



Devolution and Districts - championing our towns, cities and communities

The new Government is setting out on an ambitious journey to spread opportunity to all communities across the UK. The forthcoming Budget and Devolution White Paper mark the first big steps in moving towards ensuring our country is in the best shape after leaving the European Union.

The renewed energy in devolution is exciting. It offers an opportunity to rethink services around the resident in our towns, cities and communities. While many economic policy decisions are best made at a national level, the reality is that the national economy is made up of a range of local markets for goods, services, and labour which have evolved over time.

Districts are the building blocks of collaboration across functional economic geographies, connecting towns, cities and communities, and working together with our wider partners on a cohesive plan rooted in our responsiveness to the aspirations of our residents.

The **District Councils' Network (DCN)** stands ready to have constructive conversations about how to transform services around residents in the years ahead. As a DCN we realise that different parts of the country are in different places with regards devolution, including different local partnerships, and different discussions with the Government. It is our role to take one district voice into the Government, to influence it's direction of travel so that it best enables districts as closest to communities and engines across the country.

This paper introduces a position following the DCN Annual Conference in February 2020. It summarises our ambitions for devolution and how it could be delivered. Signals suggest that the Government may bring together the opportunities of devolution with its vision for governing investments in places. We would therefore encourage all partners in places to collectively deepen their thinking around what they want from devolution and how they can deliver it, informing a proactive case to national Government on the behalf of local residents.

Ambitions for devolution

Devolution offers compelling strategic opportunities for districts working in local partnerships to champion our towns, cities and communities, ensuring that every area of the country is able to realise its full potential, including:

- **Growing local economies** – districts are the building blocks for growth, working together in clusters that reflect functional economic geographies, connecting towns with cities, and are able to achieve best returns on investments, like the UK Shared Prosperity Fund and Housing Infrastructure investments, for residents and businesses.
- **Helping to put health and social care on a sustainable footing** – districts are providers of key preventative services within the local health and wellbeing landscapes, including housing, homelessness, leisure and environmental health. Devolution could help realise the potential to reduce the time people spend in expensive health services.
- **Accelerating housing delivery** – as planning authorities and increasingly as house builders, districts are already at the heart of this agenda. Devolution could offer further tools for districts to leverage strategic investments and to get builders building, working in cross-boundary partnerships to shift delivery up a gear.

- **Shaping local labour markets** – with local payment mechanisms already in place, districts can make the case to the DWP to take on greater local responsibility for managing the entirety of local labour markets, engaging with the universal credit and skills agendas to help more people to find and progress in work.
- **Leading the journey to environmental sustainability** - with their leading role on planning and the environment, districts are well placed to bring all partners together to deliver local priorities for the environment, sustainability, and community resilience.
- **Setting out positive visions for public sector reform with communities at their heart** – devolution could empower local leaders to set out bold and innovative proposals for improving local government within their localities, and to provide innovative solutions to local issues which command the support of the residents they serve.
- **Achieving efficiency and resilience through sharing** – district-led partnerships across economic areas are breaking new ground with shared service models and leveraging their collective assets and resources. This is enabling them to find new ways to maintain financial resilience and protect the quality of services over the long term.

Delivering devolution

District collaboration across the real world functional economic areas will be central to a model of devolution that generates growth and improves lives in the years ahead, rather than being tied to administrative boundaries of the past. Districts are conveners, enablers, and leaders, which are working together to provide the unifying place-based vision that mobilises local partnerships around the interests of residents.

Our research has shown that districts have always led the way in innovation with shared services and continue to innovate in this area, exploring a wide variety of models of collaboration. Whether working in informal clusters, developing shared services, aligning strategies and resources, or exploring mergers and unitary reorganisation, districts continue to form natural building blocks for collaborative work to improve lives and grow economies¹.

Drawing on engagement with innovative district partnerships across the country, our work has summarised how the best district-led collaboration is:

- built on the powerful tools that districts have always had at their disposal
- boundary-blind and driven by a place-based vision for success
- rooted in and responsive to a detailed understanding of locality, residents and businesses
- entrepreneurial, commercial and innovative
- focused on local economic growth to support the wider economy
- consensus-led and supportive of the aspirations of place-based

The investigation also debunked myths surrounding collaboration in shire areas, and that:

- districts under different political control routinely work together to the benefit of local communities and businesses
- innovation and collaboration is alive and well in district and county areas. Through positive relationships and effective collaboration, there is no intrinsic or structural constraint on what can be achieved by these organisations
- districts are actively engaged with key place-based partners such as health bodies and are recognised as a vital part of the fabric of local public services

¹ Transformation in localities toolkit, Grant Thornton/DCN, 2018 <https://districtcouncils.info/news-coverage/dcn-and-grant-thornton-transformation-in-localities-toolkit/>

- far-reaching transformation and public sector reform is being achieved within localities without compromising on democratic accountability.

Moving devolution forward

Districts stand ready to engage with all partners on all options for transforming services around residents in towns, cities and communities. The DCN looks forward to further details, and in moving forward we would be keen to see an approach that:

- aligns leadership, investment and accountability with districts as the building blocks within functional economic areas
- puts residents at centre of service transformation
- moves quickly by building on existing partnership arrangements that are ready to engage
- is clear on what devolution will offer to places, within a flexible approach that rules nothing out.

Please get involved and let us know what you think, via dcn@local.gov.uk