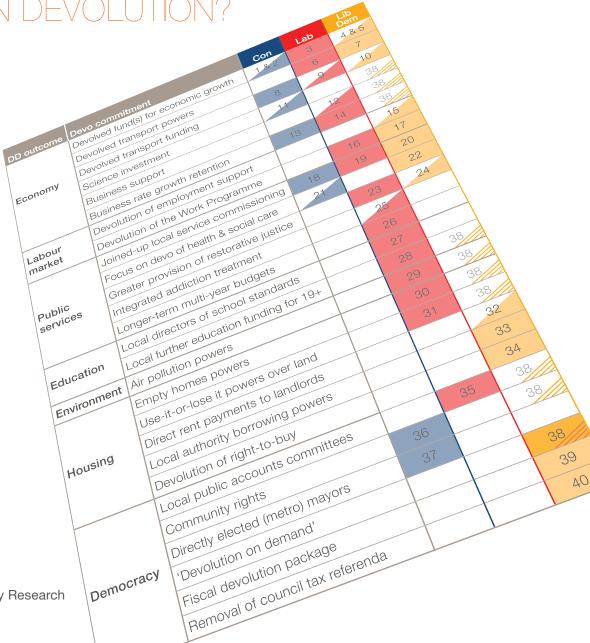


BRIEFING

THE DEVOLUTION DASHBOARD

WHERE DO EACH OF THE PARTIES
STAND ON DEVOLUTION?



Ed Cox with Danny Wright May 2015 © IPPR North 2015

Institute for Public Policy Research

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Introduction

Over the past century, England has become one of the most centralised nations in the developed world. Despite powers being handed to Scotland, Wales, Northern Ireland and – to a lesser degree – London, very little has been offered by way of decentralisation in England. However, in the aftermath of the Scottish independence referendum and the run-up to the May 2015 general election, all the mainstream political parties have apparently taken a devolutionary turn. This short briefing considers each party's pledges on devolution as set out in their recently published manifestos. It includes a 'devolution dashboard' in which each of the three major parties is 'scored' according to the extent to which their manifesto pledges represent significant advances in terms of decentralisation in England, measured against the seven broad outcomes that are the objectives of the 10-year programme that we set out in our *Decentralisation decade* report.¹

Approaches to devolution

Although each of the main parties has made pledges to devolve powers within England, their broad approaches to devolution are quite different.

The Conservative party

The party's plans for English devolution are framed almost entirely in terms of **rebalancing the economy**. They focus on devolving 'far-reaching powers over economic development, transport and social care to **large cities** which choose to have **elected mayors**'.

The Labour party

In its manifesto, Labour claims that it will end a century of centralisation by giving 'more power to people'. It commits to setting up a **constitutional convention** to consider how Westminster should be reformed, and promises an **English Devolution Act** that will include measures **giving city and county regions more control over economic development spending**, giving councils longer-term, multi-year budgets, and giving communities more control over local public services and high streets.

The Liberal Democrats

The Lib Dems dedicate a whole section of their manifesto to devolution, democracy and citizenship. Promising a written constitution within two years, they aim to rejuvenate local government by **reducing the powers of ministers** to 'interfere in democratically elected local government', and **devolve greater financial responsibility** to local authorities. They also promise to introduce '**devolution on demand**' for councils or groups of councils.

Table 1

A summary of each main party's narrative, focus, and 'big pledge' in relation to devolution in their 2015 manifestos

	Conservatives	Labour	Liberal Democrats
Main narrative	Economic	Democratic	Fiscal
Focus	Large cities	City & county regions	Local authorities
Big pledge	Devo deals	£30bn growth pot	Devolution on demand

¹ http://www.ippr.org/publications/decentralisation-decade

Decentralisation decade

In September 2014, IPPR North published *Decentralisation decade: a plan for economic prosperity, public service transformation and democratic renewal in England*.² This report sets out a set of principles and lessons for the phased and asymmetrical devolution of 40 different powers and responsibilities to different levels and parts of subnational government over a 10-year period, grouped into seven broad outcomes.

- 1. **Education:** better educated, more highly skilled and productive population
- 2. **Economy:** a more balanced economy
- 3. **Public services:** more relational public services and a more effective criminal justice system
- 4. Labour market: a more inclusive labour market
- 5. **Environment:** environmental sustainability
- 6. **Housing:** high-quality homes and integrated communities
- 7. **Democracy:** higher levels of democratic participation and accountability

One of the report's main arguments is that there is a need for a long-term, programmatic approach to devolution, similar to those adopted in Japan and France. None of the main parties is proposing to take this kind of systematic approach.

The devolution dashboard

The table on the following page sets out some of the specific pledges made in the main parties' manifestos, grouped according to the *Decentralisation decade* (DD) outcomes that they advance. Each pledge has been accorded a score according to the clarity with which it commits to a particular policy or action. These pledges, quoted verbatim from the parties' manifestos, can be found in the annex to this briefing.

The smaller parties' commitments to devolution

The manifestos of each of the smaller parties address English devolution to a lesser degree than those of the main parties. That said, the Green party manifesto sets out a range of radical measures to restore powers to local government, among them enhancing its fiscal autonomy and restoring its roles in education, transport and planning. They also propose forming an assembly for Cornwall similar to that of Wales. Ukip, meanwhile, has offered a series of proposals to reform local government, but does not make any commitments to decentralise power. Although the Scottish Nationalist Party has no direct interest in English affairs, they have proposed a high-speed rail link from Edinburgh to Newcastle.

It is also important to note that three new parties are standing candidates in the North of England in the May 2015 election, each of which is committed to the introduction of different forms of regional government. The North East party and Yorkshire First both argue for a 'parliament' for their respective regions, whereas the Northern party argues for a pan-Northern 'parliament'.

² http://www.ippr.org/publications/decentralisation-decade

Table 2

The devolution dashboard

Commitments to devolution in the Conservative, Labour and Liberal Democrat manifestos, by theme/outcome from Decentralisation decade (DD),* each scored for clarity/explicitness of commitment

Key to commitments					
Explicit: clear commitment		Implied within a single 'big commitment'			
Explicit: equivocal commitment		Big commitment (implies other commitments within it)	1///		

DD outcome	Devo commitment	Con	Lab	Lib Dem
Economy	Devolved fund(s) for economic growth	1.8.2	3	4 & 5
	Devolved transport powers		6	7
	Devolved transport funding	8	9	10
	Science investment	11		38
	Business support		12	38
	Business rate growth retention	13	14	38
Labour market	Devolution of employment support			15
	Devolution of the Work Programme		16	17
Public services	Joined-up local service commissioning	18	19	20
	Focus on devo of health & social care	21		22
	Greater provision of restorative justice		23	24
	Integrated addiction treatment		25	
	Longer-term multi-year budgets		26	
Education	Local directors of school standards		27	
	Local further education funding for 19+		28	38
Environment	Air pollution powers		29	38
Housing	Empty homes powers		30	38
	Use-it-or-lose it powers over land		31	38
	Direct rent payments to landlords			32
	Local authority borrowing powers			33
	Devolution of right-to-buy			34
Democracy	Local public accounts committees		35	38
	Community rights	36		38
	Directly elected (metro) mayors	37		
	'Devolution on demand'			38
	Fiscal devolution package			39
	Removal of council tax referenda			40

*Note: These outcomes are set out in IPPR North's *Decentralisation decade* report – see boxed text above. We have re-ordered these outcomes in order to more closely reflect the prominence given to them within the party manifestos, rather than adhering to the order in which they appear in our original report.

Analysis

Economy and labour market

All three political parties make commitments to devolve economic development budgets. Labour has committed to creating a £30 billion fund and 'new powers over economic development, skills, employment, housing, and business support' for city- and county-regions.³ Commitments in the Conservative manifesto are confined to £13 billion for transport improvements, but the primary focus of the Tories' devolution plan is to 'boost local growth'. The Liberal Democrat manifesto doesn't specify a total amount of devolved spending, but does state that if returned to government the party will 'build on the success of City Deals and Growth Deals, prioritising the transfer of transport, housing and infrastructure funding, skills training and back-to-work support'.

Both Labour and the Lib Dems offer provisions for greater local control over buses and local transport integration. The Conservative manifesto promises backing for new scientific and technical institutions in the north of England.

Public services, education and housing

None of the manifestos offer clear proposals concerning the devolution of particular public services, though they do recognise the importance of service integration and the role of pooled budgets in achieving that aim. Each manifesto suggests 'pilot' approaches to that end: Labour in youth justice, the Conservatives in health and social care in Greater Manchester, and the Lib Dems in both the Work Programme and local NHS and care services.

Only Labour explicitly commits to measures to decentralise education, outlining plans to devolve the commissioning of further education for those 19 and over, and to introduce directors of schools standards.

Labour and the Lib Dems promise a range of additional powers for local authorities to allow them to shape their housing markets: Labour focus on rent controls, planning powers and additional means of addressing the problem of empty homes; the Lib Dems would allow local authorities more flexible borrowing powers, and full control of right-to-buy powers.

Democratic reform

The Conservative manifesto makes further city devolution conditional upon creating a directly elected metro mayor. It also reaffirms its opposition to regional governance, and its commitment to the neighbourhood planning and community rights powers it established in the 2010–2015 parliament.

Labour asserts its intention to 'break out of the traditional top-down, "Westminster knows best approach", and devolve power and decision-making to people and their local communities', promising a constitutional convention and an 'English Regional Cabinet Committee, chaired by the Prime Minister, [which] will be convened regularly, attended by the relevant Secretaries of State and leaders of our major city and county regions'.

The Lib Dem opens the way for new combined-authority-style arrangements, promising 'devolution on demand' for 'Councils or groups of Councils working together – for example to a Cornish Assembly'.

³ http://www.labour.org.uk/manifesto/better-politics

Fiscal devolution

The Liberal Democrat manifesto goes furthest on fiscal devolution: it says the party will build 'on the work of the Independent Commission for Local Government Finance'. Reporting in February 2015,⁴ this body's proposals included an independent body to review and inform the next spending review; multi-year and single place-based budgets; council tax freedoms including revaluation; full devolution of business rates; sub-national equalisation; new taxes; and freedoms on fees and charges. The Lib Dem manifesto also includes a promise to 'remove the requirement to hold local referenda for Council Tax changes, ensuring Councillors are properly accountable for their decisions by introducing fair votes'.

The Labour and Conservative parties' commitments are more limited, but both have proposed that councils should retain 100 per cent of additional business rates generated by growth in their area (although the Conservatives promise only to pilot such a scheme). Labour also promises local public accounts committees, and that 'fair funding will be restored across England, alongside longer-term multiyear budgets' for councils.

Conclusion

There remains a significant disconnect between the parties' relatively strident rhetoric on English devolution and the detail of what they are actually proposing. Furthermore, from a historical perspective governments once in office have a less-than-impressive track record of delivering on campaign-trail promises of decentralisation. However, in 2015 there is a widely held belief that the devolution genie is now out of the lamp, and pressure from the Scottish Nationalist Party – both direct and indirect – will raise the stakes for an English devolution deal whatever the outcome of the general election. The adoption of a systematic or consistent approach to decentralisation looks unlikely, but the incremental measures set out in the party manifestos signal that the direction of travel in the next parliament will be firmly in devolution's favour.

⁴ http://www.localfinancecommission.org/documents/iclgf-final-report

Annex

Party manifesto commitments on devolution, verbatim

Page numbers specified after each quote refer to each party's respective full manifesto⁵ unless another source is specified. Icons in the top-right corner of each box denote the 'score' each commitment received in the 'devolution dashboard' table on page 3. Yellow asterisks (*) denote Liberal Democrat commitments implied within commitment 38 (see page 11).

Economy

Devolved fund(s) for economic growth

- 1. 'We will devolve powers and budgets to boost local growth in England...' (p13)
- 2. '...And we will deliver more bespoke Growth Deals with local councils, where locally supported, and back Local Enterprise Partnerships to promote jobs and growth.' (p13)
- 3. 'We will embark on the biggest devolution of power to our English city and county regions in a hundred years with an English Devolution Act. It will transfer £30 billion of funding to city and county regions, along with new powers over economic development, skills, employment, housing, and business support.' (p64)
- **4.** 'Build on the success of the Regional Growth Fund, which has already created more than 100,000 jobs and secured £1.8 billion of private investment. We will continue the Fund throughout the next Parliament.' (p26)
- 5. 'Devolve more economic decision-making to local areas, building on the success of City Deals and Growth Deals, prioritising the transfer of transport, housing and infrastructure funding, skills training and back-to-work support.' (p26)

Devolved transport powers

- 6. 'This [the suite of powers transferred under the English Devolution Act] will include control over local transport systems so that in future, local bodies can integrate trains, buses, trams and cycling into a single network. We will enable city and county regions to retain 100 per cent of additional business rates raised from growth in their area.' (p64)
- 7. 'Give new powers to Local Authorities and communities to improve transport in their areas, including the ability to introduce network-wide ticketing like in London.' (p88)
- Conservative party manifesto: https://s3-eu-west-1.amazonaws.com/manifesto2015/ ConservativeManifesto2015.pdf; Labour: http://www.labour.org.uk/page/-/BritainCanBeBetter-TheLabourPartyManifesto2015.pdf; Liberal Democrats: https://d3n8a8pro7vhmx.cloudfront.net/libdems/pages/8907/attachments/original/1429028133/Liberal_Democrat_General_Election_Manifesto_2015.pdf?1429028133

Devolved transport funding

- 8. 'We will invest a record £13 billion in transport for the North. We will electrify the main rail routes, build the Northern Hub, and provide new trains for the North. We will upgrade the A1, M62, M1 and A555 link road. And that is on top of our £50 billion commitment to build High Speed 2 the new North-South railway linking up London with the West Midlands, Leeds and Manchester and develop High Speed 3 to join up the North.' (p11)
- 9. 'We will continue to support the construction of High Speed Two, but keep costs down, and take action to improve and expand rail links across the North to boost its regional economies. We will support long-term investment in strategic roads, address the neglect of local roads, and promote cycling.' (p19)
- **10.** 'Deliver the Transport for the North strategy to promote growth, innovation and prosperity across northern England.' (p30)

Science investment*

11. 'We will back scientific and technical strengths by creating new institutions such as Health North; the Royce Institute for Advanced Materials in Manchester, Leeds, Liverpool and Sheffield; the National Centre for Ageing Science and Innovation in Newcastle; the Cognitive Computing centre at Daresbury; and by making investments in energy research in Blackpool, Cumbria and Thornton.' (p11)

Business support*

12. 'Business support – funding for business support and enterprise projects would be devolved to city and county regions in return for matched private sector funding and/or in-kind contribution.'

(From the paper 'Labour's proposals to devolve economic power and funding', February 2015).6

Business rate growth retention*

- 13. 'In Cambridgeshire, Greater Manchester and Cheshire East, we will pilot allowing local councils to retain 100 per cent of growth in business rates, so they reap the benefit of decisions that boost growth locally.' (p13)
- 14. 'We will enable city and county regions to retain 100 per cent of additional business rates raised from growth in their area.' (p64)

⁶ http://www.yourbritain.org.uk/uploads/editor/files/Devolution_paper.pdf We consider this commitment to hold weight equivalent to those included in the manifestos.

Labour market

Devolution of employment support

15. 'Improve links between Jobcentres and Work Programme providers and the local NHS to ensure all those in receipt of health-related benefits are getting the care and support to which they are entitled. In particular, as we expand access to talking therapies we expect many more people to recover and be able to seek work again.' (p45)

Devolution of the Work Programme

- **16.** '...we will commission a replacement for the Work Programme at a more local level, working with local authorities to join up support for the longterm unemployed.' (p48)
- 17. 'Deliver a reformed and improved Work Programme in partnership with English local government, and the national governments of Wales, Scotland and Northern Ireland. By devolving this support we can ensure help and training are more tailored to local employment markets and better integrated with other services. We will improve incentives for Jobcentre staff and Work Programme providers to ensure there is real help for those furthest from the labour market.' (p43-44)

Public services

Joined-up local service commissioning

- 18. 'We will continue to integrate the health and social care systems, joining-up services between homes, clinics and hospitals, including through piloting new approaches like the pooling of around £6 billion of health and social care funding in Greater Manchester and the £5.3 billion Better Care Fund.' (p39)
- 19. 'Commissioning and budgets will be brought together at a local level to join up services and make sure that providers are incentivised to help people stay healthy and outside hospital, rather than simply waiting for them to fall ill.' (p35)
- 20. 'Secure local agreement on full pooling of budgets between the NHS and care services with a target date of 2018, consulting on a legal duty for this. The details of how services are commissioned will remain a matter for local areas. In this way we will build on the radical proposals to integrate health and care funding in Greater Manchester.' (p73)

Focus on devolution of health and social care

21. See **18**, above

22. See 20, above

Greater provision of restorative justice

23. '...we will work to embed restorative justice right across the youth justice system.' (p52)



24. 'Give victims a right to choose restorative justice.' (p121)



Integrated addiction treatment

25. 'We will ensure drug treatment services focus on the root causes of addiction, with proper integration between health, police and local authorities in the commissioning of treatment.' (p52)



Longer-term multi-year budgets

26. 'Fair funding will be restored across England, alongside longer term multi-year budgets, so that local authorities can plan ahead on the basis of need in their area and protect vital services.' (p64)



Education

Local directors of school standards

27. 'Labour will introduce new Directors of School Standards at a local level to monitor performance, intervene in underperforming schools and support them to improve.' (p37)



Local further education funding for 19+*

28. 'We will commission a replacement for the Work Programme at a more local level, working with local authorities to join up support for the long-term unemployed.' (p48)



Environment

Air pollution powers*

29. 'We will deal with the problems of air pollution by giving local authorities the powers they need, backed up by a national framework.' (p56)



Housing

Empty homes powers*

30. 'We will give local authorities powers to reduce the number of empty homes, including higher council tax on long term empty properties. And to boost the housing we need, we will start to build a new generation of garden cities.' (p46)

Use-it-or-lose it powers over land*

31. 'We want a housing market that rewards the building of high quality homes rather than land banking and speculation. So we will introduce greater transparency in the land market and give local authorities new "use it or lose it" powers to encourage developers to build.' (p46)

Direct rent payments to landlords

32. 'Encourage landlords to lower their rent by paying them Housing Benefit directly, with tenants' consent, in return for a fixed reduction.' (p45)



Local authority borrowing powers

33. 'Allow Local Authorities more flexibility to borrow to build affordable housing, including traditional council housing...' (p99)



Devolution of right-to-buy

34. '...and devolve full control of the Right to Buy.' (p99)



Democratic

Local public accounts committees*

35. 'In return for greater devolution of funding and responsibility, we will establish local Public Accounts Committees, so that every pound spent by local bodies creates value for money for local taxpayers.' (p63)



Community rights*

36. 'We will give more people the power and support to run a school, start their own social enterprise, and take over their own local parks, landmarks and pubs. We will encourage the 1,400 communities engaged in neighbourhood planning to complete the process and assist others to draw up their own plans.' (p45)



Directly elected (metro) mayors

37. 'We will devolve far-reaching powers over economic development, transport and social care to large cities which choose to have elected mayors.' (p13)



'Devolution on demand'

38. 'In some areas of England there is an even greater appetite for powers, but not every part of the country wants to move at the same speed and there cannot be a one-size-fits-all approach. We will therefore introduce Devolution on Demand, enabling even greater devolution of powers from Westminster to Councils or groups of Councils working together – for example to a Cornish Assembly.' (p136)

Note: We consider this to imply a promise on the part of the Liberal Democrats to deliver on nine other devolution commitments as described above (science investment, business support, business rate growth retention, local further education funding for 19+, air pollution powers, empty homes powers, use-it-or-use it powers over land, local public accounts committees and community rights).

Fiscal devolution package

39. '[We will e]stablish a Government process to deliver greater devolution of financial responsibility to English Local Authorities, and any new devolved bodies in England, building on the work of the Independent Commission on Local Government Finance. Any changes must balance the objectives of more local autonomy and fair equalisation between communities.' (p136)

Removal of council tax referenda

40. 'Remove the requirement to hold local referenda for Council Tax changes, ensuring Councillors are properly accountable for their decisions by introducing fair votes.' (p136)