PEOPLE SHAPED LOCALISM

PAUL BUDDERY | FOREWORD BY MATTHEW TAYLOR
FEBRUARY 2016

www.thersa.org

RSA
21st century enlightenment

People shaped localism

Paul Buddery
Foreword by Matthew Taylor

February 2016

Contents

Acknowledgements

We would like to thank Wiltshire Council, its members and officers, and countless people across the county for their involvement throughout this project. We have valued their goodwill, good judgement and tenacity.

Although there are too many to name, special thanks go out to:

- Cllr Baroness Scott of Bybrook OBE, Leader Wiltshire Council
- Dr Carlton Brand, Corporate Director, Wiltshire Council
- Maggie Rae, Corporate Director, Wiltshire Council
- Steve Milton, Head of Communities, Engagement and Governance, Wiltshire Council
- Lucy Murray-Brown, formerly Head of Campus and Operational Delivery Models, Wiltshire Council
- Allan Bosley, formerly Chair, Corsham Community Operations Board

We would also like to thank the RSA associates who have been instrumental to delivering this project:

- Sam McLean
- Jocelyn Cunningham, Founder and Director, Arts and Society

Foreword by Matthew Taylor

The RSA champions what we call 'the Power to Create'. Our aim is to expand the scope for citizens to exercise agency and creativity in their lives; and among other priorities, this leads us to favour moves to devolve governmental power. Through a variety of projects we have looked at what this can mean in practice for individuals, communities and institutions. In the coming year we will continue to explore these themes, including through a successor to our City Growth Commission which focuses on social and economic inclusion, as well as through a project with the NHS and partners on local social movements as drivers of better health outcomes.

This discussion paper is one of a number marking the end of a three-year project with Wiltshire Council – a council that regards devolution, or, more particularly, localism as intrinsic to its aims and values: "Public services should be run for the community, in the community, with the community."[1] With the RSA as its learning partner, the council decided to undertake a major reform programme that was designed to give form to these ideals. Refurbishment of leisure centres across the county would be used as an opportunity to co-locate public services and provide facilities for community action and enterprise. Crucially, these 'campuses' would be designed and controlled in dialogue with local communities. It was ambitious by any standards. It combined the challenges of community empowerment and partnership with those of broader strategic re-organisation, investment and risk management. Different aspects of the programme have fared better than others. It continues, although budgetary pressures are moderating its ambition. For the RSA, and all the partners involved, it has been a lesson in the hard realities of localism.

Learning from the project is being shared in a number of ways, including in reports produced in addition to this paper, one on volunteering, and one on arts-based community engagement. Usually at this point in a project the RSA would also produce a concluding document. But just as the work in Wiltshire on campuses is unfinished, so too is the progress towards localism nationally. In fact, instead of settling and becoming more coherent, localism policy has become more dynamic and – we would argue – potentially fragile. When we embarked on the Wiltshire project the idea of devolution to city regions – the central thrust of our influential City Growth Commission – had not even been mooted in government. Now, not only is it policy but it has been extended to cover all of England, including rural counties.

In such a volatile context we do not pretend to offer final conclusions. Instead, we use this report to consider how the different strands of reform have spun out, diverged or inter-twined. We trace the state of localism in the context of wider government policies – particularly, but not exclusively, structural devolution – which also aim or claim to devolve power closer to people.

1. Wiltshire Council (2013) *Wiltshire Council business plan: a new perspective 2013–17*. [online] Available at: http://bit.ly/1TnrDza

In attempting to review such a wide swathe of policy in a short discussion paper our aim is to be provocative rather than definitive, and we are aware that we are offering more challenges than solutions. However, as we go on to explain, we think there is now an urgent need to stand back, to reassess and realign the development of policy and practice in localism and devolution if we are to harness its great potential.

What do we want from localism?

What is localism, and why has it become such a potent idea in UK public policy over the last 20 years? It is a term with no single meaning, whose flexibility has endeared it to politicians across the political spectrum who have been able to use it to rebuke a centralised, distant, bureaucratic status quo. Anna Randle, in a paper for the RSA's Commission on 2020 Public Services, has explained its appeal:

> It makes ordinary people feel like they will get a bigger say over what happens in their communities and their own lives; it makes local activists and councillors feel valued; and it easily conveys a sense of change.[2]

Localism's elements include an assumption that a sense of local identity, belonging and connectedness are crucial to subjective wellbeing, life chances, collective inventiveness and resilience

Compared to related concepts such as decentralisation and devolution, which refer to the distribution of functions, power and authority within organisational and bureaucratic forms, localism's meaning is more imprecise, seductively so. Its elements include an assumption that a sense of local identity, belonging and connectedness are crucial to subjective wellbeing, life chances, collective inventiveness and resilience.

The localist perspective sees decision-making about the allocation of public resources as likely to be most creative, efficient and legitimate if taking place as close as possible to those who are materially affected. It tends to value local association and deliberation as democratically educative (de Tocqueville famously termed local meetings and societies the "nurseries of democracy"). It emphasises a substantive view of the citizen and their relationship to community and civic life. The political philosopher Richard Dagger refers to "civic virtue":

> The virtuous citizen must be free, but not simply free to go his or her own way. Instead the citizen is free when he or she participates in the government of his or her community.[3]

Alongside this insistence on participative governance within our communities is caution about the role of the state itself. Localism tends to assign the state, local and national, a modest or facilitative role. Instead, it emphasises civil society in its various forms, and civility in its widest sense. As the writer and urban policy expert, Julian Dobson, puts it:

2. Randle, A. (2010) 'Why localism now? What are the Principles for a New Localised Model of Public Services?', Viewpoint Paper. London: 2020 Public Services Trust at the RSA.
3. Dagger, R. (1997) *Civic Virtues: Rights, Citizenship, and Republican Liberalism*. Oxford: OUP.

> If you want to capture the essence of localism, it is that you can think big by thinking small: instead of huge masterplans and national programmes, you work with the grain of local communities, acting on a scale that makes sense to them and building up from there…. The driving force behind good, effective localism and community asset development is not policy and legislation, although that can and should help. It is relationships.[4]

Localism in these terms connects strongly with the most urgent priorities of public service reform. In health, social care, policing, environmental management and other areas, service reform is premised on citizens being prepared to play a more active role in preventing or solving problems that would otherwise call on expensive public interventions. Localism fits this creative and participative aspiration. But can it offer practical ways of making it happen? Have politicians and public service leaders been able to unlock better outcomes by moving the scene of decision making closer to citizens and their communities?

4. Dobson, J. (2011) 'A really local localism', Urban Pollinators Blog, June. [online] Available at: http://urbanpollinators.co.uk/?page_id=850

New Labour, New Localism and the tenacity of centralism

Looking back beyond the election of the coalition government in 2010, New Labour governments were sympathetic to many localist values and concerns. Drawing on international innovation around community governance, ministers set out to build citizen empowerment into local service programmes and initiatives, particularly at neighbourhood level. What came to be called 'New Localism' prioritised regeneration and community safety, inviting people to play a more active role in protecting and improving their physical environments. Reform also went wider, initiating work to revive parishes, community asset transfers and local service integration that continues today.[5] Behind all of these was a vision of active citizenship and a belief in communitarianism.[6] This was a process of reform that set itself the challenge of:

> …changing the way we work to give citizens and communities a bigger say; to enable local partners to respond more flexibly to local needs; to reduce the amount of top-down control from central government – and to enable citizens and communities to play their part.[7]

As secretary of state for local government David Miliband made an explicit link between national and local scale reform calling for "double devolution", both from Whitehall to town hall and from town hall to neighbourhoods and individual citizens.[8]

Measured against such high ambition, New Localism fell short. However positive or effective elements of its bottom-up empowerment

5. Stoker, G. (2004) 'New Localism, Progressive Politics and Democracy'. *The Political Quarterly*, Vol. 75, Issue Supplement S1, pp.117–129. For Coalition policy on parishes see Williams, S. (2015) 'Supporting new town and parish councils', Written Statement to Parliament, 11 March, London. [online] Available at: https://www.gov.uk/government/speeches/supporting-new-town-and-parish-councils

6. Etzioni, A. (2003) 'Communitarianism' In: Christensen, K. and Levinson, D. (eds.) *Encyclopaedia of Community: From the Village to the Virtual World*. London: Sage Publications. pp.224–228. [online] Available at: http://www2.gwu.edu/~ccps/etzioni/A308.pdf. For active citizenship see Taylor, G. 'Active citizenship'. [online] Available at: extra.shu.ac.uk/alac/text/Active%20Citizenship%20Article%20.doc

7. Department for Communities and Local Government (2006) 'Strong and prosperous communities – the Local Government White Paper' (Cm 6939-I). London: The Stationery Office. [online] Available at: http://webarchive.nationalarchives.gov.uk/20070108123845/http:/communities.gov.uk/index.asp?id=1137790

8. Rt Hon David Miliband MP. 'Empowerment and the deal for devolution', speech at the NLGN Annual Conference 2006. [online] Available at: http://bit.ly/10cBfg9

Champions of decentralisation in the Department for Local Government and Downing Street found their ideas accepted in principle but then undermined by the centralising reform tendencies of both the Treasury and major Whitehall service departments

may have been – and the evidence from regeneration, for example, is mixed – it never added up to compelling change in a system that ultimately remained structured by Whitehall-facing public management. When the government attempted to change accountability by promoting democratic regional governance, citizens balked, soundly rejecting the proposal for an assembly for the North East of England.[9] Time and again, champions of decentralisation in the Department for Local Government and Downing Street found their ideas accepted in principle but then undermined by the centralising reform tendencies of both the Treasury and major Whitehall service departments. Furthermore, in a pattern that has continued under subsequent governments, when departments did attempt to devolve power it was often in ways that bypassed local government and local communities giving greater autonomy directly to institutions such as academy schools and foundation hospitals. In so doing it both reinforced accountability to the centre and heightened a sense of change being imposed upon localities by central government ministers.

Three key lessons stand out. Firstly, devolution of power to communities or neighbourhoods is likely to be piecemeal and uncertain without greater clarity about the devolutionary principles that should be applied across the system. Secondly, maximising the benefits of devolution requires either redrawing or over-writing the map of English local government, even though agreeing a scale of governance that functions both politically and economically – let alone culturally – is fraught with difficulties. Thirdly, governance at this supra-local scale should be collaborative rather than hierarchical, creating fruitful conditions for cooperation at all levels, and encouraging grass roots innovation. There should be no room for mini-Westminsters.

9. Hetherington, P. and Pinkney, E. (2004) *Nations and Regions: The Dynamics of Devolution: The English Regions Quarterly Report*. London: Centre for Urban and Regional Development Studies. [online] Available at: https://www.ucl.ac.uk/constitution-unit/research/research-archive/dmr99-04/regions_november_2004.pdf

Coalition localisms

Would these lessons by learned by the Conservative-Liberal Democrat administration? It came to office promising a new dawn, dubbed by the then secretary of state for communities and local government as "localism, localism, localism". From the outset its approach had an economic aspect – unlocking growth by removing additional tiers of seemingly unnecessary and ineffective regional bureaucracy (Regional Development Agencies and government offices in the regions) and instead relying on Local Enterprise Partnerships, which were able to form organically along geographic boundaries of their own choosing. However, its initial core aims appeared to be more democratic and civic-oriented. Localist reform would strengthen the democratic accountability of councils to their electorates, and it would ensure that:

> People can take control and take responsibility in their street, their estate, their town. Solving problems and taking action for themselves.[10]

These words could have been written by a New Labour New Localist, so the question was whether the coalition had better ways of making them a reality. The sheer range of approaches and initiatives that were advanced under the coalition's localism and decentralisation banner communicated energy and political importance, but some observers struggled to read a clear intent, let alone a convincing strategy. The House of Commons Communities and Local Government Committee, for example, chided the government for "stretching" the term localism "in too many, sometimes contradictory directions", leaving members unconvinced that there was any "coherent picture of the end goal".[11]

Some of this was presentational, and attributable to the then secretary of state's fondness for vivid interventions. Neither 'guided localism' nor 'muscular localism' were conceptually helpful. The dawn of localism was not the moment for introducing "the first ever guidance issued by the government on how councils can and should deliver weekly rubbish collections", or the demand that town halls economise on the use of

10. Pickles, E. (2010) 'You Might Have Noticed'. Queens Speech Forum, London. 11 June. Transcript available at: https://www.gov.uk/government/speeches/queens-speech-forum

11. House of Commons Communities and Local Government Committee (2012) *Localism*. London: Stationery Office. [Online] Available at: http://bit.ly/1PLiRFp

bottled water.[12] Re-setting the terms of public debate, so that citizens are more likely to hold local leaders to account for local decisions, rather than defaulting to Westminster, is a significant challenge for politicians nationally and locally.

Nevertheless, behind the headlines and positioning, it became clear that reform had two main strands. Importantly, the connection between them was rarely articulated, and tensions remain unresolved.

The first strand was an attempt to reach the localist goal of collaborative and resourceful communities – Big Society communities – by giving people the right to check or challenge the power of their local council. We look below at how this approach to localism in the community has fared, concentrating largely on the new rights in relation to local government. (The story of Big Society's underachievement has been told elsewhere.[13]) We conclude that most has been achieved where reform has brought citizens and local government together on citizens' terms, rather than set them apart.

The second strand was led primarily by the search for economic growth in cities, and more particularly, city regions. The major institutional devolution that this has set in train has quickly taken on a wider set of public reform objectives. Crucially, these objectives point towards the unfinished business of community level localism. Public service reform within the places covered by the new devolved arrangements will benefit from an enhanced capacity to marshal investment and integrate delivery. But reform will still need to nurture the responsibility and resourcefulness of stronger communities. To do this it will need to build relationships with people at a scale and on terms that engage people's trust and commitment. The upscaling of local government will make this challenging.

12. Department for Communities and Local Government (2014) *Guidance on Weekly Rubbish Collections: Delivering a frequent, comprehensive service*. London: Stationery Office. [online] Available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/271435/BinBible-2-NT3.pdf. Unfortunately, headline-friendly central direction has persisted. The Right To Challenge Parking Policies is one of the more recent examples: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/409815/150305_-_Guidance_on_Parking_Reviews_FINAL.pdf

13. See, for example, Civil Exchange (2015) *Whose Society? The final Big Society audit*. London: Civil Exchange. [online] Available at: http://bit.ly/15pYTRx

Localism in the community

The first strand of localist reform, then, is empowerment through rights that give people more influence over the decisions that affect their locality. Community Rights, introduced by the Localism Act 2011, were designed to enable local people to come together and take greater control of the places in which they lived. Have they achieved this? We look below at the main Community Rights – the Right to Challenge, the Right to Bid (Assets of Community Value) and the Community Right to Build, which forms part of Neighbourhood Planning.

The Community Right to Challenge has had the least impact. In fact, its impact has been negligible. The right gives local community groups, parish councils, Business Improvement Districts (BIDs) and council employees the right to challenge their local authority's provision of services, and bid to run them themselves. Its aim is to encourage greater diversity of service provision, boost innovation, support the voluntary and community sector, and empower local people. However, the right is limited by numerous exclusions and the local authority can reject applications on a wide number of grounds. Government has provided financial support to 216 groups to develop their challenges, yet only three contracts have been rewarded as a result.[14] The bill's Impact Assessment had predicted around 500 expressions of interest annually, of which 60 percent would lead to a procurement exercise.[15]

It is worth noting here that although Community Right to Challenge has stalled, community asset transfers have not. It may be that the Right to Challenge has played a part in motivating action, but a clearer rationale has lain in budget cuts and imminent closures driving councils, community groups and service user groups to forge agreements to save parks, play areas, community centres, libraries and other valued places. These assets may or may not thrive long-term under community ownership, but their new life is not the result of the entrepreneurial community action envisaged by Right to Challenge. They have been born out of necessity.

14. William, S. (2014) Further written evidence to Community and Local Government Select Committee. December 2014. [online] Available at: http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/communities-and-local-government-committee/community-rights/written/16834.html

15. Department for Communities and Local Government (2011) *Localism Bill: community right to challenge. Impact Assessment*. January 2011. London: Stationery Office. [online] Available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6048/1829777.pdf

The Community Right to Bid has had greater take up. It enables communities to identify and win some degree of protection for buildings and places that are important to them – Assets of Community Value. High levels of interest suggest that this matters to people, and is something around which people can readily organise. Over 1,800 properties and amenities have been nominated by their local communities – through parish councils and community organisations.[16] Around a third of these have been public houses, with support from an established and well networked community of interest. In many other cases, campaigns have brought diverse communities together and ensured that fresh perspectives on what counts as important have been taken more seriously in planning and policy.

Yet how much difference this local mobilisation and listing has made to how these assets are ultimately used or owned is less clear. If the intention was to make it "easier for local people to take over the amenities they love and keep them part of local life", then the achievement has been decidedly modest. Listing enables a six month moratorium on disposal to be imposed, during which time communities can draw up commercial bids; but the moratorium has only been activated in 122 instances, and the process has led to community ownership in only a small handful of cases – around 10.[17] The asset's owner is free to sell to whomever they choose, and unlike in Scotland, the community group does not have first refusal.[18]

Neighbourhood Planning has had by far the greatest impact of all the Community Rights, although even here the shift in control has not been as dramatic as intended, and the policy has exposed some of the limitations of localism at the community scale and in the context of national structural problems. Neighbourhood Planning gives local residents the right to come together and plan for future land use in their areas in order to address the social, economic, cultural or environmental issues that matter to them. The plans, which need to be in general conformity with the local strategic policy, have statutory status if passed in a local referendum. (The average voter turnout has been 32 percent – similar to local election turnout more generally.[19]) Between 2015 and 2018 the government will make available £23m to local groups for Neighbourhood Planning. Early Neighbourhood Plans were undertaken predominantly in rural southern England, and though uptake is now spreading, the number of people living in an area with an approved plan is currently modest – 340,000 – or about the same as the population of the London Borough of Ealing.[20]

16. Department for Communities and Local Government (2015) Community Rights Maps. [online] Available at: http://communities.maps.arcgis.com/apps/OnePane/basicviewer/index.html?appid=2fe0e278eaf5457497ca35fd4555c44b

17. House of Commons Communities and Local Government Committee (2015) *Community Rights: Sixth Report of Session 2014–15*. London: Stationery Office. [online] Available at: http://www.publications.parliament.uk/pa/cm201415/cmselect/cmcomloc/262/262.pdf

18. House of Commons Library (2015) *Assets of Community Value*. [online] Available at: http://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN06366

19. Department for Communities and Local Government (2015) *Notes on #NeighbourhoodPlanning: The Story 50 Far*. [online] Available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/424111/Notes_on_NP_14.pdf

20. For the current extent of Neighbourhood Planning, see Forum for Neighbourhood Planning (2016). [online] Available at: http://www.ourneighbourhoodplanning.org.uk/about/npa_area_list. For more detailed information see Department for Communities and Local Government (2015) Notes on #NeighbourhoodPlanning: The Story 50 Far. op cit.

Case studies indicate that many local people who have been involved in the process feel positive about its outcomes and the discussions it has prompted within communities. In some areas, groups that were established to draw up the plan have gone on to establish bodies such as community trusts to maintain an active involvement in development. The government is also positive about their impact on the supply of new housing, pointing out that plans have not only enabled sensitive accommodation of existing planning targets, but have in some case gone beyond them.[21] The evidence of their overall impact in this respect is not yet clear. What is clear, however, is that despite financial incentives, Community Right to Build (which can be developed as part of a Neighbourhood Plan or on its own), has had hardly any impact on supply. As of July 2014, only eight applications to fund Community Right to Build Orders had been made to the bodies responsible for administering the £14m allocated to the initiative.[22]

Community Rights have not been a powerful driver of the government's localist ambitions

For the most part, then, Community Rights have not been a powerful driver of the government's localist ambitions. They have shown – if it needed to be shown – that communities of place and interest are eminently willing and able to organise and agree shared objectives; but the rights have been too weak to shift power, ownership and control in local areas. This is in part because although they were presented in the language of empowerment, they were designed to be protective. They combine localisms' faith in civil society with its wariness of state power. Community Rights are checks and challenges against the power of local councils.

Guardedness towards local government also influenced the coalition in its habit of promoting initiatives and reforms that were localist in ethos, but then connecting them weakly, if at all, to the governance of local places. A characteristic of policies championed in the name of localism has sometimes been a disconnect between programmes emerging from the Department for Communities and Local Government and other initiatives from other parts of Whitehall, many of which have by-passed, marginalised or simply ignored local government. The national Community Organisers initiative which ran with mixed success from 2011 to 2015 is an example of a programme focused on community mobilisation but with only limited conceptual or practical links to other aspects of the localist agenda.[23]

Community organising seemed to work best when it had links into local decision makers. Indeed despite the sense in DCLG and other departments that localism was about communities taking power from local government progress has tended to be strongest where the exercise

21. Moore, G. (2016) Review of 2014, posted on 18 December. Forum for Neighbourhood Planning. [online] Available at: http://www.ourneighbourhoodplanning.org.uk/news/2014/12/18/Review_of_2014

22. House of Commons Communities and Local Government Committee (2015) op cit; and Department for Communities and Local Government and Homes and Communities Agency (2013) *Community Led Project Support funding: Community Right to Build Route Application Guidance*. [online] Available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/364136/2014.07.16_-_clps_-_crtb_prospectus_updated.pdf

23. Cameron, D., Rennick, K., Maguire, R. and Freeman, A. (2015) *Evaluation of the Community Organisers Programme*. London: Ipsos MORI Social Research Institute. [online] Available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/488520/Community_Organisers_Programme_Evaluation.pdf

of Community Rights has actually been collaborative, drawing on expertise and resources within councils as well as within communities. Many councils have been energetic and creative champions of localism, encouraging the uptake of rights and attempting to re-frame their engagement and delivery of services to a more local level. Parish and town councils have been crucial partners and facilitators in Right to Plan and Right to Bid (a third of the assets of community value identified under Right to Bid have been nominated by local councils themselves).

Instead of community rights to challenge or check the local state, what might be emerging is a presumption of co-operation on terms that can be strongly influenced by communities. Neighbourhood Planning obliges the planning authority to provide local citizens with technical guidance, and although this 'duty to support' is practically limited – the authority can claim £5,000 per plan from central government towards the costs – the principle is important.[24] It could apply beyond planning. If a group of local citizens have ideas for action that align broadly with the democratically mandated direction set by the council, those citizens should have the right to draw down some technical advice and support to put their plans into action. There are examples of local government outside of the UK moving in this direction. The city of Bologna, for example, has introduced Collaboration Agreements through which citizens who want to take action in support of the "care and regeneration of urban commons" have the right to enter into 'Collaboration Agreements' with the municipality which oblige it to provide support and patronage.[25]

24. Smith, L. (2015) Neighbourhood Planning. House of Commons Briefing Paper No. 05838, 3 June. House of Commons Library. [online] Available at: www.parliament.uk/briefing-papers/SN05838.pdf

25. Commune di Bologna (2014) *Regulation on collaboration between citizens and the city for the care and regeneration of urban commons*. [online] Available at: http://www.comune.bo.it/media/files/bolognaregulation.pdf

Localism at large – devolution grows

If it is easy to be underwhelmed by the progress made in relation to localism and citizen empowerment at the very local level, it is hard not to be impressed and surprised by the speed and scale of progress at the level of 'big devolution'. It amounts to the most dramatic decentralisation of power since the war, the most far-reaching (voluntary) reorganisation of local government for a generation; and it took shape on the watch of a secretary of state who came to power armed with a "pearl-handled revolver" for use against the first civil servant to suggest local government reorganisation.[26]

The principal drivers have not been the civil and democratic ideals of localism. They have been economic and financial necessity. Rocked by recession and constrained by austerity, the coalition government was open to fresh ways of accelerating economic growth. The title of Lord Heseltine's important 2012 report – *No Stone Left Unturned* – is a sharp reminder of the pressure to locate and support all possible sources of economic dynamism in the wake of the worst economic crisis of modern times. National and international evidence was pointing to large cities and city regions as the key engines of growth in modern economies. Yet evidence also suggested that fragmented governance across functional economic areas could dampen that growth by fostering incoherent policy, investment, regulation and planning.

The RSA's own City Growth Commission looked hard at the economic benefits that could be unlocked if city regions – or metros – could operate as coherent political areas with far greater control over key policy areas, including infrastructure and human capital. Improved economic connectivity was the aim, and improved political connectivity part of the solution. The RSA concluded that the potential dividends of metro devolution were substantial – potentially generating an additional £60bn in real terms by 2030.[27] The government, which had been experimenting with limited forms of devolution through bespoke City Deals, became convinced that a bolder re-set was necessary. It took the devolution leap and the Northern Powerhouse was born.

Other metros have followed, and counties too have organised in order to make their case, with Cornwall the first to win its own deal

26. Pickles, E. (2008) 'I'll have a pearl-handled revolver waiting'. Conservative Home, December 23. [online] Available at: http://bit.ly/1SFAvAW

27. RSA (2014) *Unleashing metro growth: final recommendations of the City Growth Commission*. London: RSA. [online] Available at: https://www.thersa.org/discover/publications-and-articles/reports/unleashing-metro-growth-final-recommendations/

69 percent of local authority chief executives believe that in the next three years some authorities will fail to deliver essential services required by their residents, and 85 percent believe that some will fall into serious financial crisis

in July 2015.[28] All councils are keen to boost their economic growth. But there is another economic incentive too – their own institutional viability. Local government needs to find sustainable funding and operational models at a time when reductions in central government grant have been precipitous. It is difficult to overstate the seriousness of the challenge: 69 percent of local authority chief executives believe that in the next three years some authorities will fail to deliver essential services required by their residents, and 85 percent believe that some will fall into serious financial crisis.[29] Scale is part of the solution. By banding together into larger combined authorities that align better with the geography of functional economies, and by ensuring that new governance structures are better connected with other local public sector partners, local authorities are aiming to create more effective and efficient units for holistic, place-based governance. Crucially, the changes should also enable better strategic decision making and investment, not least in major spending areas such as health. Maggie Rae, Corporate Director with responsibility for public health at Wiltshire Council, describes the prize:

> Devolution is compelling as it enables integration and shifts the focus from acute to primary and community care and, in turn, to prevention and population health.[30]

Joining up and streamlining governance within a place makes it possible to have a more straightforward relationship with central government. In the short term, that makes it easier for government to devolve specific areas of policy and funding, such as transport. In the longer term, it opens the way for place-based budgeting, where government simply allocates a single pot of money to a place, and leaves it to the agencies there to agree how it will be shared and used.

28. Cornwall Council, Cornwall & Isles of Scilly Local Enterprise Partnership, HM Government and NHS Kernow Clinical Commissioning Group (2015) *Cornwall Devolution Deal*. [online] Available at: https://www.cornwall.gov.uk/media/13409340/20150715-cornwall-devolution-deal-final-reformatted-pdf.pdf

29. PWC (2015*) Delivering the decentralisation dividend*. London: PWC.

30. Rae, M. 'What's right for big cities will not work everywhere' in Local Government Association(2015) *English Devolution: Local solution for a healthy nation*. [online] Available at: http://www.local.gov.uk/documents/10180/6869714/L15-123+DevoNext+and+Health/d4961936-2d88-49a2-8536-9a7be0678f46 at: http://issuu.com/lgapublications/docs/devonext_and_health/15?e=16807299/14645829

Risks – devolution and localism at odds?

City-regional (and large county level) devolution is a sensible direction of travel – a welcome rationalisation that should make it possible for the system to remove the costs of duplication and instead to coordinate resources more strategically over the longer-term. Underpinning these opportunities are the steps towards greater fiscal devolution in the local retention and pooling of business rates as well as smarter ways in which local authorities are increasingly using and gathering data. However, the scaling up of geographies and the consolidation of budgets could create risks in terms of citizen trust and engagement, especially at a time of continued cuts; trust and engagement are the keys to stronger local communities.

Not all devolution deals will require sub-regional governance, but most will. Some of the local authorities that approached government in September 2015 with stand-alone devolution proposals were asked to go back and think about how they might put together joint proposals with their neighbours. Power is being devolved away from Westminster, not towards established institutions within familiar and sometimes historic administrative boundaries, but to new over-arching strategic bodies. Leadership of the bodies wielding these new powers in metropolitan areas will rest with directly elected mayors.[31] Government has been firm on this requirement, in the belief that a new office holder with direct electoral accountability is the best way of energising civic leadership and giving confidence to local people. The first test of this approach will be when the first city region mayoral elections take place later this year, especially as those elections will generally be for new sub regions which lack a strong exiting sense of identity. If turnout falls flat, there is a real risk that disenchantment will weaken the authority of the new regional bodies, and taint local electoral politics more generally.

The recent history of attempts to strengthen the role of individual citizens as the source of local accountability through directly accountable office holders raises warning signals. Very few places voted to adopt mayoral systems in 2012. The average turnout for elections for Police and Crime Commissioners (PCCs) in November 2012 was just 15.1 percent, yet the government is committed to persisting with this experiment and

31. The government position on mayors sub-regional county deals is less clear cut. See House of Commons Communities and Local Government Committee (2016) *Devolution: the next five years and beyond*. London: Stationery Office. [online] Available at: http://www.publications.parliament.uk/pa/cm201516/cmselect/cmcomloc/369/369.pdf

has proposed giving them new powers.[32] (The position is set to be folded into the new mayoral office under some devolution plans.) Clearly, passing definitive verdicts on institutional structures that have yet to bed in would be premature, but at the moment it is fair to say that the strongest case for the mayoral role is not democratic, but technocratic (clarifying decision making in a place, and clarifying relationships between the devolved region and Westminster).

Will big devolution leave citizens feeling closer to power or further away? For example, the Greater Manchester Land Commission being established as part of Greater Manchester's devolution deal makes good strategic and financial sense. It will bring public bodies together to rationalise the management of public sector-owned land and buildings, taking decisions over their use, redevelopment or sale. However, for a locality with a disused community centre in its midst, and aspirations to bring it back into community use, is integration and decision-making at this scale likely to make it easier or harder for it to make its case? If, as intended, Children's Services become a responsibility of combined authorities, is it more or less likely that small community groups will be able to access grants? To return to Julian Dobson's description of localism, how easy will it be to go with the fine grain of diverse local communities when the unit of service and accountability becomes so much larger?

One response would simply be to say that some loss of local flexibility is a price worth paying when public finances are tight. Another would be to point out that proximity is actually rather a poor predictor of empowerment – that it is as easy for a social housing estate served by a small town council to feel marginalised, as it is for a cluster of wards or a cross-cutting interest group to feel left out in a metro region. But while both responses are valid, they fail to address the urgent need for local government to become more than a provider of services. It needs to become a convenor of places and a partner in co-production with its citizens. In other words, the test for integrated governance will not simply be how efficiently it allocates public resources within its system, but how effectively it unlocks and promotes the resources and willingness of individuals, families and communities to be part of problem solving – what the RSA would describe as their 'social productivity'. In more familiar and localist terms, the test will be one of community spirit.

Over the last three years, the RSA's Public Services and Communities team has looked in detail at what this means in practice. We have looked at what it takes for people to realise what we call their Power to Create. For example, our work on Recovery Capital has shown how to work with people with problematic drug and alcohol use in ways that enable them to draw on sources of support in their personal networks and communities. Our work on community capital has measured the economic, civic and well-being value of relationships, and assessed over time the kinds of brokerage and capacity building that can strengthen beneficial networks. These are by no means isolated examples; in fact they are part of a broad family of approaches being introduced by many local authorities

32. Electoral Commission (2013) *Police and Crime Commissioner elections in England and Wales: Report on the administration of the elections held on 15 November 2012*. [online] Available at: http://www.electoralcommission.org.uk/__data/assets/pdf_file/0003/154353/PCC-Elections-Report.pdf

and other public service organisations that work because they are fully embedded in and responsive to the specific circumstances of individual communities. Quite simply, good practice in public service design is increasingly pointing to the power of small.

Taking localism forward

We believe that the approaches to empowering local communities that were put in place by the coalition, and which are continuing under the current administration, are inadequate. This is particularly true in light of the potential impact of the devolution process suppressing localism rather than allowing it to flourish as part of an integrated system of place-based governance.

In relation to community action there is a number of specific things the government could do which would help to deepen and widen localism:

- Significantly strengthen Community Right to Bid, drawing on the Scottish government's Community Right to Buy.
- Review the working of Community Right to Challenge, with a view to removing unnecessary exceptions.
- Ensure that follow-up support is available to groups that have undertaken Community Planning and wish to maintain their involvement in local decision-making and capacity building.
- Consider funding for volunteer development, with incentives for localities where demography and deprivation present particularly high barriers to greater involvement.

In short, if government continues to be committed to the values and vision of localism (indeed those of the Big Society rhetoric) it needs to refresh its policy agenda. Equally it needs to recognise that a recurrent problem with localism – a problem particularly acute in deprived areas – is capacity and sustainability. Funding models are needed which allow communities to enter a virtuous spiral whereby the more they do to take charge of their own destiny the more they are able to access further investment from their overarching county or city-regions.

In addition to funding, our work in Wiltshire identified the need for effective forms of dialogue and engagement for effective community capacity development. Building on the successes of community planning as a process in which local communities can engage in setting out a vision for their place, local authorities and their partners should support community-led place-making that is designed to expand or maintain dialogue between different communities within any single place. Commissioning processes and professional practices increasingly recognise that all communities are asset rich – with skills, knowledge and passion – but drawing value from these is often difficult in a system that quickly reverts to a service delivery framework (against which it is typically held to account). Local government should support less 'greedy' ways of bringing out

and drawing together these assets. For example, in 2014/15, Lambeth council supported Civic Systems Lab to set up Open Works – a cluster of participatory projects whose aim was not to address specific problems or alleviate particular demands on services, but to build a platform on which citizens could share equipment, knowledge and opportunities in ways that they themselves saw as helpful.[33]

The role of community leaders and councillors is also changing, and needs support to adapt further to the scale of combined authorities. Councillors have unique democratic legitimacy and insight. Their role will always include advocacy – taking their electors' problems to the council for it to address and, where possible, resolve. But increasingly councillors will have to use their influence and insight to broker connections within their place and across neighbouring authorities so that problems can be tackled differently and new opportunities opened up. For community leaders too, the old defaults are becoming less useful. Council funding will still be important, but other types of support might, in the face of continued austerity, be more sustainable as well as more productive (eg sharing training, data, volunteers, facilities). Community leaders who have seen themselves in the past as champions for particular issues or communities within places will need support to learn more from their peers in order to identify shared solutions. In the words of one of the community leaders the RSA worked with in Wiltshire, 'We need to get away from the culture of petitioning and complaint.'

33. For further information, see: http://www.theopenworks.org/read-the-research/.

Conclusion

In the face of the complex picture described above it would be facile to suggest a single grand strategy that could seamlessly incorporate and reconcile the different strands of devolution and localism. Many of the ideas and initiatives that have been pursued by this and the previous government are commendable. There is, we believe, the potential to combine national and sub-regional devolution, localism and citizen empowerment to generate a model of local governance and service provision ready for the opportunities and challenges of our time.

However, at the local level, we believe there is a tolerance threshold of system clarity, consistency and manageability which must be met if there is to be any likelihood of improvement. Working with local government and local services providers, as well as drawing upon the insight of our 27,000 strong Fellowship (many of who work in or with local government) we increasingly sense at the RSA that this threshold is not being met.

In some sense our experience in Wiltshire provided a microcosm of this concern. When our work began it was not yet clear how deeply austerity would bite and the devolution agenda for city regions had not even materialised, let alone been extended to counties. Wiltshire's vision of combining the decentralisation of service provision, citizen empowerment and new forms of governance was, and continues to be, compelling. But translating that vision into reality on shifting sands, in the face of competing ideas of the best local solution and without having fully developed the right systems and skills to deliver change and reassure those worried about change, proved to be much harder than anticipated.

Many local leaders are committed to finally making double devolution a reality. But they seem poised between hope and resignation, between a sense of agency and a sense of victimhood, between seizing opportunities and merely fending off chaos. Sub-regional devolution is unfolding at such speed that its implications, and even in some cases the governance under which it will proceed are not entirely clear. So it is perhaps unsurprising that none of the parties involved – either at the centre or in localities – have yet set out a strong account of how the new arrangements will promote stronger communities and more active citizenship. But it is a critical omission. Discontent about popular exclusion from the deal making process to date is emblematic of a larger failure to agree and describe a full account of transformation which connects big devolutionary change to the civic and associational values and practices of localism. The House of Commons Communities and Local Government Committee has recently criticised the current opacity and called on the government to clarify how the different aspects of devolution, from city region to neighbourhood and community, fit together:

> The Government needs a clear hierarchy for the many things it is trying to achieve through devolution—promoting local growth at minimum cost, achieving a better balanced economy, improving integration of public services, enhancing local freedom to experiment, bringing decision-making closer to local communities and enhancing the democratic process. It also needs to be clear how the forms of devolution it favours are intended to achieve them, while recognising that there may be a different balance and mix of objectives in different area.[34]

This would bring a welcome resolution, and signal the types of skills and behaviours new local government will need. A top to bottom devolution settlement will call on styles of leadership and professional practice that emphasise collaboration, co-design and co-production within and between services, across administrative boundaries and various tiers of government and with citizens. One of the reasons why such systems skills will be vitally important is as a counter-balance to the hierarchical logic that can characterise large institutions at times of risk and transition. As greater powers come to be enjoyed by new tiers of government, and more decision making is effectively pooled at the sub-regional scale, culture in the constituent councils may take an unhelpful turn. Eyes may increasingly turn upwards for ideas, direction, authorisation and approval, instead of staying focussed on the local scene. The coming of devolution may yet turn out to be localism's sternest test.

34. House of Commons Communities and Local Government Committee (2016) *Devolution: the next five years and beyond*. London: Stationery Office. [online] Available at: http://www.publications.parliament.uk/pa/cm201516/cmselect/cmcomloc/369/369.pdf

The RSA (Royal Society for the encouragement of Arts, Manufactures and Commerce) believes that everyone should have the freedom and power to turn their ideas into reality – we call this the Power to Create. Through our ideas, research and 27,000-strong Fellowship, we seek to realise a society where creative power is distributed, where concentrations of power are confronted, and where creative values are nurtured.

RSA
21st century enlightenment

Supported by
Wiltshire Council
Where everybody matters

People Shaped Localism

8 John Adam Street
London WC2N 6EZ
+44 (0)20 7930 5115

Registered as a charity
in England and Wales
no. 212424

www.thersa.org

978-0-901469-82-3