City-region level devolution: Greater Manchester

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City Region Devolution in England: a Long Road
Reasons to be interested: No 1 – its big

35% of UK population lives in an area with an English devolution deal

Bigger than country-level devo
Reasons to be interested: No 2 – Affects higher need populations

- Half of England’s working-age out of work benefit claimants 2011
- Two thirds of those neighbourhoods among the most deprived nationally (IMD 2015)
Reasons to be interested: No 3 – A greater political will towards reducing poverty and inequalities?

- Strong labour representation across city region councils – 51% against 25% in Rest of England in 2015
- Although varies across city-regions

Source: The Elections Centre, Council Compositions by Year, 1964-2015
Reasons to be interested:
No 4 – Cities planning a policy revolution
The problem according to the Core Cities

- “the amount of money cities control directly is very small compared to other countries”

- “national policies don’t cater for the strengths and needs of different places”

- “national agencies struggle to join up with local agencies”

- “cities and the people who live there can’t decide what’s best for them, which ignores distinct local needs, wastes public money and gets poor results”

Source: Core Cities Prospectus for Growth (2013: 7)
What cities need to be able to do

• Link plans for growing business and jobs with those for “reducing reliance on public services”
• Have all public money in a ‘Single Pot’ spent according to a Single Local Plan
• Reform public services and invest in prevention.

“public spending overall in our cities hasn’t gone down, It has reduced in agencies with a preventative and coordinating role... but increased in areas such as welfare, care and health, which means the way it is being managed centrally isn’t work”

Source: Core Cities Prospectus for Growth (2013: 8-9)
No more social policy silos

Public services are “trapped in a dysfunctional and conflictual system managing rather than changing outcomes”

“what is needed is a system that pools resource and that can make systemic bespoke interventions that have a chance of transforming rather than managing lives”

Blond and Morrin (2014) Devo Max- Devo Manc: place-based public services. p3
The evolution of devolution

1965-1986: Greater London Council
2000: Greater London Authority and Mayor of London
2008-2010: Multi-Area Agreements established in most city-regions
2009: Legislation makes provision for Combined Authorities
2011: First Combined Authority (Greater Manchester)
2012: First Wave of City Deals
2013: Second Wave of City Deals
2014: First Devolution Deal (Greater Manchester)
2015-2018: Further Devolution Deals
2016: Cities and Local Government Devolution Act
2017-2018: First metro mayors outside London:
            Greater Manchester, West Midlands, West of England,
            Tees Valley, Liverpool City Region, Cambs/Peterborough,
            Sheffield City Region.
Part 1 of the story: ‘devolved’ powers in particular policy areas

Bespoke ‘deals’, different in different places

Main areas:
- Transport
- Business support
- Adult skills funding
- Co design of employment support
- Planning, land and housing
- Some justice pilots
- Health (but limited areas)

Mainly not ‘devolution’ (political, administrative and fiscal autonomy) but ‘delegation’ (managerial freedoms with central accountability)

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<td>Policing/justice</td>
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Part 2: A new tier

Devolution is about scaling up as much as handing down:

- Combined authorities
- Pooled funding and retained business rates

But no geographical coherence:

- Consensus geographies
- Supposedly linked to growth not to regional identity
- But not necessarily even functional economic areas
Part 3: Mayors

Directly elected leaders

Specific powers

Tax raising powers (small)
- Mayoral precept
- Taking over police precept

‘Soft’ powers
Greater Manchester: The most advanced case

“This is Manchester: we do things differently here”

Tony Wilson
The Long Journey towards Devolution

1986: Abolition of Metropolitan Counties. Establishment of AGMA

2009: Manchester Independent Economic Review
First Greater Manchester strategy – ‘Prosperity for All’
Legislation enables establishment of combined authorities for city-regions.

2011: Establishment of GM Combined Authority (GMCA), Local Enterprise Partnership on same boundaries
2012: GM City Deal, Community Budget Pilot
2013: Refreshed GM strategy “Stronger Together’
2014: LEP Growth Deal, Devolution Deal
2015: Interim Mayor appointed
Further devolution announced (including health and social care)

2016: Further devolution announced

2017: Election of Mayor, third Greater Manchester Strategy “Our People, our Place”

2018: Trailblazer for local industrial strategies, seen as forerunner to further devo ‘asks’
The GM approach

- Linking social and economic policies: ‘reform’ as central to ‘growth’, emphasis on prevention and ‘people power’

- A single local plan, going well beyond devolved powers

- Planning, collaboration and governance at the city-region level

- Pooling resources

- Aiming to be a net contributor to HMT
“Reform of health and social care will improve productivity by helping more people to become fit for work, to get jobs, better jobs, and stay in jobs. It will also help to manage the demand on services created by an aging population, closing the £1.1 billion financial gap facing health and social care in GM over the next five years. Addressing issues of complex dependency by applying the principles of the Troubled Families approach will help those further away from the job market to move towards and thus into jobs and the low paid into better jobs. Reform of Early Years provision is a key component of both health and social care reform and increasing the productivity of parents and, in the future, their children.

Such reforms must be wholly integrated with our efforts to create the conditions for growth and job creation, investing in our businesses and maximising growth in those key sectors in which we have competitive advantage; in creating quality places through the development of new housing and the regeneration of neighbourhoods and through the provision of critical infrastructure.”

GMCA, GMLEP and AGMA (2014) A Plan for Growth and Reform in Greater Manchester p4-5)
Our new strategic approach: 10 priorities

Let’s make

1. Children starting school ready to learn
2. Young people equipped for life
3. Good jobs for people to progress and develop
4. A thriving economy in Greater Manchester
5. World-class connectivity

Greater Manchester

one of the best

6. Safe, decent and affordable homes
7. A green, resilient and healthy environment
8. Healthy lives and quality care
9. Safe and strong communities
10. An age-friendly Greater Manchester
The GM Outcomes Framework

- **AA social and economic vision**
- **5 “enablers”**
  - Communities in control
  - People at the heart of everything we do
  - An integrated approach to place-shaping
  - Leadership and accountability
  - Taking control of our future
- **10 priorities**
  - Communities in control
  - People at the heart of everything we do
  - An integrated approach to place-shaping
  - Leadership and accountability
  - Taking control of our future
- **A set of outcome indicators and targets**
  - Meet or exceed the national average for the proportion of GM children reaching a "good level of development" by the end of reception
  - 1,000 fewer looked-after children
  - Meet or exceed the national average for young people achieving 5+ A*-C GCSEs
  - 16-17 year old NEETs below the national average
  - Median resident earnings will exceed £23,000
  - 70,000 more residents with Level 4+ qualifications
  - 50,000 fewer residents with sub-Level 2 qualifications
  - GVA per job will exceed £44,500
  - 60,000 more GM employees will be earning above the Real Living Wage
  - At least 5,000 more business start-ups per annum
  - 32% of journeys to work will use modes other than the car
  - The average download speed across fibre, cable, mobile and wireless will exceed 100 Mbps
  - More than 10,000 net new homes will be built per year
  - End rough sleeping
  - GM will reduce CO2 emissions to 11mt
  - 50% reduction in the number of times limits are exceeded for NO2 and a 20% reduction for PM10
  - Halve the gap with the national average for visits to the natural environment
  - 5% pa growth in participation at cultural events
  - Victimisation rates (household and personal crime) in line with or below the England & Wales average
  - Match the national average for the % of service users and carers who have enough social contact
  - Improving premature mortality will result in (i) 160 fewer deaths due to cardiovascular disease per 100,000 population, (ii) 350 fewer deaths from cancer per 100,000 population, (iii) 150 fewer deaths from respiratory disease per 100,000 population.
CITY REGION GOVERNANCE IN GM

GM Mayor

Transport for Greater Manchester (TfGM)

GMCA Mayor (Chair) & 10 CA Leaders (Mayor’s Cabinet)

GMCA Chief Executive

Wider Leadership Team
LA Chief Executives, TfGM, GM Police, GM Fire, Manchester Growth Company, GM HSCPB

Deputy Mayor Policing

County Fire Officer

GM LEP GMCA+ Business

GM Health & Social Care Partnership Board
GM WIDE PORTFOLIOS
*Each led by a Cabinet Member

- Transport
- Business & Economy
- Green City
- Finance & Investment
- Digital
- Culture
- Health & Social Care
- Young People & Social Cohesion
- Equality, Diversity & Ageing
- Work & Skills
- Social Policy
CROSS-GM STRATEGIC BOARDS

- TfGM Committee
- Planning & Housing Commission
- Manchester Growth Company
- Low Carbon Hub Board
- GM Investment Board
- GM Land Commission
- GM Waste Disposal Authority
- GM Fire and Rescue
- GM Health and Social Care Partnership Board (H&SCPB)
- GM Reform Board
- Skills and Employment Partnership

Social Policy
“to create an integrated employment and skills eco-system, which has the individual and employer at its heart, and that better responds to the needs of residents, business and contributes to the growth and productivity of the GM economy”

– Simon Nokes, New Economy 2014

A multi-pronged strategy, including:

• Redesigning employment support
• Developing specialist and technical provision at Level 3+ in areas linked to GM growth sectors
• Improving educational attainment
• Working with employers (including through devolved business support services) to encourage investment in skills, improve skill utilisation and enable firms to compete on the basis of higher skills and greater innovation
• Embedding work and skills objectives in other programmes and strategies (eg emerging emphasis on good work in health and social care strategy, early years workforce development)
Pooling resources to support city-region priorities

AGMA:
Financial and in-kind contributions from local authorities to support cross GM functions, units (eg New Economy), collaboration (eg procurement frameworks) and grants

GMCA with Mayor:
• Contributions from LAs (see above and below) to fund central teams and delivery of GM functions
• Mayoral precept (£9 per band D household) to fund Mayors office, spatial framework, transport policy and strategy and other mayoral priorities

Pooled business rates:
2015/16 : Business rates pool with Cheshire (GM authorities contribute 2/3 of levy to GMCA) c £2.5m
2017/18: Business Rates retention pilot (designed to inform national approach). 100% of business rate growth retained locally. 50% to GMCA, 50% to districts

But not yet a single pot for switching between policy areas and no new social policy resources
Net contributor

- Total public sector expenditure £22bn p.a.
- Estimated tax contribution (35% of GVA) £17.8bn

GMCA, GMLEP and AGMA (2014) A Plan for Growth and Reform in Greater Manchester
And what about the Mayor?

- A 3-year term
- No devolved powers over major social policy areas
- Very limited tax-raising powers
- Supposedly “one of 11”

But he doesn’t see it like that..
Devolution as democratic renewal and self-determination

“Greater Manchester is the home of radical forward thinking. We have always done things differently here. From the birthplace of the Co-operative and Trades Union Movements in the 19th Century, to the home of the Suffragettes in the last, Greater Manchester has a proud tradition of wrenching power from the Establishment and placing it in the hands of ordinary people.

Now we have the chance to do it again. And the health of our democracy demands we succeed.

The arrival of devolution in England presents the best opportunity we will ever get to rebalance this country from South to North and give real power to the people and places that Westminster has left behind.”

Our manifesto for Greater Manchester 2017
Progressive intentions and social policy interventions

Progressive intentions:

“A modern capital of industry where everybody has a part to play and every voice is valued.”

“A beacon of social justice to the country”.

Leading on social causes:

- Homelessness
- School readiness
- Young people
- Gender equality
The devolution difference?

Single plan

Pooled resources

Progressive intent

Soft powers

The GM Outcomes Framework

A social and economic issue

A set of outcome indicators and targets

5 "enablers"
- Communities in control
- People at the heart of everything we do
- An integrated approach to place shaping
- Leadership and accountability
- Taking control of our future
Health and social care: the fullest policy example

- MoU signed 2015, devo ‘began’ 2016

- Whole system – acute, specialised, primary care, community and mental health services, social care, public health

- £6bn health and social care budget, £450m transformation fund

- Delegation not devolution:
  - GMHSCPB responsible to NHS England not GMCA or Mayor
  - All existing national standards and accountabilities continue
Discourses of devolution

“the £6bn currently spent on health and social care ‘has not improved the long term outcomes for people living in GM’.

Devolution means:

“the freedom and flexibility to do things that benefit everyone in Greater Manchester... after all local people know what Greater Manchester needs” and

“making these decisions together as a region, with our health and social care services working alongside our local authorities”.

Key Goals

• Expected improvements in health outcomes and reduced inequalities
  
  Start Well:
  More GM children will reach a good level of development cognitively, socially and emotionally.
  Fewer GM babies will have a low birth weight resulting in better outcomes for the baby and less cost to the health system.

  Live Well
  More GM families will be economically active and family incomes will increase.
  Fewer will die early from Cardio-Vascular Disease (CVD).
  Fewer people will die early from cancer.
  Fewer people will die early from Respiratory disease.

  Age Well
  More people will be supported to stay well and live at home for as long as possible.

• Creating a financially balanced and sustainable system
  • Closing the £2bn gap in health and social care spending by 2021
Health and social care transformation

Greater Manchester transformation portfolio

- **Locality programmes**
  - Bolton, Salford, Wigan, Stockport, Tameside and Glossop, Trafford, Manchester, Bury, Oldham and Rochdale

- **Greater Manchester transformation themes**
  - 1. Radical upgrade in population health prevention
  - 2. Transforming community based care & support
  - 3. Standardising acute & specialist care
  - 4. Standardising clinical support and back office services

- **Enabling programmes**
  - Enabling better care: IM&T; Workforce; Estates; Commissioning; incentivising reform; Medicines optimisation

- **Greater Manchester cross-cutting programmes**
  - Mental health
  - Cancer
  - Transforming care
  - Children’s services
  - Dementia
  - Diabetes
What’s emerging

• Service integration at the local (authority) level

• GM-wide standards, practices, efficiencies

• Identification of GM priorities and target areas

• A shift to prevention, which also means more holistic approaches, integrating with other services

• ‘People power’ and VCS

• Integration with GM strategy and governance (e.g. Early Years)

• ‘managed consensus’ (Lorne et al.) and “a shift from contractual to relational modes of interaction”
Is it working?

• Signs that it could work?:

  • Evaluation of community budget pilots showed clear potential for cheaper and more integrated public services

  • King’s Fund – integration of health in wider devolution has created an ‘unstoppable momentum’ bringing NHS and LA leaders together to transform services – “the only way forward”?
Is it working?

• Evaluation report due any minute now

• Interim report warns:
  • “Evidence from elsewhere suggests that changes are difficult to enact and that savings or improvements are often challenging to realise in practice”
  • Risk that reorganisation of acute services will swallow the leadership capacity
  • Achieving huge transformation while operating a system under pressure is very challenging

• Existing (national) accountabilities may limit possibility of change
Conclusions (1)

• Devolution isn’t just about powers downwards

• It is about shift to a new mode of urban governance, with strategic coordination and decision-making also moving upwards from individual local authorities, and with new networks, links and partnerships formed vertically and horizontally.

• Possibly an emerging political power around regional rebalancing, inequalities
Conclusions (2)

• Potentially an overhaul to the way we design, fund and manage social policies

• But:
  • Very young in policy terms
  • Still a very small proportion of policy spend
  • Virtually no fiscal devolution
  • Demanding reform and savings at the same time
  • Short mayoral terms don’t sit easily with transformational reforms
  • Largely depends on goodwill, relationships and discretion rather than legislation
Conclusions (3)

• Difficult to see where it is heading:
  • Not based in a systematic transfer of powers or recognition of regional identity or self determination
  • At odds with direction of some social policy areas, and with accountability structures, and potentially with ideas re hypothecated taxes
  • Maybe designed to fail?: policy dumping in austerity context
  • Even the city-regions can’t work out what a sensible geography is – what is the hope for everyone else?

• The wrong thing to do?:
  • Unacceptable variation?
  • Shifts responsibility for redistribution away from central government?
Keep your eye on the road!