

Devolution of powers to city regions and combined authorities is supposed to usher in an age of rationally organised local government. But the picture is piecemeal, finds Mark Smulian

A PATCHWORK OF POWER

ILLUSTRATION | PETER CROWTHER





MARK SMULIAN

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A GOLDEN AGE for planning, or a blizzard of P45s?

Austerity has unleashed the twin processes of local government devolution and reorganisation, which intertwine and bring promise and threat.

Some planners are about to participate in an exercise of devolved powers wider than any local authority could have previously imagined.

Some, though, may find their council vanishes in an unpredictable changing of boundaries.

Councillors and planners have long called for devolution, arguing that localities can make better decisions about local strategic plans and infrastructure investment than can someone in Whitehall.

They have found a perhaps surprisingly receptive ear in chancellor George Osborne, who has sanctioned several devolution deals and encouraged applications for others.

These have so far been in the main conurbations and a few shire areas, and almost all involve powers over strategic



planning, transport and infrastructure.

According to one's view, Osborne either genuinely believes unleashing local power will better encourage economic growth, or thinks it will dump unpopular decisions on someone else.

Some groups of councils have happily formed combined authorities, in which they will jointly exercise devolved powers while retaining their normal day-to-day ones. Elsewhere, loudly acrimonious disputes have arisen.

The Cities and Local Government Devolution Act 2016 contained measures to make forming combined authorities easier (for example, for most councils to proceed if one or two dissented.)

These also allowed for reorganisation of councils and, whatever ministers intended, some districts sensed an opportunity to abolish their county council and join their neighbours to form new unitaries.

They argued that the two-tier system, which still covers most of England, was confusing and expensive, and unitary councils would perform better – a proposition that predictably antagonised the counties.

Two possibly conflicting processes are thus in progress – devolution from Whitehall to councils voluntarily grouped into combined authorities, and the creation of unitary councils in two-tier areas.

Just to make it more confusing, places can be affected by one, both or neither of these potentially radical changes.

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HIGHER POWERS

Catherine Staite, director of the University of Birmingham's Institute for Local Government Studies, foresees "a golden era for planning, freer from central government control" in devolution, with combined authorities able to plan across larger areas for infrastructure, transport and housing.

"Planning has been difficult for local authorities because almost everything has some cross-boundary dimension, so councils have to work together and combined authorities would make that easier."

The RTPI's policy head Richard Blyth is "pleased that things seem to be moving from simply telling councils they should co-operate on planning to the incentive 'there might be something in it for you', which is when chief executives begin to prick up their ears".

Devolution began in Greater Manchester, where the 10 boroughs had a long history of collaboration and no one disputed its boundary.

The combined authority's devolved powers include a long-term transport budget, bus franchising, a £300 million housing fund, and extra money for infrastructure if it hits economic growth targets.

It will produce a plan to manage the supply of employment and housing land, and the roads, rail and utilities needed to deliver this, drawing on a land commission that will identify surplus public sites.

The combined authority has described this plan as "the overarching development plan within which Greater Manchester's 10 local planning authorities can identify more detailed sites for jobs and homes in their own area".

Greater Manchester has, in return, had to agree to the government's insistence on an elected mayoralty to exercise the devolved powers, although one who is more 'first among equals' with the 10 borough leaders than enjoying the almost untrammelled power of the Greater London mayor.

Ben Harrison, director of communications at the Centre for Cities think tank, says the government's rigid insistence on elected mayors in every devolution deal has caused unnecessary difficulties.

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"In big cities and predominately urban areas it makes good sense to have an elected mayor and that the post is important to prioritising investment," he says.

"With rural areas it's less clear that would work effectively and there are other models like cabinets."

The RTPI is working with the Institute for Public Policy Research North think tank on a 'great North plan' for devolution, explains Blyth.

"We both felt there were some important aspects that were not getting airtime," Blyth says.

"There is more to the North than city centres. It has considerable natural assets, a lot of room, water, potential for nuclear and renewable industries.

"Also, a lot has been done to encourage co-operation from city regions but less on, for example, how Liverpool and Manchester should cooperate, and on things that affect the whole region."

UNEDIFYING WRANGLING

Other conurbations enviously saw Greater Manchester's deal and wanted their own.

One was agreed for the Liverpool city region after the offer was improved sufficiently to persuade the other councils – which feared domination by Liverpool – to drop their objections to a regional elected mayor.

Tyne & Wear became part of a wider North-East devolution deal, but Gateshead later withdrew owing to concerns about a mayor and the money on offer. Neighbouring Tees Valley has

secured a separate deal.

The West Midlands suffered months of disputes about membership before settling on an urban core of Birmingham, Coventry, Solihull, Dudley, Sandwell, Walsall and Wolverhampton, plus a rather random collection of districts as associate members – Redditch and Tamworth have joined, but not Bromsgrove and Rugby, for example.

Sheffield city region, based on South Yorkshire, secured a deal, but an accidental effect was that Chesterfield and Bassetlaw opted to join it rather than the putative Derbyshire and Nottinghamshire combined authority, despite each being in the respective county concerned.

The Derbyshire/Nottinghamshire devolution bid is in trouble, having been on the brink of being signed this spring when Chesterfield and Bassetlaw defected, High Peak decided to seek associate status with Greater Manchester, and Amber Valley, Erewash and South Derbyshire opted out over cost issues.

Leeds city region has been the most problematic of the conurbations, despite securing a limited devolution deal last year, because its economic footprint includes the districts of Craven, Harrogate and Selby, and North Yorkshire County Council declines to surrender its highways and transportation powers over this trio to the city region, halting progress.

Harrison says: “We still need to get the big city combined authorities right. In particular the Leeds city region is very important to the country’s economic performance because of its growth prospects and position in the Northern Powerhouse.”

The Leeds impasse provoked North Yorkshire to seek a separate devolution deal with York and East Riding councils, but not Hull, which is locked in a bitter boundary dispute with surrounding East Riding.

Disharmony on the north bank of the Humber perhaps convinced North Lincolnshire and North East Lincolnshire, on the south side, to work instead with Lincolnshire County Council, a combination that secured a devolution deal in the Budget.

That also saw a proposed deal for East Anglia, but the government forced Cambridgeshire County Council and Peterborough City Council to join with Norfolk and Suffolk county councils.

Unity from the bottom up?

No sooner had the government said it would entertain local authority reorganisation proposals than Oxfordshire districts urged that the county council should be replaced with unitaries, which, because of existing joint working, would spread into neighbouring counties.

There would be four new councils: Oxford City; West Oxfordshire and Cotswold; Cherwell and South Northamptonshire; South Oxfordshire and Vale of White Horse.

Oxfordshire County Council reacted with hostility, as did Gloucestershire and Northamptonshire, which faced losing territory. The latter became yet angrier when the remaining districts said that if South

Northamptonshire was leaving they might as well form unitaries too.

Districts in Buckinghamshire, Dorset and Kent have also promoted unitaries and the contagion is unlikely to stop there.

Local government’s last fundamental reorganisation in 1974 saw Whitehall impose boundaries. This time the bottom-up approach may yield reorganisation by consent, or cause disorderly acrimony.

Tony Travers says: “We have ended up with something more like a wholesale reorganisation of local government from the bottom up, partly because of arguments from Conservative MPs that [combined authorities meant] the government would be creating three tiers of local authorities.”

He thinks the future may

be unitaries – either new or existing – that also belong to combined authorities.

Catherine Staite is a supporter of unitaries.

She argues that “there are too many councils and too many local politicians in too little territory”.

She adds: “I don’t think central government will want to impose reorganisation, but I don’t think it can be entirely left to councils either to ‘find a friend’.”

Staite suggests local government should create the design principles for new councils and “then see what that gives you.”

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The former pair are trying to unstitch this, arguing that East Anglia is too large an area and the extra money involved would be diffused rather than focused on Cambridge’s acute housing problems.

Cornwall last year secured the first single-county devolution deal, its poor economic position and cultural singularity helping to convince ministers of its case.

Elsewhere, devolution ranges from work amicably in progress to unedifying wrangling. Bristol, Bath and the surrounding area are negotiating a deal, as are Leicestershire and Worcestershire.

But both Essex and Hampshire have been hit by their respective urban souths wanting separate devolution deals from what they see as the largely rural norths,

while two rival bids cover the area around Brighton and Hove.

Given these complex stand-offs and knotty negotiations, the future of local government is far from clear. But there does seem to be a natural deadline by which authorities have an incentive to sort out their arrangements.

Prominent local government commentator Professor Tony Travers, of the London School of Economics, thinks devolution has coincided with the change by 2020 to councils being part-funded by retaining business rates, giving them an incentive to encourage development.

This means that devolution to cities and city regions should be of considerable interest to planners – particularly in an era in which the planning profession is being encouraged to release the forces that drive economic growth.

“A lot of the combined authorities proposed have planning powers,” notes Travers, “and it’s happened at the same time as economic pressures on planning have increased, with business rate retention and the New Homes Bonus bringing land use planning and economic planning closer together.” 