ResPublica—Written evidence (UDE0039)

3. On what principles are the UK’s devolution settlements based, or on what principles should they be based? Have principles emerged through the process of devolving power, or as power has been exercised by the devolved nations and regions?

I. ResPublica believes strongly in the principle of subsidiarity – the devolution of power to the lowest appropriate level. We believe local rather than national government structures are best-placed to take decisions in a number of areas of public policy, including the provision of the majority of public services and driving economic growth. It is also vital to recognise however that in many cases local government will not be the most appropriate recipient of devolved power. Drawing communities into local decision-making will often be appropriate not only because of the knowledge and enthusiasm they can bring but also because it represents a way to encourage genuinely joined-up thinking and integrated solutions. Our work encourages community involvement in areas including planning, housebuilding, and energy generation.

II. A further vital principle is the recognition of the unique cultural identities of sub-Union units – including not only the devolved nations but also regions with a strong unitary identity such as Cornwall or Yorkshire. It is critical that the success or otherwise of the devolution agenda is not measured simply in terms of higher living standards or the number of jobs created – important though these factors are. Successful cities and regions are also powerhouses for new ideas and cultural creativity. Devolution must utilise the underpinning senses of local identity prevalent in many areas of the country in order to forge a cultural and intellectual renaissance across the UK, with collaboration and dialogue between regional businesses, educational establishments, intellectual and artistic figureheads, communities and political leaders fostered and encouraged in order to achieve this end.

5. How might the principles of subsidiarity and reciprocity be embedded in the UK’s constitution, or entrenched in the work of governments and legislatures across the UK?

III. Communities and individuals have the enthusiasm, expertise and local knowledge to be real agents for change in their local area. Subsidiarity allows these resources to be brought to bear in delivering the public good. We believe public services and neighbourhoods should be governed and shaped from the ‘bottom up’, and tailored to the specific needs of areas and individuals. Civil society and intermediary institutions, such as schools, faith groups, local clubs and businesses, are crucial means to achieving this outcome, and thought should be given as to how best to incorporate their potential contribution into the work of government at a local level. Moreover, proactively passing responsibility to extra-state actors of this kind represents an important safeguard against
bureaucratic municipalism – a recreation of national departmental silos at a local level. Bringing together the most appropriate local groups and organisations in this way is the best possible route to enable neighbourhoods to flourish.

IV. Community and locally integrated budgets should be used to deliver the best outcomes to people and their places. As argued below, we believe local authorities should be granted not only fiscal devolution – allowing for integration at the local level of this kind – but also the authority to devolve further to the neighbourhood level, creating neighbourhood councils where necessary to receive such powers. These should then be responsible for the allocation of budgets to community groups and other extra-state actors to assist in local public service provision.

V. Government should formally codify the relationship between local and central government, granting constitutional and legal protection to councils so that powers devolved to the local level cannot easily be taken back. This codification should also make clear that greater powers for local government should not mean the creation of a state where regions and cities are detached from a common national identity. Devolution should mean the creation of a participative democracy, rather than a federal or regional system where local autonomy diminishes the social connections between the constituent parts of the nation as a whole.

VI. We advocate the idea of a ‘Right to Challenge’, which would enable local government to ‘yellow’ and ‘red card’ ineffective central public agencies and directly intervene in the direction, commissioning, and where appropriate, the delivery of these services. This measure would allow local authorities to take responsibility for local outcomes where they believe they can operate more effectively than bodies which remain ultimately accountable to national figures or structures, and where their input would be more appropriate – a true embedding of subsidiarity into the UK’s legal framework.

9. Is the UK’s current constitutional and legal structure able to provide a stable foundation for the devolution settlement? What changes might be necessary?

VII. Government should set up an independent body – a ‘Devolution Agency’ – to oversee city devolution in the UK and inform or direct other activity relevant to this agenda. This body would provide a single open channel for communication between government and local authorities, facilitating negotiations between cities and individual departments or administrations to agree deals, and would enable an even-handed control of the devolution process. As part of its remit, it should define the parameters of devolution to cities and places, assess the readiness of individual propositions from cities for new devolved powers, and inform and direct any other government commissions relevant to this agenda, such as the implementation of fiscal devolution, new models for local
accountability, and cross-boundary working.

VIII. At present, cities have no way to win devolved powers for themselves except by a long process of negotiation with central government, with each city’s deal being ratified individually. The Cities and Local Government Devolution Bill serves only to reinforce this model of negotiated autonomy, implicitly preserving the onus on local government to prove that it is sufficiently competent to take on new powers and allowing central government to retain an exacting control over the devolution process which will only create frictions in the long-run. Government should instead introduce a statutory presumption in favour of decentralisation via a ‘Devolution Enabling Bill’, to introduce new legal rights for local authorities and city regions to demand powers – including powers to amend national primary legislation and to create new local primary legislation. This Bill should also give local authorities the power to devolve responsibilities to the neighbourhood level, including the authority to create neighbourhood councils to which these powers could be devolved.

IX. Just as the asymmetry of the devolution settlement across the UK has resulted in an increasing focus being given to ‘strengthening the voice’ of England via proposals such as English Votes for English Laws, it is likely that the present proposals for city-based devolution, as detailed in the Cities and Local Government Bill currently passing through Parliament and focusing exclusively on England, will lead to a clamour for individual cities within the devolved nations to receive greater autonomy from their devolved governments. The devolved nations should therefore commit to a legislative process, equivalent to that undertaken for England, to enable city-based devolution in those nations.

X. Devolution of responsibilities over public services in particular means little without complementary fiscal powers. Government should review central-local funding and set up a commission (led by our proposed Devolution Agency) to deliver fiscal devolution – establishing conditions, timescales and a legislative path. Local Public Accounts Committees should be used to maintain financial accountability at a local level within a context of fiscal devolution.

XI. The Cities and Local Government Devolution Bill should be sure to allow the flexibility for devolution on varying geographic scales and footprints, but should not link the extent of devolved autonomy to the size of recipient. ResPublica’s work with the Key Cities group in particular has highlighted that the relationship between the geographic (and economic) scale of the devolved authority and the economic benefits of devolved government is not unambiguous. Larger cities and city regions do not automatically have the potential to realise greater economic benefits from enhanced local control, and so smaller areas should not see their potential autonomy under devolution reduced on this basis. Failure to recognise this will lead only to further demands for additional devolution from areas which feel they have been treated unfairly.
XII. Government should allow cities and city regions the facility to fashion alternate governance models responsive to local needs and demands, relaxing the requirement for a ‘Metro Mayor’ to be implemented as a necessary condition for the devolution of responsibilities. While the mayoral model offers a clear point of accountability for local voters and service users, it is the geography of cities, rather than administrative regions often with little local historical rationale underpinning them, with which citizens identify. The model is appropriate where a clear metro region is already in existence, but there exist too clearly and logically defined regions where local factors – such as the lack of a single dominant conurbation – make it inappropriate. Citizens expect democracy and governance to function at a city level, and this makes the regional mayoral model unsuited to local circumstances in many places. The Cities and Local Government Devolution Bill should be amended to reflect this.

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