

# **DEVOLUTION AND BEYOND**

Essays on the voluntary, community, and social enterprise sector's role in an inclusive devolution agenda

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**VS**NW

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### INTRODUCTION DEVOLUTION & BEYOND



Warren Escadale

Chief Executive, Voluntary Sector North West

It is three years since we last asked sector leaders and leading thinkers for their perspectives on the potential meaning of devolution for communities and for the voluntary, community and social enterprise (VCSE) sector. The previous publication, Devolution, Our Devolution, was then put together in response to two events:

- Scotland's devolution debate, which had been fully embraced by the VCSE sector who were eloquently championing communities, and highlighting the central need to tackle poverty and inequality.
- The rapid fire of English devolution deals, at that time, which seemed over the heads of our sector and further still from our communities.

The aim was to help us, in England, to think about devolution. In those articles, Dil Daly eloquently summed it up....

"...the people of the North deserve better than they are currently getting and the discussion as to how this can be achieved needs to happen now to minimise the suffering we see every day." Dil Daly, CEO of Age Concern Liverpool and Sefton, Devolution, Our Devolution, VSNW:2014, p.15

This collection of articles, Devolution and Beyond, is in response to two different sets of events:

• Firstly, this May's mayoral elections, three in the North. As a number of people note throughout this publication, this changes the dynamic of devolution, city regions, and combined authorities. This could well be a new phase in devolution and we have an opportunity to reshape the ways in which our sector engages and how communities might connect to a city region's identity, thinking and social and economic mission. This is about the conversations and social change we should be championing. • Secondly, despite this, English devolution has lost momentum: Brexit, a new Government, the potential emphasis on not emphasising the devolved nations, the impending loss of EU funding for social and economic inclusion, the resistance to mayors, and the limited success in getting going outside of city regions, have all taken their toll. And yet, the notion of devolution can and has sparked answers in the sector, that I would argue, need to be embraced: new partnerships, new ways of thinking and lobbying, new ways to reassert and articulate our collective mission and potential, and to reassess our relationship for and with communities. Devolution creates the space for us to be proactive and visionary.

There is no doubt that devolution, as Professor John Diamond describes it, "provides a framework for Austerity 2.0". With or without devolution, particularly in the North of England, the need remains for re-organising on new sub-national footprints (e.g. Sustainability and Transformation Plan areas), for understanding how to support the 'granularity' of how inclusive economies and communities can work, and for re-imagining our role and partnerships.

With or without a formal devolution deal, we need a conversation and a process for collective action.

Throughout our work in Liverpool City Region with the VS6 Partnership and in Greater Manchester, with the Devolution Reference Group, we have tried to document what is beginning to work. We came up with a process (not a framework) and a set of ambitions to aid our collective focus (shown overleaf).

Devolution has taught us that just reacting and acting alone is insufficient for our communities. Now, we need to get beyond devolution and understand, articulate and demonstrate what we can be. For me, the essays of Devolution and Beyond are part of that process, but there is clearly much more to be done by all of us.



#### Developing devolution with our communities (VSNW: 2016)

While it is clear that we must enable learning from one area to be shared, we know - from our devolution work - that we need more than one answer to the challenges and opportunities posed by devolution and local system change more broadly. The answers for Manchester city centre do not transpose to Cumbria's Alston Moor.

Different areas have different challenges, different assets and different working cultures. We believe that a top-down framework is not the answer for localities and their voluntary, community and social enterprise groups (VCSE). This is more about having the right process that works for people and partnerships. We also believe that we need to create collective answers as a sector. There won't be one answer but we do need a set of answers, coherently presented with the right business cases and with potential for impact and scale that plays to our sector's strengths. We can't do this one group at a time anymore. We know that the answers we need are in the hearts and minds of our sector and our communities. We need to create the right space for creativity, informed action and a focus on our communities to help drive change. We have to listen intelligently like never before.

Developing devolution with our communities outlines the organic conversations and discussions that have begun.

To read the full report go to www.vsnw.org.uk/communitydevo

## SETTING THE MAYORAL AGENDA

Why we need an alchemist with a practical working knowledge of doughnuts



**Mike Wild** – Chief Executive, Macc

With mayoral elections for Greater Manchester and five areas across England fast approaching, how are people supposed to judge who is the best fit for a role which is so little understood? Candidates are left both trying to market the role itself and to prove their capability of taking it on.

As a member of the Greater Manchester VCSE sector Devolution Reference Group I have been in various meetings with candidates, pressing the case for a collaborative relationship with the voluntary, community and social enterprise sector. Of course, that is not an end in itself: the outcome we are seeking is a shared ambition to eradicate inequality in Greater Manchester in a generation. It is an unashamedly big ask. We have no expectation that the mayor will be able to deliver on it alone: it is the collaboration which will be crucial. It will be fundamental to the role because the Greater Manchester Mayor is not the same role as the London Mayor, simply an 11th member of the combined authority - not above or below but alongside.

The mayor will hold considerable 'soft power', with the largest electoral mandate in the North West, a built-in political and media profile when he or she speaks and the potential to shape the conversation. Whoever is elected will suddenly become the face of 'Devo Manc' and surely a key figure in the 'northern powerhouse'.

They will need the skills of an alchemist and have to create a potent brew from these various powers, connections and expectations. With no formal authority on many matters, delivering on a public mandate will require the mayor to work collectively. So far, the public sector reform agenda has focused



### Greater Manchester VCSE Devolution Reference Group Overview

View in the devolution section of our website: https://www.vsnw.org. uk/our-work/devolution/gm-vcsedevolution-reference-group

too much on the redesign of services and not enough on the remaking of the institutions which provide them. The mayor's office could be the model for a new culture of working and lay out the path for the combined authority and other public bodies to follow. The challenge will be making sure the mayor remains an effective catalyst: if the role becomes about taking the credit rather than enabling, its potential will be unfulfilled. If it only enables but never gets any credit, it will quickly be perceived as pointless and ineffective. The alchemy will be in blending some new balance in civic leadership.

The mayor will need to address inequalities within Greater Manchester: the 'doughnut effect' where the central area is (perceived to be) wealthy, surrounded by more deprived boroughs. Will redistribution within Greater Manchester be politically acceptable? With a city-region-wide electorate to answer to, the mayor will need a long term view and an understanding of the bigger picture. Nonetheless, he or she is will also need to be visibly improving the lives of those who live in, work in, study in or simply visit Greater Manchester. There are lessons from Wales: I am impressed with the ambition in the Welsh Government's 2015 Wellbeing of Future Generations Act. This places a duty on all public bodies to show how decisions are made with consideration of the economy, environment, society and culture. The statement that all four aspects are of value and reframe what is meant by 'success' or 'growth' is a bold ambition from which Greater Manchester could learn. This is a similar idea to challenge of the 'Raworth Doughnut' a view proposed by the economist Kate Raworth. She argues that the new model must lie between a socially essential minimum and the limit of natural resources: If we want to get anywhere near to eradicating inequality within a generation, this is the transmutation we need in the way we see Greater Manchester, how we work together in it and how it is shared and seen by everyone. Our first mayor might do well to start by putting two doughnuts together.



Source: A Safe and Just Space for Humanity: Can we live within the donut? (Oxfam: 2012) Recoloured. www.kateraworth.com

### URBAN SYSTEMS AND INCLUSIVE GROWTH: REPOSITIONING THE VCSE SECTOR



Ceri Hughes – Research Associate & Ruth Lupton – Head of Unit, Inclusive Growth Analysis Unit

Recent political upheavals demonstrate the need for stronger forms of economic, social and political inclusion across the UK. Devolution and the mayoral election provide a particular opportunity in Greater Manchester to envision what this might look like and build a new city region agenda with inclusive growth at its heart.

The Inclusive Growth Analysis Unit's consultation on inclusive growth in summer 2016 revealed a widespread understanding that that needs to be a shared agenda, involving multiple actors: central and local government, civil society, employers, health, transport, housing and education providers. But how to make this happen? And how to ensure the VCSE contribution, in particular, is not overlooked?

Our current work, looking at indicators of inclusive growth and how they are developed, provides some suggestions. Taken seriously, inclusive growth demands a re-think of city priorities and targets. It isn't enough just to pursue maximum growth and throw in a bit of extra inclusivity. One example we could look to is that of New York, which has reconfigured its goals around four themes: economic growth; equity, sustainability and resiliency. On the face of it, the One New York Plan under Mayor Bill de Blasio looks like a plan developed and delivered by a city as a whole - an inclusive process involving over 70 city agencies and 10,000 people and community organisations – and there are other examples too where the VCSE sector has been a key driving force in setting city goals. But New York's focus on building resilient systems is perhaps even more illuminating. If we think not just of the kind of outcomes we want for our cities, but the kinds of systems that will deliver them, the importance of the VCSE sector comes clearly into view.

Work by the RSA suggests that the VCSE sector is too often seen by local government mainly as a delivery partner, commissioned at a cost. Indeed, if a city's focus is on traditional economic growth (through inward investment and hard infrastructure) supported by public service reform, it is easy to see how the VCSE sector can be pigeon-holed firmly in the 'social' space, delivering or co-producing services to address social needs and problems. A 'system approach' to inclusive growth, however, highlights both the economic and social roles of VCSE organisations, and their interconnections. Not only is the VCSE an important player in, and role model, for an inclusive economy - often demonstrating inclusive employment and driving alternative forms of economic development such as co-ops, mutual and social enterprises. Its social contributions can also be seen as critical for building equitable, sustainable and resilient cities: marshalling social investments, building social capital, redressing economic imbalances and boosting productivity. It becomes a crucial bedrock for an inclusive city.

Inclusive growth has a gathering momentum in English cities at the moment, potentially offering new opportunities for the VCSE sector. 2017 will be an important year in which we will see if these are taken up by incoming city mayors and their new administrations.

### **BEYOND THE PRECIPICE:** IS DEVOLUTION THE ANSWER TO BREXIT?



**Gill Bainbridge** – Chief Executive, Merseyside Youth Association

With the mayoral elections taking place in just a month, we are moving closer to the realities of devolution. If devolution is to mean more than 'passing the buck' on difficult spending decisions, we as a sector must be proactive on our approach to lobbying for a shift in thinking and practice. In light of Brexit, devolution plays a key role in how we address strategy and funding to ensure the withdrawal of European funding does not create a 'cliff edge' for social and economic policy to fall off.

We must develop and deliver policy differently. Complete integration of economic and social policy will ensure a strategy for inclusive growth across our city-regions and beyond. This requires a change in how we invest in people towards creating a sustainable model to deliver true Community Powered Change, the theme embarked on at VSNW's conference in December.

The main challenge for Merseyside Youth Association (MYA) is to motivate and inspire people to work together to become part of their own change. From experience of delivering holistic employment and skills programs, MYA has proven that sustainable development is achievable by involving the community from the start, building a theory of change and investing in the long-term. Maintaining vision and co-ordination, whilst working collaboratively with local partners who can be flexible, is key. We must influence decision makers to recognise the importance of social capital and placing people and communities at the centre.

The decision to leave the EU will have an enormous impact on Liverpool City Region. The main challenges for the region are around social inclusion and economic impact. As highlighted in a report by VS6 and VSNW, if the Youth Employment Initiative (YEI) and the European Social Fund (ESF) are not replaced, the economic consequences for the region will be highly damaging. Over 13,400 of the hardest to reach people across the city region will lose out on life-changing support. This will cost the city region at least £56.3m per year in lost GVA. Alongside extensive public sector cuts, it would become increasingly challenging for local voluntary organisations to remain financially viable.

There would also be a wider impact on marginalised cohorts, beyond loss of direct employment support. An increase of pressure on issues surrounding community cohesion, wellbeing and resilience, and an increased demand for other welfare services has the potential to create further problems across the region.

From city region economic strategy, it's clear that the £900m Single Investment Fund, agreed as part of the devolution deal, will in many respects be the de facto replacement for any lost EU funding. However, there are no indications at present that the voluntary sector will receive anything like the 30% it currently does through EU Structural Funds.

Hence, an impact analysis of Brexit is needed across the VCSE sector and sub sectors and beneficiaries. It needs to be collated locally and nationally. This will allow us to develop an evidence base to calculate costs in relation to SROI. We need to form partnerships with national VCSE bodies, local universities, politicians and even businesses, to campaign for an inclusive economic growth strategy. It should also be compared to devolution deal funding. A strong voice would enable us to lobby effectively, in the form of a VCSE Brexit strategy group, in order to influence key issues.

We must link the impact analysis with the campaigning around developing integrated economic and social policy and inclusive growth, in order to influence devolution deals and local and national strategy going forward.

### CIVIL SOCIETY AND MAYORS CAN WORK TOGETHER TO PURSUE INCLUSIVE GROWTH



Atif Shafique – Lead Researcher, RSA Inclusive Growth Commission

The momentum for inclusive economic growth is gathering pace. The final report of the RSA Inclusive Growth Commission, published in March, drew inspiration from the experiences and aspirations of towns and cities across the UK. We identified real appetite to create a more inclusive economy that works for everyone; and for citizens to help set the social and economic priorities of their place. It is clear that top-down, expert led economic development will no longer suffice.

Hence, this agenda must be shaped by people and civil society. This should be the starting point for the mayoral candidates of the six combined authorities holding elections in May. They must see devolution as a real opportunity to begin to create an economy that works for their residents.

To date, devolution has largely been a technocratic, deal-making process sheltered from citizen input. Regrettably, the focus has been on physical infrastructure projects and not enough on the 'social infrastructure' (e.g. human and social capital) that is critically important to tackling the sources of economic exclusion and low productivity. They do not do enough to challenge the 'grow at any costs' mind-set that has taken hold of our way of thinking and making decisions about the economy.

Mayors have the potential to begin to change this. It is true that the scope of devolution is limited and that Whitehall still pulls too many strings. While a more radical local-national settlement is certainly needed, there is no reason for mayors and their city regions to wait around. There is a lot they can do already, using existing levers as well as the 'intangible' forces of their soft power and democratic mandate. In the Commission's final outputs, we identify five principles for inclusive growth that leaders of places can pick up and apply along with how citizens and civil society can contribute.

**1. Create a shared, binding mission.** Creating a new type of economy cannot be an "initiative" or a set of "projects" – inclusive growth needs a binding commitment, a common narrative and a shared vision for change. Citizens and the VCSE sector should be critical to this because such a mission will lack credibility if it is imposed from the top. Mayors can steer and facilitate this process.

2. Measure the human experience of growth not just its rate. Mayors, businesses, trade unions, and the VCSE sector should work together to set priorities for measuring what matters, taking into account the human aspect of growth. 'Quality' GVA can be just as important as the quantity of growth.

**3. See growth as the whole social system, not just a machine.** Deep learning through citizen engagement and collaboration with the VCSE sector will be vital to building the problem-solving capacity needed to make inclusive growth a reality. The VCSE sector's comprehensive understanding of the multifaceted nature of growth and exclusion can help highlight the systemic changes needed.

4. Be an agile investor at scale. There is no question that transforming the economy so that everyone benefits requires significant investment and resources. However, opportunity for innovation is ripe. Residents could have influence over how money is spent and investment is used. Commissioning, procurement and business development strategies can increase the local economic footprint of social enterprises and community organisations, many of whom are the most effective drivers of inclusion.

#### Map 1: The scale of city-region inequality

This map shows estimated average household incomes by neighbourhood in 2013/14. It includes the six mayoral combined authority regions.



#### Source: Inclusive Growth Commission: Making our economy work for everyone (RSA: 2017)

#### 5. Entrepreneurial, whole-place leadership.

Inclusive growth requires much more than just a tinkering of skills, pay and business support policies. It demands that mayors bring together, at a place-based level, business, unions, civil society and citizens – both formally and informally – to drive systems change.

Inclusive growth has the potential to transform our economy and make inroads into the big challenges facing our city regions. Collaboration between mayors, citizens, the VCSE sector, and others, can achieve much more than deliver large infrastructure projects or create 'any old' growth or employment. If the full range of actors in a place work together, they can play a crucial role in creating an economy that works for everyone.

### CITY REGIONS CAN LEAD 'OUR DEVOLUTION'

Neil McInroy – Chief Executive, Centre for Local Economic Strategies (CLES)

### 'Cities have the capability of providing something for everybody, only because, and only when, they are created by everybody' Jane Jacobs

Cities are powerful. People connect and share in them and businesses trade and create wealth. Cities have an identity, which we can all rally round, and feel part of. In an age when the country is deeply divided, and at a time when *United* Kingdom sounds more of a plea than a reality, we need to use this power of cities to build social and economic justice. Devolution to city regions should be seen as a means to do that.

We need devolution to forge a new progressive local deal which includes us all - a local social contract, if you like. For too long, we have been subject to national statecraft, which has too often failed to care enough. Often remote, housed in central departments, administered by civil servants who neither understand nor live in the places where the policy impacts. A deep sense and sentient understanding of citizens (and the social pain they feel) has been eroded by a culture in which citizens are customers or clients, and services are often perceived as a cost rather than an investment. There is an empathy deficit. Devolution can bring that empathy back.

Moving forward, it is vital that devolution prompts a rethink to the system and how we do things. And we must use the hard devolved power and resources alongside the soft power of the new mayors to unleash existing and new people based energy. We need wealth in all its forms to be better shared and distributed. Progressive change is not just about linear relationships with the powerful, it's mostly about networks and an economic democracy that includes us all. Social justice does not come from ivory towers, as it just gets shredded by elite interests. Nor does it just emanate from the formal structures of power. Rather, it is co-produced by many, in numerous settings. The role of the voluntary and community sector is central to a new social contract. Long seen as a bit part player, compared to public and private sectors, they should be owning this agenda, and they need to step up to the progressive cause. Of course, some of this is already happening and the cataloguing of action in CLES's work on good city economies shows what the sector can do. However, to accelerate this dramatically, there are challenges. For too long the sector has too easily slotted into some regressive centrally driven economic or public sector reform agendas. In this, inclusive growth, is seen as a great hope for the sector. However, whilst it may improve matters somewhat, it is still ultimately a traditional economic reform agenda that focuses on connecting people to growth rather meeting the challenge of genuine social justice and a re-wiring of the social contract.

The sector must not be a compliant neutral downstream service deliverers, they need to be value driven upstream actors. They must not speak with many voices, which founders on the voice of the most cautious. The future will mean that they need to be emboldened, passionate and forceful for elements of social justice and being clear about the sector's values. For instance, they should be leading the growing social value and social return agenda, moving us beyond the traditional idea of what constitutes success. Indeed, the work being undertaken by the Greater Manchester Social Value Network shows us some of the way.

Across the world, the building of a genuine progressive social contract is growing, alive and thriving. From Portland, Freiburg, Barcelona and to Jeonju in South Korea, I have seen what is happening and it can happen here. The work of CLES on building a good local society, community wealth building, anchor institutions is at the forefront of advancing action. Above all, it is about reconnecting economic activity with social progress and unleashing the empathic collective energy of the local state, citizens, the voluntary and community sector and businesses.

All cities have a cacophony of progressive activity, we now need to turn this into a symphony. That would then herald our devolution.

## PUTTING THE R IN 'DEVOLUTION'



Fay Selvan Chief Executive, Big Life Group

In some ways, devolution is similar to Brexit. Just because decisions are made at a local level, it does not mean we will always agree with them. With that in mind, some fundamental questions arise: will devolution improve our ability as a sector to influence the people in charge? Or even be jointly in charge? Will devolved bodies take radical decisions that will really make a difference to the 21% of people in the North West living in poverty?

Over the last two years, the voluntary, community and social enterprise sector has hosted numerous forums and events across Greater Manchester. We have established a Memorandum of Understanding with the GM Health & Social Care Partnership. And yet, much of the time, we still remain on the sidelines, shouting 'what about me'. If we are going to bring about real change, we have to become more influential and this will not be by begging to be in the team. Sometimes, we need to do some shouting from the outside.

Devolution is often pinned as the answer to all our woes – public sector austerity, economic stagnation and the growing north-south divide. The problem is; does devolution offer the sector or communities anything new?

Re-organising system architecture – new (e.g. Local Care Organisations) and larger (e.g. the Greater Manchester Mental Health Trust) public sector bodies are not going to revolutionise public services. While these organisations have some great people, it is the VCSE sector that has always been the driver for greater innovation and change. We do things differently. If devolution is to bring change, it cannot just turn to public bodies to deliver it. LCOs, while integrating services, have a costly commissioning model, which in turn, results in the VCSE sector at the bottom of the commissioning chain.

We need to address how services are commissioned in order to pave true partnerships between the public and VCSE sectors. Our sector needs to be

playing a leading role; currently it is not. There is a hierarchy of providers with public sector bodies and staff protected at all cost but VCSE services and staff treated as expendable. Why not protect all staff who deliver public services? Public bodies should be adopting asset based approaches, where they can learn a lot from the VCSE sector's experience of the value of community effort. We need to ensure that the 'new deal with communities' does not deteriorate into another reason to blame poor people for not taking the opportunities offered to them.

We need devolution to be a bit bolder. Some really revolutionary targets could be:

- To be the capital of social enterprise developing social enterprises to deliver public services, and requiring businesses who are delivering to invest in social outcomes. For instance, investing in Emerge, a waste/ recycling community business, would employ people who face barriers to employment and at the same time make things from our rubbish.
- To be the capital of economic equality setting a target to match the most equal societies in Europe (Norway's Gini coefficient of 0.25) and adopting the JRF and Manchester University's inclusive growth policies. For instance we could boost wages in the care sector by commissioning services that pay the real living wage and have minimum standards for care.
- To be the capital of environmentalism by becoming CO2 neutral by 2025. Using all our waste to create energy instead of landfill. To invest in retrofitting all our housing so that we create jobs and reduce fuel poverty.

It would be easy to self-limit ourselves. From the time I have spent in the public sector, I know how hard it is to change things; how often people tell you the reason why you cannot do something. We need devolution to be led by people and institutions that are curious enough and brave enough to find ways to do them here. Two years in, devolution looks far from revolution. It is not too late, but it is time to be critical, or else we will just end up with more of the same, and the same is not good enough.

### RESETTING THE RELATIONSHIP WITH THE VOLUNTARY SECTOR

Sean Anstee – Vice Chairman of Greater Manchester Combined Authority and Leader of Trafford Council

Our moment to shine as Greater Manchester will soon be upon us. On May 4th we will be electing the first ever mayor of our city region as we receive powers from Westminster over skills, employment, health and social care, business support amongst many others. This is a defining moment in the history of our city.

Greater Manchester has a long history of collaboration and co-design with the public, private and voluntary sector and this spirt is unmatched anywhere else in the country. We feel like one place with the interests of our population and businesses at the heart of ensuring nobody is held back and nobody left behind.

Over 2.7 million people choose to live in our varied and diverse communities and our population grew by 7.2 per cent between mid-2004 and mid-2014 – more than double the UK growth rate over the same period. Greater Manchester has the largest travel-towork area of any conurbation in the UK outside of London, with seven million people living within one hour's drive of the city centre.

Our economy is larger than Wales, the North East, West Yorkshire, and Merseyside and accounts for nearly 40 per cent of GVA in the North West. There are 1.15 million international visitors to Greater Manchester every year with top attractions including The Lowry, Manchester Art Gallery, the National Football Museum, as well as our National Trust parks and green spaces across the region.

Making the most of our opportunity means working together. At the recent voluntary, community and social enterprise sector hustings, the need to reset the relationship between the GM Combined Authority and the voluntary sector was laid clear. There is a clear desire to be involved in the formative stages of policy making. The sector has a unique ability to reach certain communities that the public sector can only dream of engaging with. That is a strength that needs to be harnessed.

In my manifesto, I have pledged a number of initiatives to help communities to support each other and at the same time support those who give their time and commitment to make the places that call home better. That includes a year of volunteering service which will help young adults to become work ready whilst simultaneously helping fellow citizens achieve better grades at school or support the homeless of the streets; devolution offers a chance to do things differently.

Over the last four years, I have worked across party and boundary to get us to this point today. As the Leader of Trafford Council, I have worked hard to do more to not just talk about the virtues of devolution, but actually deliver it. That has been achieved with other local authority leaders across the conurbation.

The mayoralty presents an opportunity to create a new start for the place we are proud to call home. I am from here, for here.

I want this sector to be at the heart of fundamentally changing how we support communities to ensure we have a profoundly positive impact on our population. Together, we can create a new, bold Greater Manchester – one that ensures this opportunity is made our own.

### EMPOWERING YOUNG PEOPLE TO 'TAKE CHARGE'



**Simone Spray** Chief Executive, 42nd Street

Much of the rhetoric surrounding devolution of health and social care in Greater Manchester takes the lines of 'Giving us the power to take charge of health, wealth and wellbeing in our communities.' The message is clear; to capitalise on the power shift from Westminster to Greater Manchester there must be a rethink of our relationship with public services in order to reduce demand.

However, communities will not miraculously 'take charge' overnight. The scale of the behaviour change required will mean building resilience for individuals and the wider community, i.e. both time and investment in early intervention and prevention. My concern is that this crucial investment in early intervention is being over-looked in many of the reform plans, overshadowed by a focus on redesigning local services' architecture. Instead, we must prioritise the empowerment of individuals, carers and communities.

When we have spoken to young people about the opportunities that come with devolution they have also raised concerns over the notion of 'taking charge'. For young people experiencing difficulties with their mental health, this could be interpreted as a request for them to rely upon themselves and their families and friends for as long as possible before seeking professional support. As emphasised by The Early Intervention Foundation, we need to break down this stigma and encourage them to seek immediate support before problems become more difficult to reverse.

In order to build resilience for our community and future generations, we need to be actively identifying those people who are at risk. We must provide them with timely and effective support so that they can understand their issues and learn to manage them before they escalate into something more serious. Early intervention of this kind is a moral and economic no-brainer; it requires relatively small investments to deal with root causes, rather than the much greater costs of dealing with the after-effects. It is no surprise that many voluntary, community, and social enterprise sector (VCSE) organisations are perfectly positioned to deliver these services, many of which are doing an incredible job already. We need to ensure that they are fully integrated into the system wide solutions in order for the sector to reach its full potential.

These ideas have started to develop across the partners involved with the transformation of Child and Adolescent Mental Health Services in Salford and Manchester. The Clinical Commissioning Groups, councils, education, social care and VCSE sector have been co-creating an early intervention/ deescalation pilot that fully embraces the value of early intervention and the role of the VCSEs. The project will be managed by 42nd Street and will locate 'Thrive Practitioners' in key education and social care settings where we know young people often present with a combination of interwoven social and mental health issues.

There are many strengths to this work; the genuine co-creation, the respect and trust demonstrated across organisations and across sectors; the courage to try a new approach; the honesty about what is not working; the vision to see what could work. Perhaps most refreshing is that the partnership is working beyond organisational boundaries and is genuinely putting the real lived experiences of young people at the centre. There is recognition that young people's complex lives cannot always be addressed with purely clinical interventions and that when their needs are not met within the current threshold driven system this can actually trigger a worsening of their condition.

This is real cross sector investment in early intervention; a genuine attempt to prevent escalation, to shift demand away from acute care and to build the personal agency that young people need to really "take charge and take responsibility". Bring it on!

### DAMAGING LOCAL FUNDING SHIFTS RISK UNDERMINING DEVOLUTION



Garth Hodgkinson Chief Executive, Community CVS

The principle of devolution, devolving power and resources to allow locally elected representatives to make decisions at the local or sub regional level rather than in Whitehall, is something that, as citizens and local stakeholders, we should all encourage and support.

It could lead to greater local decision making for the communities that we serve, by people who have a better understanding of those communities and will strengthen local accountability for the decisions that are taken. It will bring renewed life to local democracy and for the voluntary, community and faith sector, which traditionally has very strong ties with local authority partners. Widening those ties can only be a good thing.

The practice of how the national Government is implementing devolution is a peculiarly English affair. From afar, it seems to be a very prescriptive and centralised way of devolving power and responsibilities. Without understanding the intricacies of the negotiations it looks like a simple trade off: a) local authorities within the sub region have to accept mayoral elections or other significant reform; they have to pool decision making on certain matters within a combined authority; and they have to agree to work together for the common good; b) in return, the local area has a menu of choices over what powers or budgets they would like devolved - which the national Government may grant if they choose to do so. These budgets and powers may grow over time as the combined authority beds in and matures. It is a centrally controlled approach of delegation – which local stakeholders need to be aware of and 'buy into'.

There is one significant note of caution – which cannot be understated. At the same time as devolving powers and budgets to combined authorities, the national Government is radically changing its approach to funding local authorities, schools, and other public services and appears to be systematically eroding the principle of redistribution. It is doing this under the illusion of devolution and giving local authorities more control. This is something that should worry any citizen or voluntary, community and faith sector organisation across the country. By abandoning redistribution, the Government is failing to be a counter balance to society's inequalities (which I believe is one of its crucial roles), and indeed appears to be actively encouraging and supporting the growth of those inequalities. Any citizen, and any charity, social enterprise, community group or faith group that is established to support the most vulnerable and marginalised within our communities should be concerned. It is certainly of concern to Community CVS in Blackburn.

It is something that we should be aware of and that we should be holding the national government to account. As important stakeholders within a participatory democracy we have a duty and responsibility to voice our concerns and those of people and communities who cannot be heard. It is part of the British values that we all support.

Within Lancashire, it is interesting to note that the two local district authorities that have publicly pulled out of the combined authority proposals are from relatively affluent areas that are not, to the same degree, experiencing some of the pain that other areas are. It makes you wonder whether the principle of devolution, the principle of redistribution and the principle of everyone within a community working together for the common good are values that have been or are slowly being eroded from our society and whether citizens and organisations that still believe in those principles should stand up and fight for what they believe to be right.

### **RURAL DEVOLUTION – WHAT FREEDOMS** DO WE NEED TO MAKE IT WORK?

Carolyn Otley Third Sector Network Coordinator, Cumbria CVS

There are many reasons that devolution should appeal to a rural area like Cumbria, remote in many senses from decisions made in London. Westminster's policies often seem to be designed purely with large cities in mind, and provide a very poor fit with the realities of life in a sparsely populated area. Making decisions more locally should lead to better services.

Health services provide a good illustration. National policy, from both government and the Royal Colleges, shows an increasing preference for treatment in centralised, specialist centres. Treatment by highly specialised staff can certainly improve clinical outcomes - but patients do not always see this as a benefit that is large enough to justify a greatly increased travel distance.

It makes little sense to suggest to a rural community whose A&E department or maternity unit is threatened with closure that they will see benefits from an extra hour's travelling to reach their new 'local' unit, as they take a wider range of factors into consideration. Travel to access services causes both practical and financial difficulties, felt most acutely by those who are already disadvantaged, and passes risk from the NHS onto local residents. Unfortunately, it seems equally difficult to communicate this view, and the entirely logical reasons behind it, to London-based policy makers used to living in a large city, at least until they eventually visit Cumbria. In the words of the Royal College of Obstetricians and Gynaecologists, "It is difficult to appreciate just how difficult the road structure is without personal experience."

So why did Cumbria fail to agree a devolution deal with national government? The requirement for a directly elected mayor was certainly a sticking point. But another significant factor is that many of the national barriers preventing Cumbria delivering more locally appropriate public services would not have been altered by a devolution deal. These include a lack of recognition that it can cost more

to deliver services across a rural area, years of underinvestment in Cumbria's infrastructure and economy, and regulatory requirements that assume services are better delivered from fewer, more specialised centres. The devolution deal on offer perhaps felt more like a devolution of responsibility than a true devolution of power.

But despite the lack of a formal devolution deal with national government, Cumbria has some great examples of communities developing services that meet local needs, often against all the odds. These have been achieved by close partnership working between communities, elected politicians, and local public sector staff.

Alston is an isolated market town high in the Pennines, frequently cut off from other communities due to snow or other bad weather. Facing the loss of a locally-based ambulance, it patiently negotiated its way through bureaucracy and legislation to develop a unique model, where community volunteers, properly trained, now crew an ambulance.

Millom, on the West coast of Cumbria, faced the closure of its Community Hospital – but following protest marches and angry public meetings, the community found a way to work with Cumbria Partnership Trust and develop new ways of operating. A wider range of health services are now provided in the town, reducing the need to travel, and a video featuring local school children helped recruit GPs to the area, making the local health services sustainable.

These types of news stories have done little to change national policy, or make it more straightforward to design and provide good rural services. Centralised services are still promoted, despite the fact this further disadvantages those on low incomes, with disabilities, or with caring responsibilities - and so risks deepening existing health inequalities. If devolution is to work for rural areas, there is a need to address these wider issues, and devolve a wider range of powers to local areas. People need to believe that their local public services are accountable to the local community, not to distant regulators and national politicians.

### ASK NOT WHAT IS BEING OFFERED BUT WHAT DEVOLVED POWER MUST ACHIEVE, AND FOR WHOM



Kathy Evans Chief Executive, Children England

Devolution has become an even more complex, potent and challenged concept since Britain voted for Brexit, not only for the ambitions for real devolution within England, but in the unravelling of what the longer-standing devolved arrangements really mean for the nations of Scotland, Wales and Northern Ireland.

As more and more economic regeneration deals for 'city regions' and combined authorities are being negotiated in England and Wales, and as more regional elected mayoralties beckon, many passionate people within the voluntary and community sector stand ready to bring their energy to embrace their new structures and representatives. Many, if not most that I speak to, also fear that their local and regional 'deals' offer too little room for significant change from 'business as usual' for the people, communities and regions who have been paying the highest and most crippling price for Whitehall's austerity policies.

One of the groups of people in society for whom all devolution deals are most poorly constructed are children and young people. The removal of vast swathes of schools to Whitehall control, as academies and free schools, leaves the most central and universal of all children's services and community assets beyond the powers and control of any new combined authority. This must be vigorously challenged (especially as more and more academies are now becoming financially unviable) as must Whitehall's steep nationwide disinvestment in the local bill for looking after children in care.

I believe the voluntary sector, locally and nationally, must be at the forefront of saying that the litmus test of any society – and any devolved power - will be whether it can create cities and regions fit for every child and young person, fit for them to grow up healthy, happy, with a sense of pride and belonging, decent job prospects and chances of finding and sustaining a stable home.

This idea of a child-centred litmus test for devolution was powerfully expressed by Simon Cottingham, The Children's Society's leader in the West Midlands, in an article for Children England published in January 2016. He laid a profound challenge at the voluntary sector's door, to confront what he called the 'ideological quietism' that too many in the voluntary sector have had to adopt in the 'marketplace' of being mere service providers, delivering contracts. He asked :

"If we look at a child who is being abused, or exploited, or who is witnessing domestic violence or who has mental ill health do we end up tacitly accepting the view that the way to help them is to manage them out of their problems? Does the fact that local people might be in charge of local decisions make us feel any more confident that these children will be helped?"

Our belief at Children England is that a society that has children at heart is a better society for everyone. Making child-centredness the litmus test for devolution is not about pitching one need against another, one funding crisis against another funding priority. We are not only concerned for the children's services and finances left out by national funding and devolution settlements. No community or society that wants greater control over shaping its own future can do so if it lacks the ability to radically change the conditions for children, especially the most vulnerable.

### THE VOLUNTARY SECTOR CAN GIVE COMMUNITIES A VOICE IN DEVOLUTION



**Jim McMahon** – Shadow Minister for Local Government and Devolution, Labour & Cooperative MP for Oldham West and Royton

It was a pleasure to address VSNW's annual conference in December last year. In thirteen years as a councillor, and over a year as an MP, I have seen firsthand the difference that can be made by local people coming together to make their area a better place. The voluntary and community sector plays a vital role in making that happen.

I have also heard firsthand, in Brexit and Donald Trump, the sense that many ordinary people consider established politics to be an elite, distant and disempowering affair to which they cannot relate. People want and need a stake and a say in the way their society is organised. Too many people feel that they lack that voice. We need to address, not dismiss, this profound and prevailing sense of democratic deficit. Our centralist settlement currently leaves people feeling powerless. The voluntary sector, properly supported and mobilised, can help to fill that gap.

For devolution to be meaningful, it can't just mean power passed down from Whitehall to the Town Hall: it needs to be passed down further still to communities themselves. Those communities can better exercise that power if they are well organised. The voluntary sector organises communities on the ground better than anyone else. The sector is therefore right to look to harness devolution to give communities more of a say in the decisions affecting them and their families. It needs to be insistent in its demands to help shape devolution deals as they are struck and then unfold.

We all want to tackle poverty and reduce inequality. The best way to do that is to support more people into decent work. But a national, one-size-fits-all approach has failed. Devolution offers the best hope of a skills and employment offer that is tailored to the local job market, with growing evidence that such an approach delivers results. In Oldham, the council has stepped in to fill the gap created by national providers, supporting people into work. The council don't receive any central government funding for this, but it is committed to helping people avoid slipping through the net. In just two years, over 3,000 people have been helped into work and a genuine partnership, Get Oldham Working, has been created with businesses, community organisations and the public services working together.

Much of the discussion of devolution to date has been economistic in character - a failing of our current politics in general. The voluntary sector is well placed to highlight the social dimension of devolution, deploying as it can the testimony of community members' lived experience. People need to hear the stories and understand the relationships that matter, rather than forever merely looking at the graphs.

We rightly hear a lot about the pressing challenge of economic inequality in the world around us today. But the challenge posed by democratic inequality is no less stark. People do need money in their pockets, but they also need influence over the environments in which they lead their lives. A cooperative approach to devolution, supporting the voluntary sector, offers the opportunity to level the playing field of our democracy.

We need to agree a compelling new settlement and give a greater voice to the people we came into politics to represent. And so, with any discussion on devolution, we must be open to new partnerships and, rather than see it simply as a transfer of responsibilities, we ought to see it as an opportunity to redefine how we govern, how we grow our economies and how we deliver the best possible public services. Devolution ought to mean politics done with people, not just for them. And that means we need the voluntary sector and the communities it helps organize empower together with us in the driving seat.

### VSNW's recent devolution publications



Devolution and beyond 2017



VSNWG Developing Devolution

with our communities 2016



Devolution, Our Devolution 2016



 munity sector's role in local economies and the life of local places

 VSNW

Thriving places 2016

### VSNW's local devolution activity

- Greater Manchester VCSE Devolution Reference Group
- VS6 Working to build a stronger Liverpool City Region
- EU Funding and Brexit Briefing for Liverpool City Region
- The Future Role of the VCS in the Cheshire and Warrington LEP

**VSNW** is the regional voluntary sector network for the North West. Our purpose is to support a connected and influential voluntary, community and social enterprise sector (VCSE).

Besides working for a well-represented sector, our main areas of work include co-ordinating VCSE health and social care networking and policy and developing a progressive and socially just vision of the role the VCSE can play in inclusive local economies

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