes of their meetings and board member email addresses**
- **LEPs proactively address the under-representation of women and BME candidates on their boards**
- **LEP boards contain a representative from at least one local business body (e.g. FSB, CBI and Chambers of Commerce) and some form of trade union representation**
- **LEPs be made subject to the Freedom of Information Act**
- **Building on the successful precedent of Business Improvement Districts, councils be permitted to propose a directly-elected LEP chair should authorities representing 50% of local business rate-payers agree<sup>5</sup>**

**Importantly, these were generally backed by the LEP community.** In our survey of 158 key LEP stakeholders (including council leaders, chief executives, and private sector LEP board members) a majority of respondents argued in favour of publishing the email addresses of board members (60%), regular and transparent accounts (94%), webcasting meetings and publishing minutes (54%) and LEPs becoming explicitly subject to the Freedom of Information Act (62%).<sup>6</sup>

- To full LEPs’ potential, we also recommended that:
  - **Backing the £10bn of central government funding that Lord Heseltine recommends be devolved to LEPs each year, this should be extended to £12bn, enabling LEPs to work on firmer but still familiar ground.**
  - **Local economic spend be characterised by a ‘dual lock’ approach where both council leaders and the LEP have to sign off on annual budgets. This would allow LEPs to play a strategic role while maintaining local government’s democratic importance.<sup>7</sup>**

Describing the *Next LEPs* report, *The Financial Times* noted that ‘modest English devolution could add £144bn to the UK economy by 2020 by handing greater spending control to the regions, according to a survey of local business and political leaders. Localis, a think-tank,

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<sup>4</sup> Thomson, Airey and Carr, *Making Devolution Work*, (Localis/Grant Thornton, 2015)

<sup>5</sup> Richard Carr, *The Next LEPs: Unlocking Growth Across Our Localities*, (Localis 2015), [http://www.localis.org.uk/images/LOCJ2390\\_thenextleps\\_WEB\\_FINAL.pdf](http://www.localis.org.uk/images/LOCJ2390_thenextleps_WEB_FINAL.pdf)

<sup>6</sup> Carr, *Next LEPs*, (Localis, 2015)

<sup>7</sup> Carr, *Next LEPs*, (Localis, 2015)

said its forecast depended on the government freeing up Local Enterprise Partnerships, economic development bodies that bring together business, councils and universities. In return **the LEPs must become more democratic and accountable.**<sup>8</sup>

**Beyond reforming such formal structures, the devolutionary process could do with a greater spirit of collaboration, as we noted in *Making Devolution Work*:** ‘working with bodies beyond local government appears to be a general limitation of some bids at present. In part, as a few respondents pointed out, this stems from bids being at the embryonic stage. But a lesson of our research is that such collaboration can barely begin too soon. At present **47%** of respondents reported no active involvement from the local CCG in their bid, many recording a similar lack of engagement with universities (**40%**), housing associations (**76%**), the voluntary sector (**77%**) and private sector stakeholders outside the LEP (**55%**). 33% of our LEP based respondents recorded no local business involvement in the process at all.’<sup>9</sup>

#### 4. The Combined Authority Question

In *Making Devolution Work*, we noted that ‘the prospect of forming a combined authority as a condition of further devolution was approved by 82% of our 176 survey respondents, by far the most popular choice in this regard.’<sup>10</sup>

More broadly, we stated that ‘although many geographies remain to be ironed out, the concept of pan-authority collaboration is clearly adding value to many devolutionary bids. 59% of respondents we surveyed revealed that if the Government had not prioritised collaboration between authorities in bids for devolution, they would not have looked to negotiate such a deal on their own [anyway].’<sup>11</sup>

Most survey respondents to *Making Devolution Work* (74%) ‘indicated they felt their bid was based on a genuinely functional economic area, but this still leaves 1 in 5 which disagreed (5% of respondents didn’t know).’<sup>12</sup>

Further, the ‘Dual Lock’ of newly devolved local economic spend proposed in *The Next LEPs* would likely dovetail with the creation of Combined Authorities in many areas.<sup>13</sup>

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<sup>8</sup> *Financial Times*, 2 March 2015: <http://www.ft.com/cms/s/0/9858b5a2-be85-11e4-a341-00144feab7de.html#axzz3wSvj664a>

<sup>9</sup> Thomson, Airey and Carr, *Making Devolution Work*, (Localis/Grant Thornton, 2015)

<sup>10</sup> Thomson, Airey and Carr, *Making Devolution Work*, (Localis/Grant Thornton, 2015)

<sup>11</sup> Thomson, Airey and Carr, *Making Devolution Work*, (Localis/Grant Thornton, 2015)

<sup>12</sup> Thomson, Airey and Carr, *Making Devolution Work*, (Localis/Grant Thornton, 2015)

<sup>13</sup> Carr, *Next LEPs*, (Localis, 2015)