METROPOLITAN GOVERNANCE: FUTURE NECESSITY OR MISPLACED DREAM?

Alan Harding
Visiting Scholar, Institute on Municipal Finance and Governance, Munk School

September 19, 2019
5:00 - 6:30 PM
Plan for this session; 4 key questions

• What’s good about metropolitan governance, in theory?
• If it’s that good, how come there aren’t more successful examples of it?
• How has Greater Manchester (GM) overcome (some of) the obstacles to metropolitan institutional development?
• What are the implications of GM’s experiences, within the UK and beyond?
What’s good about metro governance?

* It enables strategic decision-making for a functional/natural urban/economic area..
* .. at the lowest feasible level (subsidiarity)..
* ... and hence (potentially) with maximum feasible democratic input by citizens
* It overcomes parochial politics and guards against wasteful intra-metropolitan competition..
* .. thereby enabling the ‘internalisation of externalities’..
* .. and the effective management of the ‘new’ agglomeration forces that privilege dense, diverse, highly-connected urban centres for wider benefit
* It ‘fits’ better with a more globalised economy in which nation states are simultaneously too small and too big to steer change effectively
So why aren’t there more successful examples?

• All of the potential benefits listed above are disputed, in theory, and hard to realise in practice. Barriers include:
• Difficulties in defining the ‘right’ metro scale and achieving consensus about it
• Disinterest in ‘grand designs’/technocratic arguments by citizens more concerned with day to day realities
• Parochial politics is powerful, particularly when it is protected by constitutions
• Change will always generate losers, with loud voices, as well as winners
• Higher levels of government typically want to retain their powers, not give them away

So what has GM achieved by way of overcoming these barriers?
GM: A quick overview
GM & the nations & regions of the UK
GMCA

DISTRICTS

Bolton 283,115
Bury 188,669
Manchester 541,263
Oldham 232,724
Rochdale 216,165
Salford 248,726
Tameside 223,189
Trafford 234,673
Stockport 290,557
Wigan 323,060

Total GM population: 2,782,141

Source: ONS and GMFM
Greater Manchester: a functional economic area
# Greater Manchester Economy

- **2.8m people**
  - +240,000 since 2000

- **110,000 businesses**

- **1.3m working in GM**
  - +100,000 over next 10 years

- **Over 100,000 Higher Education Students**
  - at 5 HE Institutions

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**Gross Value Added**

<table>
<thead>
<tr>
<th>Region</th>
<th>Value</th>
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<tbody>
<tr>
<td>Greater Manchester</td>
<td>£58bn</td>
</tr>
<tr>
<td>Wales</td>
<td>£55.8bn</td>
</tr>
<tr>
<td>North East</td>
<td>£49.7bn</td>
</tr>
<tr>
<td>Northern Ireland</td>
<td>£34.4bn</td>
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</tbody>
</table>

**Source:** ONS and GMFM
GREATER MANCHESTER – KEY ASSETS

CORRIDOR MANCHESTER

MANCHESTER 1824

University of Salford MANCHESTER

Manchester Metropolitan University

RNCM

University of Bolton

ROYAL NORTHERN COLLEGE of MUSIC

Airport City Manchester

曼彻斯特空港城

MediaCityUK
GM institutional development
GM ‘city-regionalism’ is long-standing

Context (1980s onward): centralisation of control over fiscal & functional powers of local government. In GM:

1. 2-tier metropolitan government 1974-1986. ‘Strategic’ metropolitan county + 10 districts

2. Weak metropolitan governance, late 80s, early 90s. Joint metro bodies for transport, policy, fire, residual functions. Retention of network governance at metro scale (AGMA) but district competition for development (‘won’ by inner metro area)

3. Metro institutional development. Mid 90s-early 00s. Creation of metro institutions for visitor promotion, inward investment, economic and related strategy development in context of weak English regionalism

GMCA

- £1.4b revenue budget. Brings together previously separate GM bodies, largely related to economic development, with Fire and Waste authorities. Close links to Transport, Policing and Health functions, all organised at GM level, and the ten district councils.
- Covers the area of the 10 metropolitan district councils in Greater Manchester (GM)
- The functions of combined authorities were originally limited to transport, economic development and regeneration but legislation allows further functions to be added, with agreement of districts, national government
- GMCA has eleven members: the 10 council leaders plus the directly-elected Mayor
- The Mayor has appointed two Deputy Mayors, one for Policing and Crime, one for Economy and Business.
- Each of the leaders has a portfolio related to the activities of GMCA and is supported on their GM work by one or more council chief executives
Devolution Deals

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**Deal 1:** Signed 3 Nov 2014

New powers for the GMCA on condition of agreeing to an elected mayor who will also fulfill the role of the Police and Crime Commissioner. Powers cover transport, business support, employment and skills support, spatial planning, housing investment, earnback and governance reforms.

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**Deal 2:** Signed 27 Feb 2015

Bringing together health & social care budgets – £6bn – to deliver better outcomes for GM. Followed up by agreement in late 2015 for a £450m Health and Social Care Transformation Fund.

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**Deal 3:** Agreed alongside the July 2015 Budget

Included fundamental review of service for children, creation of a Greater Manchester Land Commission, transfer of Fire & Rescue responsibilities to the GM Mayor.
Deal 4: Agreed Nov 2015
Agreed further transport devolution (including looking at options for control of rail stations), social housing reform, and control over EU funding.

Deal 5: Agreed March 2016
Agreement included establishment of GM Life Chances Fund, Criminal Justice Devolution, and piloting of 100% business rates retention.

Deal 6: Agreed Nov 2017
Agreement included local industrial strategy pilot, homelessness funding, additional transport funding, post-16 education and training, and Mayoral capacity funding.
WHAT IS ‘DEVOLVED’ TO GM? Key e.g.s

• 30-year, £30m pa transport infrastructure fund, responsibility for franchised bus services, power to introduce integrated smart ticketing across all local modes of transport

• Health & social care; NHS and district budgets + ‘transformation fund’

• Powers over strategic planning (new statutory spatial framework, Land Commission for publicly owned land, designation of Mayoral Development Corporation areas)

• 19+ skills budget (adult education), employment support (with Govt agents)

• European structural funds, business support services

• 100% retention of local business rates (fixed term pilot), power to levy additional business rate levy, standard LA borrowing power

• Mayor has also used soft power to convene/enable joint-responses to challenges (e.g. homelessness) that are beyond his formal powers
GM strategy-development since the election of the Mayor (2017)
GM’s strategic approach: vision

• “Our vision is to make Greater Manchester one of the best places in the world to grow up, get on and grow old.

• A place where all children are given the best start in life and young people grow up inspired to exceed expectations.

• A place where people are proud to live, with a decent home, a fulfilling job, and stress-free journeys the norm. But if you need a helping hand you’ll get it.

• A place of ideas and invention, with a modern and productive economy that draws in investment, visitors and talent.

• A place where people live healthy lives and older people are valued.

• A place at the forefront of action on climate change with clean air and a flourishing natural environment.

• A place where all voices are heard and where, working together, we can shape our future.”
Our new strategic approach: 10 priorities

Let’s make

- Children starting school ready to learn
- Young people equipped for life
- Good jobs for people to progress and develop
- A thriving economy in Greater Manchester
- World-class connectivity

Greater Manchester

one of the best

- Safe, decent and affordable housing
- A green city for all
- Safe and strong communities
- Healthy lives and quality care
- An age-friendly Greater Manchester

places in the world
Our new strategic approach: a good life journey
What has enabled change in GM?
GM has grown together
Greater Manchester
Generalised age profile of housing development
Greater Manchester
Generalised age profile of housing development

Age of most recent development
- Pre 1920
- 1920-39
Greater Manchester
Generalised age profile of housing development
GM has an integrated, diverse economy, focused on the conurbation core
Greater Manchester’s Economy

• An economically diverse city-region.
• High growth, cf all UK bar London region, but productivity gap with UK average.
• Globally significant communications infrastructure and science, research, innovation and visitor assets.
• Financial and professional services, advanced manufacturing, health innovation and digital industries account for 1/3 GM jobs.
Greater Manchester’s economic geography (1)
Greater Manchester’s economic geography (2)
GM has an interdependent labour market
GM invests in its evidence base (for reasons of understanding and inter-governmental influence)
Manchester Independent Economic Review (MIER)

The Case for Agglomeration

Innovation, Trade & Connectivity

Labour Markets, Skills & Talent

Daresbury Campus Review

Sustainable Communities

Inward & Indigenous Investment
Greater Manchester Independent Prosperity Review Panel

Intensive nine-month process to update Greater Manchester’s economic evidence-base, led by a panel of leading economic experts

The Review Panel was responsible for:

- Assessing progress against the MIER and identifying lessons learnt
- Reviewing GM’s evidence base and current policy response, identifying key gaps
- Commissioning new, ground-breaking research into priority areas
- Making recommendations for the GM Local Industrial Strategy
Stable, capable leadership
So what?