



RESCALING THE SUB-NATIONAL STATE: THE EMERGENCE OF CITY-REGIONS AND COMBINED AUTHORITIES IN ENGLAND

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Proposition



**Processes of ideation,
economic restructuring,
social shifts, cultural
transformations,
environmental
concerns and political
ruptures**

**produce unique
spatial
manifestations**

**demand continual
changes in
geographies of
governance,
institutional
structures, and
forms of
intervention**

Problematique

How to secure growth?

‘New’ Paradigm for regional development:

- Place-based approaches to development
 - ▣ Scale Geographies
 - ▣ Governance and institutional architecture

A lens for deciphering what is happening to....

- Place based development strategies in the UK
 - ▣ Functional economic geographies
 - ▣ Evolving institutional architecture

SOME BASIC TENETS OF THE PLACE-BASED APPROACH

- Firstly, **place matters**, therefore how places are understood, conceptualised and codified since this can have significant implications for the formulation of policy and the implementation of practical development initiatives. Relational geography/ imaginings of place. Agglomerations/City regions
 - Secondly, involves the **Analysis of potentials; the evidence-base** or the evidence and local knowledge that informs the determination of the trajectory and development potentials of the locality and,
 - Thirdly, **Governance and Institutions are important**, this concerning the scale of governance (territorial and relational) and collaborative forms of governance, which involve diverse stakeholder collectivities, in formulating a development strategy tailored to the complex geographies, capabilities, knowledge-sets, assets and resources of particular places.
- (Cf Barca, 2009)

Place-based local economic development approach

- Place-based approaches require strengthened local and regional institutions that are able to assess and develop local economic assets in ways that amount to more than “tailoring national policies”.
 - Successful place-based approaches place the development of human capital and the promotion of innovation at their centre.
 - The active role of local stakeholders is critical to the success of place-based approaches but this places new demands on local business and other bodies to actively shape local policy, rather than merely make demands on State and Federal agencies.
 - Successful place-based economic development is generally a long-term process.
- Tomaney (2010: 7)

METROPOLITAN REVOLUTION

1. Cities and metros are on the front lines of income inequality, and they are using new tools (or old tools in new ways) to tackle it....
2. Customisation is vital to match ideas and initiatives to the distinctive competitive advantages and clusters or sectors of different metropolitan economies, and gives people and businesses a reason to invest in one metropolitan area rather than another.
3. 'Cities' and metros' capacity for action and innovation will be measured on the financial commitments and engagement of private, nonprofit, and civic institutions and their leaders not solely by the fiscal health of local governments.
4. New regional institutions (or old institutions acting in new ways) will become more important. A network works best with focus and stewardship.

***Big economic shocks frequently lead to
new or repurposed institutions***

Katz and Bradley (2014)

Place-based narratives

The critical elements

- An analysis of the assets and the development potentials of place(s) and networks of places;
- Spatial scale at which development takes place corresponds with agglomeration economies
- Scales of governance reflect relational flows (as well as territorial constructs);
- A supportive and flexible institutional framework, includes *delivery and monitoring*
- Decentralisation of economic development power

CONCEPTS

Place

Governance;

Collaborative Governance

Models for Co-operation

Methodology

Policy Fields

Leadership

Place and...

Defined by

- Territorial constructs :
 - ▣ Jurisdiction of an administration
 - ▣ Existing administrative structures and policies are not sufficient to treat the growing number of challenges and the action needed
- Relational flows:
 - ▣ Socio-economic problems do not stop at city limits.
 - ▣ Production, consumption and labour markets
- Agglomerations/City-region
 - ▣ Internal and external connexions within the International Division of Labour

Governance

but also...

- Governance is the capacity of human societies to equip themselves with

systems of representation,

institutions, and processes

...in order to manage themselves

.....by intentional action

... Calame and Talmant in Lebessis and Paterson

Models of Collaborative Governance

- that could be set up in *cities* that want to join efforts to face a certain number of issues and share the financial burden:
 - A model of cooperation among small municipalities
 - A model of cooperation between a large city and neighbouring municipalities
 - A multi-level decision-making framework
- UrbAct – City-Region.net

Policy fields for cooperation

- **Land use:** The best way to deploy measures aimed at reducing land use is to get all the municipalities to develop a compulsory territorial development plan.
- **Public transport:** It is important to share the financial cost and the income equally. Creating a transport association is one solution. All the transport available on the city-region level (train, bus, tramway, metro, etc.) should be include in the transport network with a single rate system.
- **Participative planning:** New approaches are needed to distribute costs in a fair and equitable manner between cities and their urban areas. More and more municipalities follow the measures applied by their neighbouring municipalities in order to be efficient in meeting their obligations, especially regarding waste collection and water management.
- **Funding:** In a period of financial crisis, creativity is needed to finance projects, notably by calling on private partners and Public-Private partnerships. It is not always possible to have support from European funds when the cities cannot raise the required matching funds of their own.

Leadership

- Leadership as "a process of social influence in which one person can enlist the aid and support of others in the accomplishment of a common task" ...
- Leadership as "organising a group of people to achieve a common goal"

England

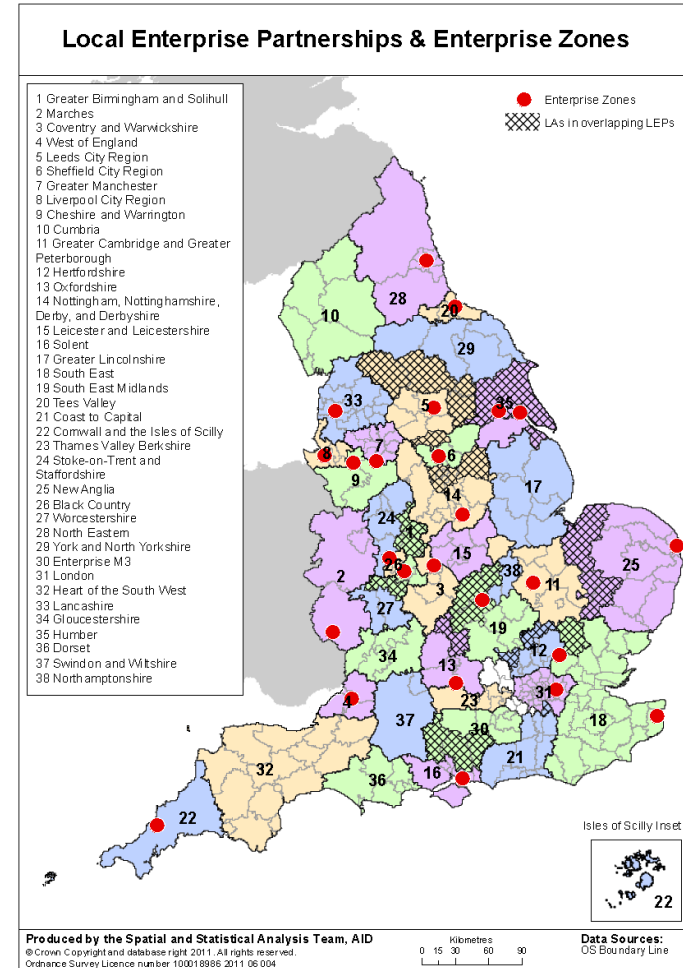
The changing spatial scale of intervention
Territory and relational geographies of
production and.. the institutional structures
(Regional) and City Regions devolution plans and
accountability and transparency

CHANGING INSTITUTIONAL STRUCTURES

From RDAs to LEPs



England Regions - 9



Local Enterprise Partnership Areas - 39

Local Enterprise Partnerships

“joint local authority-business bodies brought forward
by local authorities themselves
to promote local economic development”

Bentley et al (2010)

- Some of the hallmarks of a place-based approach....
 - ▣ Based on functional economic geography
 - ▣ Analysis of development potentials
 - ▣ Multi-level/collaborative governance
 - ▣ Planning, housing, and employment and enterprise

The role and function of LEPs

Role	Governance	Geography
<ul style="list-style-type: none">- Provide strategic leadership; setting out local economic priorities- Help rebalance the economy towards the private sector; creating the right environment for business- Tackle issues such as planning and housing, local transport and infrastructure priorities, employment and enterprise, the transition to the low carbon economy and in some areas tourism	<ul style="list-style-type: none">- Collaboration between business and civic leaders, normally including equal representation on the boards of these partnerships- Work closely with universities and further education colleges- A prominent business leader should chair the board- Sufficiently robust governance structures- Proper accountability for delivery by partnerships	<ul style="list-style-type: none">- Better reflect the 'natural' economic geography; covering the 'real' functional economic and travel to work areas- Expect partnerships would include groups of upper tier local authorities, which would not preclude that which matches existing regional boundaries

SOURCE OF DISJUNCTION

- While they are to devise localised strategy
 - ▣ to tackle planning, housing, transport & infrastructure, employment & enterprise issues and provide strategic leadership of functional economic areas
- Realisation of the wider geographical scale:
 - ▣ Cross boundary issues emerging: Transport / supply chains funding/ sharing costs
 - ▣ Socio-economic problems do not stop at 'city' limits....
- Is leading to the formation of new institutions... to reflect relational geographies

Combined Authorities (England)

- Groupings of city-region based local authorities ...which absorb their Local Enterprise Partnerships.
- Allow for strategic decision making on issues which overlap various boundaries
- Transport and infrastructure planning strengthened
- Streamline the decision-making process in economic development, which is often interlinked with a wider geographic area
- Promise a more strategic approach to land use planning.
- The public, businesses and agencies only have to deal with one decision making body rather than many.

Table 1: Combined Authorities

The combined authorities that have been created or are planned to be established are:

Combined authority	Local authorities	Status
Durham, Northumberland and Tyne and Wear	Durham, Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland	draft scheme published 2013, consultation ends January 2014, expected to be established April 2014
Greater Manchester	Bolton, Bury, Oldham, Manchester, Rochdale, Salford, Stockport, Tameside, Trafford, Wigan	established April 2011
Greater Merseyside	Halton, Knowsley, Liverpool, Sefton, St Helens and Wirral	draft scheme published 2013, consultation ends January 2014, expected to be established April 2014 The leaders of all six local authorities have stated to government that they wish to be known as 'Liverpool City Region combined authority'
South Yorkshire	Barnsley, Doncaster, Rotherham, Sheffield	announced July 2012, draft scheme published 2013, consultation completed completed 2013, expected to be established April 2014
<u>West Yorkshire</u>	Bradford, Calderdale, Kirklees, Leeds, Wakefield	announced July 2012, consultation ends in January 2014, expected to be established April 2014

COMBINED AUTHORITIES

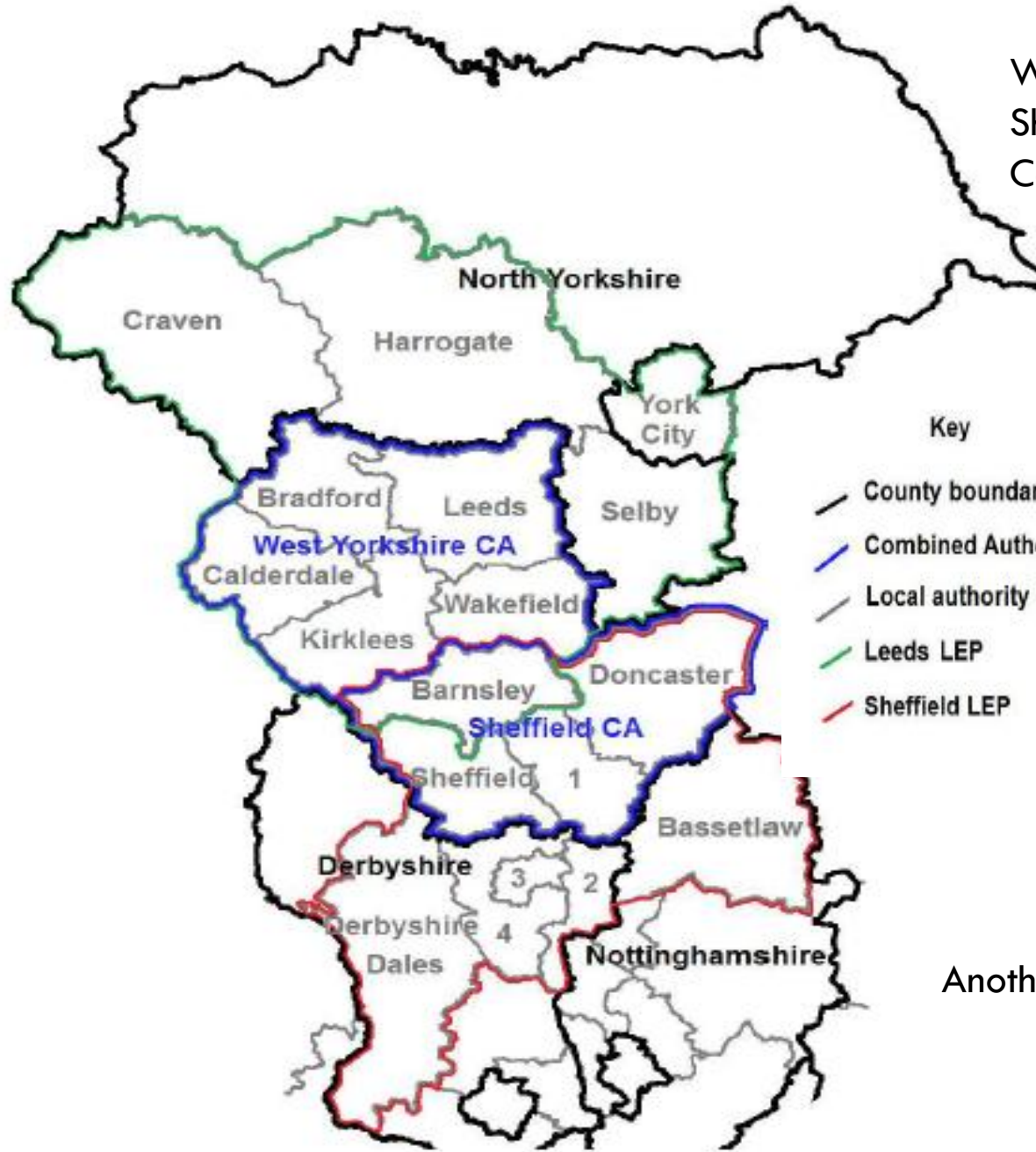
- Greater Manchester Combined Authority } 2011
- Leeds City Region Combined Authority }
- Sheffield Combined Authority } April 2014
- North East Combined Authority }
- Liverpool City Region Combined Authority
- West Midlands – agreed in Nov 2014 } For 2016
- South West – no plans
- Bristol and Liverpool – City Mayor (charismatic leadership?)

LOCALISM

(Hildreth, 2011)

...YES, BUT IS A COMPLEX CONTRADICTIONARY EVOLVING PROCESS

The Complexities..... Scale Geographies and Governance Structures:



West Yorkshire and Sheffield Combined Authorities

Key

- County boundaries
- Combined Authority boundaries
- Local authority boundaries
- Leeds LEP
- Sheffield LEP
- 1 Rotherham
- 2 Bolsover
- 3 Chesterfield
- 4 NE Derbyshire

Another dog's breakfast?

CHALLENGES - FROM EUROPE

Europe 2020: Flagship Initiatives 2014 – 2020

- **Smart Growth**
 - Digital Agenda for Europe
 - Innovation Union
 - Youth on the Move
- **Sustainable Growth**
 - Resource Efficient Europe
 - An Industrial Policy for Globalisation
 - Low carbon Strategies
 - Energy Action Plans
- **Inclusive Growth**
 - New Skills for Jobs
 - European Platform Against Poverty
 - A new Cohesion and Agricultural Policy

How to deliver EU Programmes?

FUNDING ALLOCATIONS

LEP	€m
Derby, Derbyshire, Nottingham and Nottinghamshire	249.7
Greater Birmingham and Solihull	255.8
Greater Lincolnshire	133.5
Greater Manchester	415.6
Humber	102.4
Leeds City Region	391.2
Liverpool City Region	221.9
North Eastern	539.6
Sheffield City Region	203.4
Tees Valley	202.6
York and North Yorkshire	97.5

Need for pooling of budgets for synergy?

Management of ESI Strategies

- Local combined into National Plan
- Match Funding: National programmes:
 - ▣ Growth Accelerator; Manufacturing Advisory Service; UK Trade and Investment; EIB (Social Housing; Big Lottery Fund; Skills Funding Agency)
- To access match funding LEPs have to opt into service provided by private sector consortia
 - ▣ LEPs will give part of their allocation to consortia
 - ▣ Consortia will apply to the Managing Authority
 - ▣ Funds to distributed

...CENTRALISM

NEW DISJUNCTIONS EMERGE

- Incongruence between the functional geography of the locality and territoriality and institutional structures
- Geography of LEP areas - Need to be reviewed
- Purpose and functions of the Combined Authorities and the LEPs - need to be clarified
- Accountability issues – fails to address this issue
 - Will there be new Metro Mayoral City Regions after the 2015 General Election to ensure accountability?
- Funding regimes are complex and remain so
- Structural Funds centrally controlled
- Local economic growth funding - needs to be reviewed alongside fiscal devolution
- Rural areas need a focus too

“Despite the large sums available... little (RGF) money has actually reached businesses”

Hodge 2014

IMPLICATIONS FOR PLACE BASED APPROACHES

- **Place matters:** but, boundary issues
- **Analysis of potentials:** Stakeholder involvement varies across LEP localities and the levels of dialogue with key sectors will affect the key messages for economic development being transmitted
- **Governance and Institutions are important**
 - ▣ Need for Local control
 - ▣ European Structural & Investment Funds Strategies
 - Centralism: LEPs to opt into Managing arrangements; is Underspend on major Growth Fund schemes
 - Lack of co-ordination
- **Leadership – Weak??**

FUTURE AGENDA FOR ENGLAND

- **Practicalities of combined authorities:**
 - Economic Strategy : achieving delivery!
 - Leadership, partnership and collaboration
 - Securing resources and acting as a strong locality voice
 - Evidence based and Intelligence based
 - Project appraisal and prioritisation
 - Commissioning and monitoring interventions
 - Communication
 - A return to the *Regional* scale authority?
 - Northern Powerhouse...Agglomeration

FUTURE AGENDA FOR ENGLAND

POLITICS

- DEVOLUTION /DECENTRALISATION/ LOCALISM
- Scotland – Devolution of Tax powers ...Federalism
- England - Demand for devolution of power and resources to Combined Authorities
- GENERAL ELECTION 2015
 - ▣ All parties proposing degree of devolution
 - ▣ Local Government reorganisation ??
 - ▣ Cost savings in creating combined authorities?
 - ▣ Which functions to be combined?
 - ▣ Will Whitehall let go?

CONCLUDING REMARKS

- Territorial and relational geographies linked to forms of governance and institutional structures
 - ▣ Case example of Local Enterprise Partnerships in England suggest that socio-economic problems do not stop at 'city' limits; cross boundary issues
 - ▣ Leading to formation of Combined Authorities and integration of LEPS
- Implication: scale of relational geography is important determinant of scale governance

BUT, Scale geographies of LEPS need revisiting ...
to enable a strategic approach to place making and to
strengthen Leadership