

DEVOLUTION, OUR DEVOLUTION:

PERSPECTIVES ON THE MEANING OF DEVOLUTION
FOR VOLUNTARY AND COMMUNITY GROUPS

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VSNW

Voluntary Sector North West

Accountability | Knowledge | Equality

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INTRODUCTION



Warren Escadale
Acting Chief Executive of VSNW

Devolution in England is happening now. As our opening article and Paul Martin (LGF) rightly says, the “Greater Manchester ‘deal’ is a game-changer”. Already, seven in ten of us in the north of England live in a Combined Authority area, a fact recently described as the biggest change in local government for over 150 years.

The motivation is clear: “the people of the North deserve better than they are currently getting and the discussion as to how this can be achieved needs to happen now to minimise the suffering we see every day” (Dil Daly, Age Concern Liverpool & Sefton).

Whilst what English devolution means is not clear, we must recognise that this is an opportunity to influence what it could mean. At VSNW, we want to provide a space for the voluntary and community sector to think, influence, and shape both the future of our own sector, but also of what devolution means for the communities where we exist and work. I see ‘Devolution, Our Devolution’ as a step towards this.

As a sector, we should be playing a key role in developing the thinking around what a good model of devolution looks like. This is especially important given that devolution in England is being driven by local government. This is a public service delivery-focused vision of devolution that will increasingly connect to the world of health and social care, to all our worlds. It may well be that as John Diamond (Edge Hill University Business School) chillingly puts it: “the city region provides an organisational framework to introduce Austerity 2.0”.

The voluntary sector has been warned off politics. Fine, let’s stay out of party politics but not politics. Yes, we might be living in a reality that’s about holding things together right now, but we know that we are about social change - good that lasts. That’s the kind of devolution I want us to be talking about and championing, and what’s more, making it happen where we live. We need to reinvigorate our political mission, and “lead the charge in redefining

Warren Escadale is the new Acting Chief Executive of Voluntary Sector North West (VSNW). Prior to this he was the Policy and Research Manager at VSNW for over six years, having previously worked for the National Association for Voluntary and Community Action (NAVCA) for ten years.

British politics for the generations to come”. Ed Cox (IPPR North) And, as Judy Robinson (Involve Y&H) says, we need to “grapple with those long-term determinants that shape lives ... and the economy”.

There needs to be national discussions - primarily about developing a fuller understanding about the purpose and functions of the central state. And I urge you to read carefully Neil McInroy’s sober thoughts on this matter.

And this surely links to a central tenet of our sector’s involvement and argument for change: that devolution should address inequality rather than entrench it. The debate needs to be about empowering rather than disempowering communities. As Ben Barr, points out, in regard to health inequality, we need to address “the relative lack of control and powerlessness of less privileged groups” and the sector has a pivotal role in helping this to happen. As Neil (CLES) concludes: “We need a devolution for all” and that means changing the terms of reference for devolution in England.”

As Andrew Walker (LGIU) highlights, the current model of devolution is already fundamentally uneven: “We should be careful not to replace centralisation with metrocentralisation”. Will Williams (Chair of the Cumbria Third Sector Network) calmly explores the implications for Cumbria and the need to develop a genuine rural model of local working and partnership. An urban model transposed or merely tenuously connected will hamper and undermine significant economic and social change. As Amina Lone (SARF) articulately puts it: “It is not only cities that can punch above their weight.”

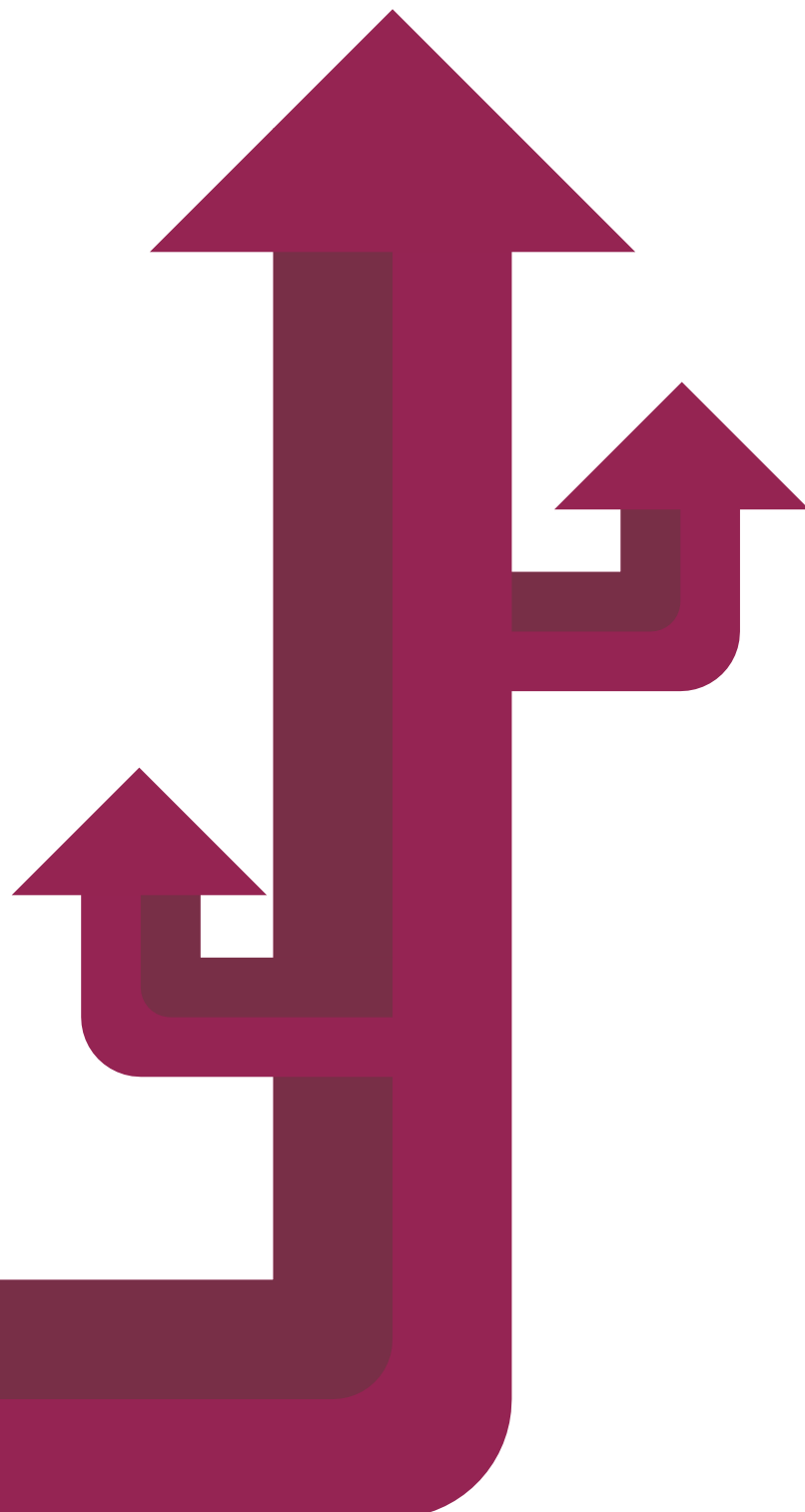
Of course, as Graham Whalley (One Lancashire) and Tony Okotie (Liverpool CVS UW) point out, the sector is already mobilising. Far more is needed but partnerships are getting on with it. We need the City Region strategic partnerships (see our report on the 'Implications for the VCS of the Liverpool City Region Combined Authority'), we need the delivery mechanisms, we need stronger evidence about what we can and could do while never forgetting that we need to get partners to understand what good community infrastructure exists and needs supporting. As Mark Morrin (ResPublica) points out: "Greater devolution can help a new social infrastructure to emerge". As a sector, we need to develop clear messages, and evidence, about what creates Thriving Places. This links to the need to recognise and develop "leadership networks of civil society organisations ... which seek to provide a local as well as a city region level of leadership and thinking" (John Diamond).

We have spent many years, as a sector, reacting. It's time we began to shape our own future and I see that, certainly in the North West, as something VSNW can help facilitate.

Our devolution should be about grasping our own future and thinking about how, collectively, the voluntary and community sector can do it's best for our local communities.



Warren Escadale
Acting Chief Executive of VSNW



LEADING THE CHARGE FOR A NEW BRITISH POLITICS



Ed Cox
Director of IPPR North

Devolution in England has been a long time coming. And although it appears now to be having its moment we should be wary about getting too excited until the rhetoric becomes a reality.

The Greater Manchester 'deal' is a game-changer insofar as it brings together a suite of powers concerning economic development – transport, skills and employment support, trade, business support, housing, planning – along with crime, health and social care in a way that the respective government departments have failed to do of their own accord. It is precisely this 'programmatically approach' that has been lacking outside of the devolved nations and that is the most likely way to effect culture change at the centre of government.

Furthermore, the Greater Manchester agreement combines economic development and public service innovation with the third leg of the devolution stool: democratic reform. There are many who will decry the idea of a Greater Manchester mayor: some purists who see power wrapped up in a single 'celebrity' as being a backward step for a broad democracy and others that smell an Albert Square / Parliament Square stitch up. But there's no doubting that new powers must bring new accountabilities for the GM leaders and the mayoral model developed in Manchester is more efficient and democratic than that of London. So at the very least it's a pill worth swallowing for the sake of growing autonomy.

What the Greater Manchester Agreement is lacking is any real sense of fiscal devolution. The earnback deal could bring the city £30 million a year for thirty years which is not to be sniffed at, but in the context of a £22 billion budget – of which only £1 billion is now delegated, it is still relatively small beer. (Remember that in countries like Germany and Sweden over half of public spending is raised and spent locally).

Ed Cox was the lead author of the publication *Decentralisation Decade: a plan for economic prosperity, public service transformation and democratic renewal* (IPPR: 2014)

So what does this mean for the voluntary and community sector? Economically, greater devolution can only be a good thing. The sector knows better than most the fact that scarce resources are rarely a zero-sum game. Greater local growth will be at the expense of anywhere else but if city growth is unleashed then it will surely grow the pie and reduce inequalities. International evidence shows that the most decentralised developed nations are also the least unequal and have the highest levels of well-being.

From the point of view of public services, those organisations already commissioned to provide services may find it easier to negotiate and renegotiate more bespoke contracts with more emphasis on social value. Those with weaker relationships with local authorities may fear them getting more power – or more power being sucked towards central Manchester. These are legitimate concerns but the only way to address them is through negotiation and challenge. And better to fight a battle closer to home than with a faceless Whitehall bureaucrat.

But perhaps the biggest opportunity concerns the role of civil society at large. One of the main causes of the English devolutionary moment was the fact that the people of Scotland found their voice. It was Scottish civil society that showed its discontent with the Westminster parties and now it is time for English civil society to move centre stage too. It is hard to see immediately which issue, let alone which party or territory, will cause the English to find their voice, but one thing is clear, any constitutional convention cannot be organised in Westminster. The voluntary and community sector outside London should be leading the charge in redefining British politics for the generations to come.

MIND THE GAPS



Graham Whalley
Chief Executive of Young Lancashire

Mind the Leadership and Accountability Gap

All the current economic and political indications point to “austerity” hanging around (however severe or slight) for a least a generation to come. The impact of this will mean a continued reduction in the role of the state, particularly local government, and a transfer of governance and public service delivery, though it’s not clear yet who or what will become accountable. Will Big Society take up the mantle? Will private sector companies and social business become the new governors? Will gaps in welfare services be filled by charity working in concert with council mutuals and spin-outs?

If so, how will such diverse and often disparate bodies become galvanised to collaborate and begin to comprehend not just what the left and right hand are doing but what the thumb, little finger and forefinger of each hand are up to? The ‘fix and mend’ co-dependent approach is spent as the Deputy Prime Minister stated on the platform of Northern Futures on 6th November 2014, ‘There’s no more money’ and ‘the [devolution] genie is out of the bag; Whitehall has no answers and couldn’t sort it even if it did’ (or words to that effect).

As such, calls to fill an emerging “leadership and accountability” gap are being heard loud and clear, as is the need for more effective solutions to ever present and recurrent issues; solutions which deliver results (i.e. those which reduce dependency on the state and create sufficient wealth to maintain civil society and personal health and wellbeing).

So given ‘outside’ assistance will not appear like the cavalry over the hill, leaders from all sectors (public, private, charity) need to make time to look ‘inside’ to solve this riddle for prosperity. Whether this will lead to rise of the city, and the formation of Combined Authorities, to make

Graham has worked in the charity sector for over 25 years at both national and local levels. Graham has been the Chief Executive of Young Lancashire, for the last 17 years.

the savings and create the growth required, is not yet clear. However, from a charity sector perspective, the ‘funded’ voluntary sector and especially local charities need to think and act now to consider how best to combine, to be accountable in order to lead and create answers which offer larger cities and Combined Authorities solutions.

Whilst experience to date is that the voluntary sector is not always willing to combine or ‘merge’, there are examples of functioning consortia (collaborative bidding vehicles), which provide accountability, contestability and savings. Most of these have been in response to external factors such as removal of grants, aggregation of services and funding into larger contracts. However as the pace of change picks up, leaders from across the sector will need to make the ‘collaborative approach’ the imperative. Two examples from Lancashire are Greater Together, a frontline provider consortium and ONE Lancashire, born out of Transforming Local Infrastructure, which offers a voice and high quality support services to local charities.

Mind the Generation Zero Gap

Young people are taking the sharp end of the cuts and current data shows how those living in the North are bearing the brunt. In future years, I predict research will show depressing statistics across the board for young people; poorer health outcomes, reduced aspirations, subdued creativity, home buying put on hold and a drain of talent and skills to the south and overseas.

Society needs to remember that they and their families are our future prosperity. The case for a new deal for young people and communities, especially in the North, is paramount.

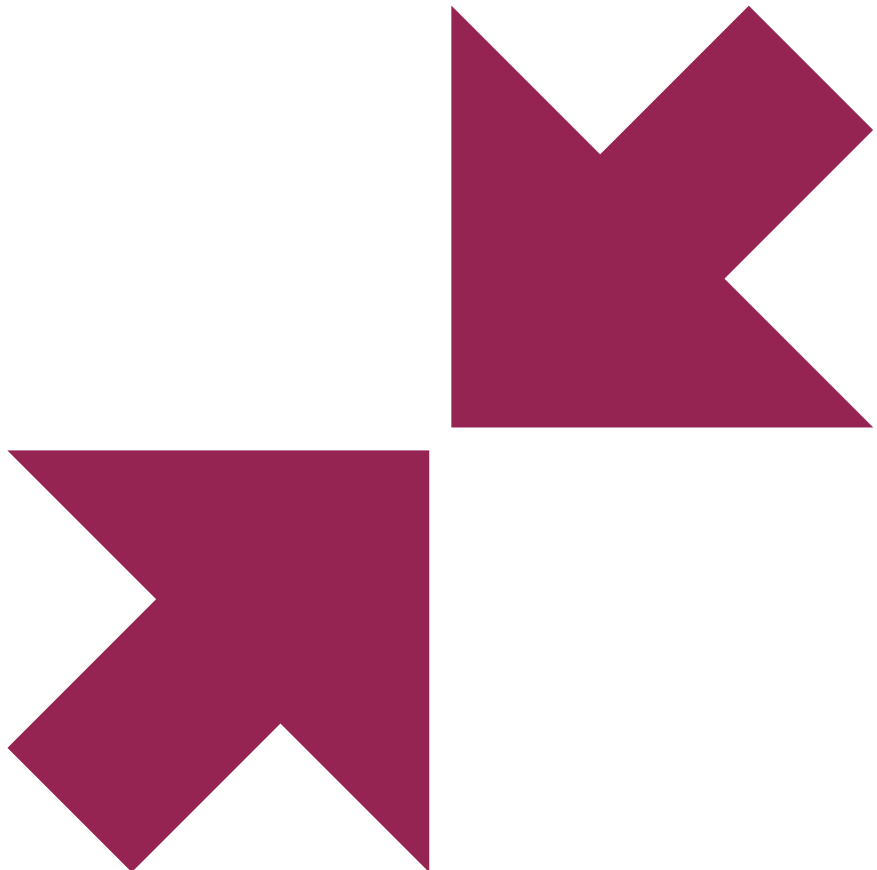
The UK Youth Parliament (there are 300 members of the Youth Parliament) voted recently on the top priorities for the nation in 2015 (based on the collective votes of over 870,000 young people). These priorities are all linked to employment; the chance to have a job, earn a living wage and thus gain mental wellbeing.

Leaders ought to be considering the impact of the current Big Lottery Fund Talent Match programme. This funding is currently only available to young people living in a few city regions; Sheffield, Liverpool and Manchester in the North. Can similar programmes be rolled out across the rest of the country? Could there be a reprisal of the Youth Training Scheme, Youth Enterprise Scheme and Youth Opportunities Scheme? How might such an initiative be funded, if not through the people's Big Lottery?

Will powers to determine local tax, through devolution, enable a small* levy to be set to bring young people into the world of work? Would it be possible to double such a fund, by matching each and every pound levied with a pound through the next seven year European Structural & Investment Funds?

Leaders debate and create!

* It is interesting to note a key success of AGMA (the engine behind Devo Manc) is a 30p levy on all passengers traveling via Ringway (AKA Manchester International Airport) and I have wondered whether if a slice of the wealth created through the industrial revolution (engineered and earned up North) had been retained in perpetuity for the purposes of sustained growth, how different things might be.



WE ARE READY TO GET INVOLVED RIGHT NOW



Paul Martin OBE
Chief Executive of The Lesbian & Gay Foundation

Even though currently the devolution agreement doesn't mention the voluntary and community sectors (VCS), Devo-Manc presents the VCS of Greater Manchester (GM) with tremendous opportunities and we insist on a place around the table now as an important and equal partner in the co-design of the solutions for GM, its places and for its people. We have a lot to contribute and many of us in the VCS are very keen to play our part fully.

The VCS in GM is made up of nearly 15,000 organisations with a combined turnover of £1 billion, employing 23,600 full time equivalent staff and supporting 330,000 people who carry out voluntary work which is worth a further £947 million to the GM economy. The VCS is present in every locality across GM and is representative of every community within GM.

The proposed devolved powers present game changing potential to encourage GM's public sector commissioners to think differently and act collectively. Currently if you are a service provider like The Lesbian and Gay Foundation (LGF) working across Greater Manchester and delivering services to non-geographically specific communities of identity, you have to liaise with 10 local authorities, 12 Clinical Commissioning Groups, and other commissioning bodies like the Office of the Police and Crime Commissioner. Satisfying (in our case) 23 different public sector commissioners, who often want something slightly different to their neighbours, can be extremely complicated. Keeping existing funding agreements for the whole of GM together can be extremely challenging in today's financial climate.

Developing a partnership model of collaborative co-commissioning for the whole of GM's population, especially for people who cross geographical boundaries to receive services, would be a welcome and cost saving measure. The individual needs of lesbian, gay, bisexual and trans (LGBT) people in

Paul Martin OBE is the Chief Executive of The Lesbian & Gay Foundation (LGF) - a nationally significant charity, with a history dating back 38 years. The charity serves over 40,000 lesbian, gay, bisexual and trans people a year, providing a range of vital services and campaigning for a fair and equal society. For more information, please visit the LGF's website at: www.lgf.org.uk

Trafford are unlikely to be different to those in Wigan. Undertaking 10 or 12 different needs assessments is costly and unnecessary. Developing pan-GM solutions including funding agreements that support wrap-around services, meeting varied and complex needs is exciting. Particularly as we know that promoting early interventions can help to prevent problems, which go on to save public money in the long term. If this is true for LGBT people; which it is, it will be equally true for all of GM's other equality communities who also aren't defined just by where they live.

Fully devolved control over all public spending is key. The opportunities presented by health and social care budgets to be included within the devolution agreement are to be seized upon and CCG's should be positively encouraged to join the partnership. Their 5 Year Forward Plan published recently by NHS England presents real opportunities for CCG's to take more control over the shaping of local healthcare services and removing the obstacles within the system that get in the way of patients receiving the quality of treatment that they deserve.

There are some excellent examples of co-produced solutions across GM where the VCS and the public sector are working together and making significant and potentially lasting improvements. The scale of GM's challenges are not to be underestimated. We all need to take responsibility for playing our part. The current political leaders must be encouraged to involve and include the VCS in their discussions about the future. Officers currently working on devolution agreements must not leave it too late to start conversations with the VCS.

Waiting until the formal consultation stage is too late to begin those all-important discussions. A recent report commissioned by Public Health England entitled Due North found that greater community control leads to better health and when community members get together there are real and sustainable benefits to be had. I think that this is what we are all working towards, so please ensure that the representatives of all of GM's communities are involved from the beginning. VCS leaders are willing to get involved right now.



DEVOLUTION REVOLUTION?



Tony Okotie
Chief Executive of LCVS/ United Way

With the decision about Scottish devolution being decided by the (Scottish) electorate earlier in the year, the spectre of regional devolution in England is gathering pace, with an increased focus and emphasis being given to Combined Authorities and city regions. The premise is simple - that prosperity of an area is interdependent on the areas around it, and those closer 'to the action' are more likely than Whitehall to understand what might work to build economic recovery. Of course, devolving power down also helps the Conservatives meet their pre-election manifesto pledge to localism. Going into the general election in May 2015, all of the major political parties now seem wedded to increased powers and so devolution seems to be here to stay.

However, 'the devil is in the detail' and what does the detail mean for the voluntary and community sector? My job is to make sure that the voluntary and community sector in Liverpool gets the best support and the best chance to help local communities. Devolution could make this much harder for me to do. As well as drawing down resources and powers, devolution is scaling up local strategic activity and thinking, and scattering in more layers of bureaucracy, not less – adding complexity and distance, and casting a potentially narrow economic glow over our world.

It's never been the case, but it will be increasingly true that Liverpool alone cannot solve Liverpool's problems. I need to work with partners from right across the city region – more than ever - to create clear powerful messages about what we, as a sector, are good at and are for.

We need to think and work in new ways, connect to an economic agenda, and understand that this is a public service delivery driven form of devolution of vital importance to us, our networks and our communities.

We have a long history of being a dynamic, innovative, community-led, entrepreneurial sector. Individually we punch well above our weight but now we need to do it together.

Tony Okotie is the chief executive of LCVS / United Way. He has worked in or led infrastructure organisations for the last 13 years, after careers in retail banking and the newspaper industry. Tony is a non-executive director of one of the first NHS Community Foundation Trusts.

The old public sector world is disappearing, retreating, rearranging. Individual relationships will no longer be enough. We need to make the case for a concerted sector, driven by values, with community at our heart. We need to make the case for our vision of community-driven devolution that creates hope, skills, jobs, and collective spirit.

And we're getting on with it. As partners, we're talking and planning. Local conversations across the city region are intelligent, humorous and strategically insightful. The enthusiasm has been contagious but also measured. Liverpool City Region devolution discussions may well lack the two-year discussions and devolution-training grounds of Scotland or the speed and execution of DevoManc, but my belief is that we, as partners supporting the voluntary, community, faith and social enterprise sector right across the Liverpool City Region, are creating our own devolutionary momentum, passion and cause – one for those for whom we work.

With devolution we need to become our own nationals, our own leaders, and take pride in what we offer, what we can do and what we can be. We need to get that message across clearly and with evidence. That, I hope, is the beginning of our story of devolution in Liverpool City Region. We'll only know if the devolution revolution has worked in years to come, with increased economic resilience and stronger local communities being our measures of success.

DEVOLVING POWER - THE ROLE OF THE VCS IN REDUCING INEQUALITIES IN HEALTH



Ben Barr

Institute of Psychology, Health and Society, University of Liverpool

One of the consequences of the referendum on Scottish independence is a growing call for the north of England to be given greater control over how public resources are used. The first step in the process has been a unique devolution deal for Greater Manchester. The argument for greater devolution to city and county regions has largely focused on the benefits it would bring for economic development. There has been little debate about what it will mean for inequalities, in particular for the most important inequality of all – inequalities in health – the unfair differences in the chance of living and dying.

The north of England has long suffered from the problem of “the north-south divide”. One manifestation of this is the highly visible health divide between north and south. The north suffers much poorer health than the rest of England, with lower life expectancy and earlier onset of chronic illness and disability.

This divide masks another stark division in health: the one between rich and poor areas in every region in the country. On average, poorer groups die earlier and get sicker quicker.

The underlying causes of both health divides are largely the same: differences in poverty, power and resources needed for health. One of the consequences of the uneven economic development in the UK has been higher unemployment, lower incomes, adverse working conditions and poorer housing in the north, all of which have adverse impacts on health and increase health inequalities. Policies made in Westminster have so far largely failed to address this problem. In fact the austerity measures introduced in response to the 2008 recession are making the situation even worse. They have fallen more heavily on disadvantaged areas than on affluent ones and on the North in particular. At the same time, welfare reforms are increasing poverty and pressure on services in the worst-hit areas, particularly among families with children, which compounds the crisis.

Ben Barr is a Senior Clinical Lecturer in Applied Public Health Research at the University of Liverpool and a member of the WHO Collaborating Centre for Policy Research on Social Determinants of Health. He was an author of ‘Due North’, the report from the independent inquiry into health equity in the North.

It is against this background that Due North, the Independent Inquiry into Health Equity for the North was set up by Public Health England in January. The inquiry brought together representatives from local authorities, the voluntary and community sector and academics from across the North of England. It brings a northern perspective to the nationwide problem of what to do to reduce health inequalities between rich and poor areas – within the North, and between the North and the rest of the country.

We highlight that there is an opportunity for northern agencies to use devolved powers to turn the tide of these inequalities by promoting greater democratic participation and local accountability. This could enable all people, but particularly those currently disadvantaged, to have greater control over the decisions that affect their life chances, greater control over the local economy and greater influence over the use of public resources.

The community and voluntary sector needs to be at the forefront of advocating for and leading this process of democratizing local economies and public services - ensuring that the voice of the most disadvantaged is heard in city halls, on Health and Wellbeing Boards, on the boards of Clinical Commissioning Groups and that public services are developed with and by the people that use them.

In the Due North report we outline actions that need to be taken by local government and other statutory agencies in partnership

with the community and voluntary sector to reduce health inequalities. Firstly expanding the involvement of citizens in shaping how local budgets are used, through mechanisms such as participatory budgeting. This will require statutory organisations opening up their decision-making processes, so that people can truly participate in them and hold them to account. Voluntary and community sector organisations are often best placed to support the greater participation of disadvantaged communities in the decisions that affect their environment and statutory organisations should invest in them to do that.

Secondly we need to develop community-led systems for monitoring and accountability. Previously local public sector organisations have tended to see themselves as accountable upwards to central government, particularly for action on health inequalities - we need to shift towards greater accountability downwards to the communities served by these organisations. In our report we recommend that Public Health England work together with the community and voluntary sector to develop community-led systems for health equity monitoring and accountability.

Thirdly developing public services and a local economy that reduces inequalities will require new collaborative approaches that enhance local control. This means public services and enterprises that are developed by, accountable to and owned by local communities. This could include developing new models of publicly owned services such as cooperatives or mutuals that are democratically accountable to the users of these services. The social housing sector for example has often led the way in developing tenant led approaches to housing provision that have been shown to be effective.

Unsecured household debts are an increasing problem in poor communities, not least because of the high rates of interest they pay. Credit Unions provide a good example of non-profit-making, member-owned and democratically run institutions that can potentially alleviate this problem. We recommend that local and national action is taken to expand their role and membership.

To prevent poverty and promote prosperity in the North of England, we will need to develop better support for people moving into work by linking up schools, vocational training, apprenticeships, employers, employment support and health services. In the *Due North* report we recommend that public resources for training and employment support are devolved to local areas and that support is developed in partnership with the community and voluntary sector.

A fundamental cause of inequalities in health is the relative lack of control and powerlessness of less privileged groups. The community and voluntary sector has a crucial role to play in redressing these imbalances in power. Not so much as an alternative to provision by the public sector, but by enabling people to have greater control over how public resources are used and developing new models for providing public services, that are more accountable to the communities they serve.

IT'S STILL A LONG WAY FROM WHITEHALL AND THE TOWN HALL



Judy Robinson,
Chief Executive, Involve Yorkshire & Humber

You can hardly move at the moment without falling over reports on northern devolution or ministers in high vis jackets looking purposefully at manufactured things. Does it mean there's a fast train coming round the corner soon or, more realistically, an election approaching?

One of the recent announcements came from a new body, Transport for the North, promoting what's called HS3 (but it is really an upgrade) of the link from Manchester to Leeds. Since then the Chancellor has signed a deal with Greater Manchester councils to give them more powers in return for the election of a mayor - but only after two years. This follows on from reports which talk about city regions having powers over transport, employment, skills and in some cases, raising money.

Many of these reports ignore the people of the North - are they citizens who might want a say or have useful ideas to contribute? We seem to be getting plans that no local people have discussed, let alone voted for. Very little attention is paid to the democratic deficit that creates such disengagement from politics. Is it really just men talking to other men about train sets?

Council leaders will say that this is only the start. Civil society will certainly want to know what's next and exactly how people are going to be involved in a real way.

Good jobs and a more prosperous North in charge of its own affairs is the overarching aim. Many charities support this ambition. However, they know that regeneration, economic development, social care and other plans fail to win support and achieve their potential, especially with the most disadvantaged and disconnected, when they are delivered top down, without consultation or partnership.

We need to see a more dynamic and nuanced understanding of the local economy in all these debates. Business is organised in many different, legitimate and successful ways, not just through market mechanisms - social enterprises and

Judy Robinson is the Chief Executive of Involve Yorkshire & Humber which supports the voluntary and community sector to create a strong society and fair communities, with opportunities for all, throughout Yorkshire and the Humber.

the wider social economy builds social capital, reaches those furthest from the labour market and improves the local skills base. Ideas about the "core economy" that incorporate the assets of communities such as care, teaching, volunteering are too often neglected. These are not add-ons but critical aspects of sustainable economies.

The Scottish referendum has added force to the argument about decentralising Whitehall powers. It is an important debate because it is fundamentally about how we are governed - who makes decisions and where is the accountability to the citizen?

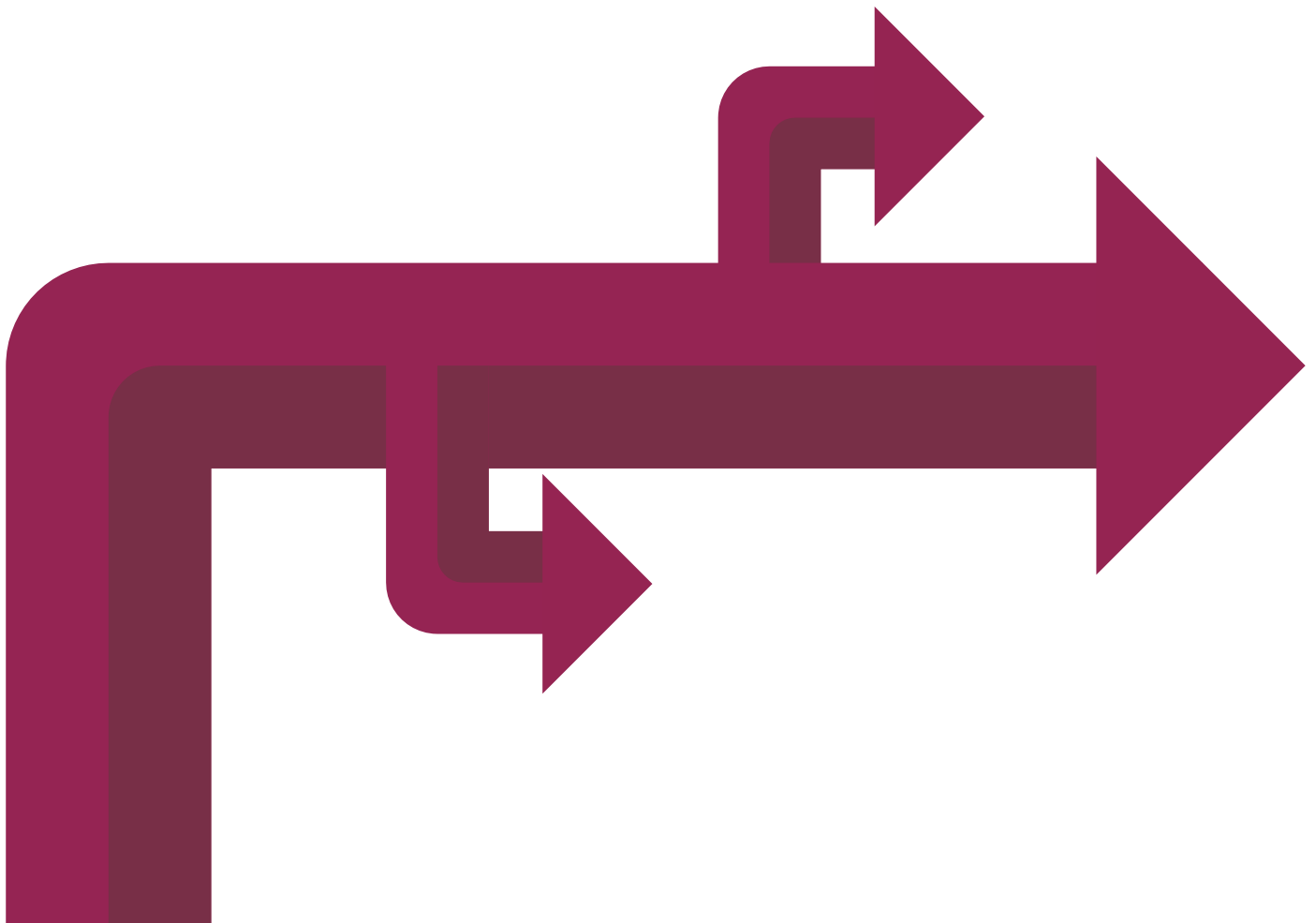
It is important for the voluntary and community sector. We believe people must have a say in the decisions that affect them and we want policies and plans that benefit everybody - because we pick up the pieces when this doesn't happen. I think there are a number of points to watch:

1. People want more say in how their communities are run and what sort of society we are heading for. Devolving powers solely to local authorities does not necessarily offer this. If people are disconnected from Whitehall, they are often similarly disengaged from the town hall. We need a double devolution to citizens and the VCS is well placed to help this happen.
2. What is woefully lacking in the debate south of the border is the fundamental question about devolution: What is it for? Where is there anything about social solidarity or a more equal northern society?

3. Always be careful what you wish for. Whilst redistribution formulae between English local authorities may be clumsy, they do reallocate money from rich areas to poor ones. How will councils with low tax bases in the North be better off when they have to raise all their local taxes - without support from a redistribution formula? Wealth is so unevenly spread across the UK that some rebalancing is needed, not least so that services that support the most vulnerable don't disappear in the least favoured areas.
4. There is still a question about the uneven national distribution of resources – housing, infrastructure, arts, skills, local authority services.
5. Another north-south reality is a 15 year life expectancy gap for a baby born in the North today, compared to the south. Out of 21 local authorities in Yorkshire and Humber, 13 have more than 20% of their children living in poverty and 10 have more than 25% in poverty.
6. Any growth policies must be deliberately targeted at those who most need the benefits of economic development and address inequality directly.
7. And talking of growth - we mustn't forget that we really are running out of oil and that the climate is changing for the worse. Is there still a limit to growth?
8. There is much talk about cities as engines of growth. There must be equal recognition of the roles of rural hinterlands and small towns, not just as dormitories but as a vital part of the economy of regions.

This could be construed as being a long way from the VCS mission. Surely we should be getting on with our knitting and doing good works? Well, it's not either or! Supporting people with food banks, welfare advice or learning new skills is essential, at least in the short term. But the VCS has a bigger view of the world, we are keen to tackle root causes as well. This means that we have to grapple with those long term determinants that shape lives...and the economy.

We'll have to get a voluntary sector view organised if we want to have a say in these changes on behalf of our members and communities. Watch this space.



A DEVOLUTION FOR ALL



Neil McInroy,
CEO, Centre for Local Economic Strategies

As the heady atmosphere of devolution for cities swirls around, it is worth reminding ourselves that devolution merely increases the chances of better decisions and a socially inclusive future, it does not automatically mean that it will happen. A key precursor to better decisions and policies is a much deeper and broader debate about devolved powers, resources and who gets them.

The present agenda is undoubtedly narrow. It has come out of an economic growth agenda and it is NOT driven by issues of democracy or problems of national inequality or a voracious refocus on closing the gap between rich and poor. Instead, devolution to Combined Authorities and Elected Mayors is driven by a singular commitment to accelerate economic growth in large cities through the HM Treasury backed agglomeration approach, in which the benefits of proximity and concentrated networks of policy makers, companies, consumers, workers stimulate economic growth. This is not about to power to local government generally, or to voluntary and community sector or to citizens.

The English devolution, for all the brouhaha, is quite meagre fare. Areas such as the environment, education, sport and arts, employment, culture, etc. remain in control of Whitehall. Furthermore whilst some resources around skills, housing etc. have been devolved, this is limited and the Treasury control the purse strings - there are no fiscal powers to raise their own income.

However, even if cities were to be granted some form of fiscal devolution, this is not without huge potential concern. In the present tax system, **London is a net contributor to the public purse** –it gives more to the public purse than it takes. In contrast, all core cities (bar Bristol), are net beneficiaries. Any fiscal devolution to core cities and London would mean cities retaining more of the tax they generate. Under this scenario, there could be even more pressure on national budgets and potentially less money for national public services and services in those non city areas with no fiscal powers. The solution must be

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that richer cities like London continue to give more than they take. However, this requires consideration of an enhanced national redistribution mechanism to ensure a local social safety net and decently funded public services for the whole country. Without this, any fiscal decentralisation could just exacerbate the problems of austerity and entrench, not solve, existing inequality.

The UK is in flux, and the devolution path we are on is uncharted. Therefore, this is no time for electorally driven decisions or narrow plans cooked up in Whitehall. We need a devolution settlement beyond narrow political or individual city interests. We must have a settlement which radically reforms Whitehall and fairly devolves power and resources to cities, to local government, and to citizens.

We do need a **national constitutional convention**, with a wider and deeper national conversation which moves to provide clarity and order to any devolution asymmetry. We must **reset economic plans** and devolution. We need to accept that the present economic model has a longstanding and entrenched trajectory which is unlikely to deliver spatially or socially. Devolution cannot be shoehorned into an economic model which complies with the narrow Treasury version of the English economic state and the role of city economies in it. And present devolution proposals needs to be penetrated by issues of environmental sustainability and ideas of national and local fairness. We need devolution to grow the social/'civil' economy.

The recent, English interest in city devolution, presents a rare opportunity. However, civil society needs to enter a broad and deep debate and their voices must be heard. This is our democracy, not Westminster's or the town halls. We need a devolution for all.

US AND THEM: WITH, WITHOUT AND WHO'LL DENY IT'S WHAT THE FIGHTING'S ALL ABOUT?



Dil Daly,
CEO, Age Concern Liverpool & Sefton

In the month that the first new original material by Pink Floyd in 20 years is released, I feel that lyrics of "Us and Them" from 1973's classic Dark Side album still resonate today (see the end of this article). There is a strong feeling (supported by the financial figures) here in the North of England that national politics is a London centric game resulting in disproportionate cuts and hardship being levied on the people in the cities and towns of the North, particularly affecting the vulnerable and the poor. This feeling of injustice has led to a strengthening of the "us and them" division between north and south and a desire to do something/anything to redress the imbalance.

The popular answer, following the Scotland vote, appears to be devolution – or at least a much diluted form that has the support of George Osborne. But is devolution right for the people of the North and for the voluntary sector?

George Osborne's model is largely city region based with an elected mayor providing leadership for several local authority areas. But do we want a mayor?

In the North East they had a vote – the result was a resounding no. In Liverpool the city had been 1 of 11 due to hold a public referendum on whether or not to introduce a directly elected mayor. Councillors voted to bypass the referendum and hold an election instead. In Manchester the election of a mayor was agreed by politicians, not the public, in response to new powers and a financial package offered by the Chancellor – which Manchester's politicians deemed too good to turn down. Not one of the major conurbations in the North has actually got a mayor because the people have demanded one. The democratic deficit inherent in this action is surely too great to ignore.

Looking at my own patch in Merseyside, will a city region reduce the number of politicians or just add a fresh layer of expensive bureaucracy on top? At a time when local councils in Merseyside only have sufficient

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money to undertake mandatory duties, there is a convincing argument to be made that actually we don't need local councillors. Their former role of deciding how best to spend the resources allocated to them in the interests of local people has gone; there are no decisions to make if the money available is already earmarked by statute for a particular purpose.

Will having a regional government see a flow of resources from south to north? I think not. Apart from London and the SE, the rest of the south would claim it too suffers from economic difficulties. I have heard the argument that we suffer locally because the resources we create are siphoned off to Westminster and only a proportion is returned. If we follow this argument of wealth being distributed to where it is created, London has a strong argument to retain even more money. London keeps only 6 per cent of the tax raised in the city (compared to New York which keeps 50 per cent). Now you may counter that much of this wealth is created in the provinces and returns to London only because the company head offices are situated there; but who is going to do the maths to work out exactly how much of that wealth should be attributed to each region and how transparent are the company accounts to enable that to happen?

Nonetheless it is objectively true that the North is suffering economically and socially in comparison to London and the South East and requires a new and different approach to kick-start an economic and social upturn. The aggregation of political power, decision making and the economies of scale occasioned by enlarging the geographic areas of governance could make a significant positive difference, but I would argue that the scale needs to be much larger than is currently countenanced. If we are to go down this route then I would

advocate a single government for the North of England, not a series of city regions where the surrounding towns are left fearing that their future will be both peripheral and subjugated to the needs of the City.

There is also the concern that the Chancellor's financial largesse will swiftly disappear after he gets the city regions he wants and then the Mayors will serve the role of scapegoats being blamed for the failure of the regions in the North.

And what of the social care orientated voluntary sector in this new world? The move to city regions or larger governmental footprints should increase the funds available for commissioning that part of the sector which wishes to be public service providers. It will also reduce the headaches that these larger organisations encounter in negotiating contracts with numerous local authorities all of whom have different pay scales, terms and conditions and required outcomes. For the smaller, local organisations, however, it could be threatening. The local perspective may be lost as local councillors lose powers or are deleted and the focus becomes on large-scale regional projects. The voluntary sector would follow the high street's loss of independent, local traders in favour of the large hypermarkets. The "Tescoisation" of the sector could easily result in fewer, larger, more generic voluntary agencies providing the bulk of services at scale leading to the demise of numerous smaller, specialist, local organisations. Whatever happened to that localisation agenda?

I am unsure as to what is for the best – but the people of the North deserve better than they are currently getting and the discussion as to how this can be achieved needs to happen now to minimise the suffering we see every day.

US AND THEM (LYRICS BY PINK FLOYD)

Down and out
It can't be helped that there's
a lot of it about
With, without
And who'll deny it's what the
fighting's all about?
Out of the way
It's a busy day
I've got things on my mind
For the want of the price
Of tea and a slice
The old man died



BEYOND METROCENTRALISATION



Andrew Walker,
Local Government Information Unit

In October 2014, the RSA published *“Unleashing Metro Growth: Final Recommendations of the City Growth Commission”*. The report calls for the “reconfiguration of our political economy, with city regions at its heart”. It argues that we need a shift in decision-making powers from the centre to the metropolitan areas, with greater financial independence and more influence in national decision making for cities. Metropolitan areas have a vital economic role, contributing massively to UK growth, providing employment and crucial services for millions.

The decentralisation debate has stepped up a gear over the past few months, particularly since the Scottish referendum. Closer attention has been paid to local democracy and there is a real sense of dissatisfaction with the top-down Westminster model of policy making. *Unleashing Metro Growth* is the latest in a wave of recent reports attempting to shift the locus of power away from London. Think tanks such as ResPublica and IPPR have made some broadly similar arguments in the past few months and the noises made by George Osborne, Nick Clegg and Ed Milliband suggest that a consensus is forming around the need to decentralise power within the UK.

It is right and good that discussions about increasing the powers available to cities like Manchester, Birmingham, Leeds and Bristol are occupying such a prominent role in the national discourse. Not before time there is serious consideration of alternative democratic arrangements, acceptance that the current model does not work in everyone’s favour, that complex problems are best solved locally, and that big, important decisions do not always have to take place in Westminster.

The RSA’s report contained a raft of innovative and interesting policy recommendations that would help to move significant powers away from Westminster. The report is also careful to note that the metropolitan areas it discusses do not exist in splendid isolation, but are intimately connected with surrounding non-metropolitan areas.

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We should be wary of replacing one consensus with another, though. Engineering decentralisation from the top down is likely to reproduce many of the same problems and blockages that already exist because it tends to assume that there is one framework to solve all problems. Creating a “Cities” seat at the Cabinet table is a telling indication of where we might end up if the debate is always limited to the location of power, rather than the nature of power itself.

The Scottish independence question was always about more than economic growth. Equally, localism is more complex than that. It is about identity, social networks and giving people real power to determine their future. We should not assume that everyone from the north of England identifies with an extensive Liv-Manc-Leeds-Sheff urban conurbation. Many living in counties and districts face serious challenges that should be addressed locally, with local control to target resources as effectively as possible. The County Councils Network recently pointed out that over 50% of the UK’s population live in counties, which account for 40% value added to the economy. Metropolitan power centres are not necessarily the most relevant model for people in these areas. Also, there is even a great deal of difference amongst those within the big cities. The Greater Manchester Combined Authority is so successful, arguably, because it allows for multiple and overlapping identities.

The UK is a social, political and economic patchwork, with huge regional variations. Decentralisation should take this into account, recognising that there are many solutions, not just one. It should be built from the bottom up, through collaborative engagement between citizens, the state and civil society. As Jonathan Carr-West argued recently, we have a real opportunity, following the Scottish referendum, to deliver a truly localist agenda by reinvigorating existing democratic structures across the country, investing real power in social networks and trust in civic relationships.

It is a huge step in the right direction that decentralisation is so prominent in the national debate. However, if we believe in these principles we should carry them through and empower communities at all levels and in all areas, accepting that this will look different in different places. We should be careful not to replace centralisation with metrocentralisation.



DEVOLUTION, CITY REGIONS, ELECTED MAYORS AND THE VOLUNTARY SECTOR: WHY DOES IT MATTER?



John Diamond,
Edge Hill University Business School

Setting the context

With all changes which are driven by the centre, there is a risk that we interpret their significance only by reference to the immediate outcome and not by reflecting on the longer term processes they demonstrate or the opportunities they create. The Coalition's decision to move ahead with a devolution package for the city region of Greater Manchester is one of those moments to pause and to reflect. We know that it is highly likely that the model set out by the government will shape future devolution settlements and we know too that it is probable that the new arrangements will be around for at least a decade.

I think there are three important aspects of the Greater Manchester package which are important to highlight because they will frame the next batch of city 'states' across England. The three elements are: inclusion of some aspects of health and post-16 education; abolition of the Office of Police and Crime Commissioner and this role being transferred to the third component – the elected mayor. All of these developments as well as the devolution proposal itself have serious and profound consequences for the voluntary and community sector.

Finally, I think that we need to reflect too on the (un)intended consequences of this proposal for the existing political and administrative structures of local government in England. On one level I think we can expect to see a move to restructure or to reform local government below the city region tier. I think that a further consequence of this process will be the creation of alliances of local authorities to press for devolution which cut across existing local government boundaries. This is already happening in Merseyside with the inclusion of West Lancashire District Council (and as a result this will lead to a restructure of Lancashire County Council) and the Cheshire authorities too. All of these changes have implications for the existing political parties – especially where

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one political party has acted as the provider of patronage and advancement for a small political elite.

Devolution, City Regions and Elected Mayors

It is important to situate the present proposals in the context both of the austerity measures introduced post 2008 and a longer term discussion about the appropriate scale or level for effective strategic planning on economic development. In one sense we can place the present proposals as further iteration of the importance of geography or spatial relationships in the planning process. Over the past twenty five years or so, we have had regional development agencies or the government offices of the region, both of which were cut by the Coalition after 2010. The city region with its elected mayor can be seen as yet another attempt to reform the organisational frameworks of local government / public administration to promote more effective decision making. Before the 1997 General Election, New Labour had engaged in an extensive policy review including the governance of cities and the political decision making structures in local government. Out of that review came changes in local government and the creation of the cabinet system with an enhanced scrutiny role for back bench councillors. A key reform of this period was the idea of the elected mayor. Advocates of this model borrowed from the experience of US cities and to some extent states within the European Union. The creation of the Greater London Authority and the elected mayor for London are direct outcomes of this process.

An important part of the narrative of the reform process post 1997 was on democratic renewal and a revival of local democracy in particular. The reforms to local government imposed by the Tories in the 1980s were highly significant: the abolition of the urban regional tier (Greater Manchester, Merseyside and so on) now being reintroduced as city regions; the requirement to set balanced budgets and the disqualification of many Labour councillors who had opposed the centralisation of budgets and the capping of local budgets; and the start of the contracting out of local services from the sale of council houses to the local management of schools. The connection between the provision of local services and the decisions about what services were to be provided was being cut.

Elected mayors and the other reforms seemed to address these twin challenges: elected mayors could be held accountable more immediately than elected local councillors – they were a ‘single point of contact’ and the decisions that were being made might be more strategic than local – and as a consequence less partisan. Of course neither of these two propositions holds up under careful analysis. And the local democracy argument being put forward in 2014 is as weak as it was in 1997. There is a difference I think between the two periods. The most significant difference is that of austerity.

Austerity and the long term consequences of the Coalition’s plans (adopted too by Labour) threaten to alter fundamentally the idea of the ‘local’ being independent from the centre in a way that those implementing the cuts in the 1980s could only imagine. I do think that the city region provides an organisational framework to introduce Austerity.2.0.

The elected mayor is being given a whole range of highly significant responsibilities and powers to set strategic objectives across transport, planning, economic development and education and skills. The addition of responsibilities for crime and disorder and some aspects of public health add to the importance of the role. Another important difference I want to suggest between the 1980s and now is the absence of an alternative narrative. In the 1980s many Labour and Liberal-run local authorities were experimenting with alternative economic strategies, free public transport, the introduction of equal opportunity initiatives and tenant and resident participation strategies.

I am not suggesting that these developments were wholly successful or always well thought through but there was an imagination and creativity which the austerity measures of post 2010 are taking away from local government.

A crisis of civil leadership: What is the role of the VCS?

In the current crisis, therefore, what is the role of the organised VCS sector? I think that the restructuring of the sector will continue. This process of change will, inevitably, involve cuts and closures. The cuts in the welfare state and the impact on communities and families with children and adult dependents will make their experiences harder. Inequality will get worse and the capacity of the public sector to protect and to support the most vulnerable will be stretched. In this context it seems to me that a key and primary role for the organised and professionalised VCS is to provide a leadership role to the rest of the sector. I am not suggesting or advocating a role in which the professionalised VCS occupies a particular space and imposes their ideas on the sector. On the contrary I think that what is needed is a network or an alliance of individuals or organisations which has the capacity and energy to quite carefully and deliberately analyse the devolution package and act as critical informants to the rest of the sector.

Why does this matter? I think the worst strategic mistake we could do is to oppose the proposals without critically reflecting on them first and make an informed analysis of what is on offer. The issue is not a ‘directly elected mayor for Greater Manchester’ but rather the powers, responsibilities and duties that go with the new structure. What follows from this are questions which then focus on the potential spaces this new structure will create or not realise it has created and how might the VCS use that space? There is the simple necessity of understanding how the new institutions will work, the processes and systems of governance and decision making.

At a local level I anticipate further cuts in funding for infrastructure organisations. Over the medium term the some VCS organisations or consortia will become service providers. Their campaigning and lobbying functions will lessen and I expect there to be new networks which take up these roles. The sector needs to avoid boundary disputes or falling into the trap of

seeking to maintain the status quo. And part of the need for a critical and informed analysis will be to look both at the new sets of institutions as well as the new decision makers. We should not assume a seamless transition from one elite to the same elite. We should expect that the new arrangements will be disruptive and disturbing for the local elites too.

The challenge for the VCS is whether we / they / us have the capacity and the willingness to co-create these new networks. We will need a renewed set of networks and organisations to share intelligence and analysis and we have to assume that the next two to three years are going to be difficult and messy. But there is an opportunity for a new leadership network of civil society organisations to emerge with a different narrative and one which seeks to provide a local as well as a city region level of leadership and thinking which is needed now more than ever.



DEVOLUTION AND CUMBRIA



Will Williams,
Cumbria Third Sector Network

Cumbria Third Sector Network has been asked to provide some initial thoughts on the devolution of power from central government to more local areas within England, and the potential implications for local third sector organisations and communities. This paper has been put together by Cumbria Third Sector Network's Executive as timescales did not allow for wider consultation.

Would Cumbria benefit from devolution?

Cumbria has often suffered from power being overly centralised; national policy has often been based on experience in London and urban areas. Much of Cumbria comprises sparsely populated rural areas, with many communities a long distance from services (such as libraries, hospitals and public transport) that those living in rural areas would take for granted. There has been some national acceptance that it costs more to provide public services in rural areas, but no rural weighting in funding allocations to support this.

Some examples of problems caused by centralisation are given below.

Health Services

Much of the current thinking on devolved powers concentrates on local authorities, but gives little mention to other public services; health services in particular are only mentioned in the most radical proposals such as Devo Max - Devo Manc. Hospital services have become increasingly specialised, favouring a "centre of excellence" serving a large population over smaller, more general services. This model may work well where it means patients travelling from one side of a city to another; it is less appealing in rural areas such as Cumbria where it often means patients travelling over 2 hours by car (or much longer by public transport) to reach their closest service.

Targets have often been too crude, and have sometimes (for example, ambulance response time targets) incentivised organisations to concentrate their work in urban areas, and tempted them to ignore the most rural areas where the targets will never realistically be met.

In the absence of detailed devolution proposals, the attached is an initial piece from the Cumbria Third Sector Executive on opportunities and challenges for the sector. With 50,000 volunteers, 6000 Third Sector organisations and generating an income in excess of £400 million, this sector is a key player, especially with the current and likely continuation of public sector financial constraints. The sector is keen for early engagement in the process to shape devolution that will benefit the people, communities, economy and environment of Cumbria.

However, it is unclear if devolution would provide the power to make local decisions over healthcare (whilst the local CCG currently commissions services, it must still meet standards based on urban areas) or the funding to deliver these services.

Online Service Provision

There is also often an assumption that many public services could be delivered online, reducing the need to provide offices and staff in rural areas, and so providing an effective way of cutting the cost of rural provision. For example, DWP now places greater emphasis on online access to services, and has so begun to close local job centres. Clients in the most rural areas, who often do not have internet access at home, have been faced with a long journey on public transport to reach a public library with internet access (a situation that has been compounded by library closures, lack of privacy and 1 hour limits on booked library slots), or have been faced with attempting to complete complex forms on a mobile phone with poor network coverage.

This assumption also overlooks the fact that, even when people can afford it, the most rural areas frequently still have no (or extremely poor) broadband access, and no mobile phone coverage (let alone 3G or 4G coverage).

Implications for Cumbria's Third Sector

These discussions on devolution are happening within the context of significant government funding to local government. This has led to much expenditure that is not a statutory responsibility (such as subsidies to rural bus services) being cut, with an explicit expectation that the third sector and local communities will fill the gaps this leaves. At the same time, many mid-sized third sector organisations are struggling with a reduction in available funding (because, for example, of the loss of Northern Rock Foundation funding and changes in legal aid eligibility) and fewer volunteers (for example, as people retire later or families need both parents in paid employment to meet household expenses), and a number of organisations are known to have closed as a result.

This would need to be taken into account in further discussions on devolution, as the implications are not yet clear. A more "joined up" approach to the planning of public services (for example, ensuring health services can be accessed by public transport) could reduce the demands on the sector, and in some cases could lead to third sector organisations being commissioned to deliver services, but neither of these is a certainty.

Where would power best be devolved to?

Despite covering a large geographical area, Cumbria has a population of only around half a million people, which means it has often had a weak voice in national or regional bodies where representation is based upon population. Cumbria is too geographically and culturally distinct from Liverpool, Manchester and Newcastle to be likely to benefit from devolution if the devolved power is concentrated on the major northern cities. Any devolution of power to the regions, or "city regions" would need to include mechanisms to ensure the voice of rural communities can be heard.

However, devolution of significant power to Cumbria itself would require a structure capable of holding that power, and effectively planning and delivering local services. There is talk of "combined authorities" – voluntary groupings of local authorities that can pool responsibilities and receive delegated powers from central government. The feasibility of that structure would need to be explored across the 7 existing local authorities.

Cumbria County Council's current budget consultation document reopens debate on a unitary authority (or possibly two unitary authorities) for Cumbria, suggesting this could produce significant savings over the current situation of 7 local authorities.

The sector's experience is that the current partnership arrangements would need significant strengthening before they would be capable of taking on more power, and the simplicity and (long term) costs savings of unitary authority status would have some appeal, particularly if coupled with a strengthening of the most local engagement structures.

Benefiting from Devolution

These issues have the potential to be helped by devolution, but the extent to which this is the case would depend heavily on both the powers that are devolved, sufficient funding totals being available to the devolved administrations to match the powers given, and the area to which they are devolved. There is as yet little indication of government thinking about this.

If power were to be devolved to English regions, there is every chance it would remain concentrated in large cities (with the bulk of the population) within those regions. Significant benefits for Cumbria only seem likely to be realised if power is held more locally; however Cumbria, with a population of around half a million, is likely to be much smaller than most areas seeking to hold local powers.

Holding power at the local (Cumbria) level would be the most likely to develop services that work for rural communities, but the economic implications of this are currently less clear, and of concern.

WHAT DOES DEVOLUTION MEAN FOR THE SOCIAL SECTOR?



Mark Morrin,
ResPublica

Beyond the Town Hall - the 'hyper-local'

The agreement, reached with the Chancellor, to give new powers to the combined authority of Greater Manchester marks an historic turning point and the beginning of an incremental process that can, in time, lead to full place based devolution for Greater Manchester and other city regions in the UK.

It is right that in return for greater powers places should commit to strengthening local governance and accountability for decision making and public spending. And this will need to include consideration of directly elected mayors. But devolution should not be limited to a municipalist agenda, whereby local government can lay claim to run everything better than the centre. It will not be sufficient to devolve to a lower tier authority in order to recreate the command and control model of the centralising state on a micro level.

If devolution is to enable the necessary transformation of our public services and the renewal of our democracy then a deeper commitment is required to devolve further still, beyond the Town Hall, to our neighbourhoods and local communities. This would allow hyper-local solutions to be implemented, mobilising all social and economic resources, whilst connecting communities more deeply, with city-wide priorities, ensuring that localities see the benefits of devolved spending, and that ordinary people have a greater say over how their services are run locally.

Localised production - the 'mass-bespoke'

A new localised model of public service delivery is required to overcome the problems of service silos and the conflicting interests of the local and national state. One that provides the fullest possible integration of public services, and which concentrates on the holistic care of the person and their community.

The current system all too often precludes this possibility. Large, standardised, one-size-fits-all services are failing to meet the real needs of

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service users, with little evidence to support the assumption that economies of scale deliver high volume outcomes, and low costs. If we consider the succession of employment programmes over the past twenty years, it is clear that even in the best of labour market conditions, standard services cannot make a significant impact on the people who need the most help – the long-term unemployed, and those with complex needs.

Services must be bespoke and personal. They must operate at a human scale and not on the basis of industrial mass production. They must be upstream of current thresholds for action and integrate at the earliest possible stage, to ensure that prevention genuinely results in a lessening of demand on, and cost of, public services.

We need to mobilise all sectors – public, private and social – to generate shifts in behaviour and norms; to create 'mass bespoke' services that promote independence and tackle the root causes of dependency and failure.

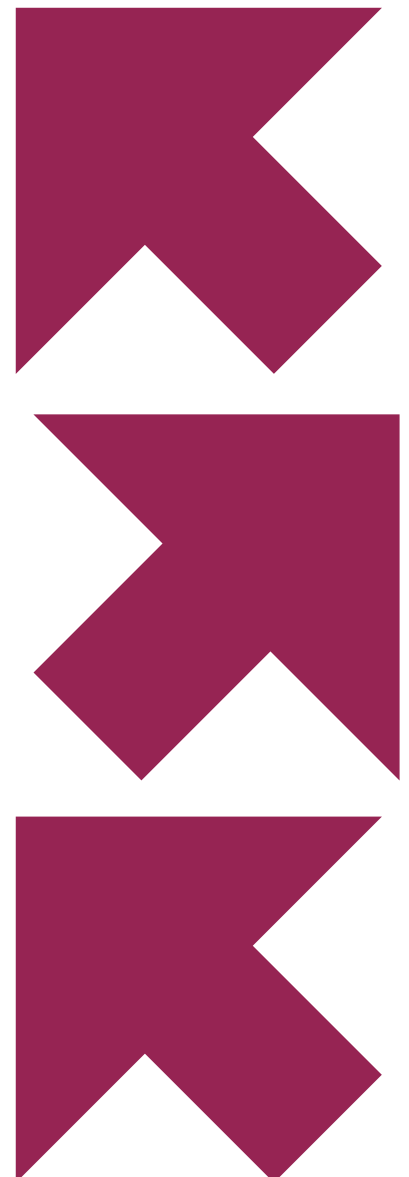
The opportunities for the social sector – the 'subsidiarity well'

A devolved settlement is about finding a new way of working which enable local areas to look for the best response as opposed to the existing approach to service delivery. And this should involve local government acting as the enabler, devolving where appropriate to the very local level, using community engagement and new forms of innovative service delivery. We need to shift not just the debate on devolution but the culture and practice, where citizens are able to shape their own civic institutions, not as passive consumers or customers, but as engaged participants. Where 'local by default' becomes a central principle for all services.

The best and most enterprising sectors of the social economy already offer many local examples of people-powered solutions based on local need and bottom-up, community ownership. These include many established and replicable models across a range of sectors and services, such as, Community Finance Organisations and Credit Unions; co-operative housing, schools and super-markets; community broadband and energy companies. New models, alternatives and ideas need to be found. But as SEUK report, often the big gap is small amounts of genuine risk capital that enables social enterprises to innovate and develop new services and products in response to a changing world. The creation of a local innovation fund, or what Locality have termed a 'Subsidiarity Well', as a portion of the greater devolved budget, would provide much needed investment in the development of community infrastructure and new localised production.

Greater devolution can help a new social infrastructure to emerge, by: promoting and applying new models of social finance based on place and community ownership; developing (and where necessary removing red tape) community, social and co-operative models of investment, ownership and control (rather than only conventional public and private partnerships) for new and existing services and products; and extending the Social Value Act to infrastructure development and the management and disposal of assets to ensure that taxpayer-owned assets benefit local communities long into the future.

These are just some of the ways in which devolved investment in economic and social capital can be mutually enforcing. Helping to lock resources and assets into communities, driving investment and long-term value through creating jobs and apprenticeships, and enabling places to contribute as well as directly benefit from economic growth.



DEVOLUTION DERAILED: OFF THE BEATEN CITY TRACKS



Amina Lone,
Social Action and Research Foundation and
Labour PPC for Morecambe and Lunesdale

There is an excitement in the air. Sparks of change and empowerment are afoot while local government is on the brink of holding billions within its grasp through unprecedented devolution packages.

Devolution is the buzzword of the moment and city regions old and new are lining up their golden eggs. Sir Richard Leese, Leader of Manchester City Council, spoke about the Greater Manchester bid as 'Revolutionary. Other cities will want to adopt and copy'. He is right and it is perfectly understandable for other city leaders to want to emulate this success.

There is one slight snag in this magnificent metropolis vision. It's all about cities. Don't get me wrong. It is clear we must invest, grow, devolve and free up our cities to be the powerhouses they clearly are. 54% of the population are in cities but account for 9% of land use and cities in the UK account for 15% more output for every worker than non-city areas. There is a clear demarcation of the economic and cultural value that cities hold.

What is missing from this one-sided story is the towns, villages and coastal communities where the other half of the country live. To ensure we have a more equal, balanced and valued society we have to make sure that any devolution deals include the places off the beaten city tracks. Places like Morecambe and Lunesdale, a coastal town on the North West coast or Burnley, an old market town. Often, these are seen as sleepy places where people go to retire. Yet the reality couldn't be more different. Places like Morecambe are reinventing themselves and offering tantalising possibilities to new, diverse and younger crowds. There is a thriving arts scene in Morecambe and earlier this year a revived local carnival attracted 30,000 visitors and brought £1 million pounds into the local economy. When 32% of local people aged 16 to 74 year olds work part-time with the

Amina has spent over twenty years working with under-served communities throughout England. In her day job, Amina is the founder and Co-Director of a Community Interest Company, the Social Action and Research Foundation, which co-produces policy with communities to combat poverty and strengthen democracy. Amina is also the Labour parliamentary candidate for Morecambe and Lunesdale and a Manchester City Councillor for Hulme ward.

numbers rising to 41% in the Upper Lune Valley, that kind of regeneration is not to be sniffed at. Especially when the carnival charge, led by a committee headed up by local businessman David Brayshaw, were all volunteers.

It is exactly this kind of innovation, risk and opportunity towns need to grab with both hands and make work for local communities. As the Labour parliamentary candidate for Morecambe and Lunesdale, I see the beauty of the bay, the lush Lune valley and ambition everywhere. The possibilities of what could grow from these fertile lands excite me. There is change in the air and it is imperative that local communities, businesses, the older and younger generations are part of shaping the future. In coastal towns, and rural places the importance of transport connectivity is magnified, local jobs that pay decent wages, affordable housing and a healthy skills base are all lifelines to keeping the hub and spoke turning. There is capital investment in projects such as the M6 link road that will open up Heysham Port and the surrounding areas. With cities like London sucking up young people from across the countries, towns need to capitalise on any local projects, innovate, create local jobs to retain and attract the next generations.

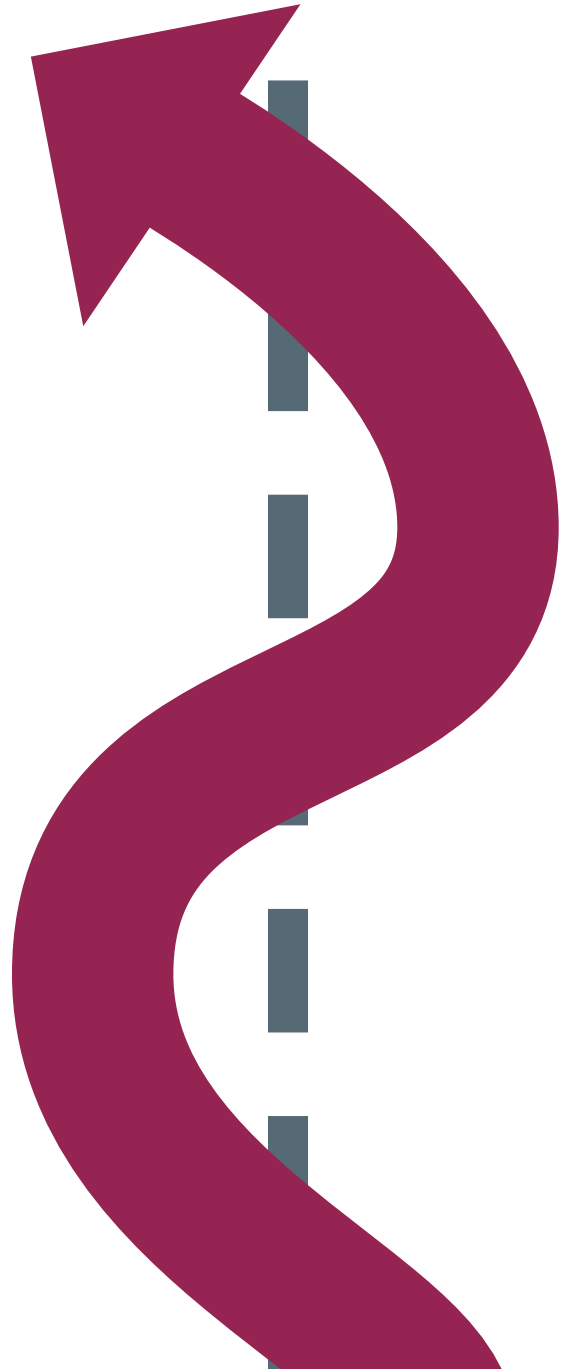
Jenny Mien, Leader of Lancashire County Council understands this and is leading on a devolution package across Lancashire county. She said ' We know that if we do not change the way we work we stand the risk of being left behind in the wake of our region's cities."

Jenny is right. We must harness the abundant devolution spirit and shape it so it works for the communities in the towns and villages away from the cities.

However, there is a final piece of the jigsaw, which for me is a foundation piece of any devolution dream. Cultural and social capital often wrongly gets neglected in the bid for economic capital. Without a shadow of a doubt, we must create healthy, interdependent and thriving financial communities where people are paid a living wage, have good working conditions and are a satisfied workforce.

But we know many poorer communities are struggling, that an older demographic who have seen unprecedented change in their life times are finding it difficult to adjust to a world rapidly changing around them. Many of these communities reside in areas like Morecambe and their sense of belonging and identity are as vital to their wellbeing as a good job and a decent home. The devolution package has to demonstrate to those that feel disconnected and left behind that there is a bright future and they have a role in shaping it.

We need to inspire hope and innovate. These are not luxuries that stop at the cities but vital arteries that need connecting to our poorer town cousins. If we are serious about changing the fabric of our country to be more reflective of all its people then we need to build infrastructure in places like Morecambe and Lunesdale. The vision and ambitions are there. It is not only cities that can punch above their weight. Morecambe and Lunesdale is already in training and I intend to be part of the march to see it shine in all its glory.



VSNW is the regional voluntary sector network for the North West. Our purpose is to support a connected and influential voluntary and community sector (VCS).

Besides working for a well represented sector, our main current areas of work include co-ordinating VCS health and social care networking and policy and developing a progressive and socially just vision of the role the VCS can play in local economies.

Devolution, Our Devolution:

Perspectives on the meaning of devolution for voluntary and community groups.

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