

PRESS RELEASE

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Size doesn't matter, small places must not be left behind in the devolution process.

The Government's focus on metro-regions has meant that mid-sized cities, towns, districts, and counties have been locked-out of the devolution process.

In a new report, ResPublica argues that there is little evidence to indicate the optimal footprint for local government or for the delivery of public services in England. The policy implication is that a universal size formula cannot be applied to decisions about devolution or reorganisation.

ResPublica says that connectivity *between* places and how an area functions is what matters most for productivity and growth, rather than size. Since there are very few local authorities whose footprint align with their actual economic geography, Government should enable localities to think about economic integration in different ways. This requires more consideration of the relationships between places, rather than a static 'one size must fit all' approach. If we are to rebalance regional inequalities, it won't be by reorganising all local government to the same size.

ResPublica argues that the optimal footprints for economic integration are not captured by current municipal or historic boundaries. But combined authorities, constituted from existing or reformed units of local government, could help spread the benefits of economic growth more widely, linking local and regional markets.

The report examines the implications of future devolution for districts and smaller unitary councils, and the potential role that they can play in responding to the challenges of Covid-19 and the crucial levelling up agenda. It makes the case for greater 'subsidiarity' in allowing places to better determine and shape their own fate.

ResPublica further suggests that in order to rebalance regional inequalities, outcomes - not costs - should determine the scale of devolution. More specifically, when addressing public services, there is no one-size solution; these should be person-centred and place-based, to increase the likelihood of positive outcomes.

The Government, in its long-awaited Devolution White Paper, should insist that the next phase of place-based devolution in England establishes an operating agreement that is both principle-based and practical. It should confirm Government's presumption to devolve as the default position, ensuring that size is not a condition of or obstacle to devolution. And it should encourage institutional reform that is consistent with the scale of devolution required to fix the problems that need addressing and meet the opportunities that are present.

Phillip Blond, Director of ResPublica said:

“Our fundamental contention is that the argument for the vertical integration of local government fails to meet the crucial condition for growth, which is essentially horizontal and premised on the ability to foster connections between places. If reform is necessary, then the argument and the evidence best support unitary government of any size that can integrate and connect through combined authorities with wider areas to influence positive outcomes in all our places.”

John Fuller OBE, Chair of the District Councils’ Network, said:

“Size and scale alone should not be what drives devolution. This report makes clear that what works locally for the hundred or so critical services is more important than trying to identify a single number which can never be the optimum scale for everything. Rather than have arbitrary size constraints, we need devolution to recognise that so many of the things that residents and businesses will rely on across this crisis and beyond require local responses, local knowledge and local accountability. By backing our success in delivery and partnership, this approach would leave us best placed to build homes, grow the economy, revitalise our environment and create a better future for everyone.”

Cllr Paul Bettison OBE, Chair of the Unitary Councils’ Network, said:

“The findings of the report reinforce that the blanket imposition of a one-size fits all approach to local governance arrangements simply will not serve the best interests of local people. Individual areas have different needs, and the most important thing is to focus on what works best to deliver the right outcomes for each local area. Most importantly, size should not be an overriding factor.”

ENDS

NOTES TO EDITORS:

In its report ‘Size doesn’t matter: The arguments for place-based devolution’, ResPublica states that local government reform should focus on:

- Pragmatic consideration of the appropriate scale at which better social and economic outcomes can be achieved, and at a level where local areas can agree to cooperate.
- New connections between places, within and across regions, with a relative scaling-up of powers across larger areas, to encourage ‘local and regional cohesion’.
- Combined authorities, structured from the bottom up, using existing units of government, to form new territories that could, but need not, correspond to present or historical boundaries.
- Institutional reform (e.g. Mayors and unitarization) where it is desired, that can address the issue of electoral inequality, to ensure a consistent ratio of councillors to population, across all authorities; and ensure parity in local accountability for the fullest devolution of powers.
- The potential contribution that smaller units of government can make, in helping to grow economies and providing effective services, and the additional powers that may be appropriately devolved – whether as part of a wider mayoral combined authority, or not.

About ResPublica

ResPublica is an independent non-partisan think tank. Through our research and policy innovation, we seek to establish a new economic, social and cultural settlement. We aim to combat the concentration of wealth and power by distributing ownership and agency to all, and by re-instilling culture and virtue across our economy and society.

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