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Executive Summary

The Cities and Local Growth Unit (CLGU), the cross-government unit jointly housed in the Department for Business, Energy and Industrial Strategy (BEIS) and the Ministry of Housing, Communities and Local Government (MHCLG), commissioned Warwick Economics & Development (WECD) to undertake a review of the internal institutional processes of devolved authorities in England that were established via the devolution deals programme.

The research includes devolved authorities that are Combined Authorities (CAs) with a directly elected mayor (i.e. a metro-mayor) as per November 2018, and these are:

- Cambridgeshire and Peterborough
- Greater Manchester
- Liverpool City Region
- Tees Valley
- West Midlands
- West of England

The study has also included Cornwall Council, as an example of rural devolution, and London (the Greater London Authority, the London Assembly and the London Mayor's Office), as an example of mature devolved city region mayoral governance.

The study presents a theoretical framework for devolution and reviews institutional processes, including leadership, strategy and decision making, transparency and accountability, and civic engagement, as broad areas where devolution deals are aimed at bringing institutional improvements in local governance.

The research took place between November 2018 and November 2019, and this report presents its key findings. These are summarised below.

The Context for Devolution

The devolution agenda in England reflects an increased interest by central government to shift power from the centre into the hands of local communities to address a range of economic, fiscal, social and democratic issues. The introduction of combined authorities and devolution deals, agreed between the combined authorities and central government, aim to unlock the potential of local economies with a move towards more local accountability.

In particular, the encouragement for directly elected mayors at combined authority area level, reflects the Government's agenda that devolved institutions with their own local democratic mandate should be primarily accountable, for their actions at a local level (e.g. through the ballot box), and an individual locally is clearly accountable to citizens, stakeholders, central government and Parliament. At the same time, central government continues to be

accountable for services it delivers directly, and together with Parliament, central government sets the overall framework within which nationally funded services operate.

Implementing decentralisation necessitates central government and policy makers to consider a range of issues. These include the geographical scale that can deliver the desired efficiencies and impacts. Another consideration is the split of responsibilities and accountabilities between central and devolved authorities. How devolved areas and institutions will be financed is also critical for the sustainability and legitimacy of devolution.

A review of international evidence suggests that different models of decentralisation are in place around the world and no single model is superior to others. For example, the review shows that successful decentralisation is not confined to cities or metro-regions. It also indicates that visible civic leadership is becoming an important feature of major cities and decentralised authorities, but cities across the world can thrive with or without a Mayor.

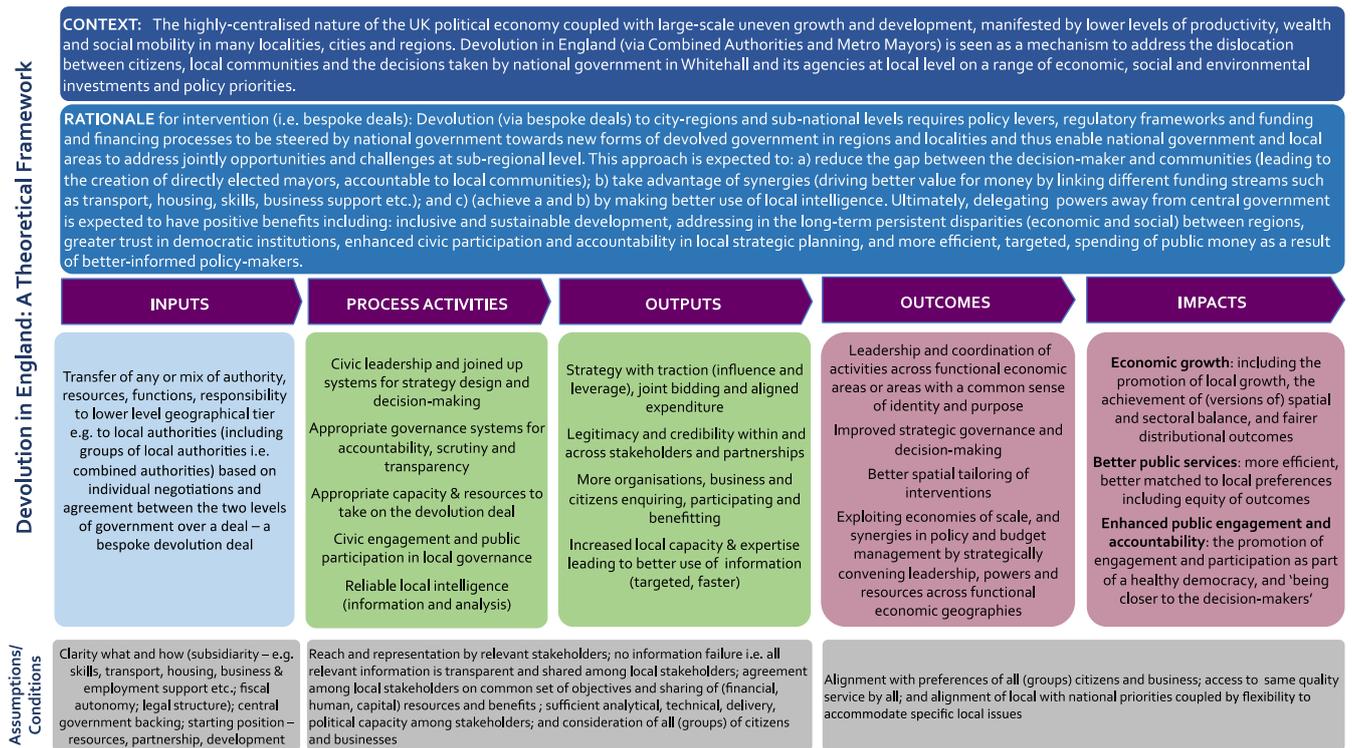
A Theoretical Framework for Devolution

Devolution policy (via bespoke individualised deals) to city-regions and sub-national levels requires policy levers, regulatory frameworks, and funding and financing processes to be steered by national government towards new forms of devolved government in regions and localities, and thus enable national government and local areas jointly, to address opportunities and challenges at sub-regional level. This joint approach is expected to:

1. Reduce the gap between the decision makers and communities;
2. Take advantage of synergies (driving better value for money by linking different funding streams such as transport, housing, skills, business support etc.); and
3. Achieve the above objectives ('1' and '2') by making better use of local intelligence.

Ultimately, the devolution policy in England in the form of combined authorities and devolution deals has been initiated to unlock the potential of local economies, by improving strategic governance and decision making across functional economic areas. Figure 1 depicts the theoretical framework that has been developed to capture the logic chain for local devolution in England.

Figure 1: A Theoretical Framework for Devolution



Implementing Devolution in England

Good governance requires effective arrangements in scrutiny, audit and transparency to ensure delivery of effective accountability and increase public and stakeholder trust in the new institutions and approach.

By design, the metro-mayoral model is currently the predominant model of devolution in England. In general, a mayoral combined authority (MCA) has the following three levels of power:

- The directly elected mayor exercising mayoral functions;
- The MCA Board (or Cabinet) consisting of local authority leaders and the directly elected mayor; and
- The MCA's overview and scrutiny committees, holding both the mayor and the MCA Board to account.

The consultations undertaken as part of this evaluation and the review of relevant documents suggest that, overall leadership and ultimate accountability rests primarily with the metro-mayors in all MCAs. However, the extent of mayoral powers in strategic planning or decisions making varies across MCAs, and the factors that have informed the choice of the metro-mayor model in a locality are not always made explicit.

Views on metro-mayors and their role in devolution are, on the whole, positive in the localities where a metro-mayor is present. The main benefits are perceived to be higher visibility of the area and clearer accountability in comparison to previous arrangements. In particular, metro-mayors are seen as already having a positive impact in terms of providing leadership and a powerful single voice representing the needs of local communities in areas where the local

links with central government may have been fragmented or relatively weak. At the same time, some stakeholders see metro-mayors as a political layer imposed by central government in exchange for the agreement over a devolution deal, and therefore, representing a devolution model that still remains to be tested.

The consultations with internal key stakeholders indicate that meeting key statutory requirements has been the first priority for MCAs, and all devolved authorities currently have systems in place that meet legal requirements around overview, scrutiny and audit.

The research also highlights that, good practice in public scrutiny processes is apparent in pre- and post-policy design stages. For example:

- Cornwall's current model of local governance has been informed from a range of stakeholders and civic engagement. The council also developed a social media campaign using #standupforCornwall to generate conversations about its devolution deal (alongside a public pledge for residents to sign up to and support devolution).
- In Greater Manchester, the public contributed to the development of the spatial framework – with 30,000 responses received. The Greater Manchester CA also recognised that they need to engage more with the community and voluntary sector for the preparation of their Local Industrial Strategy and the GM Community Voluntary and Social Enterprise (GM CVSE) reference group was convened to inform the process and the strategy.
- In London, publicly visible scrutiny exists in the form of Mayoral Question Time. There is also a dedicated Community Engagement Team that connects the authority with local communities across Greater London.
- In Liverpool, the Liverpool City Region CA invited PLACED, a local organisation, to deliver a series of pop-up events across the city region. These events aim to capture local people's views, as part of the "Our Places" consultation, to influence the Combined Authority's first Spatial Development Strategy (SDS), setting out a strategic framework for the development and use of land looking over the next 15 years.

(Local) assurance frameworks have been prepared by all MCAs (mainly reflecting the MCAs' individual constitutions and the government's National Local Growth Assurance Framework). However, what is understood by the term 'transparency' varies considerably among MCAs.

The consultations with MCA staff and key stakeholders indicate that setting up good governance structures has required significant resources. A review of MCAs organisational structures indicate that the MCAs' institutional capacity has not fully evolved as yet; or where devolved institutions have been established for a while, a review is needed to ensure that organisational structures and capabilities continue to be fit for purpose. At the same time, feedback provided during the consultations indicates that support for collaborative working and nurturing of partnerships at local level remains embryonic in many areas. Consultations with external stakeholders indicate that devolved institutions have not always capitalised on the knowledge and expertise that could be provided by the existing staff in constituent authorities (e.g. secondments of staff tend to be rare).

Public and Business Perceptions

Two surveys were conducted to establish public and business perceptions of leadership roles in local government and devolved institutions. These have included: a) a survey of public perceptions – conducting 500 interviews in each devolved authority participating in the study, using a panel-based approach; and b) a survey of business perceptions – conducting 150 interviews in each devolved authority participating in the study.

Key findings from the two surveys (general public and businesses) are summarised below. Reference to specific devolved authorities is made only for descriptive purposes. Any comparison between authorities would not be credible, in the light of different contexts and structures underpinning these devolved institutions.

Key Findings:

- The public survey found that, on average (i.e. across all devolved authorities), a similar proportion of public were aware of the terms ‘combined authority’ and ‘local enterprise partnership’, that is 46% and 45% respectively. Awareness of the terms of ‘local authority’ and ‘chambers of commerce’ was significantly higher at 96% and 86% respectively.
- The business survey indicated that, on average, a larger proportion of business was aware of the term ‘local enterprise partnership’ than ‘combined authority’, 64% in comparison with 43%. Awareness of the term ‘local authority’ was similar to the general public survey (96%) whilst awareness of ‘chambers of commerce’ was higher (90%).
- Respondents were asked whether they knew what the term ‘combined authority’ meant. Nearly three quarters of general public respondents (73%), across all combined authority areas, believed that they knew what the term ‘combined authority’ meant. The equivalent figure among business respondents was 70%.
- Nearly three quarters of general public respondents (72%) across all combined authority areas reported that they were aware of who the metro-mayor for their area was. The equivalent figure among business respondents was 66%.
- At the same time, around half the general public respondents disagreed with the statement that ‘people are clear about who is responsible for leadership’ in their area (around 20% thought that people were clear about who is responsible for leadership and the rest were not sure or did not know). Business respondents tended to be much clearer about who is responsible for leadership in their area than the general public.
- In general, specific projects promoted by the combined authority or the mayors are relatively well known and mostly supported by the general public and businesses (with the level of support varying between businesses and the public depending on the project).
- In the majority of combined authority areas general public respondents indicated that their greatest interest was in decisions taken in the region for health and environmental issues. Business respondents in the majority of combined authority areas indicated their greatest interest was in decisions for health, crime policing, transport and business rates.

-
- The surveys found relatively low levels of engagement with information resources produced by the combined authority e.g. social media, web pages, council meeting minutes or strategic documents. The exception was Cornwall where a relatively higher proportion reported engagement with sources of information by the authority.
 - General public respondents were also asked to what extent they agree that too many policy decisions affecting their area are made outside it. Respondents in Cornwall showed the highest agreement with the statement (64%), while respondents in London expressed the lowest level of agreement (33%).

Summary

The research underpinning this evaluation was conducted during a period of significant political developments in the UK. Most study MCAs were also in the midst of major organisational changes.

Nevertheless, this research has shed more light on specific issues relating to the approach to devolution in England and has identified good practice and lessons to be learned from existing arrangements as well as issues to be considered for the future.

The literature review and the resulting theoretical model for devolution provide a step forward to inform future outcome and impact evaluations of devolution deals by building a more detailed picture of the processes by which devolved institutions need to design and implement their activities.

Both the feedback from the consultations and the desk-based review confirm that the devolution policy in England has evolved in a fragmented way over time and through different pieces of legislation. This often makes devolution to appear confusing, ad hoc and asymmetrical to local stakeholders and the public.

To date, the emphasis of implementation of devolution has been to establish what is required by legislation and to commence delivery. Establishing and complying with statutory obligations requires significant resources and can be burdensome. Therefore, devolved institutions have had very little time to establish systematic routes to external engagement e.g. civic engagement. Understanding and interpretation of issues relating to inclusiveness is also patchy. In particular, business engagement in decision making and delivery is not always very clear, and in some cases, it is limited to key employers in the area (usually larger businesses).

The research shows that effective implementation of devolution in England will require significant support for building up capacity and achieving cultural change at local and central government levels. It will also require a simple message and joint effort (by central government and devolved institutions) to improve the public's understanding of what devolution means and what benefits it brings.

Devolved institutions will benefit from a common set of good governance principles. They also need to be in a better position to plan long-term without relying on ad-hoc and fragmented programme or project-based funding streams.

1 Introduction

- 1.1 The Cities and Local Growth Unit (CLGU), the cross government unit jointly housed in the Department for Business, Energy and Industrial Strategy (BEIS) and the Ministry of Housing, Communities and Local Government (MHCLG), commissioned Warwick Economics & Development (WECD) to undertake research and evaluation of the internal institutional processes of those devolved authorities in England that were established via the devolution deals programme and have a directly elected mayor.
- 1.2 The research includes the following devolved authorities that are Combined Authorities (CAs) with a directly elected mayor (i.e. a metro-mayor) as per November 2018;¹ and these are:
1. Cambridgeshire and Peterborough
 2. Greater Manchester
 3. Liverpool City Region
 4. Tees Valley
 5. West Midlands
 6. West of England
- 1.3 The study has also included:
- Cornwall Council, as an example of rural devolution; and
 - London (the Greater London Authority, the London Assembly and the London Mayor's Office), as an example of mature devolved city region mayoral governance.
- 1.4 The research has taken place between November 2018 and November 2019, and this report presents its findings.

Remit of the Study

- 1.5 To date, monitoring and evaluation provisions for the devolution deals have focused on outcomes and impact, and do not consider evaluating institutional processes. This is problematic, considering that the policy logic for devolution deals is centered around the policymaking and service-delivery advantages of devolved authority institutional models. This evaluation, therefore, aims to explore institutional processes, including leadership, strategy and decision making; transparency and accountability; and civic

¹ The study covers the six combined authorities that held mayoral elections in May 2017. Two more combined authorities elected mayors at a later stage: the Sheffield City Region elected a mayor in May 2018 and the North of Tyne elected one in May 2019. In addition, there are two more CAs that do not have a directly elected mayor; these are the North East Combined Authority and West Yorkshire Combined Authority. None of these are included in this study.

engagement, as broad areas where devolution deals are aimed at bringing institutional improvements in local governance).

1.6 Within this context, the key aims of this research are summarised as follows:

- To produce a theoretical framework that depicts the context and processes underpinning and influencing the pathway(s) that lead from the design and implementation of devolution at local level, to relatively higher economic and social positive changes and impacts, as well as improved delivery effectiveness and efficiencies at local level.
- To examine institutional processes (including strategy and decision making) and the nature and extent to which leadership, transparency, accountability and civic engagement mechanisms and assurances are embedded in these processes (these representing the broad areas where devolution deals are aimed at bringing institutional improvements in local governance).
- To explore some early outcome factors on public perceptions and understanding in relation to leadership, transparency, accountability and civic engagement in decision- making and implementation of decisions by Mayoral Combined Authorities (MCAs).
- To draw on the evidence collected through desk-based research and consultations to illustrate the extent to which the policy aim of improving local government institutions has materialised (or is very likely to materialise in the near future), and to identify unintended consequences, risks and threats.
- To inform future outcome and impact evaluations of devolution deals by building a more detailed picture of the processes by which these institutions design and implement socio-economic interventions.

Overview of the Study Approach

1.7 To meet the objectives of the study, a range of tasks have been undertaken. These include:

- Extensive desk-based reviews of:
 - Relevant literature, legislation and policy documents – in relation to devolution and local governance (Appendix A provides a list of bibliography reviewed and referred to in the report).
 - Devolved authorities' relevant documentation, e.g. devolution deals, organisational diagrams, governance arrangements and various strategic documents – accessing both secondary resources of information, and documents directly provided by the authorities participating in the study.
 - Data relating to key socio-economic indicators in each area.
- Informal consultations with key personnel in devolved authorities and constituent councils, and key stakeholders, to better understand the implementation, management and governance of devolved authorities to inform the development

of the theoretical framework. [Appendix B](#) provides a list of consultees that have participated in this study.

- A survey of public perceptions – conducting 500 interviews in each devolved authority participating in the study (as per the recommendation from BEIS analysts), using a panel-based approach.
- A survey of business perceptions – conducting 150 interviews in each devolved authority participating in the study.

1.8 The business and public surveys have been undertaken by Winning Moves (<https://www.winningmoves.com>). [Appendix C](#) describes the survey methodologies.

1.9 The research underpinning this evaluation was conducted during a period within which a number of significant political and administrative changes were happening. These included local and national elections, as well as organisational changes within the study MCAs. These changes resulted in delays in the consultation process, including the WECD research team being given access to internal and external consultees, and gaining agreement by the MCAs to conduct the public and business surveys.

Report Structure

1.10 The remainder of the report is structured as follows:

- Section 2 presents an overview of the context underpinning devolution policy in the UK.
- Section 3 presents a theoretical framework for devolution in England – drawing upon the literature review and review of policy documents produced on relevant matters by central and local government.
- Section 4 provides feedback on the institutional processes in implementing devolved powers drawing upon desk-based reviews of documentation produced by the devolved authorities and informal discussions with key staff in the authorities.
- Section 5 presents public and business perceptions of local governance terms and key concepts – recognising that some authorities have been in existence longer than others. It also presents the main public policy areas that are of interest to the public and businesses at local level.
- Section 6 draws conclusions about the overall benefits of the devolution process to date, the extent to which the policy aim of improving local government institutions has materialised (or is very likely to materialise in the near future), and highlights issues for future consideration.

2 The Context for Devolution Policy in England

- 2.1 This section provides an overview of the general concepts underpinning devolution policy in England. The overview draws upon extensive literature review and key points are summarised below.

Decentralisation is a complex process that can take many forms, depending on the extent of transfer of administrative, fiscal and political powers away from the centre. Devolution is only one of these forms, and the term is used interchangeably with the term 'decentralisation' to describe the most common understanding of central government relinquishing certain functions to sub-national entities, such as regional, sub-regional, and local authorities that are legally constituted as separate governance bodies.

A combination of policy objectives may drive the transfer of authority, responsibility, resources and functions from national to sub-national level. However, the key driving force behind the decentralisation agenda is the belief that societies are ultimately governed more democratically and effectively if decisions can be taken at the closest possible level to the communities that they impact. Accountability and democratic involvement are also enhanced as policy decision making gets closer to local people, and the distance between those in government and their constituencies is reduced.

Implementing decentralisation necessitates central government and policymakers considering a range of issues. These include the geographical scale that can deliver the desired efficiencies and impacts. Another consideration is the split of responsibilities and accountabilities between central and devolved authorities. How devolved areas and institutions are financed is also critical for the sustainability and legitimacy of devolution.

A review of international evidence suggests that different models of decentralisation are in place around the world and no model is superior to others. For example, the review shows that successful decentralisation is not confined to cities or metro-regions. It also indicates that visible civic leadership is becoming an important feature of major cities and decentralised authorities, but cities across the world can thrive with or without a Mayor.

In England, in recent years, the devolution agenda reflects an increased interest by central government to shift power from the centre into the hands of local communities to address a range of economic, fiscal, social and democratic issues. The introduction of combined authorities and devolution deals, agreed between the combined authorities and central government, aim to unlock the potential of local economies with a move towards more local accountability.

In particular, the encouragement for directly elected mayors at combined authority area level, reflects the Government's agenda that devolved institutions with their own local democratic mandate are primarily accountable locally for their actions (e.g. through the ballot box), and an individual locally is clearly accountable in front of citizens, stakeholders, central government and Parliament. At the same time, central government continues to be accountable for services it delivers directly, and, together with Parliament, central government sets the overall framework within which nationally funded services operate.

Rationale(s) for Decentralisation

2.2 Decentralisation is a multifaceted concept that concerns the transfer of authority, responsibility, resources and functions (any or all of these) from national to sub-national (local or regional) governments, or the private sector. Since the 1970s, decentralisation has been a key component of institutional reform adopted by many European and international states (Rodriguez-Pose and Gill, 2003; OECD, 2003; 2005; Tomaney et al, 2011; OECD; 2013). Pike et al. (2016) note that:

“Decentralisation comes in different forms. The extent and nature of decentralisation is critical in shaping its potential effectiveness, outcomes and impacts. Understanding the different kinds of decentralisation is important in assessing the current and potential future changes in England. ‘Devolution’ is the term being widely used in this policy area but whether it contains the appropriate elements to meet that definition of decentralisation is questionable.”
(p.9)

2.3 Pike et al (2016) note that other terms used to describe aspects of decentralisation include, for example, deconcentration and delegation as well as devolution (Pike et al., 2016; Tomaney et al, 2011).

2.4 Notwithstanding the terminology, the driving force behind the decentralisation agenda is the belief that societies will ultimately be governed more democratically and effectively if decisions can be taken at the closest possible level to the communities that they impact. Theoretical literature sets out three ‘classic rationales’ for decentralisation (Tomaney et al, 2011). These are:

- Allocative efficiencies: the greater efficiency of local allocation of resources to match local needs and preferences, including that decision makers are more closely connected to the local consequences of their spending decisions;
- Productive efficiencies: local identification and mobilisation of economic potentials; and
- Accountability and democracy: bringing decision making closer to the citizen and local people. Decentralisation reduces the distance between those in government and their constituencies.

2.5 Within this context, decentralisation is ultimately the tool through which central government seeks to enhance economic performance, fiscal efficiency and policy delivery at both national and local levels. As the OECD (2003) sets out:

“...through improving local government, governments seek to make their actions more coherent locally and enhance their contribution to solving local problems in areas falling between individual policy fields” (Managing Decentralisation, 2003, p.12)

2.6 It is this quality of decentralisation that the centre seeks to harness in order to tailor policy to the individualities of a region, locality or place and tackle a range of policy issues such as: public service inefficiency, skills shortages, economic deprivation and infrastructure development. Therefore:

“Arguing about whether decentralization should happen is largely irrelevant; the way it is implemented will determine how successful it is ... decentralization is almost always politically motivated ... [and] ... devising a successful decentralization strategy is complex because decision makers do not always fully control the decentralization process” (World Bank, 1999: 8-9).

Decentralisation in England to date

- 2.7 The UK is a strong economy. However, the economy is facing some important weaknesses in comparison with other major economies including lagging behind in productivity, higher skills and innovation. Uneven patterns of economic growth and standards of living in different localities and sectors across the country contribute to a national picture in need of significant improvements in many socio-economic indicators.
- 2.8 At the same time, all decisions on anything other than small projects tend to be made by Her Majesty’s Government (HMG) (where it is argued it is impossible for ministers and officials to know the detailed needs of every city and county in England). Most local government revenue comes from central government (53%), with 29% from Council Tax (this compares with 62% in Sweden²), 16% from retained business rates and the remaining 2% from reserves and other sources. Virtually, all major decisions about raising taxation and the distribution of public expenditure are made in Westminster and Whitehall. Although Council Tax is the largest source of revenue for local authorities after that received from central government, decisions about the Council Tax base remain mostly nationally determined.
- 2.9 The devolution agenda in the UK in the recent years reflects a desire to address a range of economic, fiscal social and democratic issues with a move towards more local accountability. Successive governments may have recognised that economic growth in the UK is not balanced, and the situation could become worse within a rapidly changing economic and public finance environment. Also, there are already significant local and regional economic and social disparities between the best and worst performing areas in the country – with the forecasts for future public policy, demographic and economic changes more likely to increase than reduce these disparities.
- 2.10 A review of devolution policy indicates that three primary principles have informed the central government’s pursuit of decentralisation to date:
- Economic growth: including the promotion of local growth, the achievement of various versions of spatial and sectoral balance, and fair distributional outcomes for all;
 - Better and more integrated public services: more efficient, and better matched to local preferences including offering holistic solutions and equity of outcomes; and

² OECD/UCLG (2019), 2019 Report of the World Observatory on Subnational Government Finance and Investment – Key Findings.

-
- Enhanced public engagement and accountability: the promotion of engagement and participation as part of a healthy democracy, and being closer to the decision makers.

2.11 The introduction of CAs – and central government encouragement for mayors directly elected by the public to lead them – are aimed at addressing these issues. The premise is to unlock the potential of local economies – in particular cities – by improving strategic governance and decision making across functional economic areas with clearer accountability; enabling better spatial tailoring of interventions with local knowledge and context and enhancing opportunities for innovation; and exploiting economies of scale, and synergies in policy and budget management by strategically convening leadership, powers and resources across functional economic geographies.

2.12 Transfer of powers away from the centre has been relatively slow, and it has focused on devolution with reference to the nations rather than cities or regions. London was the first city in England to gain greater devolved powers with the Greater London Authority (GLA) Act 1999, a directly elected mayor – the Mayor of London – as the executive of the GLA, and a separately elected Assembly – the London Assembly.

2.13 However, until November 2014, when the UK Government and the Greater Manchester CA signed a devolution agreement devolving policy powers and responsibilities to Greater Manchester, including the adoption of a directly elected mayor, there were devolution agreements for the nations of Scotland, Wales and Northern Ireland and also for Greater London, but none for any other city or region in England.

2.14 Following the 2015 General Election, the then Chancellor, George Osborne, outlined the Government's approach:

"Here's the deal:

We will hand power from the centre to cities to give you greater control over your local transport, housing, skills and healthcare. And we'll give the levers you need to grow your local economy and make sure local people keep the rewards.

But it's right people have a single point of accountability: someone they elect, who takes the decisions and carries the can.

So with these new powers for cities must come new city-wide elected mayors who work with local councils.

I will not impose this model on anyone. But nor will I settle for less."

(HM Treasury, "Chancellor on Building a Northern Powerhouse", 14 May 2015)

2.15 These statements represent a step change in the UK government's thinking in relation to local government, particularly the reference to desired structures to take on delegated powers. Previous attempts to devolve decision making to the regions and localities (e.g. Regional Development Agencies and Local Enterprise Partnerships) or local government (e.g. through the City Deals) did not explicitly refer to the need for an appropriate structure to take on the delegated powers, and in particular the need for visible, accountable leadership. In the above statements, for the first time, local devolution is directly linked to the public directly electing a mayor.

2.16 The then Government also indicated that government departments were expected to proactively consider devolving powers as stated in the Spending Review 2015:

“3.15 The government is committed to building strong city regions led by elected mayors, building on the ground-breaking devolution deal with Greater Manchester in November 2014. The Chancellor has asked all relevant Secretaries of State to proactively consider what they can devolve to local areas and where they can facilitate integration between public services...”

3.16 As part of the Spending Review, the government will look at transforming the approach to local government financing and further decentralising power, in order to maximise efficiency, local economic growth and the integration of public services.”

(HM Treasury, Spending Review 2015, A country that lives within its means.)

2.17 These announcements were complemented by:

- The inclusion of further powers for Greater Manchester;
- The announcement of a comprehensive devolution deal for Cornwall; and
- The Cities and Local Government Devolution Act 2016³ that is the enabling legislation to transferring budgets and/or powers from central government to local authorities (including groups of local authorities i.e. combined authorities) based on individual negotiations and agreement between the two levels of government over a deal – a bespoke devolution deal. In order for a CA to be transferred powers, a metro-mayor must be elected for the area.

2.18 To date (January 2020), bespoke devolution deals have been agreed in various policy areas and to a varying extent with Cambridgeshire and Peterborough, Cornwall, Greater Manchester, Liverpool City Region, London, North of Tyne, Sheffield City Region, Tees Valley, the West Midlands, the West of England and West Yorkshire. To date, Cornwall and West Yorkshire CA are the two areas that have devolution deals without having a mayor.

2.19 Through these deals the UK Government has agreed to devolve⁴ certain powers to localities to deliver (rebalanced) economic growth through more/better levels of local accountability, with the specific arrangements varying in each case. At the same time, while the specific functions and funding terms of each devolution deal differ, all deals include an agreement on devolved responsibility for substantial aspects of transport, business support and further education. Other policy areas included in some of the deals are housing, planning and land use, and health and social care.

2.20 Ultimately, it is expected that economic, social and democratic benefits arising from these initiatives and reforms should outweigh any costs – including accounting for any risks where the net benefits to be gained from spatial governance reform and

³ CAs were introduced in England in the earlier Local Democracy, Economic Development and Construction Act 2009. The legislation provides for greater involvement of local authorities in local and regional economic development and makes provision for the purposes of promoting public involvement in relation to local authorities and other public authorities [12th November 2009]

⁴ Currently, however, there is no legal mechanism for formal devolution of powers to the GLA. Section 39A of the GLA Act 1999 permits the delegation of ministerial functions to the mayor, subject to certain limitations and conditions.

devolution of powers/budgets could have been incorrectly assessed. Furthermore, the Government's view is that, although its programme of decentralisation shifts power from the centre into the hands of local communities and individuals, this does not mean that central government will devolve all its responsibilities to local bodies, nor stop taking an interest in what happens locally. Central government and Parliament will continue to set the framework within which nationally funded services operate, even where central government is not delivering them directly.⁵

2.21 At the heart of this position by central government lies the desire to jointly address local issues but also share accountability with devolved institutions for local services – with legitimacy of actions taken at local level i.e. as demonstrated by the ballot box. Currently, increased demand for devolution by local authorities (as demonstrated by the 38 bids submitted to government for devolved powers in 2015), is matched by voter turnout in local elections in England that is well below that found in other democratic countries.⁶

Implementing Decentralisation

2.22 The previous paragraphs have provided a headline overview of the current approach to devolution in England. Implementing decentralisation requires a constant review of a range of issues. Delivering inclusive, sustainable, balanced and effective economic growth that works for all different localities, in particular within finite (and often decreasing) public finances, presents policy makers at national and local levels with a number of options.

2.23 There are three main overarching processes that best capture the transfer of authority, responsibility, resources and functions from central government. These are:

- Fiscal decentralisation: refers to transfer of powers for raising and spending public resources;
- Administrative decentralisation: takes into account decision making authority, personnel control, and control over public finances; and
- Political decentralisation: refers to the degree of independence enjoyed by lower tiers of government in performing their typical six main processes (i.e. mobilisation, organisation, articulation, participation, contestation, and aggregation of interests).

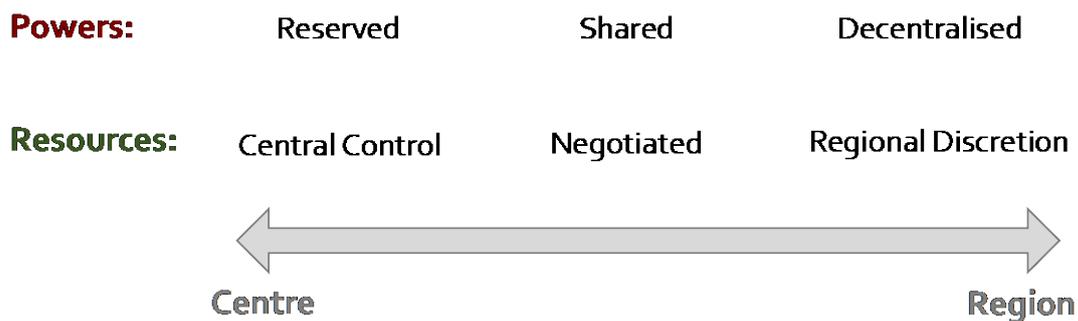
2.24 Implementing decentralisation necessitates, therefore, central government considering a range of issues. One of the most important considerations is to establish an appropriate sub-national geographical scale that can deliver the desired efficiencies, dividends and accountabilities when central powers are distributed. These can be functional economic areas (for such things as labour markets and skills), or local constituencies for political representation. Another consideration is how sub-national layers of government will be financing their defined areas/economies.

⁵ DCLG (2011), Accountability: Adapting to Decentralisation.

⁶ Across the 28 EU states the average turnout for Parliamentary elections was 66.5%. The UK 2017 General Election produced a higher turnout at 68.8% (the highest among EU countries was in Malta at 92.06%) – see Turnout at Elections, House of Commons Library, Briefing Paper, Number CBP 8060, 5 July 2019.

- 2.25 None of these issues is easily determined and, in reality, the majority of countries are governed by multiple layers of sub-national government and complex systems of fiscal arrangements. For example, among OECD countries multiple layers of sub-national government (i.e. 'systems of distributed power') can be found as follows: 21% of OECD countries having one layer, 24% having two layers and the majority of OECD countries having three layers of sub-national government (56%).⁷
- 2.26 In general, it is the combination of the following factors that defines the form that decentralisation takes in any instance:
- First, the particular balance or mix of powers and autonomy which may be permitted between central and sub-national government;
 - Second, the bureaucratic detail of implementation of such permission; and
 - Third, the broader territorial governance framework (or context) within which any decentralisation initiative might sit.
- 2.27 Powers and resources may, therefore, be decentralised such that a number of different 'distributed power' forms can emerge, as shown in Figure 2.

Figure 2: The distribution of power under decentralisation



Source: Pike, A (CURDS, Newcastle University)

Adapted from an earlier version at Pike, A (2010) Understanding and Measuring the Governance of Local Development Policy, OECD, Paris

- 2.28 The complexities surrounding decentralisation suggest that there are both benefits and potential costs associated with the process. For example, Tomaney et al. (2011) and Tomaney (2015) note that decentralisation can enhance the process of local governance and local performance including better political accountability of local policy makers. The latter will lead to improved political and technical responsibility accompanied by better knowledge of local resources and issues. All will ultimately lead to considerable efficiency-enhancing effects.
- 2.29 As shown in Figure 3, potential negative effects may also arise through the decentralisation process. These include enhanced ability of decentralised governance to 'capture' policy makers and bureaucrats at local level ('institutional capture'); the potentially lower level of skills of the latter at the local level; and, ultimately, inefficient outcomes in addressing externalities, service provision and other policy outcomes.

⁷ OECD (2014), OECD Regional Outlook, Regions and Cities: Where Policies and People Meet.

Figure 3: The benefits and costs of decentralisation

Benefits	Costs
Improved accountability and transparency	Institutional capture
Context sensitivity	Geographically uneven provision of basic services
Incentive for innovation	Duplication
Better co-ordination of regional/local actors	Lack of resources, capacity and knowledge

Source: Tomaney, 2015

2.30 The literature review has also highlighted a few more issues surrounding implementation of devolution. These have informed the development of the theoretical framework in the next section and are discussed below.

The Geography of Decentralised/Devolved Authorities

2.31 Evidence to date suggests that where cities are given more freedom and autonomy, they have responded by being more proactive and innovative. For example, cities have to cope with negative effects of urbanisation and spatial disparities, congestion and pollution, social issues and distressed areas, but they also have to produce proactive actions to improve and sustain their competitiveness position – with more gains accrued by being proactive and creating liveable and attractive cities, rather than waiting till problems appear⁸.

2.32 To date, although the geographical scale of devolved authorities varies, the majority of devolution deals tend to be with cities/city regions. The rationale for this lies with cities seen as playing a critical role in economic development. In a recent report by Core Cities UK⁹, it is stated that if the core cities performed at the levels of similar cities internationally, it would add £100 billion a year to the UK economy. To achieve this, the Core Cities Group argues that cities and other places need greater freedom to unlock their potential, in a way that delivers mutual benefits for surrounding areas.

2.33 Evidence from across the world indicates that well-managed cities provide economies of scale, attract talent and a range of skills needed in an economy, and bring people together in economic, cultural and learning activities supporting more opportunities for interaction, communication and debate – that ultimately facilitate socio-economic, spatial, political and technological innovation and advancement. Therefore, the association of devolution deals in England with mainly city/metro regions is

⁸ Competitive Cities in the Global Economy, OECD, 2006.

⁹ A network of eight cities in England that advocate devolution of greater powers: Birmingham, Bristol, Leeds, Liverpool, Manchester, Newcastle and Nottingham.

understandable, but at large it ignores polycentric regions/areas, in particular where there is no predominant city, or the functional economic area consists of a mix of urban and rural areas.

2.34 Economic success is definitely not synonymous with one or the other type of geography. Negative externalities, socio-economic inequalities, the adverse impacts of climate change and lack of action, and poor-quality infrastructure can be found in both metropolitan and non-metropolitan areas. Non-metropolitan areas i.e. areas that include deep rural areas, towns and villages and coastal communities, also play a vital role in the functioning of urban local economies – in England, these non-metropolitan areas are the places where half the population live, businesses survive at higher rate, and where major visitor attractions are found.

2.35 IPPR, the Institute for Public Policy Research, argues that there is a strong case to be made for devolving to England's county areas, as follows:

“Counties cover 86 per cent of the landmass of England and represent half of the country's population, and collectively they represent a sizeable proportion of the national economy, However, county economies face significant challenges: not least low productivity, relatively low wages, high levels of benefit claimants on ESA among those on out of work benefits and large levels of skills mismatches. Devolving significant new powers for economic development should help counties to address these issues and boost the national economy.

Beyond their economic potential, counties also have huge opportunities for public service reform, delivering more efficient services and better value for money. With significantly higher proportions of older people than is the case in cities, counties are facing bigger health and social care challenges than other parts of the country and costs of service delivery that are much greater in more isolated and rural parts.”

(Empowering Counties, IPPR, Unlocking County Devolution Deals, 2015.)

2.36 Furthermore, in terms of efficiency, the OECD report¹⁰ states that *“Duplication of tasks is more likely an issue for metropolitan areas than it is for rural areas”*.

Fiscal Autonomy

2.37 How devolved areas and institutions are financed is critical for the legitimacy and sustainability of devolution in the long-term. There is already a large volume of literature on how public spending is raised and distributed in the UK and whether this represents a fair distribution between central government and local government and also between various local authorities.¹¹ Central government remains responsible for UK fiscal policy, macroeconomic policy and funding allocation. One justification for this level of centralisation is that central government redistributes revenues and expenditure across the country ensuring that the needs of those with less revenue-

¹⁰ Competitive Cities in a Global Economy, OECD, 2017.

¹¹ One of the most recent comprehensive documents is a report produced by the British Academy for the Humanities and Social Sciences. British Academy for the Humanities and Social Sciences, 'Governing England: Devolution and funding', July 2018.

raising assets are met, and any reduction in the redistribution undertaken by central government would risk exacerbating inequality among the various localities.

- 2.38 Local authorities, academics and political commentators have argued that devolution of responsibilities and powers requires central government ensuring that devolved institutions also have the financial means they need to meet the economic needs of their areas and plan for growth in the long-term. Organisations, such as the International Monetary Fund (IMF), have also called for further decentralisation to allow greater responsiveness to the economic needs of areas and meeting the responsibilities devolved to them. As stated by the IMF,

“...fiscal centralization is high in the UK relative to other countries. A greater role for local decision making has the potential to better tailor policies to local economic conditions, if equalization mechanisms are in place to ensure that the subnational governments have adequate resources to meet the responsibilities devolved to them.”

(IMF, United Kingdom, Article iv Consultation – Press Release; Staff Report; Staff Statement; and Statement by the Executive Director for the United Kingdom, November 2018.)

- 2.39 More local fiscal autonomy in the form of tax-raising powers and retention of local taxes (e.g. business rates) for local authorities were announced in 2015.¹² The change to retained business rates is intended to incentivise areas to grow their tax base, and to become less reliant on central government for their revenue. At the same time, on average, local government spending on services has fallen by 21% in real terms since 2009/10 (with cuts been larger in more deprived than more affluent areas).¹³ This means that revenues from council tax and business rates will be the only main source of income for local authorities in the future). However, not all local areas are the same in terms of their ability to raise revenue (due to, for example, structural differences, different starting position, capacity etc.), nor have the same local needs (and aspirations in terms of growth).
- 2.40 In the light of uneven needs, resources and priorities across England, planned changes in the way that local government is funded, the exit of the UK from the European Union, and the increasing calls for devolving more powers to local government, central government recognises that providing councils with the freedom to use funding in a way that responds to local needs and priorities is key to ensuring financial sustainability and sound financial management.¹⁴

Civic Leadership

- 2.41 In the UK, a directly elected mayor and a cabinet is one of three different ‘political management arrangements’ available to local authorities: the others are a leader and cabinet, and the traditional ‘committee system’, where decisions are made by policy

¹² <https://www.gov.uk/government/news/chancellor-unveils-devolution-revolution>.

¹³ Institute for Fiscal Studies, Neil Amin Smith and David Phillips: English Council Funding: What’s Happened and What’s Next? Briefing Note, May 2019.

¹⁴ Government response to the Housing, Communities and Local Government Select Committee report ‘Local Government Finance and the 2019 Spending Review’; Presented to Parliament by the Secretary of State for Housing, Communities and Local Government by Command of Her Majesty, October 2019, Response 24 to Recommendation 5, page 6.

committees and approved by full council.¹⁵ In England, elected mayors were first established following the election of the Mayor of London in 2000. The Local Government Act 2000¹⁶ made it possible to set up mayors in other local authorities. Initially, an elected mayor could only be created following a referendum in favour in the relevant local authority. Since 2007, English local authorities have also been able to create an elected mayor by resolving to do so.

- 2.42 The concepts of accountability and democracy supporting decentralisation (see paragraph 2.4) do not explicitly require or define the need for an elected leader as the single point of accountability or responsibility. However, evidence from around the world indicates that visible civic leadership appears to be becoming an important feature of major cities.
- 2.43 For example, the decision in recent years to adopt directly elected mayors in Toronto and other places (particularly in Germany and Italy) appears to be a trend that has evolved in parallel with efforts to increase global promotion and regeneration by cities/places. In Japan, mayors have significant political kudos and power, and in some cases turnout for mayoral elections top that of national polls. The powers vested in the mayor as political and organisational head of the municipality afford them considerable control over the local authority; in principle, the Japanese system gives mayors broad authority to make and implement policy, even in the absence of support from the legislative assembly.¹⁷
- 2.44 The international evidence also suggests that different cities have adopted different models of decentralised leadership and that no one model is superior to the others. [Appendix D](#) provides a few examples of these. Moreover, cities across the world can thrive without a directly elected mayor. A review of the international evidence suggests that:
- In local governments across the world there is huge variation in the way powers are distributed between the Executive and the Assembly.¹⁸
 - No single system or model provides a simple solution to the problems of achieving improved competitiveness, social cohesion and environmental sustainability. But there are good and bad features of existing arrangements that provide clues as to where improvements may need to be made.¹⁹

¹⁵ <https://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN05000>.

¹⁶ <http://www.legislation.gov.uk/ukpga/2000/22/section/9H>.

¹⁷ Tsuji, Y., Explaining the Increase in Female Mayors: Gender-Segregated Employment and Pathways to Local Political Leadership, *Social Science Japan Journal* Vol. 20, No. 1, pp 37-57, 2017.

¹⁸ Hambleton, Robin (2016), Professor of City Leadership, University of the West of England, English Devolution Learning Lessons from International Models of Sub-National Governance.

¹⁹ *Competitive Cities in a Global Economy*, OECD, 2017.

3 A Theoretical Framework for Devolution

- 3.1 This section presents a theoretical framework of devolution in England drawing on the discussion presented in the previous section.
- 3.2 Figure 4 (see page 34) depicts this overarching theoretical framework for devolution in local government. Setting out the context and rationale, it describes the implementation of devolution in England, through a series of processes and the subsequent expected pathways to positive economic and social changes and impacts, as well as improved delivery effectiveness and efficiencies. Individual components of the framework are discussed in more detail below (including indicators that can be used to assess processes and benefits).

Context and Rationale

- 3.3 As discussed in the previous section, the devolution policy in England in the form of combined authorities and devolution deals has been initiated to unlock the potential of local economies, by improving strategic governance and decision making across functional economic areas. Drawing on the previous discussion, the context and rationale for these interventions can be summarised as follows:
 - **Context:** Evidence suggests that societies are ultimately governed more democratically and effectively if decisions can be taken at the closest possible level to the communities that they impact. Government in the UK (including England) is highly centralised, with a trend of decreasing voter turnout at local elections, but increasing demand for devolved powers by local government. This is coupled with large-scale continuous uneven growth and development, manifested by lower levels of productivity, wealth and social mobility in many localities, cities and regions.
 - **Rationale for devolution deals:** Devolution in England is seen as a mechanism to address the dislocation between citizens, local communities, and the decisions taken by national government in Whitehall and its agencies at local level, for a range of economic, social and environmental investments and policy priorities. As some powers are decentralised and responsibilities and budgets move away from the centre, new ways of organising public services at local level will need to be devised to accommodate both strong local and central accountability.
 - **Devolution policy** (via bespoke individualised deals) to city-regions and sub-national levels therefore requires policy levers, regulatory frameworks, and funding and financing processes to be steered by national government towards new forms of devolved government in regions and localities, and thus enable national government and local areas jointly to address opportunities and challenges at sub-regional level. This approach is expected to:
 1. Reduce the gap between the decision makers and communities (leading to the creation of directly elected mayors, accountable to local communities);

-
2. Take advantage of synergies (driving better value for money by linking different funding streams such as transport, housing, skills, business support etc.); and
 3. Achieve (1) and (2) by making better use of local intelligence.

Inputs

- 3.4 As discussed in paragraphs 2.11–2.18, CAs and devolution deals represent the key mechanism of implementing devolution policy in England in recent years. As noted in paragraph 2.17, the enabling legislation relating to transfer of powers from central government to local levels is the Local Democracy, Economic Development and Construction Act 2009, amended by the Cities and Local Government Devolution Act 2016. According to this legislation, budgets and powers from central government can be transferred to local authorities, including groups of local authorities, i.e. CAs. This transfer is based on individual negotiations and agreement between the two levels of government over a deal – a bespoke devolution deal.
- 3.5 CAs are corporate entities, created voluntarily and are formally established by the Secretary of State for Communities and Local Government through a Parliamentary Order following the request or consent of the councils concerned. There are two main types of CAs: those with a devolution deal and hence a metro-mayor for the area covered by the CA (the MCAs), and those that do not have a mayor.
- 3.6 CAs are made up of constituent and non-constituent authorities. Constituent authorities have full voting rights in decision making. It is the decision of the CA whether constituent or non-constituent members have a full vote.
- 3.7 There are no legal provisions for CAs to be created in Wales, Scotland or Northern Ireland, or in London. As discussed in paragraph 2.19, the Mayor of London and the Greater London Authority are established by separate legislation.
- 3.8 Any proposal for a CA must, according to the legislation, meet tests which highlight its ultimate goals as follows²⁰:
 - The first test is to establish whether the creation of the CA is ‘likely to improve the exercise of [those] statutory functions in the area or areas concerned’.
 - The second test is captured in the duty on the Secretary of State to have regard to the identities and interests of local communities and the need to ‘secure effective and convenient local government.’
- 3.9 Evidence and academic work indicate that for the theoretical framework to work i.e. decentralisation to deliver the intended positive impacts, a number of conditions need to be met at this very early stage, and some of these are listed in the framework. One of the key conditions is clarity about the actual extent and nature of decentralisation based on the following three principles:

²⁰ LGA (May 2016), Combined Authorities, A Plain English Guide.

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- Legal standing for devolved authorities – so that the legal position of all involved is clear and secured particularly when splitting responsibilities between central government and devolved authorities, and allocating accountability.
 - Subsidiarity – with central government and devolved authorities regularly reviewing which decisions can be made closer to the people affected.
 - Fiscal autonomy – with a move towards a self-sustaining financial system at local level; greater fiscal autonomy (e.g. starting with fiscal retention) at local or sub-regional level will enable more places to invest in the infrastructure needed to unlock growth and deliver modern public services.

3.10 These principles also appeared in a paper published by the Local Government Association (LGA) soon after the general election in 2015²¹, the Local Government Association outlined why devolution matters and how devolution policy can be strengthened. Based on work with its sister organisations in Scotland, Wales and Northern Ireland (COSLA, WLGA and NILGA), the LGA set these principles to ensure that devolution delivers better outcomes for people and places.

Process Activities

3.11 The following broad structures are expected in each devolved institution:

- Visible leadership (democratically elected) – supported by relevant administrative and communication functions, and advisory arrangements.
- Clarity of leadership roles and accountability responsibilities (political and corporate) supported by governance structures that reflect compliance but are also simplified and flexible pathways to achieving the desired results.
- Capacity and adequate resourcing to take on the devolution deal- including appropriate governance structures.
- Scrutiny, transparency and accountability systems in place in decision making and delivery – as a minimum, meeting statutory requirements.
- Civic engagement – systems in place to ensure that the public is engaged, feeds back and that their views are considered.
- Access to reliable intelligence and foresight capabilities.

3.12 Evidence and academic work indicate that for the theoretical framework to work i.e. deliver the intended positive impacts, a number of assumptions/conditions need to be met, and some of these are listed in the logic mapping that has informed this theoretical framework, and is included in [Appendix E](#) of this document. In particular, the key features that would increase the likelihood of devolution success include:

- Clarity around division of responsibility between local authorities, the combined authority and the civic leader, e.g. the directly elected mayor.

²¹ LGA, DevoNext, English Devolution: Local Solutions For A Successful Nation, May 2015.

-
- Minimising displacement or unnecessary substitution of resources, and balancing timely and streamlined decision making, based on high-trust relationships of informal networks, and governance with reliance and trust on traditional, more formal administrative structures, and the production of guidance and clarity around procedures.
 - Monitoring, and formative and summative assessment of capacity to take on and implement a deal, and also what works, and how the findings from monitoring and evaluation of processes and projects/programmes implemented feed back to the process and activities.
 - Openness and transparency at all stages, including at the deal negotiation stage, but also agreements on programmes and projects to be funded and choices made.
 - Public engagement (including citizens, businesses, the third sector) in the preparation of devolution proposals, insofar as possible during the negotiations, and once the results of a deal have begun to make an impact; these should be communicated throughout the process.
 - Access to well-evidenced/triangulated and inclusive baseline information and mapping out relevant stakeholders, for continuous, regular and meaningful engagement and participation, and ultimately, the simplification of pathways for policies reaching their intended beneficiaries.

3.13 Examples of the evidence that could demonstrate clarity in this area include:

- Clear and well-documented structures, clarifying roles and responsibilities to show who is to be held to account.
- Published performance measures (and progress against these).
- Assessment of performance. This could be, for example, through annual reports to show progress (both failures and successes).
- Local scrutiny of devolved activities (and publication of results) through high visibility of the work of oversight and scrutiny committees as well as public consultations to enable challenge and scrutiny.
- Setting out clearly the complaints procedures for the public, including in non-constituent councils.
- Organisational structures that provide capabilities, expertise, capacity and stability aligned to strategic priorities, while enabling both introduction and testing of innovative policies, and integrated (rapid) delivery to market intermediaries and ultimate beneficiaries.
- An appropriate assurance framework to provide assurance that there are systems in place to ensure impartiality, inclusivity, transparency, and accountability in decision making and delivery.
- Empowerment of constituent members through meaningful engagement and sharing of expertise and networks (e.g. avoid duplication of roles, capitalise on local knowledge and understanding).

-
- Regular engagement with key local civic and business organisations.
 - Transparent and customised provision of information for publicly funded projects and decisions in the public domain. In particular:
 - The public needs to be effectively informed of changes to local governance and devolved powers;
 - The public is aware of who is responsible for decision making in different devolved powers;
 - Taxpayers understand who is spending their money, how that money is allocated and where responsibility lies if the system fails to deliver good value or things go wrong; and
 - Information is published in a format that permits it to be used easily by members of the public.
 - Up to date, inclusive and comprehensive local intelligence and foresight data.
 - Systematic self-assessment and independent reviews (not only of projects and programmes but also organisational structures and performance).

Expected Outputs and Outcomes

3.14 Processes and systems in place would lead to the following outputs:

- (Production of) Strategy/ies with traction (influence and leverage), joint bidding and aligned expenditure.
- (Development of) Integrated services for addressing complex social issues such as poverty, homelessness and job opportunities.
- Coordinated action to tackle environmental issues.
- Sound spatial planning and more eco-friendly approaches to transport planning and urban growth.
- More organisations, business and citizens enquiring about public services, participating in public engagements (and ultimately benefitting).
- Increased capacity and expertise at sub-regional/combined authority level (leading to better use of information, analysis and bespoke policies and delivery).

3.15 Delegating powers away from central government is expected to have positive outcomes including more efficient, targeted, spending of public money as a result of better-informed policymakers and greater trust in democratic institutions, enhanced civic participation and accountability in local strategic planning. Outcomes to be generated in the medium-term would include:

- Improved strategic governance and decision making.
- Better spatial tailoring of interventions (utilising local knowledge).
- Better/faster identification and mobilisation of local productive resources.

- More efficient allocation of resources to match local needs and preferences.
- Exploiting economies of scale, and synergies in policy and budget management by strategically convening leadership, powers and resources across functional economic geographies.
- Better place-branding.
- More coordinated, accessible and visible public services for the general public and businesses.
- Close knitted networks of engagement with business and civic organisations.
- Increased public scrutiny (in turn leading to continuously improving public service offer and delivery models).
- (Increased) Legitimacy and credibility of the CA within and across stakeholders and partnerships.

3.16 Examples of indicators to assess progress and benefits arising from these outcomes and outputs could include:

- Resources (finance and in-kind) committed by/between constituent members (more, shared, seconded).
- Resources leveraged outside the combined authority.
- Joined up/integrated thematic strategic frameworks - clearly showing the links between health, education, housing, social mobility and economic prosperity.
- Metrics jointly established by all constituent members to reflect performance of the MCA and satisfaction by local citizens, e.g. (increased) local contributions to fund specific locally-delivered public services.
- Public awareness of the Civic Leader and MCA offer (increase over time).
- Profile of citizens and businesses enquiring about the authority and participating in fora, committees, working groups (including from areas less represented and groups harder to reach).
- Public satisfaction (including business) with the services offered (improved).
- (Increased) Democratic involvement through participation in local elections.

Impacts

3.17 CAs aim to improve the delivery of public services and other public functions across the area concerned. They achieve these by improving strategic governance and decision making across functional economic areas with clearer accountability, by enabling better spatial tailoring of interventions with local knowledge and context and enhancing opportunities for innovation, and by exploiting economies of scale, and synergies in policy and budget management by strategically convening leadership, powers and resources across functional economic geographies.

-
- 3.18 The expected ultimate impacts from devolution reflect the rationale for decentralisation described in paragraph 2.10. These include:
- Economic growth: including the promotion of local growth, the achievement of (versions of) spatial and sectoral balance, and fairer distributional outcomes;
 - Better public services: more efficient, better matched to local preferences, including equity of outcomes; and
 - Enhanced public engagement and accountability: the promotion of engagement and participation as part of a healthy democracy and being closer to the decision makers.
- 3.19 Economic impacts will need to go beyond the standard economic indicators such as Gross Value Added (GVA) and productivity. More jobs for local people and more or better performing local businesses across a range of sectors may require time to materialise, but they remain key drivers of local economic development and growth.
- 3.20 At the same time, processes put in place by devolved institutions should be leading to better quality and diverse provision of local infrastructure (beyond national or intra-regional projects) including housing affordability and connectivity (transport and digital) for all – supported by local evidence, and powered by bespoke, flexible to use (larger) investment packages.
- 3.21 Economic growth and development (prosperity) may (inadvertently) over time lead to higher housing prices (through increased confidence in the local markets). Young people and those who do not own a house would be mostly impacted, and this will need to be monitored to avoid unintended disbenefits.
- 3.22 Going further, the UK2070 Commission’s second report²² states that the spatial variations in economic performance across the UK can no longer be explained away simply in terms of industrial structure, nor solved by the attraction of external investment. A wider set of local economic factors need to be explored, as these are critical to the localities’ relative performance and enhanced resilience to economic shocks and change (such as skill levels, connectivity, local services and environmental conditions). For example, the report suggests that it is important to take into account and support the foundational economy. This refers to the set of economic activities that meet the basic requirements of civilised life for all citizens, irrespective of their income and location. It includes material infrastructure – pipes and cables and utility distribution systems for water, electricity, retail banking, etc. – and providential services – education, health, dignified eldercare and income maintenance. It embraces activities that are neither easily tradeable nor exportable.
- 3.23 Social impacts should emerge from better coordination of foundational activities and could include improved individual well-being, social mobility, earnings, education, health and reduced gaps in distribution of incomes locally.
- 3.24 Ultimately, the success of any sub-national governance reform largely depends on the public support that the new established structure is able to gain and increased

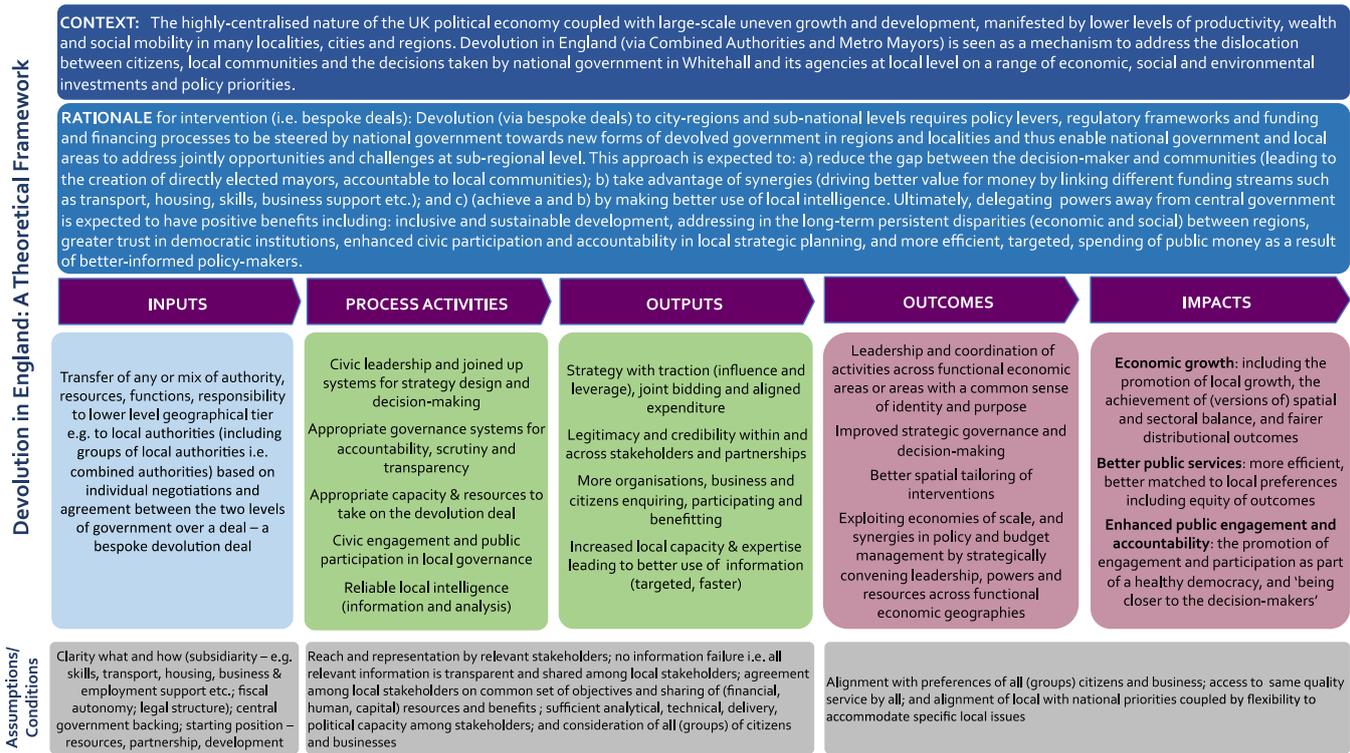
²² UK2070 Commission, An Inquiry into Regional Inequalities Towards a Framework for Action, Fairer and Stronger, Rebalancing the Economy, Moving Up the Gears, the Seven National Priorities for Action, 9/2019.

confidence and trust in local politics and democratic institutions. New structures and processes should also lead to better and more efficient allocation of public funds.

- 3.25 Going forward, in addition to the key objectives of decentralisation described above, one more potential objective for devolution should be considered – the environment. Devolution can play a vital role in promoting sustainable development, and the creation of more sustainable patterns of living. Devolved institutions can promote sound spatial planning of metropolitan and non-metropolitan areas, and a more eco-friendly approach to, for example, transport planning and urban growth management.²³
- 3.26 Key conditions for the ultimate success of devolution would be: inclusivity, i.e. alignment of responsibilities and accountabilities with needs and preferences of all (groups) citizens and business in a functional economic area; access to same high quality of public services across all localities in an of devolved authority; and alignment of local with national priorities coupled by flexibility to accommodate specific local issues.

²³ Hambleton, Robin (2016), Professor of City Leadership, University of the West of England, English Devolution Learning Lessons from International Models of Sub-national Governance.

Figure 4: A Theoretical Framework for Devolution



4 Implementing Devolution in England

- 4.1 This section presents the findings of the review of the internal institutional processes that underpin implementation of devolution deals in England to date. The research has focused on processes surrounding strategy design and decision making in implementing devolution deals with a focus on leadership, accountability, transparency and civic engagement. These principles represent the broad areas through which devolution deals aim to bring institutional improvements in local governance.
- 4.2 Key overarching findings from this research are summarised below:

Both the feedback from the consultations and the desk-based review confirm that the devolution policy in England has evolved in a fragmented way over time and through different pieces of legislation. This often makes devolution appear confusing, ad hoc and asymmetrical to local stakeholders and the public.

The consultations also indicate that the majority of constituent members across all devolved authorities recognise that devolved institutions are delivering much needed cohesive strategic planning across local authority borders, reducing overlap and wasted resources, and sharing good practice.

A desk-based review of key socio-economic indicators in each area suggests that each devolved authority is addressing issues that require integrated services and cooperation across boundaries to ensure sustainable economic growth and resilience to economic changes. These issues go beyond transport and spatial planning and could include high levels of underemployment, poor housing affordability, lower productivity and poor general infrastructure.

By design of the devolution policy in England, the metro-mayoral model currently dominates civic leadership among devolved authorities. However, the extent of powers of mayors in strategy design and decision making varies. Views on directly elected metro-mayors and their role in devolution are, on the whole, positive in the localities where a metro-mayor is present, with the main benefits perceived to be higher visibility of the area and clearer accountability.

The consultations with internal key stakeholders indicate that meeting key statutory requirements has been the first priority for all devolved authorities, and all devolved authorities have in place systems that meet legal requirements. The research also shows that, in general, public scrutiny processes are more common at post-policy design stages. However, good practices of stakeholder and public engagement in pre-policy design stages also exist.

The consultations with MCA staff and key stakeholders indicate that setting up good governance structures require significant resources and may often result in delays in implementation of policies and reaching beneficiary groups.

At the same time, the research shows that, in a relatively short period of time, CAs have produced pan-regional strategic documents built on consensus and local evidence. According to the consultations and desk-based reviews, the process of preparing these has been a resource intensive exercise but is happening relatively faster than in the past e.g. production of Regional Spatial Strategies.

Review of MCAs organisational structures indicate that the MCAs' institutional capacity has not fully evolved as yet or, where devolved institutions have been established for a while, a review is needed to ensure that organisational structures and capabilities continue to be fit for purpose.

Moreover, feedback provided during the consultations indicates that support for collaborative working and nurturing of partnerships with constituent members and other local stakeholders remains embryonic in many areas. Devolved institutions have not always capitalised on the knowledge and expertise that could be provided by the existing staff in constituent authorities e.g. secondments of staff tend to be rare.

- 4.3 The evidence supporting these findings is discussed in more detail below. The devolution framework has been used to review and assess processes in place. However, as devolution deals are only in their early stages of implementation and socio-economic impacts take longer to materialise, the discussion focuses on the left-hand side of the logic model, i.e. activities and processes in place.
- 4.4 The MCAs are also relatively new entities and a lot of organisational changes were happening while the research was taking place. Nevertheless, good practice, benefits and risks from existing arrangements have been identified and highlighted in this section. The research findings presented in this section draw on three main sources of information:
- The first one is the formal and informal discussions with key stakeholders in the devolved authorities that have been part of this study.
 - The second source is the documented evidence that has been either provided by the authorities (or, it has been independently accessed by the research team) to demonstrate the nature and extent of leadership by the MCA, accountability, scrutiny, transparency and civic engagement.
 - The third one comes from national data sources that have been used to depict the latest socio-economic profile of the CA areas.

Mechanisms for Devolving Powers

- 4.5 Both the consultation process and the desk-based reviews have provided feedback on the key principles and mechanisms underpinning the decentralisation process through the devolution deals, i.e. the inputs in the devolution framework in Figure 4.

Legislation

- 4.6 Legislation is a key enabler of public reforms and, as noted in paragraph 3.9, clarity about the legal standing for devolved authorities is necessary to ensure buying in from both local stakeholders and the public. Legislation also is important in assigning responsibilities and accountability among legally constituted entities. Both the feedback from the consultations and the desk-based review confirm that the devolution policy in England has evolved in a piecemeal way over time and through different pieces of legislation. This makes devolution appear confusing, ad hoc and often asymmetrical, as stated during the consultations, in particular in Cornwall and London.

4.7 For example, as discussed in section 2 of the report, the core legislation underpinning current arrangements for MCAs in England is the Cities and Local Government Devolution Act 2016. However, currently there is no legal mechanism for formal devolution of powers to the GLA. Section 39A of the GLA Act 1999 permits the delegation of ministerial functions to the Mayor, subject to certain limitations and conditions.

4.8 This has led to different approaches when it comes to delegation of certain powers such as those surrounding skills and the Adult Education Budget (AEB). In this case, as stated in a briefing paper by the House of Commons Library:

“...in contrast to the MCAs’ ability to treat this grant as part of their ‘single pot’, the grant letter to the Mayor of London includes a provision ring-fencing the AEB grant to the purposes of the grant or related purposes, and a provision permitting unspent funds to be reclaimed by the Government unless they are earmarked for future years’ AEB spending. A Memorandum of Understanding between the Government and the six MCAs was published in January 2019. In contrast to the Mayor of London, this MoU states that “the Department will aim to transfer the relevant budget, as a Section 31 ... grant, via the ‘Single Pot’ or any subsequent, replacement arrangement, to the CA in April each year.”

(Devolution to local government in England, Mark Sandford, House of Commons Library, Briefing Paper, Number 07029, 15 May 2019.)

4.9 Cornwall was the first local authority to secure a devolution deal in July 2015 without being a combined authority nor having a mayor. Feedback provided from internal and external consultations suggests that, as a direct result of the devolution deal, a range of benefits has been already generated. These include strengthening of partnerships and increased cooperation between the Cornwall Council and other authorities (e.g. Isle of Scilly) and key stakeholders (e.g. NHS), including the establishment of the Cornwall and Isles of Scilly Leadership Board, chaired by the Leader of the Council and consisting of a range of local partners, and also £2.3 million savings as a result of a more coordinated management of the authority’s estate. The authority is also committed to double devolution, meaning transferring powers over community assets to local communities, with over 300 devolved to local communities.²⁴

4.10 At this stage, however, it is not very clear whether and how a new deal, comparable to the 2015 Cornwall devolution deal, can be agreed between Cornwall Council (and its partners) and the government or, whether the approach that central government has adopted with Cornwall can be replicated in/by other areas in England.

4.11 As some of those consulted have noted, the approach adopted to date to implementing devolution in England offers some flexibility. In general, however, those consulted agree that consistency and clarity is required. As stated during the consultations:

“In order for progress to be made [with regards to devolution in England], the government must define the purpose of the devolution agenda and devolve responsibility, as well as funds, in accordance with this definition; it is also important to ensure a roughly symmetrical constitutional settlement for clarity in the eyes of the public. ...Clarity in both functional and financial powers is crucial

²⁴ Cornwall Devolution Impact Assessment, Cornwall Council, Cornwall Council and Isle of Scilly LEP, NHS Kernow Clinical Commissioning Group, January 2019.

to allow devolved institutions to be well-run and provide foundations for better long-term planning.”

“Devolution is becoming increasingly crucial as a form of government as national administrations ‘simply cannot’ keep pace with societal changes, though it is also vital for the agenda that clarity exists over what powers are devolved and with which bodies responsibilities rest.”

Devolution Deals

- 4.12 The concept of devolution deals is seen as game changing for local government by all those consulted. The consultations also provided feedback with regards to devolution deals including their coverage and local authority collaborations underpinning their design and delivery.
- 4.13 All devolution deals to date have some standard (i.e. common) elements i.e. providing devolved powers on planning and strategy for regional transport, economic development, business support and skills training, but they vary in the nature and extent of devolved powers and budgets they have received under the devolution deals and which have been agreed with central government. These differences mainly arise as a result of the different needs and priorities in each area in their pursuit of economic growth.
- 4.14 The feedback from the consultations is positive about variations in devolution deals. The vast majority of those consulted believe that variations reflect the individuality of the communities they represent; this is seen as the correct approach going forward. The central government rationale to permit transfer of powers only on a handful of issues, however, has been questioned by all. As stated during one consultation:
- “...devolved institutions are closer to many issues impacting the areas in which these authorities hold power ...and as relatively new organisations, they are better run than the civil service.”*
- “...local decision making is important for things that do not appear to be a major priority for Government at national level...”*
- 4.15 A National Audit Office (NAO) report looking into the progress in setting up combined authorities states that devolution deals were prioritised for cities and conurbations needing to stimulate their economic growth:
- “...Other than Cambridgeshire and Peterborough, all the combined authorities established as of June 2017 are in city regions, many of which have tended to have comparatively low economic performance: the West of England and Cambridgeshire and Peterborough are the only areas that have higher average gross value-added per hour than the UK average.”*
- (NAO (2017), Progress in Setting Up Combined Authorities. Paragraph 2.2, page 21)*
- 4.16 Bringing authorities together to discuss, decide and address complex issues surrounding economic growth across administrative borders is not a straightforward process. The consultations have indicated that it takes constituent members some time to get used to the idea that they need to think across borders and new ways of

operating. Therefore, it takes time for working partnerships to develop. As stated during the consultations with new MCAs:

“Members tend to prioritise their district. It needs consensus and it takes compromise to deliver more benefits for the whole area; it is [devolution deals] a new way of thinking for everyone to ensure growth across combined authority.”

“Members aren’t used to the levels of risk and uncertainty the combined authority operates with, and they often want to see a detailed step-by-step plan which isn’t always possible.”

- 4.17 In all consultations, strong working partnerships between authorities are seen as critical for the success of the devolution deal – for both strategic design and decision making. According to the consultations, having an established partnership and sharing a common purpose or identity prior to the devolution deal helps (in terms of time taking to reach decisions, setting priorities and putting workable systems in place). Even so, as stated during the consultations:

“Leaders on [CA] boards and councillors involved need to “make it real” locally. Buy in levels are different across the CA; often leadership is fully engaged but officers less so.”

‘...There is a need to cultivate constantly buy-in.’

- 4.18 According to the consultations, the timing imposed by central government for agreeing devolution deals has not allowed for partnerships to be developed, particularly among new MCAs. In a few cases also, the authorities have come together out of necessity despite significant differences. As stated during one consultation,

“...The authorities agreed to come together to sign the devolution deal on the understanding of suspension of mutual animosity for mutual gain...and the CA hardwires districts into policymaking.”

- 4.19 In some cases, authorities continue to work together because, as stated during one consultation,

“The divorce is not an option now – the cost would be too great ...in addition, this is good for the citizens of the whole area...therefore, it has to work.”

- 4.20 An OECD guide on successful partnerships²⁵ states that ‘...To be efficient, a partnership should have recognisable and autonomous structure to help establish its identity. The structure should have stability and permanence as well as flexibility, and it is helpful if it has a certain degree of autonomy, i.e. freedom from political influence. It is also important to review lines of communication to ensure that all partners are kept informed and involved.’

- 4.21 By design, this cannot be the case for the partnerships of local authorities coming together under a CA arrangement. During the consultations it was stated that CAs are political by default and therefore inherently adversarial. For many of those consulted, this also means that it may take longer for local authorities that have not previously

²⁵ OECD LEED Forum on Partnerships and Local Governance, January 2016.

worked together to start sharing a common vision and look for mutually beneficial solutions.

- 4.22 During the consultations the following conditions were also identified as significant factors that would impact upon establishing effective and sustainable partnerships between authorities and ultimately, an effective implementation of the devolution deal:
- Significant investment is needed up front in the form of time, guidance and funding by all involved including central government to ensure that participating authorities can work across political interests;
 - Utilising informal networks and personalities who can work together beyond political agendas and can build trust among partners i.e. soft power; and
 - Careful succession planning for key individuals involved in the devolution process (to avoid losing any momentum gained through the development of the first devolution deals and major disruptions in delivering the devolution deal) while also valuing diversity brought in by new individuals.

Processes

- 4.23 Consultations and desk-based reviews of publicly available documents and documents directly provided to the research team during the consultations, have provided considerable feedback on key processes involved in implementing devolutions deals to date. These processes, as described in the devolution framework in Figure 4, include:
- Civic leadership and joined up systems for strategy design and decision making;
 - Appropriate governance systems for accountability, scrutiny and transparency;
 - Civic engagement and public participation in local governance;
 - Appropriate resources to take on the devolution deal; and
 - Reliable local intelligence (information and analysis).

Civic Leadership and Metro-mayors

- 4.24 With the exception of Cornwall, all devolution deals encourage authorities that come together to have a directly elected mayor. The directly elected metro-mayors chair their area's CA, and in partnership with the CA, exercise the powers and functions devolved from central government, as set out in the local area's devolution deal and the constitution of the CA (with most CA constitutions either prepared or amended in the last six to eight months to January 2020).
- 4.25 In general, in an MCA, there could be the following three points of power and accountability.
- The directly elected Mayor exercising mayoral functions;
 - The CA consisting of local authority leaders and the directly elected mayor i.e. the Cabinet or Board acting collectively; and

-
- The MCA's overview and scrutiny committees, holding both the Mayor and the MCA Board to account.

4.26 In terms of leadership and accountability, overall leadership and ultimate accountability rests primarily with the metro-mayors in all CAs – and this has been confirmed during discussions in all areas. However, the degree of powers of Mayors in decision making varies. Some examples to demonstrate this variation are described below:

- In London, the Mayor is required by law to take some decisions personally e.g. decisions relating to the AEB.
- The West of England Mayor has one vote and so do the other voting members; any questions to be decided by the West of England CA are decided by a majority of the members, subject to that majority including the vote of the West of England Mayor, unless otherwise set out in legislation.²⁶
- In Tees Valley CA, the Constitution of the CA²⁷ sets out that some major decisions require the unanimous agreement of the CA Cabinet. As stated in paragraph 27 of the CA's Constitution, in the event that the Mayor opposes a proposal, but a majority of the Cabinet is in agreement, the proposal shall be deemed to have been neither carried nor rejected. In these circumstances, a decision shall be deferred for a future meeting.
- In Cambridgeshire and Peterborough CA, the Mayor has the power to veto every decision made by the Cabinet (according to the consultations, this power has never been used, but all members are aware of it).

4.27 The CAs' Constitution documents and codes of conduct tend to describe in varying detail the role (including leadership and accountability), functions and powers of the metro-mayors. Strategic leadership coming from the mayor is often explicitly stated in the CAs' Constitutions e.g. in London, Cambridgeshire and Peterborough CA, Greater Manchester CA. In fact, as an example of good practice, the Cambridgeshire and Peterborough CA Constitution published in September 2019²⁸ clearly and simply sets out the leadership role of the CA's Mayor – an extract of which is presented below as follows:

"1.1. The Mayor and the other Members of the Combined Authority will work closely together. Specifically:

(a) the Mayor will provide overall leadership and chair Combined Authority Board meetings;...

(b) the Mayor may nominate lead member responsibilities, the membership and chairs of executive committees to each member of the seven Constituent Councils who will act in a supporting and advisory function to the Mayor and Combined Authority for their respective policy areas (see para 1.6 below); and

²⁶ <https://westofengland-ca.moderngov.co.uk/documents/s1495> (Adopted in November 2017 and amended in July 2019).

²⁷ <https://teesvalley-ca.gov.uk/wp-content/uploads/2019/08/Full-Constitution-Aug-2019-v2.pdf>

²⁸ <https://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/Constitution-2019-10-24.pdf>

(c) the Mayor will also be a member of the Business Board recognising the importance of the Business Board's role and the private sector in any growth strategies or delivery for the Combined Authority area.

1.2. The Mayor will by virtue of holding office be a Member and the Chair of the Combined Authority Board.

1.3. The Mayor must appoint a statutory Deputy Mayor of the Combined Authority."

- 4.28 In Greater Manchester CA, the Mayor's (currently Andy Burnham) leadership, accountability and responsibilities are summarised as follows²⁹:

"Accountable to and representing the people of all 10 boroughs in Greater Manchester, Andy steers the work of Greater Manchester's Combined Authority, leading on issues such as the economy, transport, police and fire services, to ensure Greater Manchester is one of the best places in the world.

Responsible for transforming public services and shaping the future of our region, the Mayor represents Greater Manchester people, making the case for our region at the heart of government and on the world stage.

Andy is the chair and eleventh member of Greater Manchester Combined Authority. The leaders of the 10 councils form the Mayor's Cabinet. He is also supported by a Deputy Mayor for Policing and Crime and a Deputy Mayor for Economic Growth and Business.

The job of the Mayor ranges from setting budgets and priorities for Greater Manchester's public services to acting as an ambassador for the region."

- 4.29 In some areas accountability and strategic leadership are clearly set out as distinct. For example, in the West of England CA, the CA's mayor's role is described as follows³⁰:

"The Government wants to have a named individual accountable for the additional powers and money being devolved to the West of England Combined Authority. The West of England Mayor is a condition of the Government's devolution offer.

Sometimes referred to in the media as a 'Metro-mayor', he or she is a local government executive leader, directly elected by the local voting public. The West of England Mayor is responsible for the West of England Combined Authority."

- 4.30 In the West Midlands, the mayor is ultimately accountable for the CA. At the same time, all key documentation makes it clear that strategic leadership comes from the Mayor and the leaders of the seven constituent local authorities, which have full voting rights. This is shown in Figure 5 and described below (direct extract from the CA's website, January 2020):

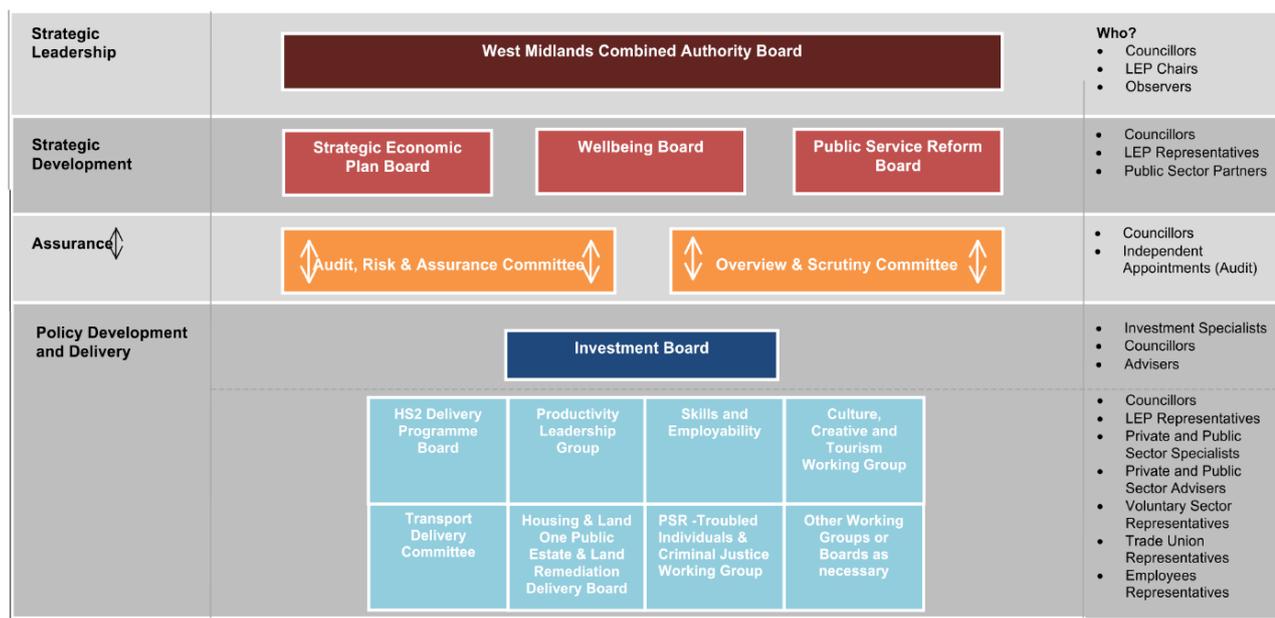
²⁹ <https://www.greatermanchester-ca.gov.uk/the-mayor/>

³⁰ <https://www.westofengland-ca.gov.uk/questions-answers/>

“Leadership of the WMCA comes from the Mayor and the leaders of the seven constituent local authorities, which have full voting rights. The leadership also includes the chairs of the Local Enterprise Partnerships (LEPs) which are business-led organisations that help build relationships between businesses and local authorities.

Non-constituent authorities, which include the LEPs and ten local councils from across the wider West Midlands region, have reduced voting rights but play a crucial role at board level, helping to inform policy and drive forward the WMCA agenda.”

Figure 5: West Midlands CA Governance Model



Source: West Midlands Constitution

- 4.31 In most cases, the current form and shape of civic leadership has been primarily framed by legislation and the desired balance of powers between a metro-mayor and the authorities participating in the devolution process.
- 4.32 In contrast, Cornwall’s current model has been informed from a range of stakeholders and civic engagement. Civic leadership and accountability in Cornwall is based on a governance structure that consists of the Leader (elected annually by the Full Council which consists of 123 Councillors representing Cornwall) and Cabinet model, and has been informed by an extensive consultation process including the public and a range of stakeholders. The approach to the current model has been based on a comprehensive review that started as part of the Councils 2016 Governance Review. The Review looked at three possible models and was led by the Council’s Constitution and Governance Committee, supported by an independent external panel, known as the Governance Review External Group (GREG) also gathered evidence for the Committee to consider. This included getting the views of partner organisations, and town and parish councils and explored how different models of decision-making works in other councils. The Review looked at three possible models including an elected Mayor for the wider area mayor, the other two being the current model of Leader and Cabinet system, and a Committee system.

-
- 4.33 Views on directly elected metro-mayors and their role in devolution are, on the whole, positive in the localities where a metro-mayor is present. Benefits from having metro-mayors are set out in the feedback provided during the consultations as follows:

“The mayoral system has proven to be: nimble, agile, responsive, flexible, effective, efficient, accountable and ambitious (wants to do things).”

“The mayor [is] useful with building the profile of MCA and wielding soft power.”

“The mayor has provided a focus point and the personality needed for sovereign decision making in a diverse area (though never used veto powers assigned to this role)...in comparison with the past, things are happening faster and together; regeneration schemes are run much quicker now than in the past.”

“The benefit of the mayoral system is that there is a consistent point of accountability...chaos disappears.”

“The mayor creates an accountable head for the area – a role previously held by many quangos.”

“The ‘convening powers’ of the Mayor’s office prove very useful in engaging many members, groups and representatives of civic society, fostering greater view-sharing and participation in the process of policy formation.”

“The mayoral approach to devolution provides simplification for central government and provides local authorities with a stronger voice.”

- 4.34 At the same time, the consultations have highlighted a few risks associated with having a directly elected metro-mayor for the area, as demonstrated by the following comments made during the consultations:

“Not ready for a mayor ...mayor was thrust upon us but we had enough history of collaboration to deal with it.”

“In London, the budget has been delegated to the mayor ‘and only the mayor’, with a governance regime surrounding it which has three separate points in which the mayor must sign off on a policy – there is no clear rationale for this approach and there is a need to balance flexibility and speed with accountability.”

“Metro-mayors leadership styles affect both the approach adopted and the relationship with the Chief Executive of the CA.”

“A strategic authority is needed for implementation of devolution deals and not a figurehead.”

“Too much focus on a figurehead diverts attention and resources from delivery.”

Governance Systems – Scrutiny

4.35 In general, what is understood by the term ‘public sector governance’ varies depending on the jurisdiction.³¹ With reference to devolved institutions, achieving good governance requires effective arrangements in scrutiny, audit and transparency to ensure delivery of effective accountability and increase public and stakeholder trust in the new institutions and approach. These principles are set out in the English law and guidance produced by central government. For example, combined authorities in England are required to establish overview and scrutiny committees by the Cities and Local Government Devolution Act 2016. Nevertheless, in June 2016, the Committee of Public Accounts³² stated that:

“The specific powers devolved as a result of devolution deals will vary across different parts of the country, and will require more effective local accountability arrangements to be put in place.”

4.36 Further provisions for overview, scrutiny and audit arrangements by the CAs have been made by the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 (SI 2017/68).

4.37 The government also requires all MCAs (and all Local Enterprise Partnerships (LEPs)) to produce and publish a Local Assurance Framework that sets out the arrangements they have introduced to ensure that public money is being managed effectively. To this purpose, in January 2019, central government (e.g. MHCLG) also published the National Local Growth Assessment Framework (NLGAF) to provide detailed guidance on what is required. For LEPs, this document contains mandatory governance, accountability and transparency requirements and non-mandatory best practice. For MCAs, this document represents only guidance.

4.38 In general, mayors are held to account by the MCA Cabinet made up of leaders of the constituent council members of the MCA through often multi-layered arrangements – and the MCAs’ constitutions tend to set out the detail of these arrangements. The general feedback from the consultations on this issue is that this level of scrutiny is necessary but the right balance needs to be found between vision, statutory requirements and time it may take to implement policies. As stated during one of the consultations:

“All these systems in place make it a complex organisation environment to work with – many different partners involved and multifaceted approach can slow down decision making and can frustrate.”

4.39 In London, whereas the Mayor of London is the Greater London Authority’s executive arm, it is the London Assembly’s primary to hold the Mayor to account - including reviewing the decisions the Mayor takes. The fundamental difference between London and the other areas in this respect is that the CA Cabinet is made up of the leaders from each constituent local authority. The 25 London Assembly Members are elected at the same time as the Mayor of London, 11 of which representing the whole capital and 14 elected by constituencies. Assembly investigations are carried out by cross-

³¹ CIPFA and IFAC (2014), International Framework: Good governance in the public sector. This was developed jointly by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the International Federation of Accountants (IFAC).

³² House of Commons, Committee of Public Accounts, Devolution in England: governance, financial accountability and following the taxpayer pound (Published on 18 December 2016 by authority of the House of Commons).

party committees and cover areas like, energy and the environment, transport, policing, housing, planning, health and the economy. Another difference between the London Assembly and MCAs' Cabinet meetings is that all London Assembly meetings are open to the public and the London Assembly has powers of summons. The consultations have also fed back on the role of the London Assembly as a scrutiny function and have highlighted some differences with the scrutiny approach adopted in MCAs, as described below.

“Generally the Assembly understands the Mayor’s powers and goals, as well as the issues impacting London more broadly and this places them in a good position.”

“The Assembly is also useful to the Mayor as a forum in which things can be explained; the Mayor will frequently choose to appear in front of committees in order to publicly explain his decisions and policy.”

“Councils much more tribal/partisan while the structure of the Assembly allows/enables collaborative scrutiny. The 2-tier system of constituency and London-wide members also seems to work well, with Assembly Members specialising in specific areas that matter to all Londoners (e.g. transport).”

“The Assembly lacks power to influence GLA policy in any real or meaningful way due to the nature of its setup, particularly the system of post-hoc scrutiny, which allows the Mayor to set the entire direction of policy and essentially dictate priorities to the Assembly, which is a more reactive body.”

“The issues on which the London Assembly choose to scrutinise the Mayor are generally chosen on an ‘ad-hoc and reactive’ basis and tend to focus on debates which are already occurring (often initiated by lobbyist groups). However, if they focused more on broader issues a greater political discussion could perhaps be generated; it is in this area the multi-party PR Assembly system would work far better than MCAs.”

“London Assembly or Senate of 32 London Councillors? Do councils/councillors have time to run an effective scrutiny function as well as deliver services at a local level?”

4.40 In contrast to the above issues of post-hoc scrutiny that is perceived as weakening the position of the scrutiny institution, in Greater Manchester CA, the terms of reference for the Greater Manchester’s three thematic overview and scrutiny committees³³ states that their work programme is likely to include pre-decisions scrutiny and review of emerging policy areas, thus giving the opportunity to authorities/their representatives for engagement at policy making stage. As stated during the consultations:

“...This approach adds another stage, though generally can get through in a single month, which helps. It is also embedded into the whole process so it does not create too many delays later on and leads to better policy formation.”

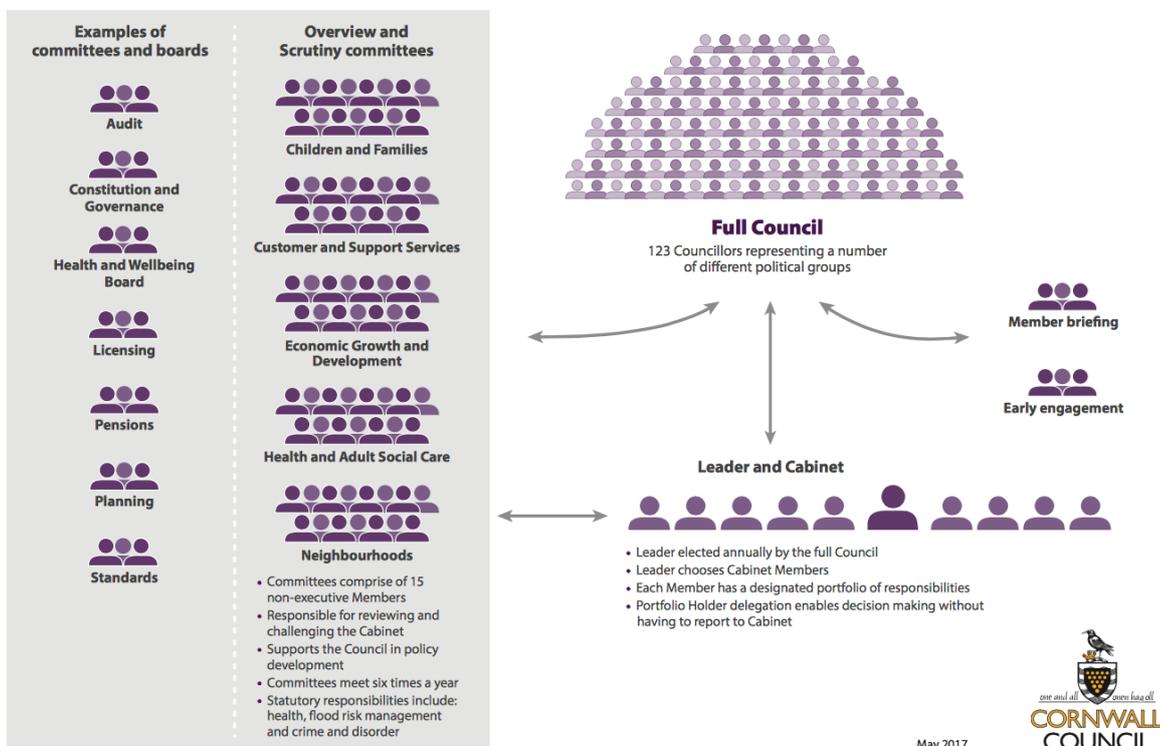
³³ GM’s three scrutiny committees are: Corporate Issues and Reform (GMCA as a corporate entity & public sector reform); Economy, Business Growth and Skills; and Housing, Planning and Environment (including transport and regeneration).

4.41 The Liverpool City Region MCA has also adopted a similar approach. As stated during one of the consultations in the area,

“Pre-scrutiny, involves experts and wider public, challenges all policy issues and is therefore informed by the best evidence base. This approach also helps building up a broader public consciousness of the CA.”

4.42 The desk-based review and consultations indicate that devolved institutions have in place variations of both an Audit committee and an Overview and Scrutiny committee (and some e.g. Greater Manchester CA splitting having overview and scrutiny committees across several areas). In Cornwall, the scrutiny function is required by law to act as ‘critical friend’ to the Cabinet; it comprises a Scrutiny Management Committee and a Health and Social Care Scrutiny Committee (Figure 6).

Figure 6: Cornwall Council’s Governance Model



Source: <https://www.cornwall.gov.uk/media/15393348/governance-bitesize-guide-proof-2.pdf>

4.43 The consultations and desk-based review indicate that all governance systems among devolved institutions have some common elements but they vary in the way they are set, mainly reflecting the powers assigned to the mayors and members of the authorities involved in the devolved institutions. For example, MCAs are required to have³⁴:

- An officer who is responsible for financial administration;
- A scrutiny officer;
- A monitoring officer; and

³⁴ <https://www.nao.org.uk/code-audit-practice/wp-content/uploads/sites/29/2015/03/CA-VFM-2017-18-FINAL-16-April-2018.pdf>

- A head of paid service.

4.44 MCAs are also required to appoint independent auditors and publish their accounts. Their audit committees are required to contain at least one independent person.

4.45 The research has shown that the vast majority of CAs had all these in place at the time of writing of this report (see Figure 7).

Figure 7: Overview of Scrutiny Arrangements

	GM CA	Liverpool City Region	Tees Valley CA	West Mids CA	West of England CA	CP CA	GL A	Cornwall
An officer who is responsible for financial administration	✓	✓	✓	✓	✓	✓	✓	✓
A scrutiny officer	✓	✓	✓	✓	✓	✓	✓ ³⁵	✓ ³⁶
A monitoring officer	✓	✓	✓	✓	✓	✓	✓	✓
A head of paid service	✓	✓	✓	✓	✓	✓	✓	✓
Appointed independent auditors	✓	✓	✓	✓	✓	✓ ³⁷	✓	✓
Published accounts	✓	✓	✓	✓	✓	✓	✓	✓
Audit committees that contain at least one independent person	✓	✓	✓	✓	✓ ³⁸	✓	✓	✓

³⁵ Assistant Director – scrutiny & investigation.

³⁶ Assistant Director – scrutiny & investigation.

³⁷ Cambridgeshire and Peterborough missed the deadline (31st July 19) to publish audited accounts due to delays within the external auditor Ernst & Young.

³⁸ The Audit Committee comprises 12 people, 11 members from the three constituent authorities of WECA, and one independent member. However, only 11 people from the constituent authorities are listed as members and in attendance at meetings.

Transparency

- 4.46 To assess the nature and extent of alignment to these principles, a review of the accessibility and content of key strategic documents produced by the authorities was undertaken in terms of:
- What information authorities make publicly available;
 - How easily this information can be accessed; and
 - How often strategic documents are published/updated.
- 4.47 Documents reviewed included:
- Constitutions;
 - Statements of accounts;
 - Governance statements;
 - Governance plan/reviews;
 - Economic/industrial strategies;
 - Annual report/assessments; and
 - Skills Strategies or Plans.
- 4.48 This desk-based review has established that:
- MCAs' core governing documents (constitution, governance statement, statement of accounts) are generally publicly available in all websites. However, the contents and scope in each area can differ greatly. For example, constitutions display significant variations in lengths and include differing commitments to accountability, transparency and the 'Principles of Public Life'. As an example of good practice, The Greater Manchester CA Constitution (July 2018) sets out a common set of principles under which all decisions of the Greater Manchester CA should be made. These are set out in paragraph 11.3 of the Constitution as follows:
 - Proportionality (meaning the action must be proportionate to the results to be achieved);
 - Due consultation (including the taking of relevant professional advice);
 - Respect for human rights;
 - Presumption in favour of openness;
 - Clarity of aims and desired outcomes; and
 - Due consideration to be given to alternative options.
 - Adherence to publication schemes varies. For example, some authorities have designated 'publication scheme' pages that contain only key documents; others outline where each document falls under the Model Publication Scheme.

- Some authorities are far more prolific publishers than others – and this is often related to how long the authority may have been established.
- Publishing practice of core documents can vary. For example, some publish governance statements as individual documents; others include these as part of annual statement of accounts.
- Minutes of various meetings are mostly accessible and contain all relevant decision-making information.
- All devolved authorities are now publishing their organisational structures.
- In terms of transparency, in general, local authorities are required to adopt, outline and adhere to some variation of Model Publication Scheme and the Local Government Transparency Act, and yet there seems to be a significant disparity between the levels of commitment to these displayed among different organisations.

Resources

- 4.49 Consultations with internal stakeholders indicate that for most MCAs there is a gap between political aspiration and current MCA capacity. Clearly, some devolved institutions are operating with fewer resources than others. A few MCAs were also undergoing through organisational changes at the time of this research. The consultations indicate that implementation of the devolution deals started in parallel with staff resourcing in most MCAs. Coupled with uncertainty over future funding, this meant that human resource and organisational planning might not have been very structured in the early stages of the MCAs' operations.
- 4.50 The consultations with internal stakeholders also indicate that MCAs deal with a raft of organisational and human resource issues. These, for example, include recruitment and retention of staff, particularly progression routes for their staff, transparency in recruitment and attracting and rewarding relevant skills and talent with due consideration of local government practices; strengthening both officers and Members' capabilities to deal with cultural changes; and working practices to encourage inclusivity and diversity.

Civic Engagement

- 4.51 The consultations have indicated that on the whole, systems and process relating to civic engagement and participation represent work in progress, particularly among the newer MCAs.
- 4.52 Review of the documents listed in paragraph 4.48 indicates that it has not been possible for all authorities to engage the general public in the original design of their devolution deals. A number of reasons have been given to justify this lack of wider public engagement. For example, during the consultations, it was stated that:

“...there is an issue with scrutiny or strategy design involving the general public, as most do not understand the powers, which may or may not be held by the Mayor or CA. Public polls on CA or Mayoral spending and projects would generate expectations that cannot be met, as much that the public wants to achieve is functionally impossible within the current remit.”

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- 4.53 In implementing devolution, CAs tend to hold meetings that are open to the public but attendance and engagement is currently limited. On the whole, the general public (including businesses) are more likely to be involved in consultations related to specific capital infrastructure projects and the production of economic strategy documents and skill plans, including the recent Local Industrial Strategies. Examples of civic engagement are described below:
- As discussed in paragraph 4.33, the Cornwall’s current model of local governance has been informed from a range of stakeholders and civic engagement. The council also developed a social media campaign using #standupforCornwall to generate conversations about the devolution deal. It also developed a public pledge for residents to sign up to and support devolution.
 - In London, publicly visible scrutiny exists in the form of Mayoral Question Time. There is also a dedicated Community Engagement Team that connects the authority with local communities across Greater London.
 - In Liverpool, the Liverpool City Region CA invited PLACED, a local organisation, to deliver a series of pop-up events across the city region. These events aim to capture local people’s views, as part of the “Our Places” consultation, to influence the Combined Authority’s first Spatial Development Strategy (SDS), setting out a strategic framework for the development and use of land looking over the next 15 years.
 - In Greater Manchester, the public contributed to the development of the spatial framework – with 30,000 responses received. The Greater Manchester CA also recognised that they need to engage more with the community and voluntary sector for the preparation of their Local Industrial Strategy and the GM Community Voluntary and Social Enterprise (GM CVSE) reference group was convened to inform the process and the strategy.

Reliable local intelligence

- 4.54 The consultations have indicated that all devolved institutions recognise the need for a strong evidence base to justify strategic planning and decision making. This is demonstrated by the production of Local Industrial Strategies (that tends to follow government guidance³⁹) and various strategic documents produced by all authorities to date.
- 4.55 Feedback from external consultations also indicate that in some cases, there has been, as stated during a consultation *“Greater data sharing and collaboration on gathering evidence since the MCA inception.”*
- 4.56 The research has also shown that the significance of monitoring and evaluation processes among MCAs (and the other devolved institutions) is increasing over time.

³⁹ <https://www.gov.uk/government/publications/local-industrial-strategies-policy-prospectus>

5 Public and Business Perceptions of Local Governance Roles

- 5.1 Two surveys were undertaken to establish the nature and extent of the understanding and perceptions of the general public and businesses with regard to key local governance roles and concepts that are part of devolved institutions. Key findings from the two surveys (general public and businesses) are summarised below. [Appendix F](#) presents detailed survey results from the surveys at devolved authority level.

The public survey found that, on average (i.e. across all devolved authorities), a similar proportion of public were aware of the terms 'combined authority' and 'local enterprise partnership', that is 46% and 45% respectively. Awareness of the terms of 'local authority' and 'chambers of commerce' was significantly higher at 96% and 86% respectively.

The business survey indicated that, on average, a larger proportion of business was aware of the term 'local enterprise partnership' than 'combined authority', 64% in comparison with 43%. Awareness of the term 'local authority' was similar to the general public survey (96%) whilst awareness of 'chambers of commerce' was higher (90%).

Respondents were asked whether they knew what the term 'combined authority' meant. Nearly three quarters of general public respondents (73%), across all combined authority areas, believed that they knew what the term 'combined authority' meant. The equivalent figure among business respondents was 70%.

Nearly three quarters of general public respondents (72%) across all combined authority areas reported that they were aware of who the metro-mayor for their area was. The equivalent figure among business respondents was 66%.

At the same time, around half the general public respondents disagreed with the statement that 'people are clear about who is responsible for leadership' in their area (around 20% thought that people were clear about who is responsible for leadership and the rest were not sure or did not know). Business respondents tended to be much clearer about who is responsible for leadership in their area than the general public.

In general, specific projects promoted by the MCA or the mayors are relatively well known and mostly supported by the general public and businesses (with the level of support varying between businesses and the public depending on the project).

In the majority of MCA areas, general public respondents indicated that their greatest interest was in decisions taken in the region for health and environmental issues. Business respondents in the majority of combined authority areas indicated their greatest interest was in decisions for health, crime policing, transport and business rates.

The surveys found relatively low levels of engagement with information resources produced by the combined authority e.g. social media, web pages, council meeting minutes or strategic documents. The exception was Cornwall where a relatively higher proportion reported engagement with sources of information by the authority.

General public respondents were also asked to what extent they agree that too many policy decisions affecting their area are made outside it. Respondents in Cornwall showed the highest agreement with the statement (64%), while respondents in London expressed the lowest level of agreement (33%).

- 5.2 It is worth noting that respondents to the public survey appear to be more interested in political or policy affairs than the average population on the basis of their participation in mayoral elections. For example, overall across all combined authority areas, more than half (56%) of respondents reported having participated in the most recent elections for their area's mayor. Of the business survey respondents, one quarter of respondents (23%) in all combined authority areas stated that their business was a member of a local organisation, such as the Chamber of Commerce or the Federation of Small Businesses (64% of them reported that their business was not a member of a local organisation and the remaining 13% did not know).

6 Conclusions

- 6.1 In addition to developing a theoretical evaluation framework for devolution to inform this and future evaluations, the aims of this research can be summarised as follows:
- To examine the institutional processes of devolved institutions that have been embedded in strategic planning and decision making). Institutional processes explored include leadership, scrutiny, transparency, accountability and civic engagement mechanisms and assurances.
 - To explore some early outcome factors on public perceptions and understanding in relation to leadership, transparency, accountability and civic engagement in decision- making and implementation of decisions by devolved institutions.
 - To draw on the evidence collected through desk-based research and consultations to illustrate the extent to which the policy aim of improving local government institutions has materialised (or is very likely to materialise in the near future), and to identify unintended consequences, risks and threats.
- 6.2 The research undertaken to address these issues was conducted during a period of significant political developments in the UK. Most study MCAs were also in the midst of major organisational changes. Nevertheless, the research findings provide a considerable insight into the institutional processes in devolved institutions (including the study MCAs, GLA and Cornwall). The research has also identified key benefits and good practice emerging in local government institutional arrangements as a result of implementing devolution policy as well as issues for consideration in future policy.
- 6.3 The review of the institutional processes has shown that it is relatively too early for some institutional processes such as scrutiny and transparency to be fully embedded in policy design and decision making in the MCAs. Meeting key statutory requirements has been MCAs' first priority, and all devolved authorities currently have systems in place that meet legal requirements around overview, scrutiny and audit. (Local) assurance frameworks have also been prepared by all MCAs (mainly reflecting the MCAs' individual constitutions and the government's National Local Growth Assurance Framework). However, scrutiny processes involving a range of stakeholder and the public are more common at post-policy design stages – nevertheless good practices of stakeholder and public engagement in pre-policy design stages also exist. Moreover, what is understood by the term 'transparency' varies considerably among MCAs.
- 6.4 The consultations undertaken in London and Cornwall provide useful feedback on the scrutiny approaches embedded in decision making and strategic planning in the respective areas.
- 6.5 The consultations undertaken as part of this evaluation and the review of relevant documents suggest that, overall leadership and ultimate accountability rests primarily with the metro-mayors in all MCAs. However, the extent of mayoral powers in strategic planning or decisions making varies across MCAs. In general, a mayoral combined authority (MCA) has the following three levels of power:
- The directly elected mayor exercising mayoral functions;

-
- The MCA Board (or Cabinet) consisting of local authority leaders and the directly elected mayor; and
 - The MCA's overview and scrutiny committees, holding both the mayor and the MCA Board to account.
- 6.6 The research shows that the roles and functions for each individual level are made clear by all MCAs. However, the factors that have informed the balance of powers between these levels are not always made explicit.
- 6.7 The consultations with MCA staff and key stakeholders also indicate that setting up good governance structures has required significant resources. A review of MCAs organisational structures indicate that the MCAs' institutional capacity has not fully evolved as yet; or where devolved institutions have been established for a while, a review is needed to ensure that organisational structures and capabilities continue to be fit for purpose. At the same time, feedback provided during the consultations indicates that support for collaborative working and nurturing of partnerships at local level remains embryonic in many areas. Consultations with external stakeholders indicate that devolved institutions have not always capitalised on the knowledge and expertise that could be provided by the existing staff in constituent authorities (e.g. secondments of staff tend to be rare).
- 6.8 The surveys with businesses and the general public indicate that the key terms associated with the devolution policy i.e. 'metro-mayors' and 'combined authorities' are not as well known as other more established terms such as 'chamber of commerce' or local enterprise partnership'. At the same time, the surveys have found that specific projects promoted by the combined authority or the mayors are relatively well known and mostly supported by the general public and businesses. In localities with a well-established mayoral model, e.g. London, the public is less likely to think that policy decisions affecting their area are taken outside it.
- 6.9 Views on metro-mayors and their role in devolution are, on the whole, positive in the localities where a metro-mayor is present. The main benefits are perceived to be higher visibility of the area and clearer accountability in comparison to previous arrangements. In particular, metro-mayors are seen as already having a positive impact in terms of providing leadership and a powerful single voice representing the needs of local communities in areas where the local links with central government may have been fragmented or relatively weak.
- 6.10 Furthermore, the research shows an improvement in perceptions about the effectiveness of local government institutions. For most consultees, the key benefits of the devolved arrangements include better coordination in strategic planning and decision making, more commerciality, improved credibility and effective collaborations across a wide areas for issues, ranging from transport and large infrastructure projects to place promotional, regeneration and social issues.
- 6.11 The vast majority of consultees also acknowledge that, as a direct result of a single voice representing all neighbouring areas, more public and private investment has been brought into the areas. As stated during one of the consultations:
- "...Trying to sell a single place previously was difficult... the CA has looked at what each area is good and their strengths and has brought everything into a cohesive plan....this makes it easier to present to a developer or investor."*

Key Issues for Consideration

- 6.12 Success of devolution depends on a number of factors. This research has highlighted a number of issues that need to be considered in future policy. These include:
- Clarity about the roles of various devolution mechanisms and institutions. Visible civic leaders such as metro-mayors provide a powerful voice for an area. However, their role, remit and powers need to be clarified and better understood by internal and external stakeholders. The same applies to the role of the Chief Executives of devolved institutions and other senior management posts.
 - Improving civic engagement in devolved strategic planning and decision making. A review of different models of decentralised governance arrangements around the world⁴⁰ indicates that the success of any sub-national governance reform ultimately largely depends on the public support that the decentralised structures gain. Improving civic engagement in strategic planning and decision making would require a coordinated effort by central government and devolved institutions to first raise awareness of what devolution is about.
 - Strengthening capacity and capabilities of devolved institutions to take on devolved powers and long-term planning and delivery. For most MCAs, there is gap between political aspiration and current MCA capacity. Capacity includes both funding sources for long-term planning and organisational and management practices e.g. leadership styles, structures, people, strategy and planning, resources, institutional processes and partnerships.⁴¹
 - With reference to the latter, the consultations undertaken as part of this research also indicate that local authorities (in particular large ones) and MCA organisations need to improve and strengthen their working relationships.
- 6.13 Figure 8 also summarises benefits and risks that have been identified through the desk-based reviews and the consultations. These include benefits and issues for consideration for the organisations involved or affected by the implementation of devolution policy, specific services/functions delivered at local level, businesses and local communities (overall or specific groups), and the local governance infrastructure in general.

⁴⁰ Competitive Cities in a Global Economy, OECD, 2017.

⁴¹ The Common Assessment Framework (CAF)

Improving Public Organisations through Self-Assessment, CAF 2013, European Public Administration Network and European Institute of Public Administration.

Figure 8: Devolution Benefits and Key Issues for Consideration

For	Local authorities involved (Combined Authorities and Constituent members)	Central Government/National Policy	Businesses	General Public	Ultimate Impacts
Benefits of MCA	Enhanced scope for influencing regional policy decisions, coupled with the devolution of greater strategic powers over the local area	Depoliticisation of regional strategic development, economic and planning policy	Involvement in regional policy planning and macro developments easier	Greater capacity to influence core local policy matters in devolved areas through the ballot box, and representatives that reflect the local context regardless of national election results	National GVA increase coupled with spatial rebalancing
	Increased opportunity to generate larger pots of funding/significant investment funding from private partners and central government	Absolution of responsibility for regional development outcomes	MCA more open to business collaboration, and collective regional 'brand' that enhances attractiveness of an area to investors	Greater responsiveness from decision makers closer to the electorate, as well as expanded scope to contribute to policy formation on devolved areas through more numerous public consultations over such issues	Greater innovation through locally targeted investment schemes
	Tailored service offerings and levels of taxation and spending to better suit their area, due to them having greater knowledge and better understanding of	Stronger incentives for local government to deliver ambitious national policies, boost local economies,	Bespoke service offerings to meet local needs	Bespoke service offering to meet local needs	Efficient and effective service delivery

	local needs and preferences	tackle needs-drivers and improve efficiency			
	Cohesive strategic planning at a regional level reducing overlap and wasted resources	Enhanced knowledge base in local public policy making	Enhanced national and foreign direct investment prospects, should increase local talent base and potential availability of funding support	Development of a regional identity coupled with more specifically tailored and context-specific policy could enhance the perception and credit of the democratic process	Appropriate skills investment according to local need
Issues for Consideration	Cession of responsibility in policy areas with devolved powers could reduce the capacity of a local authority to act into the future	Current political context and democratic deficit brought about by low public participation in local elections could lead to ill-prepared, unskilled or inappropriate leaders elected to an office with substantial local power and influence	Clarity required over what powers reside with which local authority, businesses require one point of contact and competing MCA/districts can make this difficult	Hybrid system of service delivery Confusion over the local government structure, as well as resentment if particular areas are deemed to be disproportionately benefitting from MCA funding	Uncoordinated investment schemes across the country leading to confused and undesirable outcomes
	Additional resources to ensure the appropriate levels of accountability and delegation in decision making and delivery are adhered to (some by legislation)	Duplication of service offers	Lack of understanding of additional expenditure	Lack of understanding of additional expenditure	Additional expenditure

	<p>Extended administrative processes and checks and balances to safeguard against decisions that may be politically damaging</p>	<p>Delays in implementation of policies and reaching beneficiaries</p>	<p>Delays in receiving benefits of policies and programmes</p>	<p>Delays in receiving benefits of policies and programmes</p>	<p>Increased overheads</p> <p>Lack of flexibility and agility</p> <p>Replication of a centralised system at local level</p>
	<p>Blurred accountability lines in areas where LAs are competing for powers with the MCA</p>	<p>Potential for maverick or experimental politicians to develop ill-informed agendas</p>	<p>Weak communication can lead to misunderstanding and missed development opportunities</p>	<p>Significant wages paid to executive officers in both the MCA and local districts has the potential to generate resentment to yet another layer of bureaucracy during times of economic hardship</p>	<p>Uneven development gains – the central city/ economic hub within an MCA region generally acts as the key motivating factor for FDI developments - towns and areas on the periphery of the MCA area may miss out on economic development</p>

	<p>MCA agenda is expanding as it develops, and could potentially lead to the growing redundancy of constituent district administrations as MCAs supersede them – particularly acute in the context of ‘coalition localism’, which has austerity measures slash LA budgets</p>	<p>Lack of articulation of the purpose of the devolution project as a whole could lead to the devolution of areas in which local authorities add little to no material benefit, or to administrations that lack sufficient cooperative capacity to administer them correctly</p>	<p>Additional funding repurposed from ‘growth’ to plugging gaps in MCA district budgets</p>	<p>MCA must communicate its role and purpose in order to ensure its own relevance in the public mindset; failure to do so could lead to disengagement and poorer outcomes</p>	<p>Devolution grants greater scope for politicians with irresponsible, or ill-thought-out policies to impact on the local economies</p>
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APPENDIX A: BIBLIOGRAPHY

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APPENDIX B: LIST OF CONSULTEES

Combined Authority	Consultees	Job Title (at time of consultation)
Cambridgeshire and Peterborough CA (CPCA)	James Palmer	Mayor
	John Hill	Chief Executive
	Kim Sawyer	Chief Executive
	Chris Twigg	Interim Transport Director
	John T Hill	Business and Skills Director
	Noel O'Neill	Interim Section 73 Officer
	Paul Raynes	Director of Strategy and Assurance
	Roger Thompson	Director of Housing and Development
	Howard Norris	Assistant Director
	Dan Thorp	Interim Scrutiny Officer
	Emma Powley	Scrutiny Officer
	Anne Gardiner	Governance Advisor
	Debbie Forde	Head of Finance
	Jon Alsop	Business Board
	Andy Neely	Chief Executive Fenland District Council
Paul Medd,	CEO, Huntingdonshire District Council	
	CEO, Cambridge City Council	
Jo Lancaster	Cambridgeshire and Fire Rescue Service	
Antoinette Jackson	East Cambs District Council	

	<p>Chris Strickland</p> <p>Jo Brooks</p> <p>Dorothy Gregson</p> <p>Jessica Bawden,</p> <p>Gary Garford,</p> <p>Amanda Askham</p> <p>Rachel Stopard</p> <p>Mike Hill</p>	<p>CEO, Cambridgeshire Police and Crime Commissioner Office</p> <p>Director of Corporate Affairs, Cambridgeshire and Peterborough Clinical Commissioning Group</p> <p>Fenland District Council</p> <p>Cambridgeshire County Council</p> <p>CEO, Greater Cambridge Partnership</p> <p>CEO, South Cambs District Council</p>
Cornwall Council	<p>Adam Payner</p> <p>Julian German</p> <p>Kate Kennally</p> <p>Steve Ford</p> <p>Stephanie Vandike</p> <p>Mark Holmes</p> <p>Emily Kent</p> <p>Iain Mackleworth</p> <p>Paul Masters</p> <p>Jessie Hamshar</p> <p>Miles Carden</p> <p>Dr Iain Chorlton</p>	<p>Leader</p> <p>Deputy Leader</p> <p>Chief Executive</p> <p>Director Strategy and Delivery</p> <p>Senior Policy Officer, Cornwall Deal</p> <p>Senior Development Officer</p> <p>Head of Economy</p> <p>Head of Investment and Growth</p> <p>Strategic Director - Neighbourhoods</p> <p>Service Director – Strategy and Engagement</p> <p>Director – Spaceport Cornwall</p>

	<p>Helen Charlesworth-May</p> <p>Allistair Young</p> <p>Caroline Carroll</p> <p>Ant Humphreys</p> <p>Mark Dudridge</p> <p>Glen Caplin</p> <p>Fran Grottick</p>	<p>Chair of Kernow Clinical Commissioning Group</p> <p>Adult Social Care and Health Strategic Director</p> <p>Chief Executive of Coastline Housing</p> <p>Innovation Lead</p> <p>Corporate Finance Manager</p> <p>LEP Chair</p> <p>LEP CE</p> <p>Isles of Scilly</p>
Greater Manchester Combined Authority (GMCA)	<p>Andrew Lightfoot</p> <p>Simon Nokes</p> <p>John Holden</p> <p>Richard Pavey</p> <p>Alison Gordon</p> <p>Matt Ainsworth</p> <p>Warren Heppolette</p> <p>Paul Lynch</p> <p>Geoff Little</p>	<p>Deputy CEO</p> <p>GMCA – Director, Strategy and Research</p> <p>GMCA – Assistant Director, Strategy and Research</p> <p>GMCA – Treasurer</p> <p>GMCA – Business Director</p> <p>GMCA – Employment Policy Lead</p> <p>Executive Lead, Strategy & Systems Development – Health and Social Care Partnership</p> <p>Deputy Director of Strategy & System Development - – Health and Social Care Partnership</p> <p>Bury CC CE</p>
Liverpool City Region (LCR)	<p>Frank Rogers</p> <p>Mark Bousfield</p>	<p>Chief of Staff</p> <p>Director of Commercial Development and Investment</p>

	<p>John Foggarty</p> <p>Mick Noone</p> <p>Liz Chandler</p> <p>Kirsty Pearce</p> <p>Asif Hamid</p> <p>Michael Parkinson</p> <p>Euan West</p> <p>Stephen Cowperthwaite</p> <p>Paul Cherpau</p> <p>Tony Reeves</p>	<p>Finance Director</p> <p>Merseytravel – Director of Integrated Transport</p> <p>Merseytravel – Director of Corporate Governance</p> <p>LCRCA – Policy and Strategy Lead</p> <p>Liverpool LEP – Chair</p> <p>University of Liverpool – VC Civic Engagement</p> <p>KPMG – Liverpool Office Senior Partner</p> <p>Avison Young – Principal</p> <p>Managing Director, Liverpool</p> <p>Liverpool Chamber of Commerce –</p> <p>Chief Executive</p> <p>Liverpool CC</p>
<p>London (Greater London Authority, London Assembly and London Mayor’s Office)</p>	<p>Mary Harpley</p> <p>Martin Clarke</p> <p>Jennette Arnold</p> <p>Tony Arbour</p> <p>Gareth Bacon</p> <p>Len Duvall</p> <p>Caroline Russell</p>	<p>GLA – Chief Officer</p> <p>GLA – Executive Director, Resources</p> <p>London Assembly – Chair</p> <p>London Assembly – Vice Chair</p> <p>London Assembly – Leader, Conservative Group</p> <p>London Assembly – Leader, Labour Group</p> <p>London Assembly – Leader, Green Group</p>

	Caroline Pidgeon	London Assembly – Liberal Democrats
	Nick Bowes	GLA – Mayoral Director, Policy
	Heidi Alexander	GLA – Deputy Mayor, Transport
	Tim Steer	GLA – Head of Transport
	Rajesh Agrawal	GLA – Deputy Mayor, Business
	Ben Johnson	GLA – Senior Advisor to the Mayor, Business and Digital Policy
	David Lunts	GLA – Executive Director, Housing and Land
	James Clark	GLA – Head of Housing Strategy
	James Murray	GLA – Deputy Mayor, Housing and Residential
	Rickardo Hyatt	GLA – Assistant Director, Housing
	David Bellamy	Mayor of London’s Chief of Staff
	Debbie Jackson	GLA – Interim Executive Director, Development, Enterprise and Environment
	Jules Pipe	GLA – Deputy Mayor for Planning, Regeneration and Skills
	Michelle Cuomo-Boorer	GLA – Assistant Director, Skills and Employment
	Anastassia Beliakova	GLA – Assistant Director, Scrutiny and Investigations

Tees Valley CA	<p>Julie Gilhespie</p> <p>Linda Edworthy</p> <p>Alison Fellows</p> <p>Keith Wilson</p> <p>Paul Booth</p> <p>Amanda Skelton + CE of all Constituent Councils</p>	<p>CE TVCA</p> <p>Strategy Director</p> <p>Investment Director</p> <p>Economic Policy Lead</p> <p>LEP Chairman</p>
West Midlands Combined Authority (WMCA)	<p>Deborah Cadman</p> <p>Tim Martin</p> <p>Paul Clarke</p> <p>Julie Nugent</p> <p>Helen Paterson</p> <p>Nick Page</p> <p>Adam Norburn</p> <p>Dawn Baxendale</p>	<p>WMCA – Chief Executive</p> <p>WMCA – Head of Governance</p> <p>WMCA – Head of the Chief Executive’s Office</p> <p>WMCA – Director of Productivity and Skills</p> <p>Walsall Council Chief Executive</p> <p>Solihull Council Chief Executive</p> <p>Rugby Borough Council</p> <p>Birmingham City Council Chief Executive</p>
West of England Combined Authority (WECA)	<p>Patricia Greer</p> <p>Jessica Lee</p> <p>Malcolm Coe</p> <p>Pete Davis</p>	<p>Chief Executive</p> <p>Head of Policy and Strategy</p> <p>Director of Investment and Corporate Services</p> <p>Investment and Performance Manager</p>

APPENDIX C: SURVEYS METHODOLOGY

Public Survey

To understand perceptions of devolved authorities, a survey of public perceptions was conducted. 4,080 responses were collected in total, on the basis of over 500 responses in eight devolved authorities using a YouGov online panel.

The questionnaire was used to explore respondents’:

- (a) Awareness of Combined Authorities,
- (b) Civic engagement,
- (c) Perceptions of local environment and improvements.

Data preparation

The gathered data had been previously cleaned and prepared for analysis before it was received by Winning Moves. The data preparation included handling of missing values (i.e., 999 or 998 entered for missing values). Once data was received, verbatims for ‘other’ questions were coded, using SPSS, creating new categories.

The sample was treated as a random sample representative of people living in the eight devolved authorities and was therefore not weighted.

Data analysis

The preliminary analysis of the public survey data included both quantitative and qualitative components.

As part of the quantitative analysis, crosstabs were calculated using SPSS to show differences between devolved authorities. Charts have been used to present the summarised survey results for the key variables of interest to visualise those differences in response. Unless otherwise stated, all questions were prompted.

The qualitative data from open-ended survey questions was coded for recurrent key patterns and themes.

Qualitative data is sometimes presented as frequencies (e.g., responses to the ‘other’ category in the question on interest in decisions taken in the regions). Selected quotes have also been included to illustrate major themes (e.g., responses to the question on perceived need of key regional projects).

Business Survey

To understand perceptions of devolved authorities, a survey of businesses' perceptions was conducted. 963 responses were collected in total on the basis of at least 125 responses in seven devolved authorities using a sample of businesses from the UK's Inter-Departmental Business Register (IDBR) list (see Table 1).

The questionnaire was used to explore respondents':

- (a) Awareness of Combined Authorities;
- (b) Civic engagement; and
- (c) Perceptions of local environment and improvements.

Table 1: Number of interviews conducted in each devolved authority

Cambridgeshire and Peterborough	Greater Manchester	Liverpool City	West Midlands	Tees Valley	Cornwall	London
143	131	135	144	140	143	126

The sample frame for this project consisted of a representative sample of local-units listed in the Inter-Departmental Business Register (IDBR) by:

High level 2007 SIC code; and

Business size indicated by number of employees at the Local Unit.

For the initial analysis, presented here, the achieved interview sample was treated as representative of businesses in the seven devolved authorities studied, and was not therefore weighted.

The sample was however examined to understand how representative businesses interviewed are of the IDBR population within each of the seven devolved authorities. To enable this we have grouped businesses into:

Two size categories: Micro businesses (less than ten employees) and Medium/Large businesses (ten or more employees); and

Four broad industry sectors: Agriculture, Production, Construction and Services.

The full results of the IDBR sample comparison are included Table 2. In summary:

- There is slightly greater representation of medium/large businesses within the Production, Construction and Services sector; and
- There is some under-representation of the Agricultural sector.

At this stage no weighting has taken place, with the following considerations taken into account:

- For some categories where the population within the IDBR comprises <1% there are some Devolved Authorities where no interviews were achieved, given the smaller sample size of the survey work and the available sample within the sampling frame and so weighting would not enable a complete profile match to the IDBR; and
- During fieldwork there were a number of IDBR businesses that upon calling reported that they were no longer in operation, it follows that some differences in the achieved sample may be a reflection of changes within the business population.

APPENDIX D: EXAMPLES OF MAYORAL LEADERSHIP FROM AROUND THE WORLD

Japan

Japan has a two-tier local government system which is composed of 47 prefectural governments and 1,719 municipalities. Both prefectural and municipalities have a directly elected head, a Governor for prefectural governments and a Mayor for municipalities, which are elected on a four-year term with no term limit.⁴² They also have local assemblies, composed of elected members, which keep the elected head in check and pass local ordinances, as well as populate committees in charge of education, policing and elections.

Mayors have a lot of sway politically in Japan and in some cases turnout for mayoral elections top that of national polls. The powers vested in the mayor as political and organisational head of the municipality affords them considerable control over the local authority. Mayors are also represented in Japan's partnership structure between national and local government, where policies and legislations can be amended at early consultation stage.⁴³

Governors and Mayors have the right to introduce bills to the local assemblies, they also have the exclusive right to submit budget bills and to adjust and implement budgets. Both can also impose regulations and penalties regarding public services in their jurisdictions. If the assembly and the Mayor or Governor disagrees over budgets or other proposals, the Governor or Mayor can force the assembly to reconsider the proposed bill. If the assembly passes a vote of no confidence, the Governor or Mayor has the right to dissolve the assembly. Under certain circumstances, such as insufficient time to call the assembly into session, a Governor or Mayor can bypass the assembly and enact, revise, or abolish a budget or ordinance. In principle, the local government is constituted as a dual representative system with powers divided between the executive and legislative branches, but in practice, the Japanese system gives governors and mayors broad authority to make and implement policy, even in the absence of support from the legislative assembly.⁴⁴

Local government in Japan provides most public services with central government reserved to providing pensions, defence, and other national responsibilities. Specifically, municipalities provide a wide range of public and personal services including education (especially compulsory education), public health, city planning, fire protection, water and sewerage. In addition they provide social services and assistance. Some cities have more authority transferred from the central government.

Local taxation in Japan, which includes a mix of income, asset and consumption strands, covered roughly 38% (~£276bn) of a local government spending in 2015. National treasury grants are equivalent to Britain's government grants and are about 15% (~£103bn) of all local government spending in Japan. These grants are linked to specific policies and programmes and local government has little say in how to use them. The Local Allocation Tax (LAT) is a

⁴² <http://www.citymayors.com/mayors/japanese-mayors.html>

⁴³ <https://www.theguardian.com/local-government-network/2013/aug/21/what-uk-learn-japans-mayors>

⁴⁴ Tsuji, Y., Explaining the Increase in Female Mayors: Gender-Segregated Employment and Pathways to Local Political Leadership, *Social Science Japan Journal* Vol. 20, No. 1, pp 37-57, 2017

pre-determined share of certain national taxes which provides around 17% (~£116bn) of all local government funding – local governments can spend LAT money how it wishes.⁴⁵

USA

In the United States, the majority of power resides at the state level and the states in turn devolve powers and responsibilities to cities, counties, and municipalities.

There are several distinct types of mayors, depending on whether the system of local government is council-manager government or mayor-council government. Under the council-manager government system, the mayor is a first among equals on the city council, which acts as a legislative body while executive functions are performed by the appointed manager. The mayor may chair the city council but lacks any special legislative powers. The mayor and city council serve part-time, with day-to-day administration in the hands of a professional city manager.

Under the mayor-council system, the mayoralty and city council are separate offices. This system may be of two types, either a strong mayor system or a weak mayor system. Under the strong mayor system, the mayor acts as an elected executive with the city council exercising legislative powers. They may select a chief administrative officer to oversee the different departments. This is the system used in most of the United States' large cities, primarily because mayors serve full-time and have a wide range of services that they oversee. In a weak mayor or ceremonial mayor system, the mayor has appointing power for department heads but is subject to checks by the city council, sharing both executive and legislative duties with the council.

The power of mayors and councils vary from city to city; in most cities the mayor has limited powers and serves largely as a ceremonial leader, but in some cities (particularly large urban areas) the council is nominally responsible for formulating city ordinances, which the mayor enforces, but the mayor often controls the actions of the council.⁴⁶

Formal powers may include executive powers (control over overall strategic direction and budgeting, key personnel, and communication); legislative powers (the ability to propose, introduce, and enact new laws and policies); fiscal powers (the ability to tax, borrow, lend, and charge fees for use and service); and sectoral powers (control over strategy, operations, personnel, and budgets in key sectors, such as education, housing, land use, and policing). These powers vary from place to place but broadly represent the toolkit of mayors' formal powers.⁴⁷

France

In France the main units of local government, defined by the constitution as collectivités territoriales (“territorial collectivities”), are the régions, the départements, the communes, and the overseas territories.

⁴⁵ <https://www.centreforcities.org/blog/what-does-japan-tell-us-about-the-potential-for-fiscal-devolution/>

⁴⁶ <https://www.britannica.com/place/United-States/State-and-local-government>

⁴⁷ Leading beyond limits: Mayoral powers in the age of new localism <https://www.brookings.edu/research/leading-beyond-limits-mayoral-powers-in-the-age-of-new-localism/>

The communes are the smallest unit of democracy in France. Communes have municipal councils that are elected for six years, including at least nine members. The council administers public land, sets up public undertakings, votes on its own budget, and over recent years has played an increasing role in promoting local economic development. It elects a mayor and the mayor's assistants.

The mayor is both the chief executive of the municipal council and the representative of the central government in the commune. The mayor is in charge of the municipal police and through them ensures public order, security, and health and guarantees the supervision of public places to prevent such things as fires, floods, and epidemics. The mayor also directs municipal employees, implements the budget, and is responsible for the registry office.⁴⁸ Other responsibilities include setting local tax rates, local economic development projects, local schools, and managing public services.

Under the authority of a Prefect, the mayor performs administrative functions, including:

- Publication of laws and regulations;
- The organization of elections;
- Validating signatures
- implementing measures of general safety and special functions
- In case of emergency the mayor may be required to act to enforce general administrative policy to assist state police special forces
- Officiates in such things as civil marriages
- Assisting in inquiries into wanted people on their personalities, financial, family, and social situations.
- A civil judicial function

Italy

Italy is divided into three levels of local government: regions, provinces and communes (municipalities). Communes consist of a popularly elected communal council, the communal committee or executive body, and the mayor. The communes have the power to level and collect limited local taxes and they have their own police. The communes issue ordinances and run certain public health services. Other responsibilities include town planning, building and commercial permits, social housing, local public transport and roads, water and waste management, education (pre and primary schools buildings), social services, local economic development, recreation and culture.

The mayor represents the municipality both politically and legally and acts as the main government official in the functions delegated by the state to the municipality. The mayor performs three independent functions: head of the municipality, leader of the majority party (or coalition) and government official. The mayor appoints the members of the cabinet, who are not necessarily elected by the citizens, and the mayor also appoints the heads of offices and

⁴⁸ <https://www.britannica.com/place/France/Regional-and-local-government>

services and the representatives of the municipality in local quangos and municipal corporations.

In terms of political leadership structures, Italian local government systems are designed to give to directly elected mayors' extensive full powers in many governance and administrative issues. They are in charge of executive matters whereas the function of overview and scrutiny is delegated to the city council, which also has approval powers on the main administrative acts, such as budget approval and land planning.⁴⁹

⁴⁹ Budd, L., Sancino, A., A Framework for city leadership in multilevel governance settings: the comparative contexts of Italy and the UK, 2015, <https://doi.org/10.1080/21681376.2015.1125306>

APPENDIX E: LOGIC MAPPING OF KEY CONCEPTS

Figure 9: Local Governance Decentralisation Process – Concepts Mapping

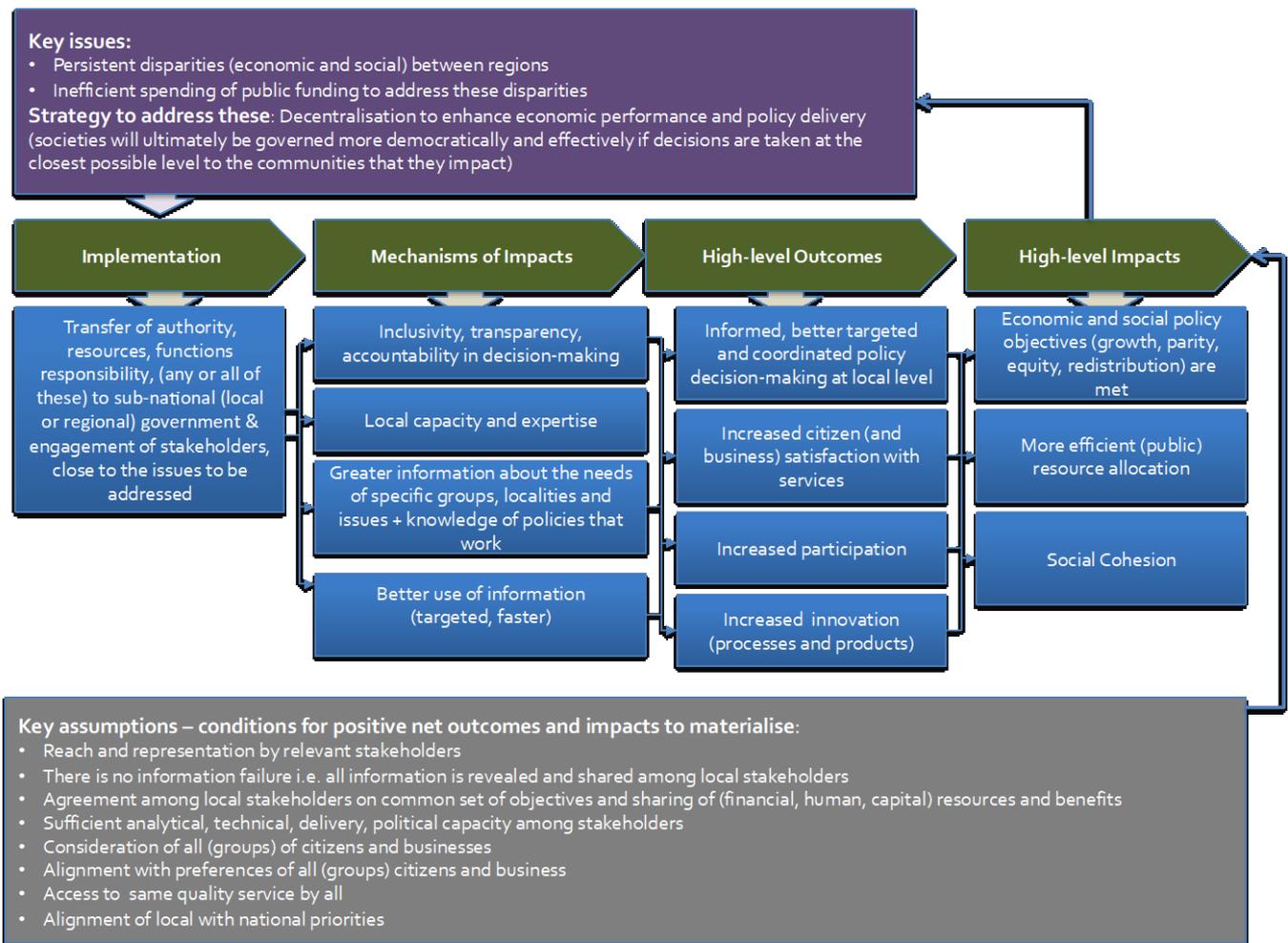
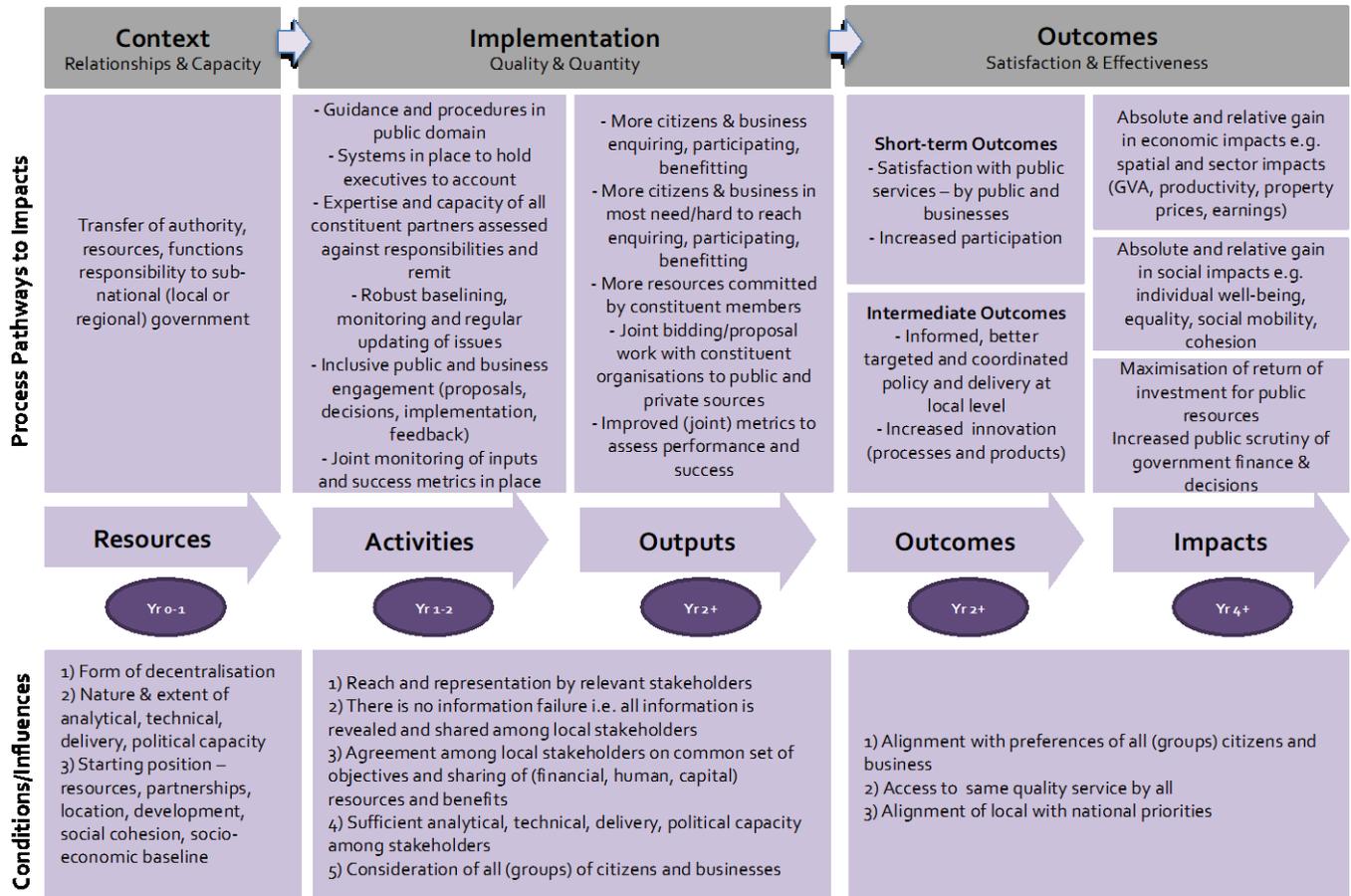


Figure 10: Devolution in England – Concepts Mapping and Conditions

Issues to be addressed: improved national economic growth by: 1) Reducing disparity between London and the regions; and 2) Ensuring that rural and non-metropolitan areas are not left behind



APPENDIX F: SURVEY RESULTS

The presentation of survey results in each devolved authority alongside each other is only for descriptive purposes. Any comparison between authorities would not be credible in the light of different contexts and structures underpinning these devolved institutions, and the relatively small number of interviews conducted in each area at this stage.

Public Survey

Question 1:

Before taking this survey, had you heard of any of the terms Combined Authority, Local Enterprise Partnership, Local Authority and Chamber of Commerce?

- As shown in Figure 11, less than half the respondents (46.4%), across all combined authority areas, reported that, before taking the survey they were aware of the term 'combined authority'; a similar proportion of respondents (45.4%) across all combined authority areas also reported that, before taking the survey, they were aware of the term 'local enterprise partnership'. Respondents in Tees Valley reported the highest level of awareness of the term 'local enterprise partnership' (60.1%), while respondents in Manchester had the lowest level of awareness (33.7%).
- Figure 12 shows that respondents in Cornwall reported a relatively high level of awareness of the term 'unitary authority' (68.6%).
- The vast majority of respondents (95.9%), across all combined authority areas, reported that, before taking the survey, they were aware of the term 'local authority' (Figure 13). Respondents in Tees Valley reported the highest level of awareness (97.7%), while respondents in West Midlands reported the lowest level of awareness (93.7%).
- Similarly, most respondents (86.2%), across all combined authority areas reported that, before taking the survey, they were aware of the term 'chamber of commerce'. Respondents in Cambridge and Peterborough reported the highest level of awareness of the term 'chamber of commerce' (89.1%), while those in Manchester reported the lowest level of awareness (80.7%).

Figure 11: Awareness of 'Local Enterprise Partnership' and 'Combined Authority' terms



Figure 12: Awareness of the term 'Unitary Authority' in Cornwall

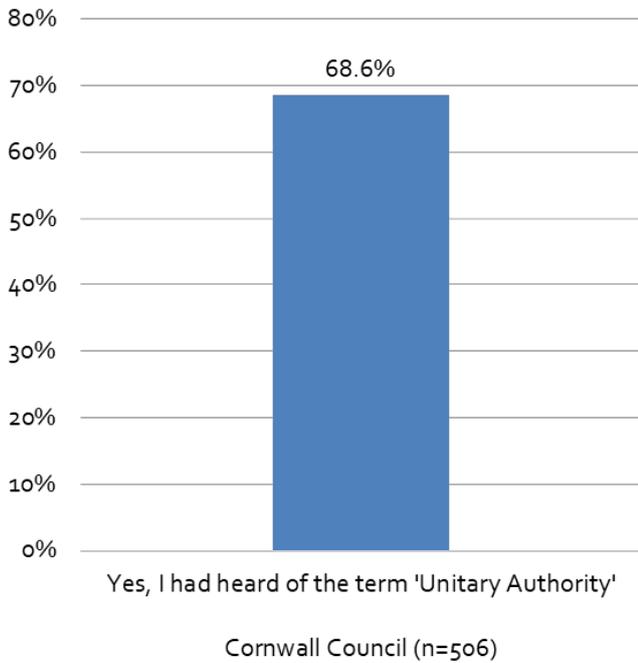
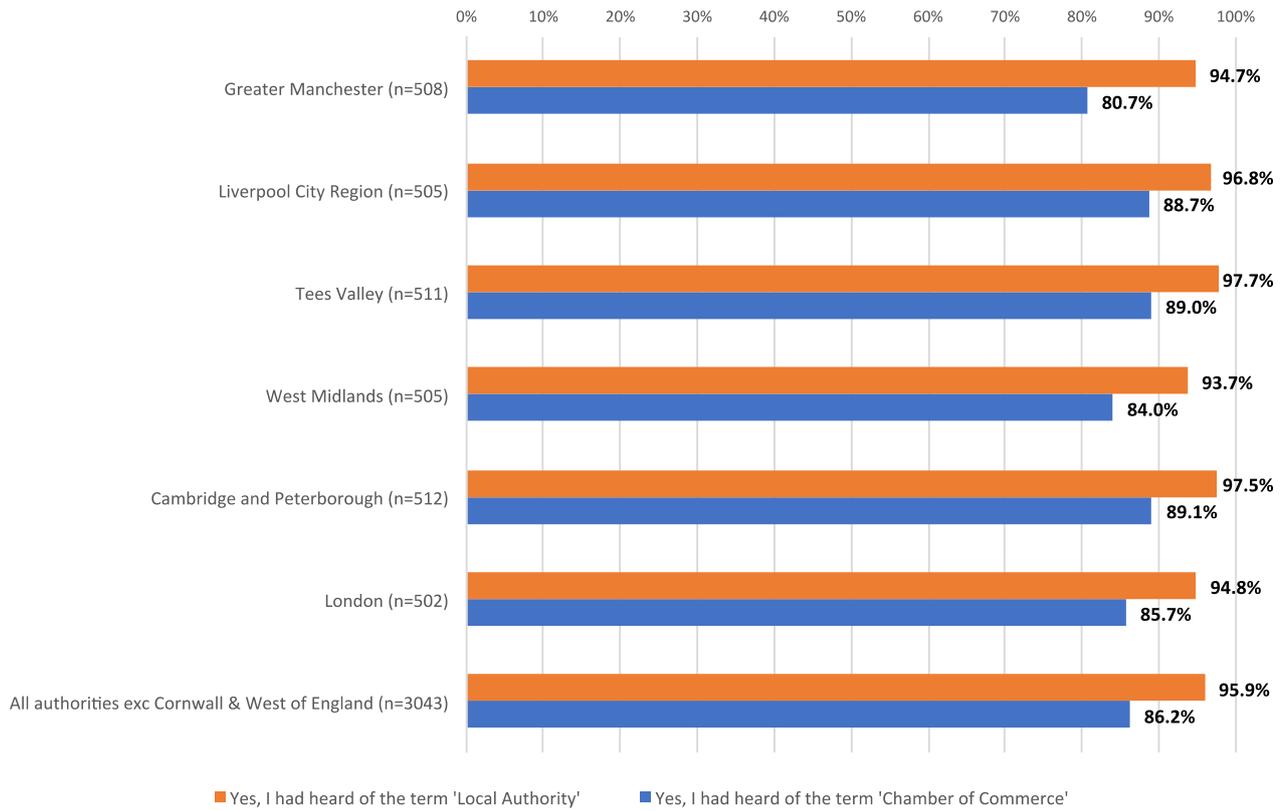


Figure 13: Awareness of 'Local Authority' and 'Chamber of Commerce' terms

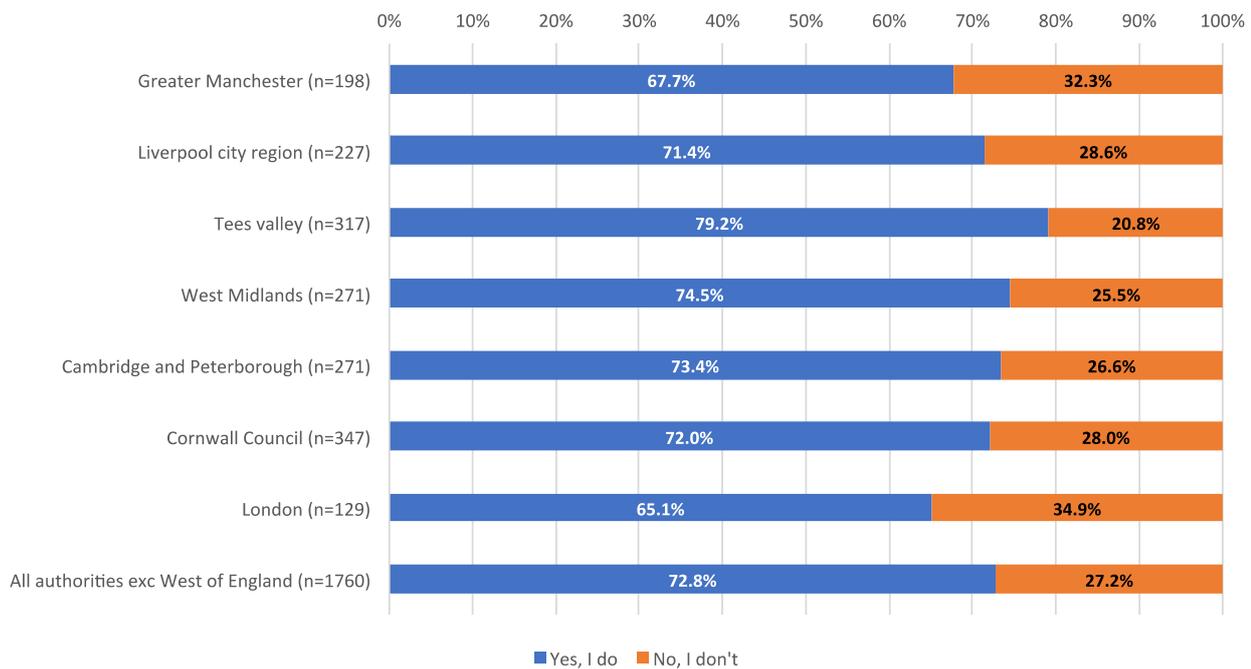


Question 2:

You previously said that you had heard of the term 'Combined Authority' / 'Unitary Authority'. Would you say you know what this term means?

Nearly three quarters of respondents (72.8%), across all combined authority areas, believed that they knew what the term 'combined authority' meant. Figure 14 shows that Tees Valley had the highest proportion (79.2%) reporting they knew what the term meant.

Figure 14: Knowledge of the Term 'Combined Authority'

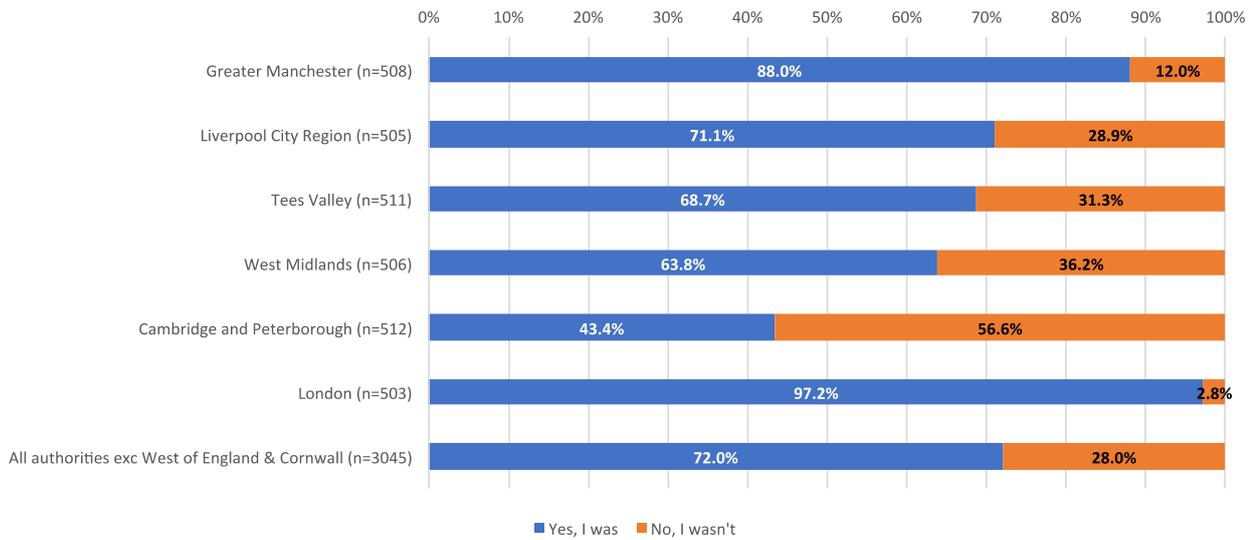


Question 3:

Before taking this survey, were you aware that the metro-mayor for your area is << name of the metro-mayor>>?

Nearly three quarters of respondents (72%) across all combined authority areas reported they were aware of who the mayor for their area was. Figure 15 indicates that London and Manchester respondents reported the highest level of awareness of who their mayor was, 97.2% and 88% respectively.

Figure 15: Awareness of the Metro-mayor

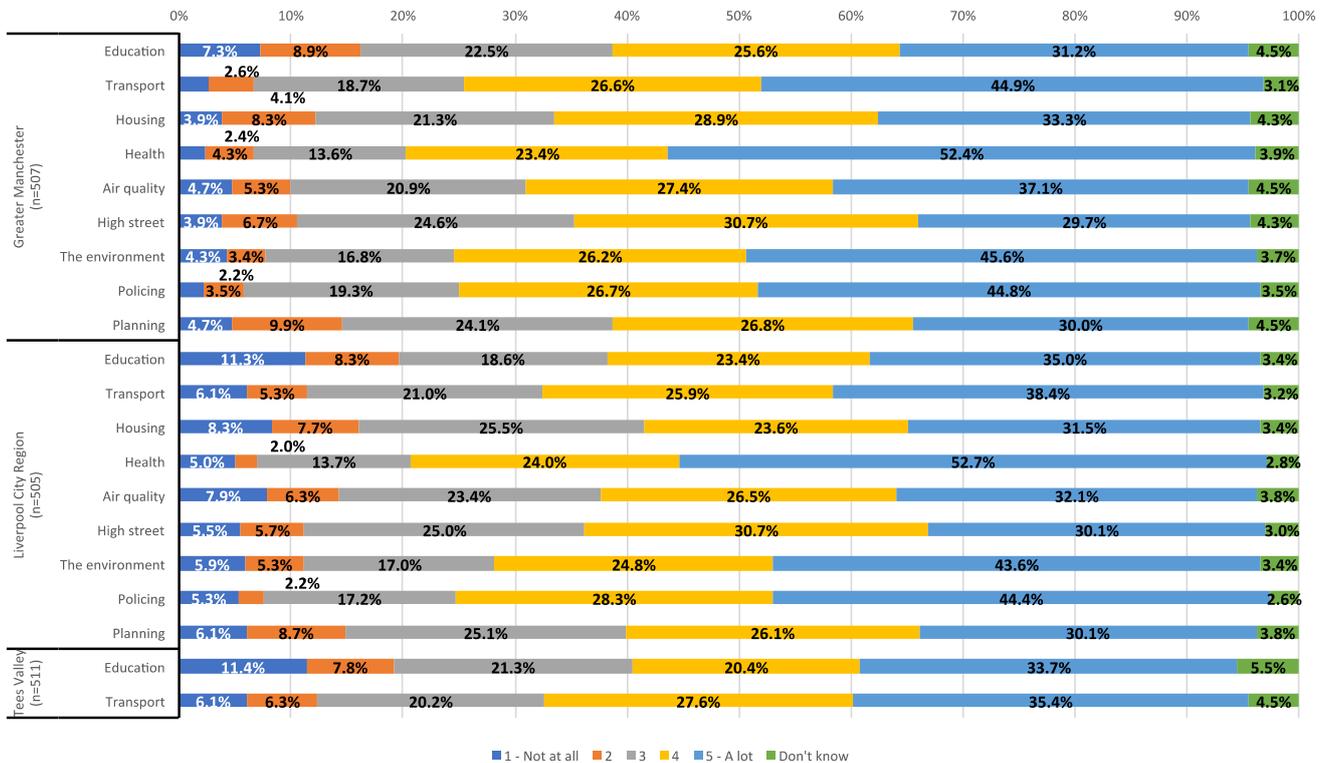


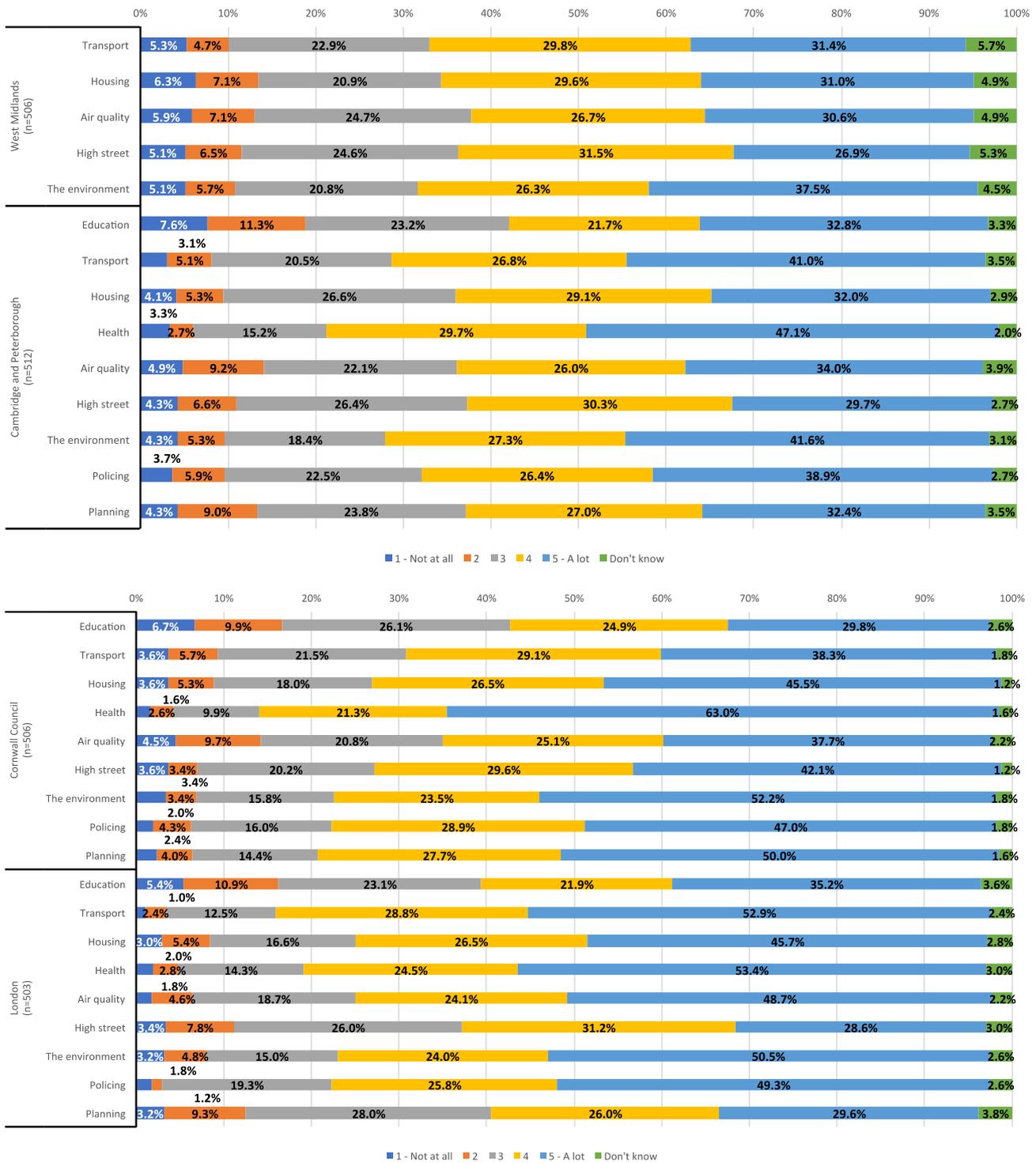
Question 4:

Would you say that in general you are interested in decisions taken in your region for...

Respondents in the majority of combined authority areas showed the greatest interest (i.e., answered either 'moderately interested' or 'a lot') in decisions for health and the environment.

Figure 16: Interest in decisions taken in the region for...





Interest for specific policy areas varied by area:

- Transport: Respondents in London reported the highest interest in decisions for transport (81.7%).
- The environment: Respondents in Cornwall and London reported the highest interest in decisions for the environment, 75.7% and 74.5% respectively.
- Housing: Respondents in Cornwall and London reported the highest interest in decisions for housing, 72% and 72.2% respectively.

-
- Health: Respondents in Cornwall reported the highest interest in decisions for health, 84.3%.
 - Air Quality: Respondents in London reported the highest interest in decisions for air quality.
 - High street: Respondents in Cornwall reported the highest interest in decisions for high street (71.7%).
 - Crime Policing: Respondents in Cornwall and London reported the highest interest in decisions for policing, 75.9% and 75.1% respectively.
 - Planning: Respondents in Cornwall reported the highest interest in decisions for planning (77.7%).
 - Education: Respondents were asked about how interested they were in decision for education taken in their area. Respondents in London and Liverpool reported the highest interest in decisions for education, 57.1% and 58.4% respectively.

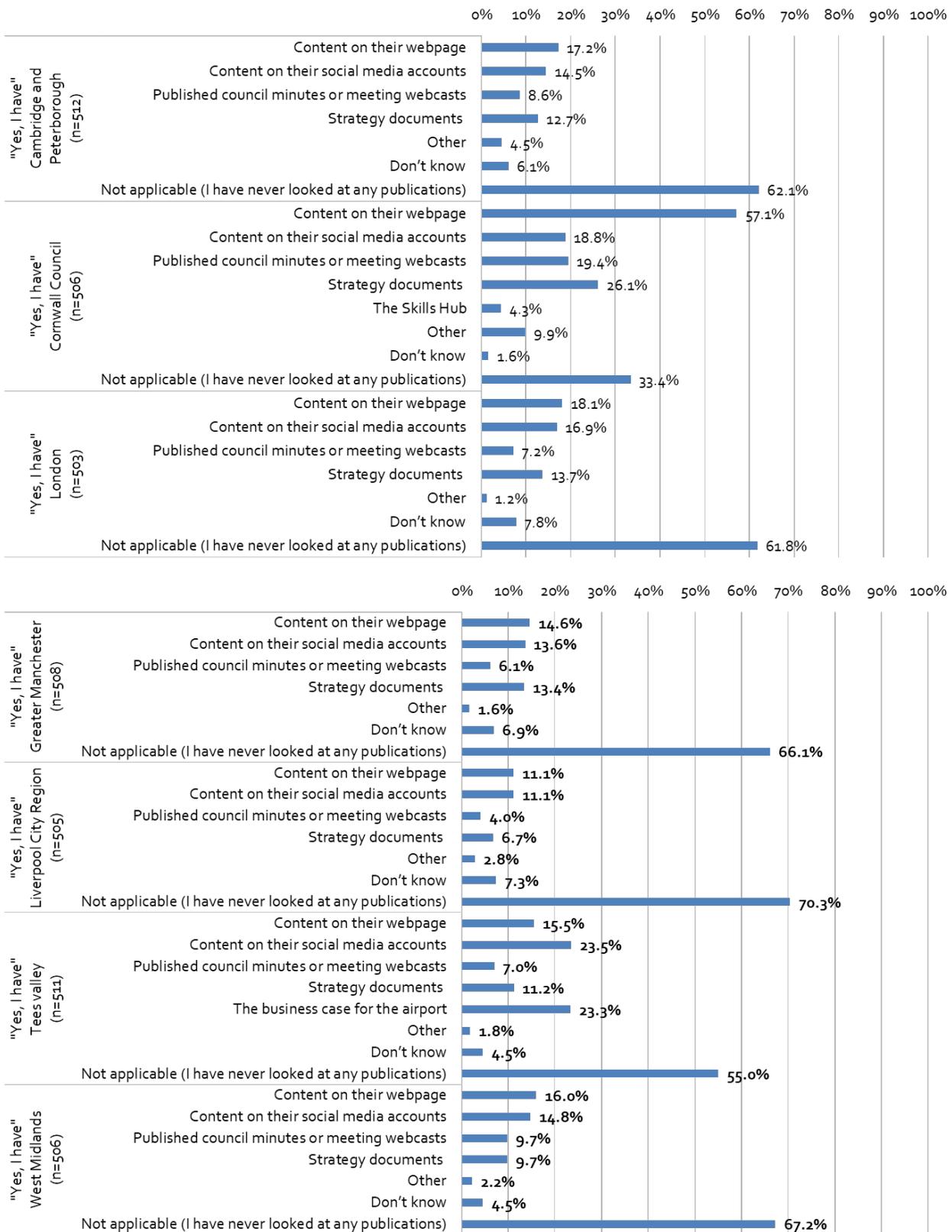
Question 5:

Have you looked at any of the following produced by your Combined Authority?

The majority of respondents (ranging from 55% to 70.3%) in all areas reported no engagement with information resources produced by their combined authority, except in Cornwall, where a lower proportion of respondents (33.4%) reported no engagement with those resources. In terms of specific resources accessed:

- **Content on their web page:** Respondents in Cornwall reported the highest engagement with content on a web page produced by their combined authority (57.1%), followed by those in London (18.1%).
- **Content on their social media accounts:** The highest engagement with a social media channel produced by their combined authority was reported by respondents in Tees Valley (at 23.5%).
- **Published council meeting minutes or meeting webcast:** The highest engagement with published council meeting minutes (or meeting webcast) produced by their combined authority was reported by respondents in Cornwall (at 19.4%).
- **Strategy documents:** The highest engagement with strategy documents produced by their combined authority was reported by respondents in Cornwall (26.1%).
- **Business case for the airport (Tees Valley only):** Engagement with the business case for the airport was reported by almost one quarter of respondents (23.3%) in Tees Valley.

Figure 17: Engagement With Information Resources Produced By Authority

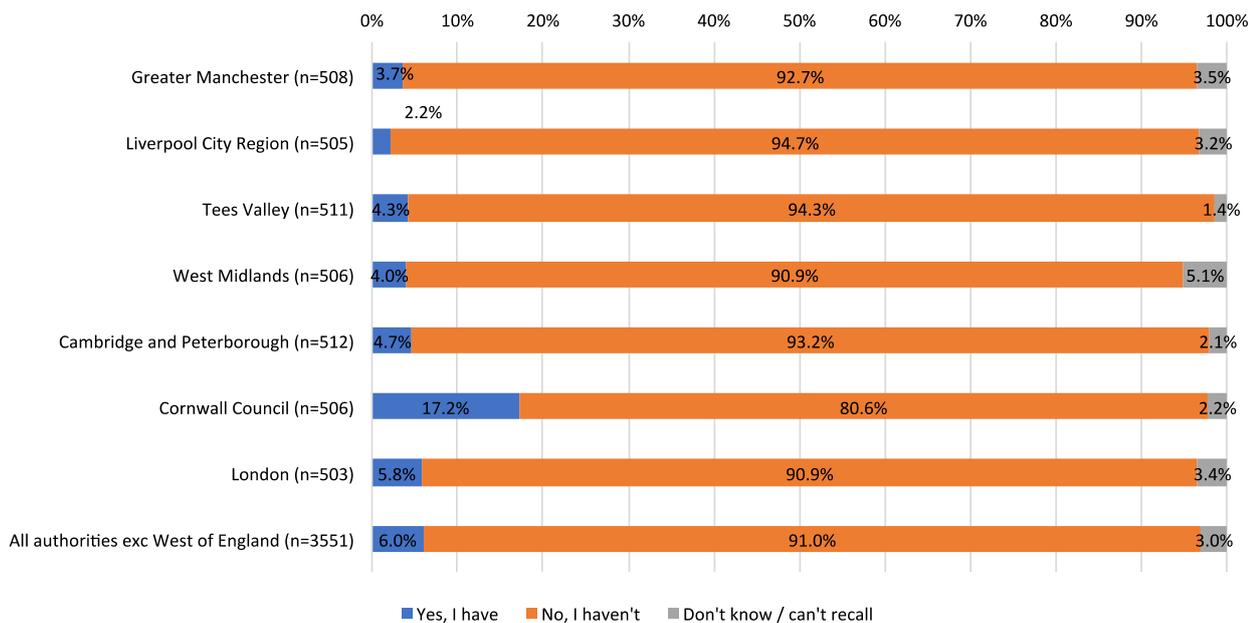


Question 6:

Have you ever attended any public meetings for your Council/Combined Authority?

Most general public respondents (91%) in all combined authority areas reported not having ever attended any public meetings for their combined authority, and only few respondents (6%) reported having attended at least one meeting. As shown in Figure 18, the proportion of respondents reporting having attended any public meeting for their combined authority was the highest in Cornwall (17.2%).

Figure 18: Attendance at Public Meetings

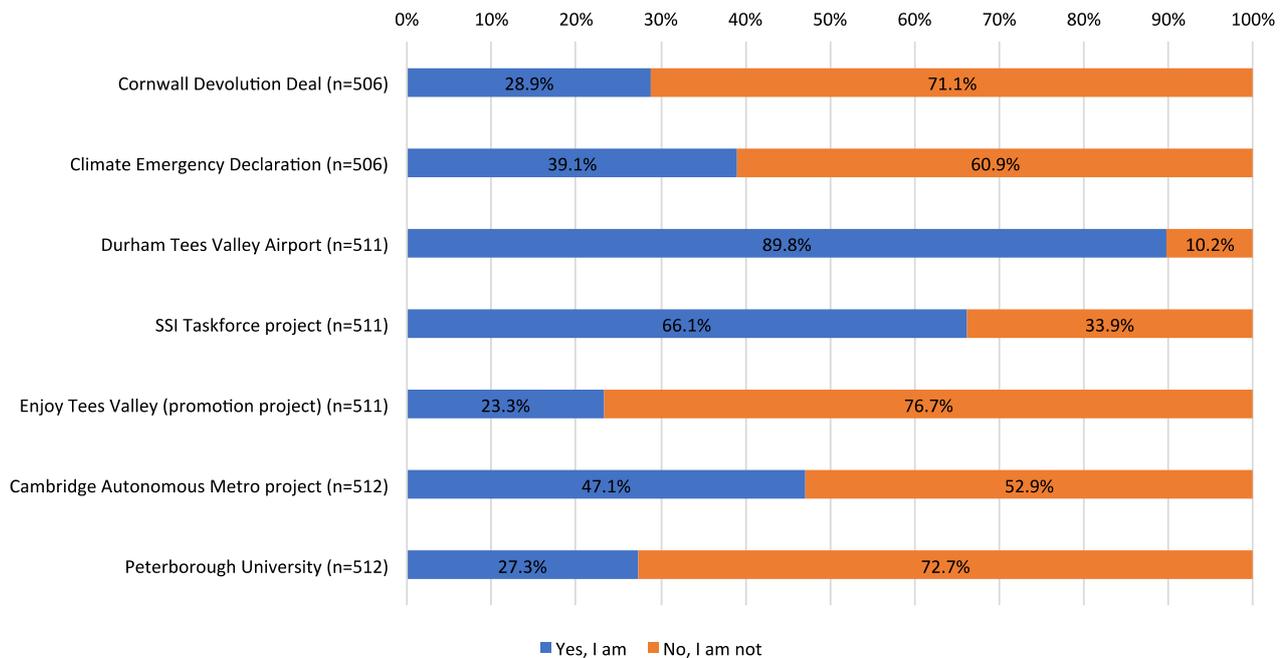


Question 7:

Are you aware of any of the following projects?

Devolved authorities participating in the surveys identified the projects in their area to be included in this question, and their responses are summarised in Figure 19.

Figure 19: Awareness of Key Regional Projects



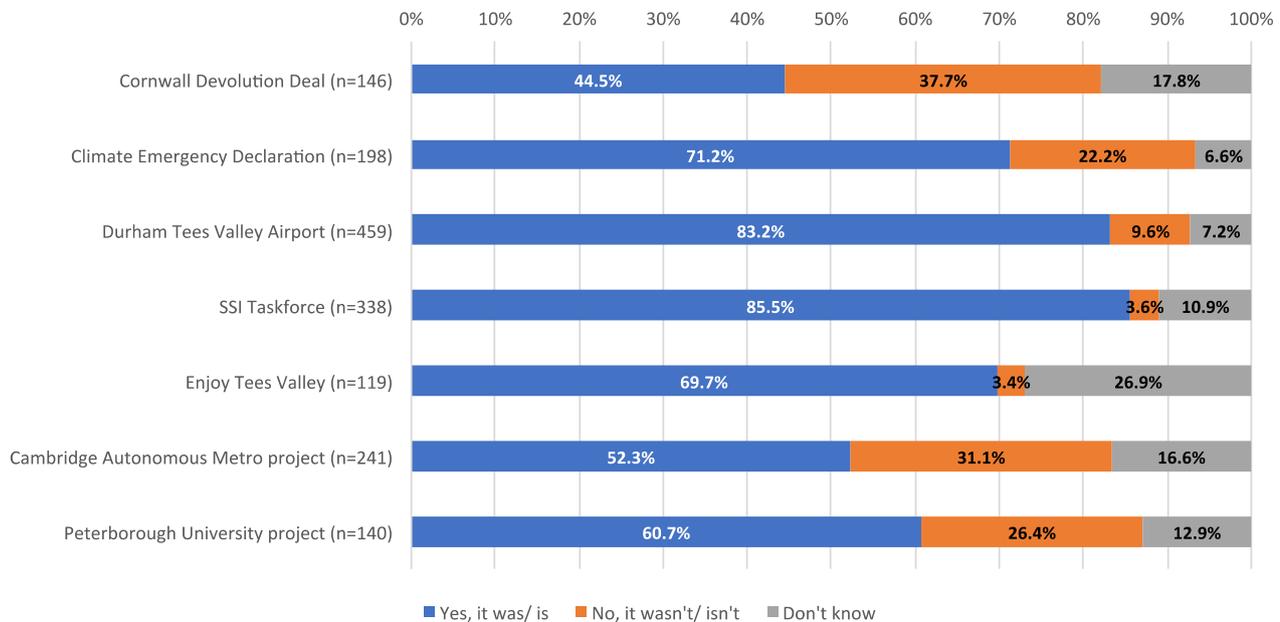
- In Cornwall:
 - Cornwall Devolution Deal – around a third of respondents (28.9%) reported being aware of the Cornwall Devolution Deal.
 - Climate Emergency Declaration – over one third of respondents (39.1%) reported being aware of the Climate Emergency Declaration.
- In Tees Valley:
 - Purchase of Durham Tees Valley Airport – the vast majority of respondents (89.8%) reported being aware of the Purchase of Durham Tees Valley Airport project.
 - SSI Taskforce – two thirds of respondents (66.1%) reported being aware of the SSI Taskforce project.
 - Enjoy Tees Valley – around a quarter (23.3%) reported being aware of the Enjoy Tees Valley project.
- In Cambridgeshire and Peterborough:
 - Cambridge Autonomous Metro – nearly half the respondents (47.1%) reported being aware of the Cambridge Autonomous Metro project.
 - Peterborough University – one quarter of respondents (27.3%) reported being aware of the Peterborough University project.

Question 8:

Do you think this project was/is needed in the area?

Responses are presented in Figure 20 and more detail and comments are provided below.

Figure 20: Perceived Need For Key Regional Projects



In Cornwall:

- Cornwall Devolution Deal – under half the respondents (44.5%) perceived the Cornwall Devolution Deal as necessary in the area; over one third of them (37.7%) perceived the deal as unnecessary; and the remaining did not know. Comments provided are also presented below.

“Yes, it is needed, but not on the central government terms. Cornwall Council ought to be able to take decisions on planning and local taxation, such as a tourist tax, to move the county forward”.

“I think Cornwall should be considered as a separate place as it is so remote from big cities like London and Bristol. The smaller communities have different issues to other places around the country so it makes sense for us to set our own rules”.

“Devolution is yet another way for the Central government to ‘pass the buck’ having already slashed funding to unmanageable levels”.

“It’s pretty pointless as it includes so little additional power/freedoms and no new funding”.

- Climate Emergency Declaration - the majority of respondents (71.2%) perceived the Climate Emergency Declaration as necessary in the area; around one quarter (22.2%) perceived the declaration as unnecessary; and the remaining did not know.

“We are facing a climate emergency and each region should take any possible action to mitigate/remedy this. Considering the woeful lack of interest and action

from central government, the actions of local government become all the more important”.

“Cornwall is very badly served by public transport and as a result we have heavy traffic through villages making for poor air quality”.

“Cornwall Council won't stop destroying the environment and allowing building on green field sites. It's just green washing and an excuse to spend taxpayers money on consultants and vanity projects”.

In Tees Valley:

- Purchase of Durham Tees Valley Airport - most respondents (83.2%) perceived the Purchase of Durham Tees Valley Airport project as necessary in the area, while only a few respondents (9.6%) reported perceiving the purchase as unnecessary. Some additional comments that were provided by the survey respondents are presented below.

“The airport is in reasonable distance and much easier to get to. If They grow their flight offerings I think this will bring jobs and make it much easier to go on holiday rather than travelling and parking at least an hour and 20 minutes away at Newcastle”.

“Having an airport will help attract much needed investment and jobs to the region. Freight/cargo air services and business flights are also very important for local companies to reduce travel and transport costs. Existing companies in the area, Hitachi, Cummins, Cleveland Bridge and Amazon’s distribution centre, will no longer have to use Newcastle or Leeds airports. This will decrease the use of HGV vehicle journeys, cut costs, attract more businesses to the area and aid our local economy.”

“I do not believe the airport is sustainable given the population, Brexit and environmental pressures. Leeds-Bradford and Newcastle are close and established airports”.

- SSI Taskforce - most general public respondents (85.5%) perceived the SSI Taskforce as necessary in the area, while only few of them (3.6%) stated that this was unnecessary. As stated by one respondent:

“So many people were out of work and suffering because of the closure that something was needed to help them all”.

- Enjoy Tees Valley - the majority of respondents (69.7%) stated that the Enjoy Tees Valley project was necessary in the area, while only a few of the respondents (3.4%) reported that the project was unnecessary.

“Tees Valley offers fantastic natural resources, such as national parks, forests, seaside and coast towns”.

“I think Teesside has a really negative image, nationally, and its facilities and resources are overlooked, even by many people who live here. Local pride and self-esteem is diminishing and anything that raises those things is a good thing”.

In Cambridgeshire and Peterborough:

-
- Cambridge Autonomous Metro – just over half the respondents (52.3%) reported that the Cambridge Autonomous Metro project was necessary in the area, while nearly one of third of them (31.1%) reported that the project was unnecessary (the rest did not know). Some additional comments that were provided by the survey respondents are presented below.

“Traffic in Cambridge is ridiculous at rush hour. It takes 40 minutes to drive to work by car (not that I do it regularly), but the same journey is 20 mins on a bike. Something positive needs to be done for Cambridge”.

“Cambridge has always been poorly served by public transport and yet continues to maintain huge car parks in the City Centre. Anything that helps reduce congestion and pollution in the City needs further investigation and backing”.

“An underground system built in Cambridge would be enormously expensive. The construction would be too disruptive and, possibly endanger historic buildings. I think clever traffic management, with a few additions, could improve things in Cambridge instead”.

- Peterborough University – just under two thirds of respondents (60.7%) reported that the Peterborough University project was necessary in the area, while one quarter of them (26.4%) reported that the project was unnecessary. Some comments provided by the survey respondents are also presented below.

“Peterborough needs an influx of young intelligent people from across the country to enhance cultural social and music events. The profile of the city will be raised and the demographic will change for the better”.

“University credibility is in decline because of the change in ethos of the university governing bodies. They are no longer seen as places of higher learning but as money-making establishments that have lowered the entry threshold to gain more fee paying students, the majority of whom now nearly always get a first. The entry and exit qualifications need a national review and a single standard as degrees are becoming worthless”.

Question 9:

To what extent do you agree or disagree with the following statements? Respondents were asked to agree or disagree with the following statements:

- People have control over decisions made
- People are clear who is responsible for leadership
- People know who to hold accountable for decisions made
- The views of people are represented in local decision making
- People have a say on how local budgets are spent
- The area has a strong representation in central government
- Too many policy decisions affecting my area are made outside it

Responses are summarised below and depicted in Figure 21.

“Too many policy decisions affecting my area are made outside it”: Respondents in Cornwall showed the highest agreement with the statement (64.3%).

“People have control over decisions made”: Respondents in London showed the highest agreement (i.e. answered either ‘somewhat agree’ or ‘strongly agree’) with the statement (14.5%).

“People are clear who is responsible for leadership”: Respondents in London showed the highest agreement with the statement (29.4%).

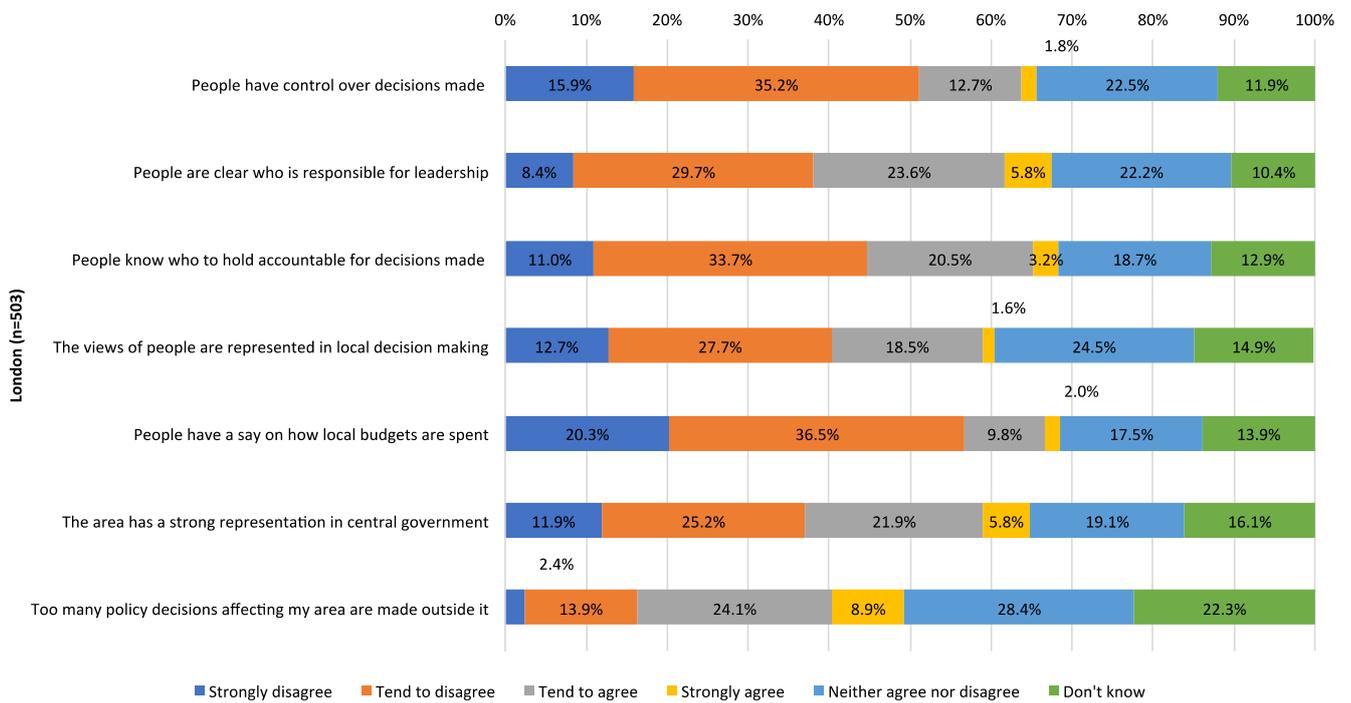
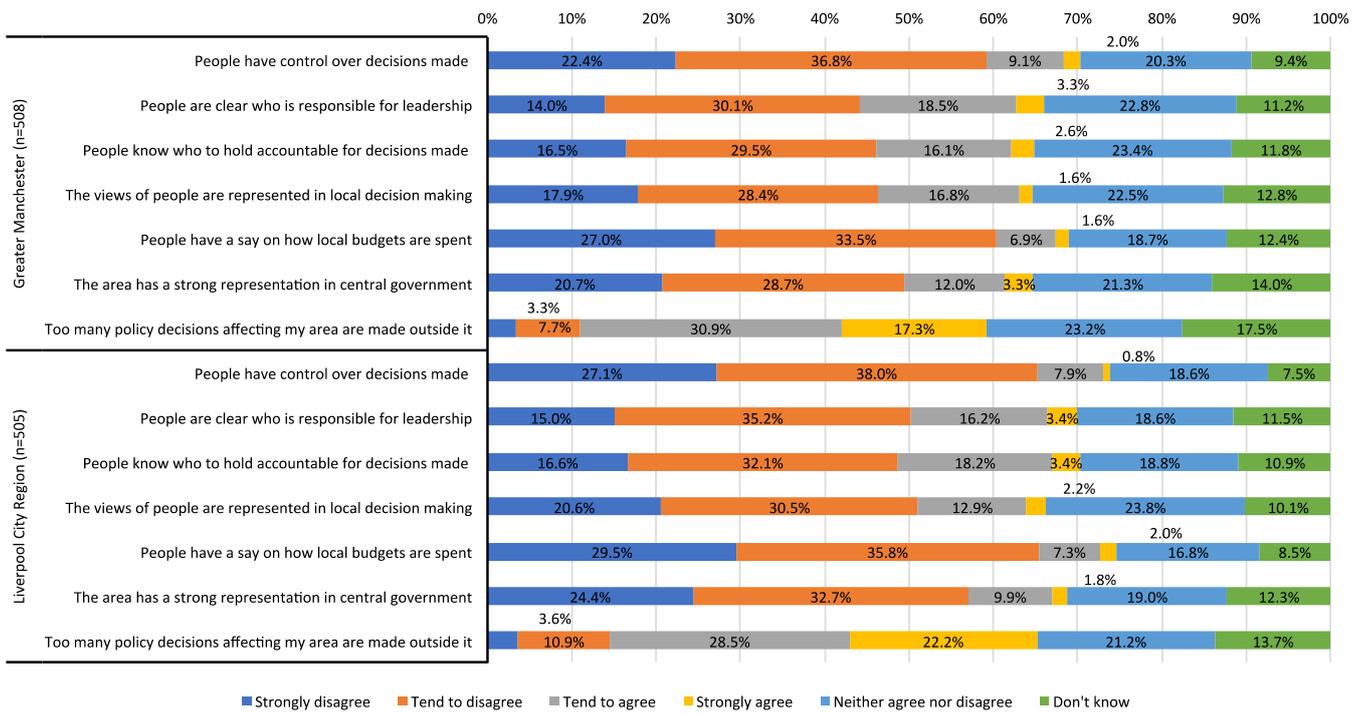
“People know who to hold accountable for decisions made”: Respondents in Cornwall showed the highest agreement with the statement (24.2%).

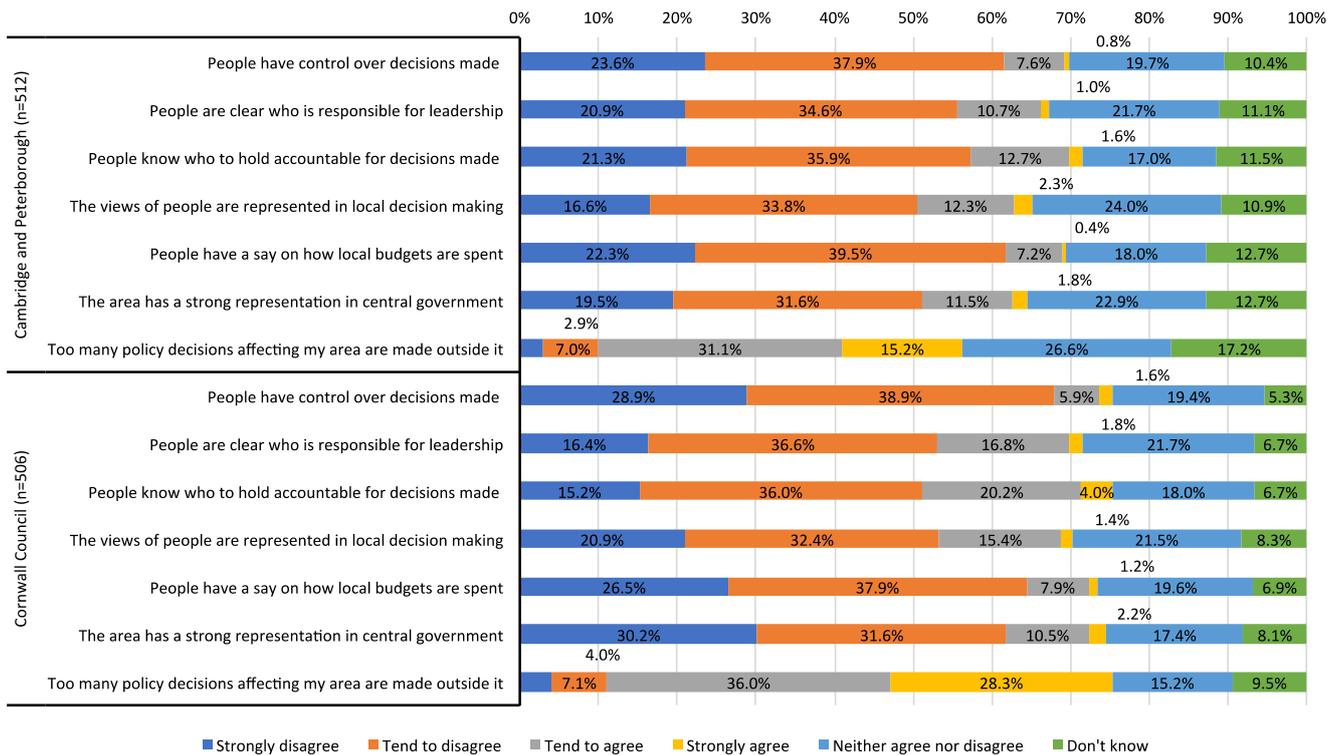
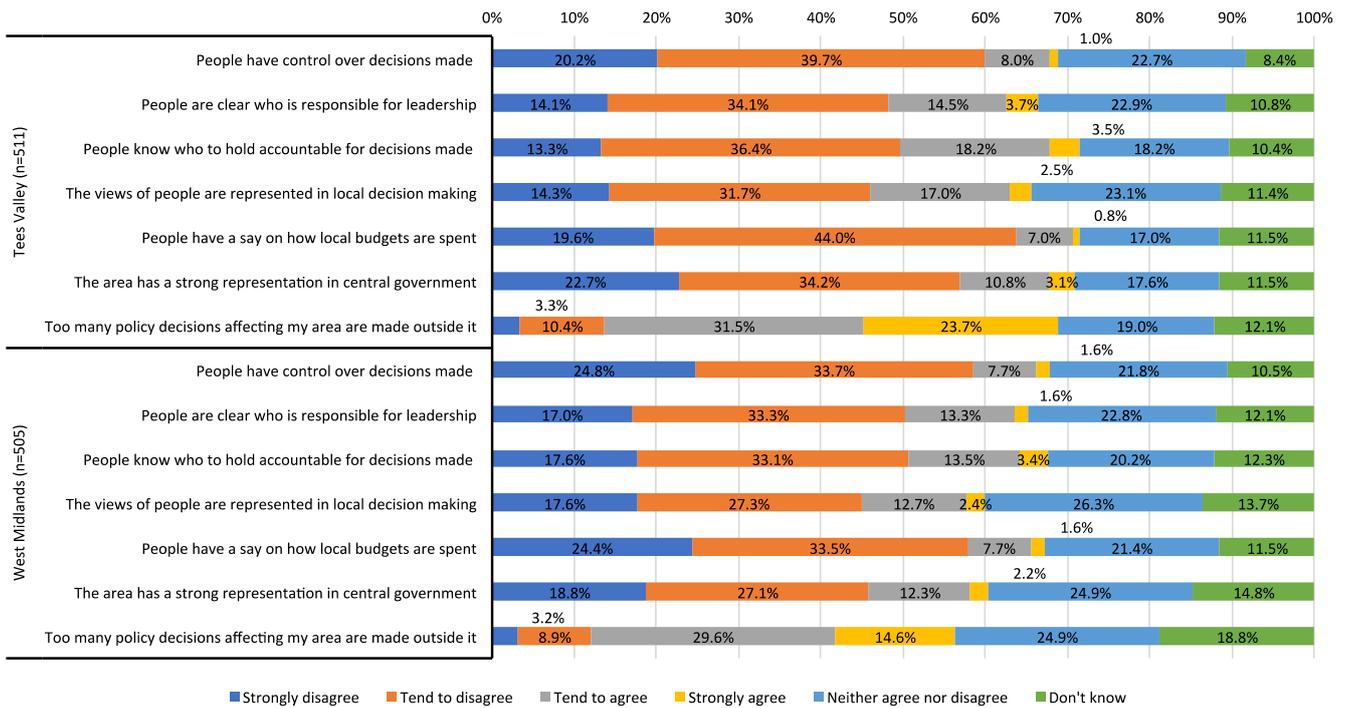
“The views of people are represented in local decision making”: Respondents in London showed the highest agreement with the statement (20.1%).

“People have a say on how local budgets are spent”: Respondents in London showed the highest agreement with the statement (11.8%).

“The area has a strong representation in central government”: Respondents in London showed the highest agreement with the statement (27.7%).

Figure 21: Perceptions of Local Leadership and Decision Making





Business Survey

Question 10:

Before taking this survey, had you heard of any of the terms Combined Authority, Local Enterprise Partnership, Local Authority and Chamber of Commerce?

- The majority of business respondents across all combined authority areas reported that, before taking the survey, they were aware of the term 'local enterprise partnership' (Figure 22). Respondents in Cambridgeshire and Peterborough (69.9%) reported the highest level of awareness of the term 'local enterprise partnership'.
- Respondents in Tees Valley (57.1%), reported the highest level of awareness of the term 'combined authority', followed by those in Cornwall (55.2% – Figure 22).
- Most respondents across all combined authority areas also reported that they were aware of the term 'local authority' before taking the survey. Respondents in Tees Valley reported the highest level of awareness of the term 'local authority' (97.9%). Most respondents across all combined authority areas also reported that they were aware of the term 'chamber of commerce'. Respondents in West Midlands reported the highest level of awareness of the term 'chamber of commerce' (95.1%).

Figure 22: Awareness of 'Local Enterprise Partnership' and 'Combined Authority' Terms

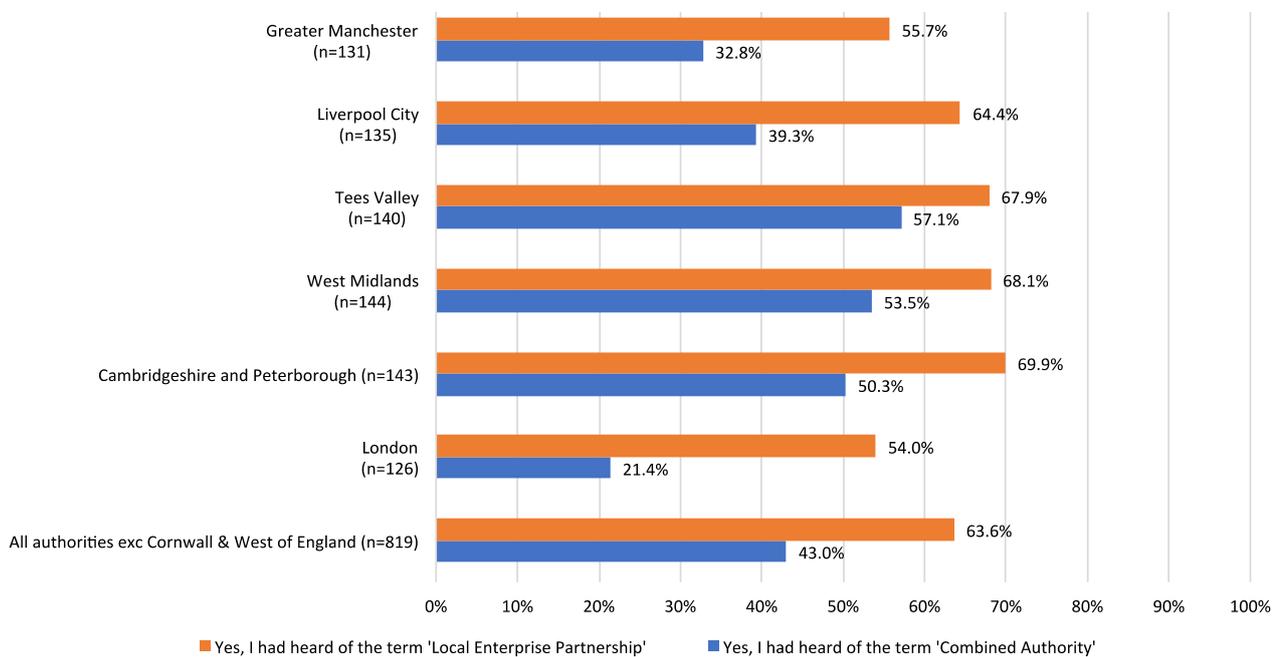


Figure 23: Awareness of the Term 'Unitary Authority' in Cornwall

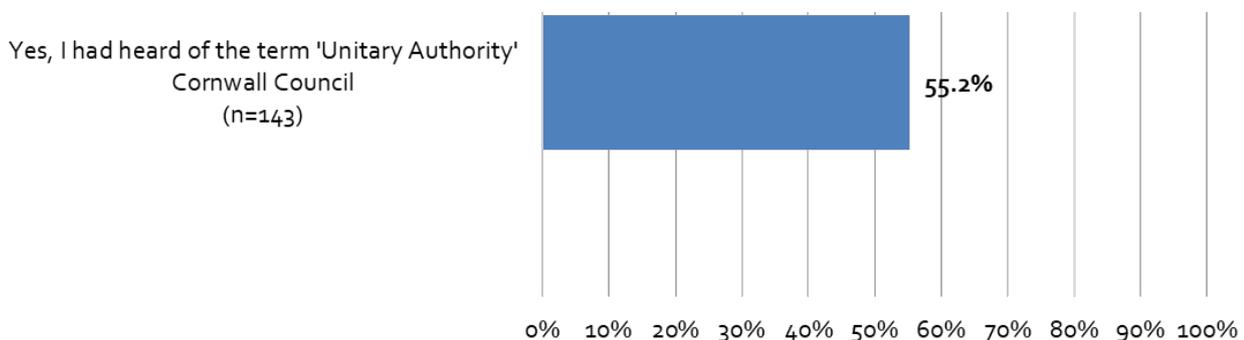
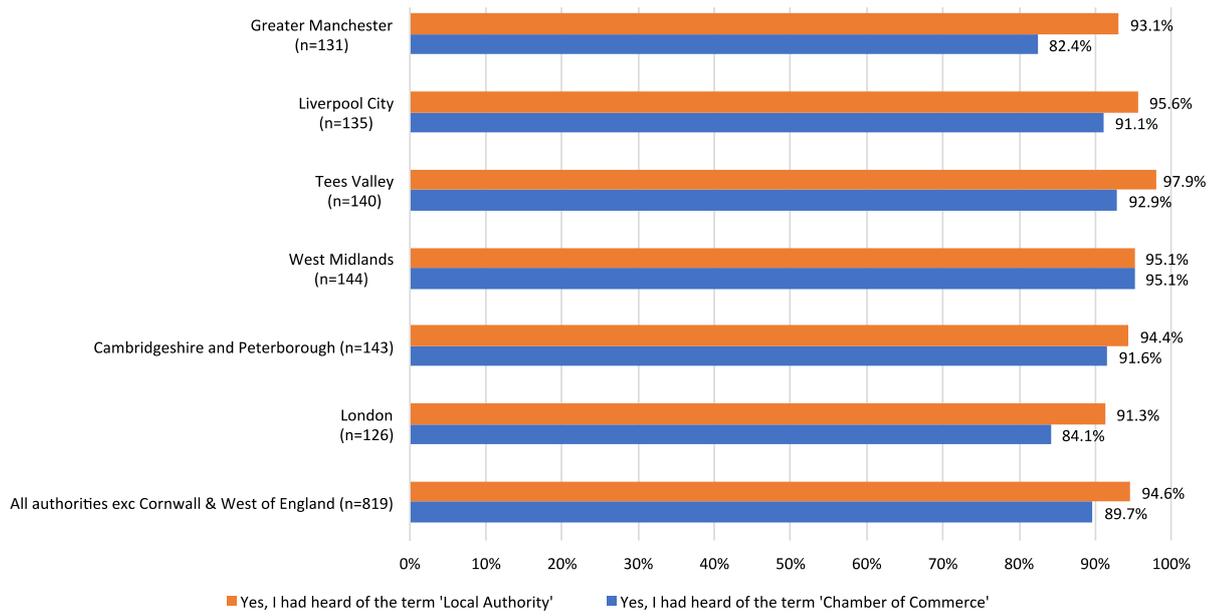


Figure 24: Awareness of 'Local Authority' and 'Chamber of Commerce' Terms

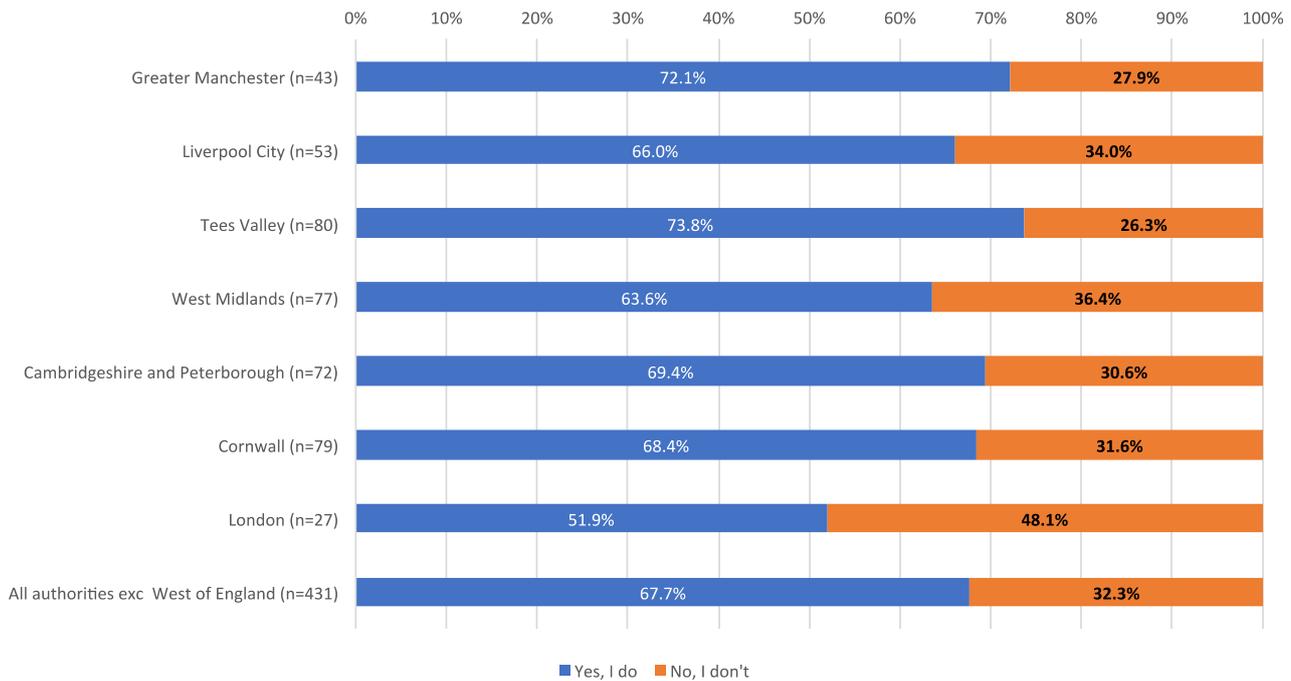


Question 11:

You previously said that you had heard of the term 'Combined Authority' / 'Unitary Authority'. Would you say you know what this term means?

Around two thirds of business respondents (67.7%) across all combined authority areas believed they knew what the term 'combined authority' meant – with the highest proportion in Tees Valley (73.8%) and Greater Manchester (72.1%).

Figure 25: Knowledge of the Term 'Combined Authority'

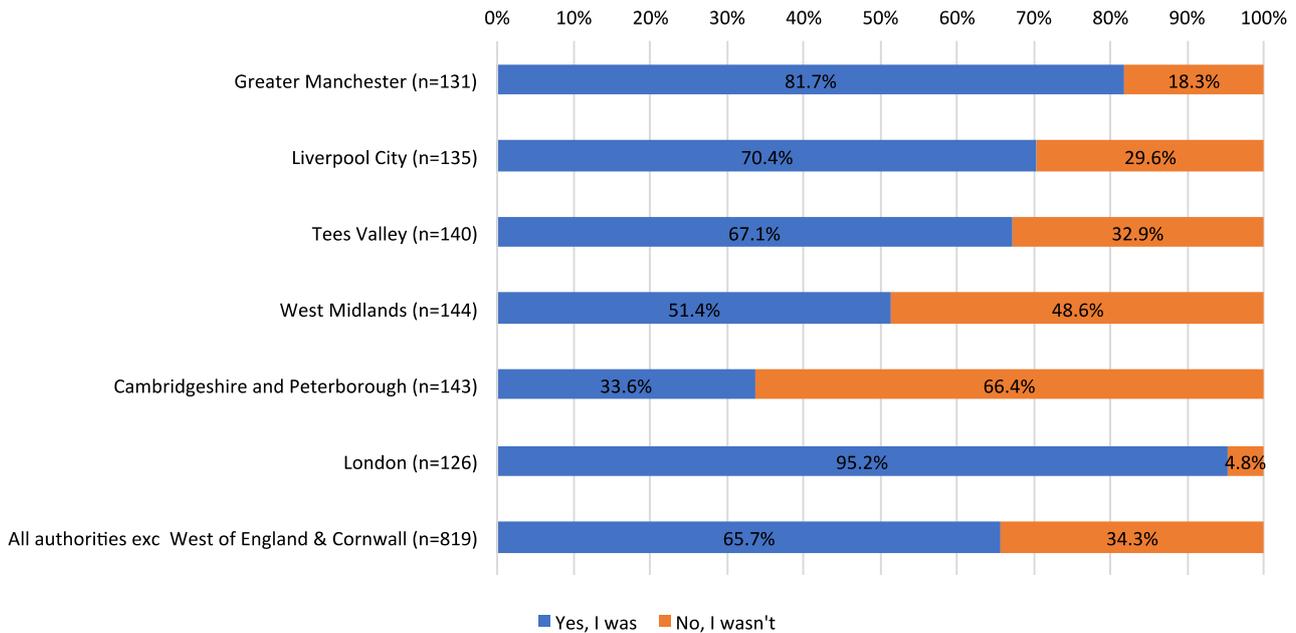


Question 12:

Before taking this survey, were you aware that the metro-mayor for your area is << name of the metro-mayor>>?

Two thirds (65.7%) of business respondents across all combined authority areas reported they were aware of who their metro-mayor was. London and Manchester respondents reported the highest level of awareness, at 95.2% and 81.7%, respectively.

Figure 26: Awareness of the Metro-mayor



Question 13:

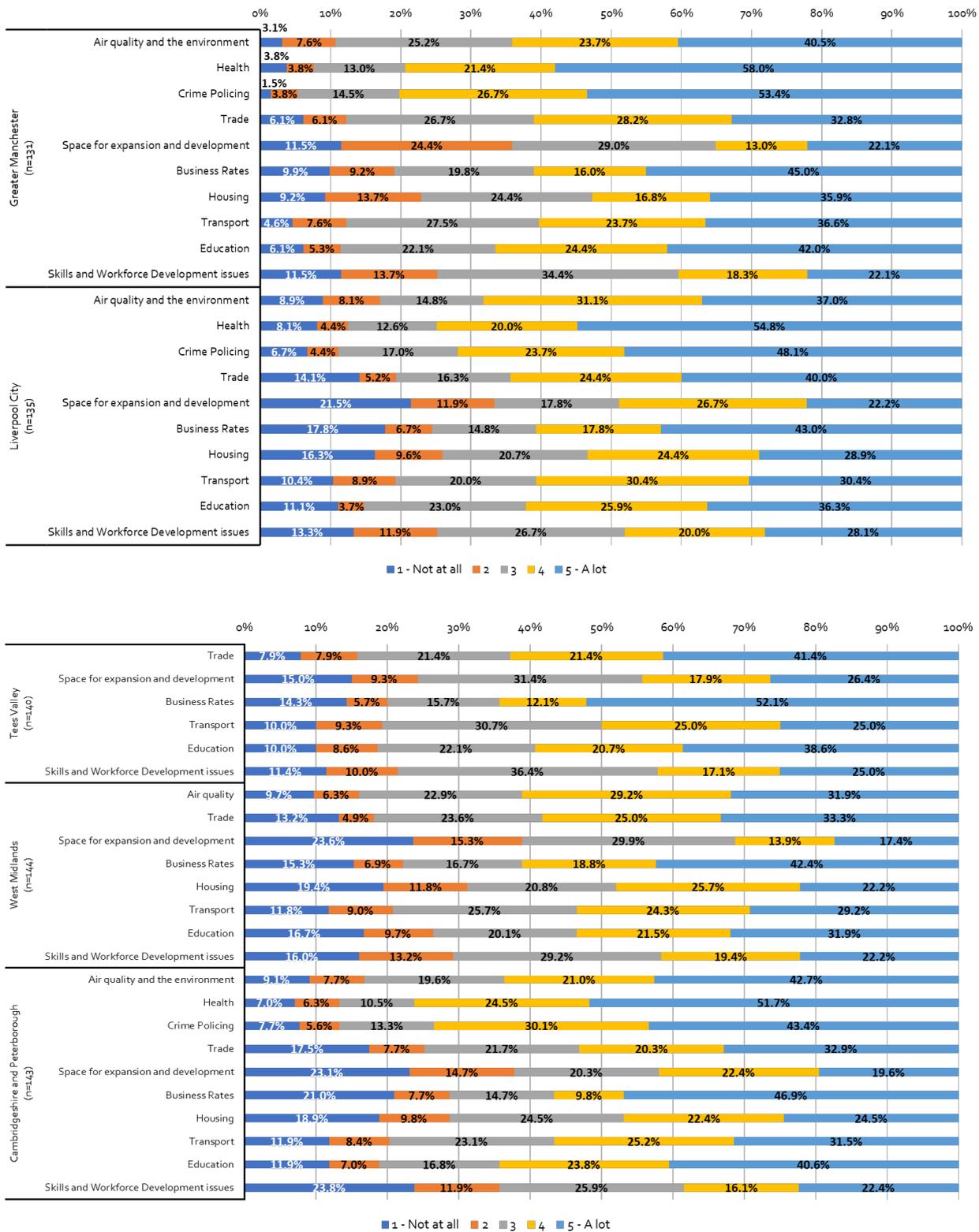
Would you say that in general you are interested in decisions taken in your region for...?

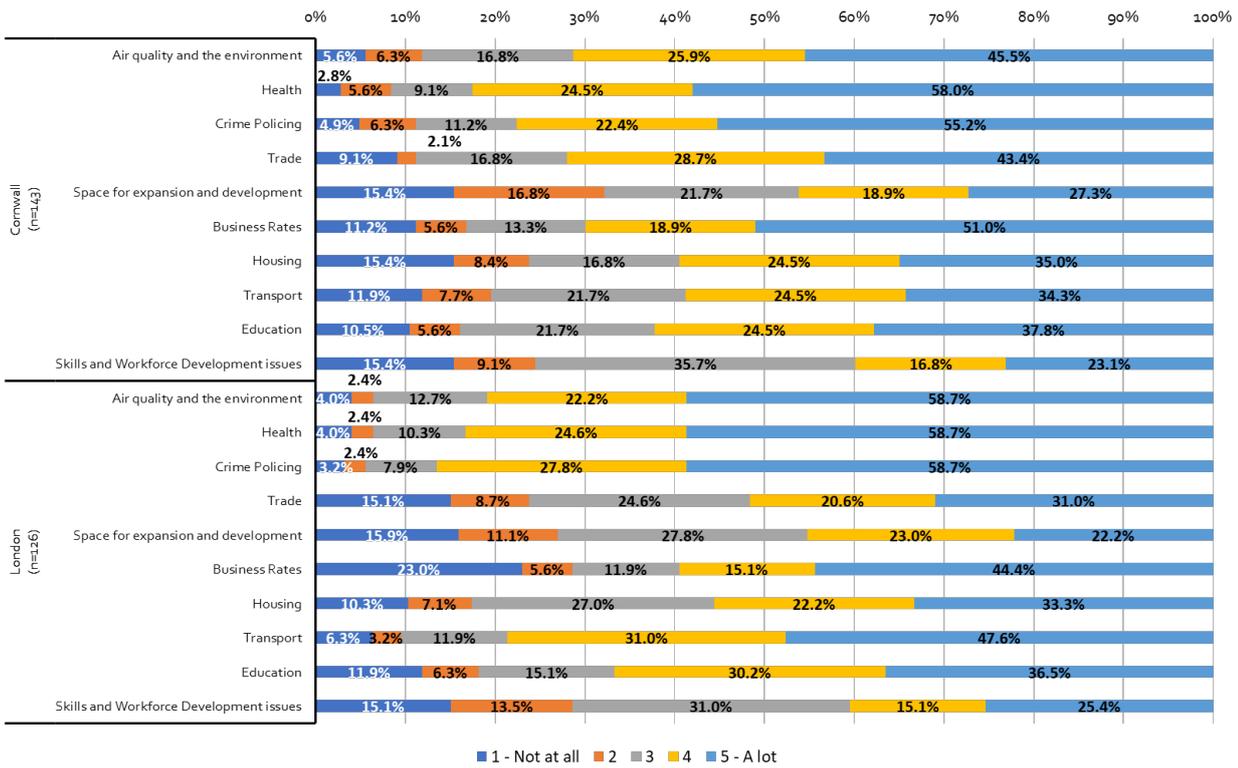
Business respondents in the majority of combined authority areas showed the greatest interest (i.e., answered either 'moderately interested' or 'a lot') in decisions for health, crime policing and business rates.

Interest for specific policy areas varied by area (Figure 27):

- **Health:** Respondents in London and Cornwall reported the highest interest in decisions for health taken in their area, at 83.3% and 82.5% respectively.
- **Crime Policing:** Respondents in London and Manchester reported the highest interest in decisions for crime policing taken in their area, at 86.5% and 80.1% respectively.
- **Transport:** Respondents in London and Liverpool reported the highest interest in decisions for transport taken in their area, at 78.6% and 60.8% respectively.
- **Business Rates:** Respondents in Cornwall and Tees Valley reported the highest interest in decisions for business rates taken in their area, at 69.9% and 64.2% respectively.
- **Trade:** Respondents in Cornwall and Tees Valley reported the highest interest in decisions for trade taken in their area, at 69.9% and 64.2% respectively.
- **Air Quality and the Environment:** Respondents in London and Cornwall reported the highest interest in decisions for air quality and the environment taken in their area, at 69.9% and 64.2% respectively.
- **Education:** Respondents in London and Manchester reported the highest interest in decisions for education taken in their area, at 66.7 and 66.4% respectively.
- **Housing:** Respondents in Cornwall and London reported the highest interest in decisions for housing taken in their area, at 59.5% and 55.5% respectively.
- **(Physical) Space for expansion and development:** Respondents in Liverpool and Cornwall reported the highest interest in decisions for (physical) space for expansion and development taken in their area, at 48.9% and 46.2% respectively.
- **Skills and Workforce Development issues:** Business respondents in Liverpool reported the highest interest (48.1%).

Figure 27: Interest in decisions taken for...





Question 14:

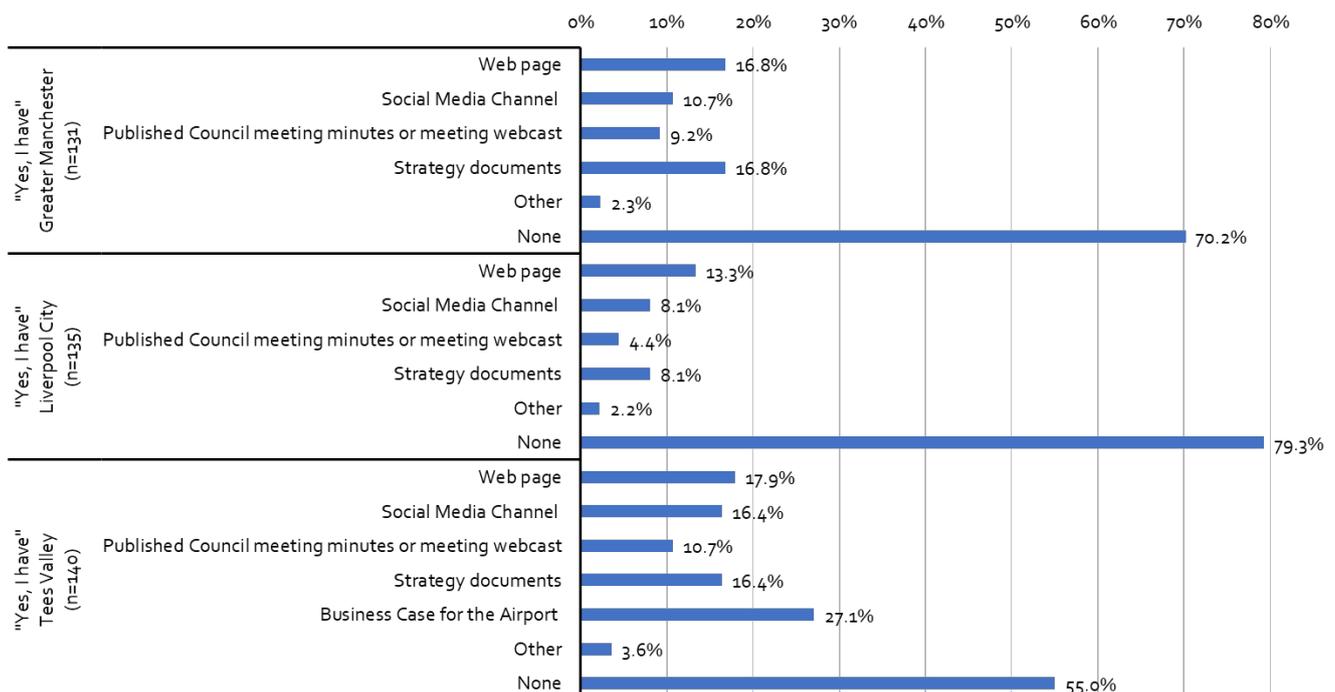
Have you looked at any of the following produced by your Combined Authority?

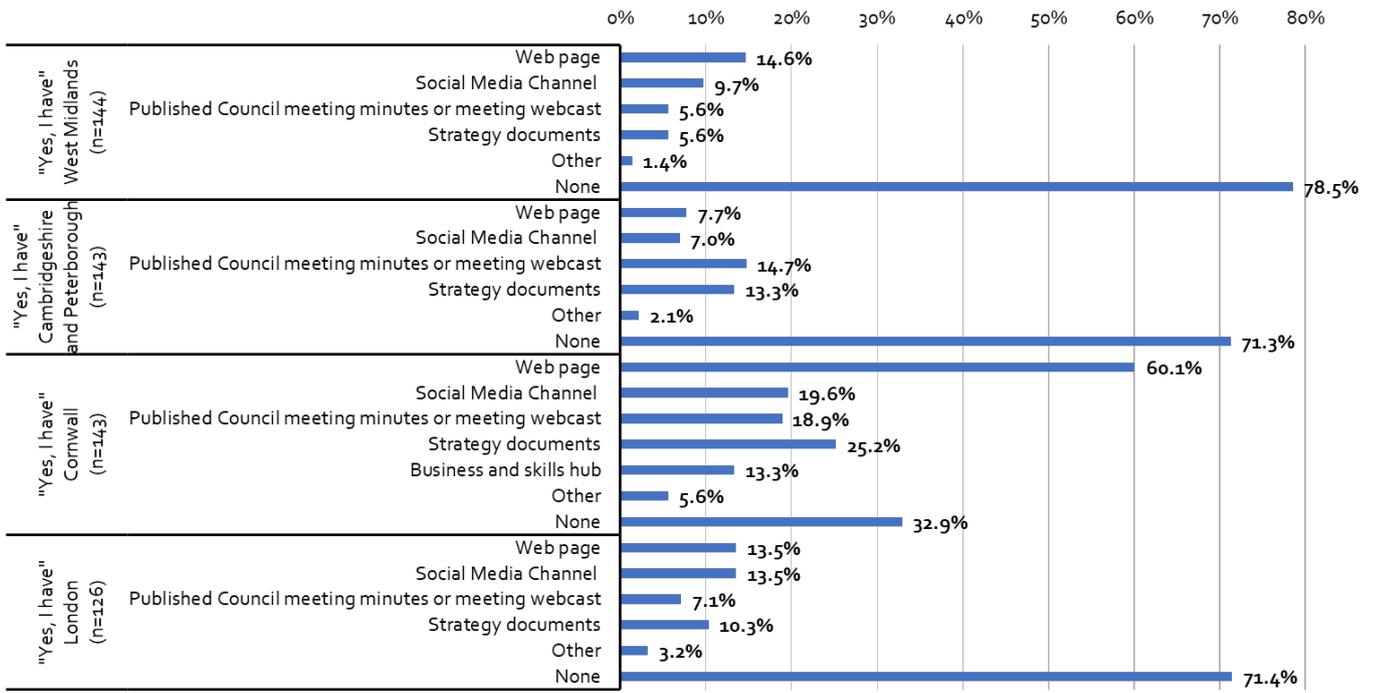
Devolved authorities participating in the surveys identified the projects in their area to be included in this question.

The majority of business respondents in all areas (ranging from 55% to 79.3%) reported no engagement with information resources produced by their combined authority, except in Cornwall, where a lower proportion (32.9%) reported no engagement with those resources. In terms of specific resources accessed (see Figure 28):

- Web page: Respondents in Cornwall reported the highest engagement with a web page produced by their combined authority (60.1%).
- Social media channel: The highest engagement with a social media channel produced by their combined authority was reported by respondents in Cornwall (19.6%), followed by respondents in Tees Valley (16.4%).
- Published council meeting minutes or meeting webcast: The highest engagement with published council meeting minutes (or meeting webcast) produced by their combined authority was reported by respondents in Cornwall (18.9%), followed by those in Cambridgeshire and Peterborough (14.7%).
- Strategy documents: The highest engagement with strategy documents produced by their combined authority was reported by respondents in Cornwall (25.2%), followed by those in Manchester (16.8%).
- Business case for the airport (Tees Valley only): Engagement with the business case for the airport was reported by a quarter of business respondents (27.1%) in Tees Valley.

Figure 28: Engagement With Information Resources Produced By The Authority



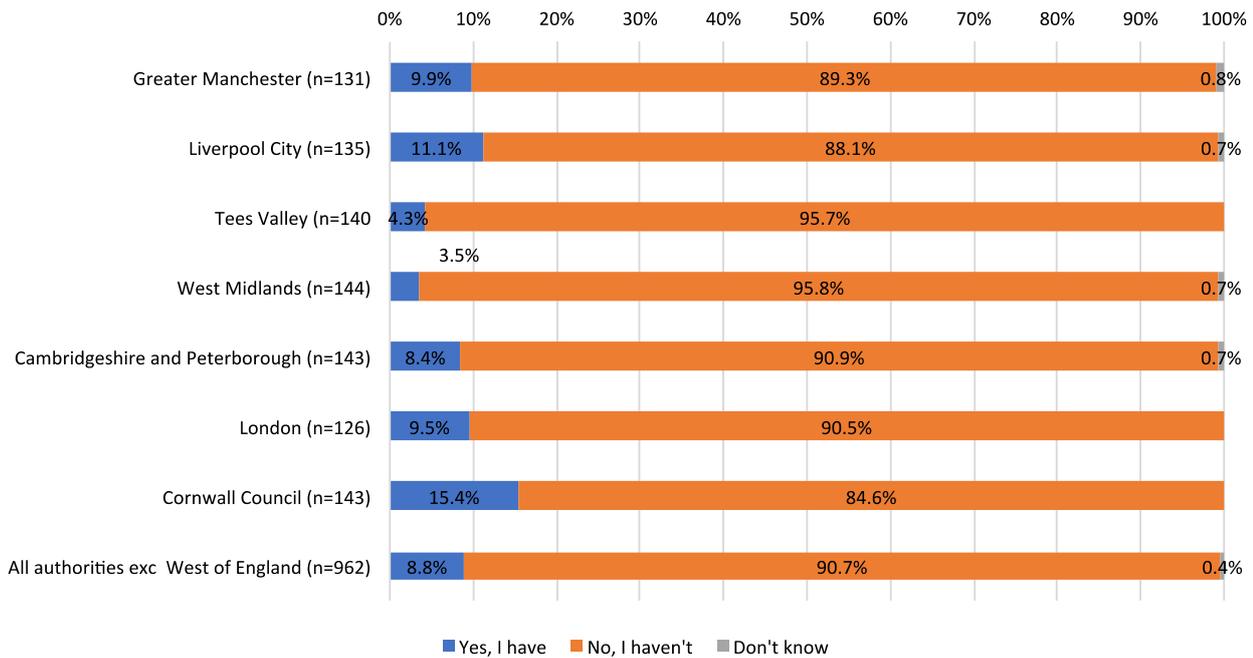


Question 15:

Have you ever personally attended any public meetings for your Council/Combined Authority?

As shown in Figure 29, most business respondents (90.7%) in all combined authority areas reported not having ever attended any public meetings for their combined authority. The proportion of respondents reporting having attended any public meeting for their combined authority was the highest in Cornwall (15.4%).

Figure 29: Attendance at Public Meetings

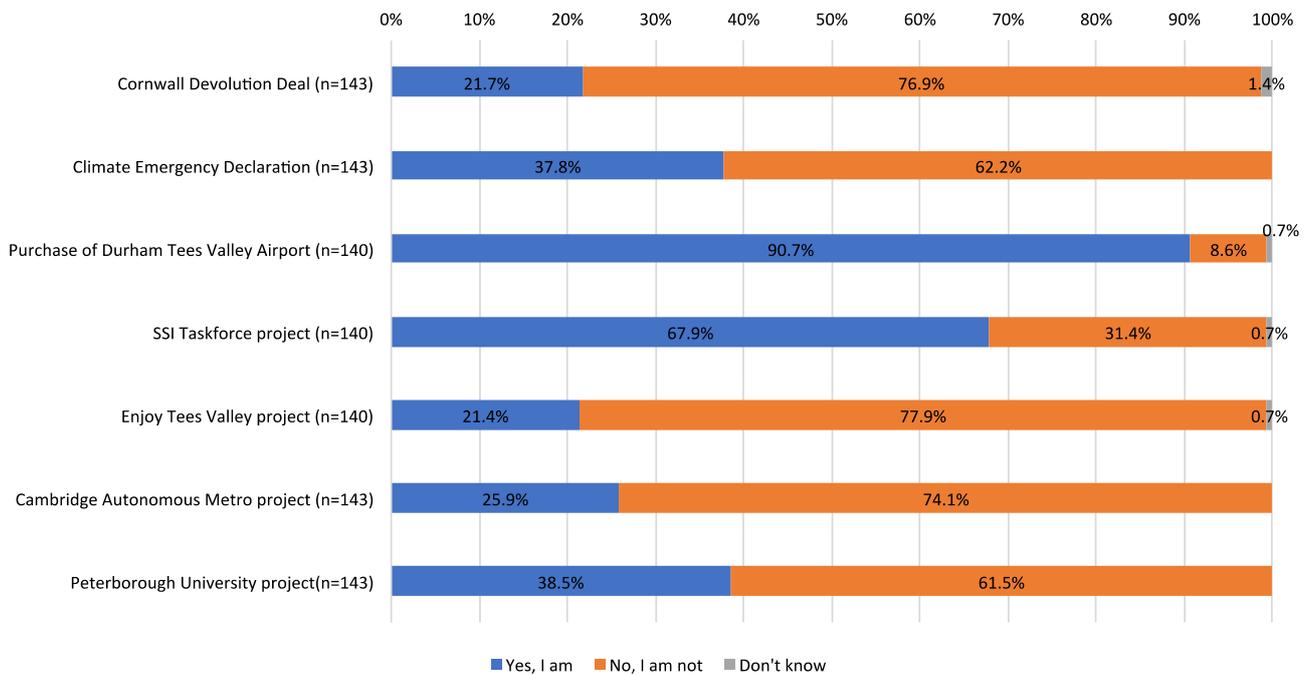


Question 16:

Are you aware of any of the following projects?

Devolved authorities participating in the surveys identified the projects in their area to be included in this question. Responses are summarised in Figure 30, and more feedback is provided below.

Figure 30: Awareness of Key Regional Projects



In Cornwall:

- Cornwall Devolution Deal. One in five business respondents (21.7%) reported being aware of the Cornwall Devolution Deal, while the majority of respondents (76.9%) reported not being aware of the deal.
- Climate Emergency Declaration. Over one third of respondents (37.8%) reported being aware of the Climate Emergency Declaration, while the majority of respondents (62.2%) reported being unaware of the declaration.

In Tees Valley:

- Purchase of Durham Tees Valley Airport. Most businesses (90.7%) reported being aware of the Purchase of Durham Tees Valley Airport project, while only a few respondents (8.6%) reported being unaware of the purchase.
- SSI Taskforce. Approximately two thirds of businesses (67.9%) reported being aware of the SSI Taskforce project, while nearly one third of them (31.4%) reported being unaware of the project.
- Enjoy Tees Valley. One in five businesses (21.4%) reported being aware of the Enjoy Tees Valley project – the majority respondents (77.9%) were unaware of the project.

In Cambridgeshire and Peterborough:

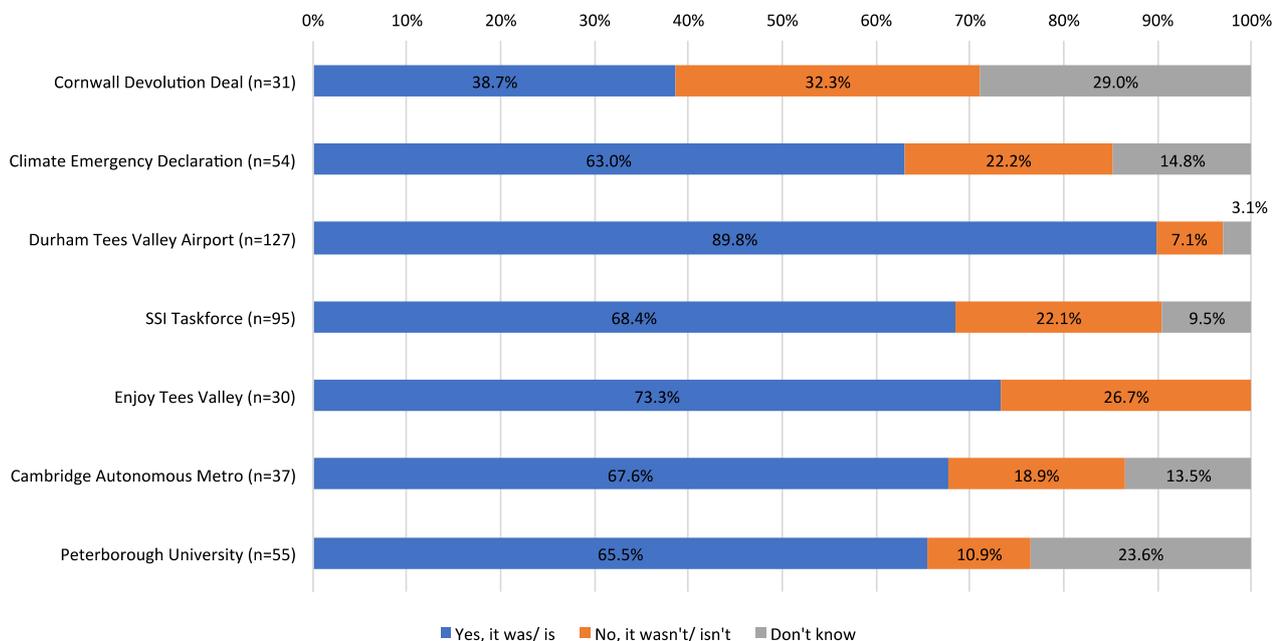
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- Cambridge Autonomous Metro. A quarter of businesses (25.9%) reported being aware of the Cambridge Autonomous Metro project, with nearly three quarters (74.1%) reporting being unaware of the project.
 - Peterborough University. Over one third of business respondents (38.5%) reported being aware of the Peterborough University project, with two thirds (61.5%) reporting being unaware of the project.

Question 17:

Do you think this project was/is needed in the area?

Responses are summarised in Figure 31 and more detail and comments are provided below.

Figure 31: Perceived Need for Key Regional Projects



In Cornwall:

- Cornwall Devolution Deal – over a third (38.7%) of businesses reported that the Cornwall Devolution Deal was necessary in the area. As stated by one respondent: *“Needed as it’s a very poor area and the wages are very low, little transport, policing and healthcare”*. A relatively large proportion of businesses, however (29%), did not know whether this was necessary or not.
- Climate Emergency Declaration - nearly two thirds of respondents (63%) reported that the Climate Emergency Declaration was necessary in the area. Some additional comments are also listed below.

“Needed to protect the climate and for ecological reasons”.

“Where we live is a very special place for its environment and coastline, nature etc. so very much needed in Cornwall”.

“Because they have reached a crisis point of climate change and something needs to be done”.

In Tees Valley:

- Purchase of Durham Tees Valley Airport – most businesses (89.8%) perceived the Purchase of Durham Tees Valley Airport project as necessary in the area, with only a few respondents (7.1%) perceiving the purchase as unnecessary. In comparison with the general public, business appeared relatively more positive about the airport. Specific feedback was provided by some businesses and this is listed below:

“The whole area needs a boost, with the airport and the development of the old SSI site. More people in the region and more jobs can take the area out of the downward spiral it is in”.

“Crucial in the area as people can travel directly instead of going towards Newcastle and Leeds and have to travel by car in order to get to the Tees Valley area”.

“The project would bring all sorts to the area. There would be more tourism, travel for trade, easier for people to travel for business and more employment”.

- SSI Taskforce – over two thirds of respondents (68.4%) stated that the SSI Taskforce has been necessary and nearly one in five (22.1%) reported that this was unnecessary. In comparison, 85.5% of public respondents stated that the SSI Taskforce was necessary. Additional comments provided by some businesses are listed below.

“It was a major employment source and some alternative employment opportunities need to come from it”.

“Just for the prosperity of the region”.

“Vital that something was done with the steelworks”.

- Enjoy Tees Valley. The majority of respondents (73.3%) reported perceiving the Enjoy Tees Valley project as necessary in the area, while over one fourth of respondents (26.7%) reported perceiving the project as unnecessary. Additional comments included the following:

“It will help the economy by bringing in more people and helping with tourism”.

“I think it's highlighting what's available to those from outside the area”.

In Cambridgeshire and Peterborough:

- Cambridge Autonomous Metro. Over two thirds of business respondents (67.6%) reported that the Cambridge Autonomous Metro project was necessary for the area (compared with 52.3% of the public that considered this necessary); 18.9% of business respondents perceived this as an unnecessary project (compared with 31.1% of the public). Additional comments for and against the project are also provided below.

“To ease the traffic congestion”.

“A lot more could be done before building an underground system. Going into the ground leads to unforeseen events which can increase costs beyond expectations”.

- Peterborough University. Nearly two thirds of respondents (65.5%) perceived the Peterborough University project as necessary in the area, while only a few of them (10.9%) perceived it the project as unnecessary (this latter figure compares with 26.4% among the general public respondents). Additional comments by businesses are provided below.

“In an expanding borough, higher education is necessary”.

“Definitely needed in the area, and it will improve the local economy and produce more skilled people in the area”.

Question 18:

To what extent do you agree or disagree with the following statements?

Respondents were asked to agree or disagree with the following statements:

- Businesses have control over decisions made within the region
- Businesses are clear who is responsible for leadership within the region
- Businesses know who to hold accountable for decisions made within the region
- The views of businesses are represented in local decision making within the region
- Businesses have a say on how local budgets are spent within the region
- Too many policy decisions affecting businesses are made outside the region

Figure 32 summarises responses provided by businesses on these issues and more information is also provided below.

Businesses in Manchester showed the highest level of agreement (i.e., answered either 'somewhat agree' or 'strongly agree') with the statement (26%):

'Businesses have control over decisions made within the region'

Respondents in Manchester reported the highest agreement with the statement (47.4%):

'Businesses are clear who is responsible for leadership within the region'

Respondents in Manchester expressed the highest agreement with this statement (42.7%):

'Businesses know who to hold accountable for decisions made within the region'

Respondents in London reported the highest agreement with the statement (32.6%):

'The views of businesses are represented in local decision making within the region'.

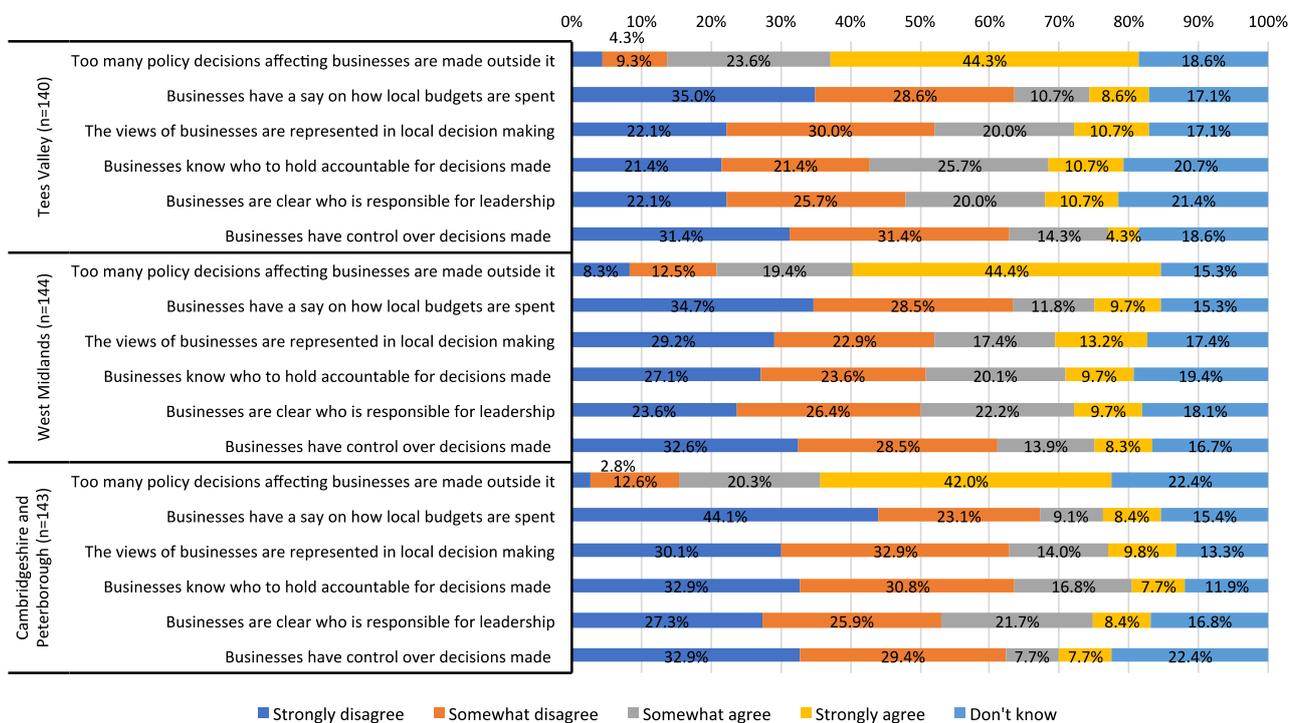
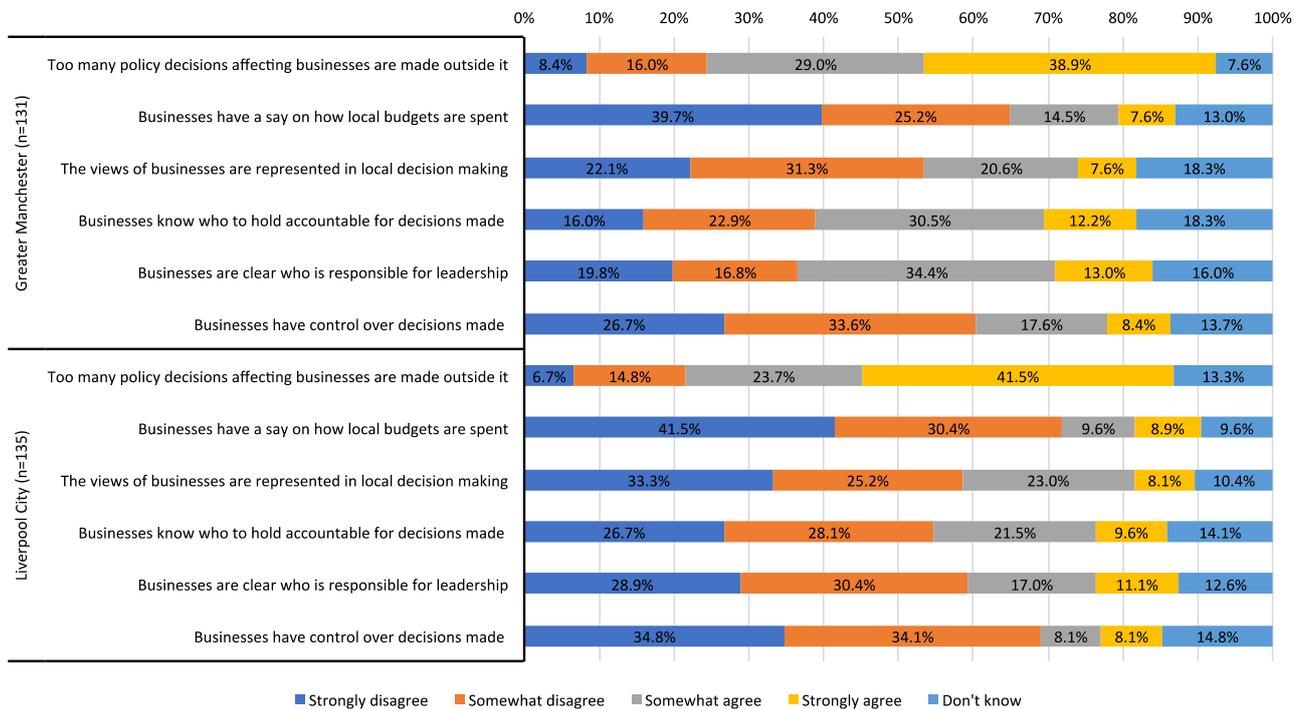
Agreement with this statement dropped to around 15%–20%. Respondents in Manchester reported the highest agreement with the statement (22.1%):

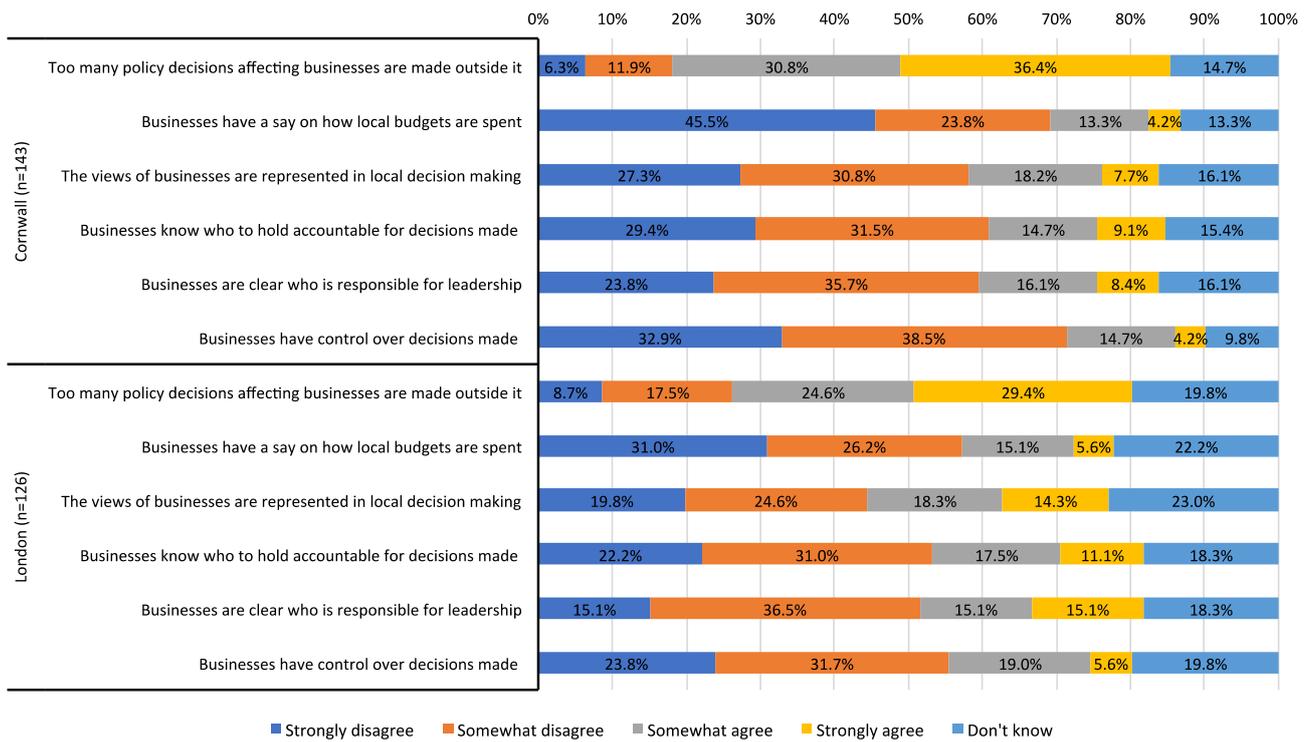
'Businesses have a say on how local budgets are spent within the region'.

Those in both Manchester and Tees Valley reported the highest agreement with the statement (67.9% for both combined authorities):

'Too many policy decisions affecting businesses are made outside the region'.

Figure 32: Perceptions of Local Leadership, Engagement and Decision Making





Question 19:

To what extent do you agree or disagree with the following statements:

'The area has strong representation in central government' – relatively more businesses in London showed agreement with this statement (i.e. answered either 'somewhat agree' or 'strongly agree') (25.4%).

'The area provides a lot of support for businesses' – relatively more business in Liverpool expressed agreement (34%) with the statement.

'The area has funding available for business support programmes' – relatively more businesses in Cornwall agreed with this the statement (30.8%).

'The area is well connected/offers good transport' – relatively more respondents in London agreed with this the statement (96%), while the lowest level of agreement was at 44.8% in Cornwall.

<< Statements and responses summarised below and in Figure 33 >>.

Figure 33: Perceptions of the Local Environment

