

Placecast Episode 24 – Transcript

00:00:05 Nicola Headlam

Welcome to Placecast, the podcast about knowledge mobilisation, devolution and place-based policy leadership.

00:00:12 Nicola Headlam

I am Nicola Headlam. Normally, this is a one-to-one conversation with a guest, but today is a bit different. It's a three-way special.

00:00:19 Nicola Headlam

I'm joined by two people whose work and indeed person I lean on constantly.

00:00:25 Nicola Headlam

Rebecca Riley is Deputy Pro Vice Chancellor for Regional Engagement and the Director of City REDI at the University of Birmingham, previously head of research at the North West Regional Development Agency, among other interesting gigs, including in the private sector.

00:00:38 Nicola Headlam

And Sarah Longlands is the chief executive of the Centre for Local Economic Strategies, previously director of IPPR North.

00:00:49 Nicola Headlam

Good morning.

00:00:50 Rebecca Riley

Good morning.

00:00:51 Sarah Longlands

Morning, yeah.

00:00:52 Nicola Headlam

So we're recording this just over a month into Andy Burnham's premiership, the first mayor to walk straight into No. 10.

00:01:01 Nicola Headlam

And the questions we want to dig in today are about Manchesterism, what happens when the instincts, the language and the political muscle of city regional leadership gets transplanted to the centre of national government.

00:01:12 Nicola Headlam

Where are you on this sunny morning?

00:01:14 Sarah Longlands

I've got kind of personal experience of the shift in devolution, if you like, the rewiring of the state in that I had the chance yesterday to go and visit No. 10 in the north.

00:01:24 Sarah Longlands

So in Manchester, on a very purely practical basis, it was really refreshing to be able to just take a 15 minute stroll across Manchester from our offices and rock up at No. 10, so to speak.

00:01:38 Sarah Longlands

There's something I think interesting symbolically and psychologically about bringing one of the most powerful offices in the land to another city.

00:01:48 Sarah Longlands

And you can already tell from that area of Manchester, you've obviously got more of a security presence, but I am very certain that the restaurants, the cafes, the shops in that area are already kind of seeing some of the benefits of having lots of extra civil servants wandering around the street.

00:02:06 Sarah Longlands

So there's something I think psychological and symbolic about bringing that most powerful office in the land into another part of the UK, into Britain's second city, maybe? Bec?

00:02:18 Nicola Headlam

Calm down, calm down.

00:02:20 Nicola Headlam

I mean, they want to get the town hall open, don't they, to really make that area... Obviously, that's been a long going project.

00:02:25 Nicola Headlam

For those of you who are not Manchester based, the No. 10 North area is kind of around the back of the Bridgewater designed historic town hall in Manchester, which has been closed for five years with lots of work going on.

00:02:37 Nicola Headlam

So once they've kind of got that whole area regenerated, it's going to be absolutely fantastic.

00:02:41 Nicola Headlam

Where are you this morning, Professor Riley?

00:02:44 Rebecca Riley

Physically, I'm actually in Manchester, so

00:02:46 Rebecca Riley

And I was thinking before, of the three of us, I'm the Manc, which is quite interesting, isn't it?

00:02:51 Rebecca Riley

And I suppose from my point of view, what's interesting is, because we've been doing so much work over such a long time, my entire career has been around devolution and putting sort of decision making at the local level and all my research is aligned to that.

00:03:06 Rebecca Riley

And particularly in the last 10 years at City REDI, the great thing about it is to see the work that you've been plugging on about and thinking about and demonstrating

00:03:17 Rebecca Riley

all of a sudden has a grip and it does feel, as Sarah said, I think there is a big step change and certainly my inbox is getting very full of people wanting to know about our research and across a whole range of areas as well.

00:03:32 Rebecca Riley

And I think one of sort of my reflections and I think, as you said, before I was in the Regional Development Agency and you get used to all of that. That was a way of working, wasn't it?

00:03:42 Rebecca Riley

There was large budgets, you had the opportunity to make a real difference.

00:03:47 Rebecca Riley

And then everything changed more or less overnight.

00:03:50 Rebecca Riley

And I went into the private sector and then came back to University of Birmingham to set City REDl up.

00:03:55 Rebecca Riley

And one of the things that I realised coming back into the public policy world was even though it'd only been a relatively short period of time, you know, five, six years, the skills and capacity and knowledge of local places had sort of not vanished, but dissipated.

00:04:12 Rebecca Riley

It's like the people that did do that weren't doing it anymore.

00:04:16 Rebecca Riley

So it does feel like, I mean, there's sort of been an incremental drip, I would say, devolution and mayors, etc.

00:04:26 Rebecca Riley

But it does now feel like, after the massive rain in Manchester yesterday, the floodgates have opened a bit.

00:04:33 Rebecca Riley

And actually, it's almost joyful to see, from my point of view, is this new way of thinking and really thinking about place beyond Whitehall.

00:04:38 Rebecca Riley

My only concern really, and this is where the work on the LPIP hub comes in, is we still a little bit England obsessed with all of this.

00:04:47 Rebecca Riley

And I know there is already devolution in the countries of the UK and actually England's lagged, but there's so much learning from those models and we don't seem to be, you know, linking that in as much as we should.

00:05:01 Rebecca Riley

And until I was doing the LPIP, I suppose, you know, and this is being English and being a Manc or whatever, working in Birmingham, etc., you don't actually realise how much

00:05:10 Rebecca Riley

Whitehall policy is England centric until you start to look at those devolved areas.

00:05:16 Rebecca Riley

So I think we've now got to lose the experience and learning from those areas as we move to the cities in England.

00:05:25 Nicola Headlam

Sarah, you've always reminded me very strongly that things are different in Northern Ireland when as a policy it is quite different, isn't it, to England.

00:05:33 Sarah Longlands

Yeah, it is different.

00:05:34 Sarah Longlands

And I mean, there's a sort of a whole sort of history, culture, context that's different.

00:05:40 Sarah Longlands

But the way in which policy happens and is implemented is very different as well.

00:05:44 Sarah Longlands

I mean, even just looking at things like Pride in Place, which a lot of listeners will be familiar with, that has not been implemented in any way, shape or form in Northern Ireland the way it is in the rest, in England particularly.

00:05:55 Sarah Longlands

There's no neighbourhood boards. It's all been funnelled through one big growth pot.

00:05:59 Sarah Longlands

So it's just a small example. Bec's right as well, I think a lot of people looking at devolution now with perhaps fresh eyes will be thinking, well, what can you do differently with devolution?

00:06:11 Sarah Longlands

What are the measures of success of devolution?

00:06:13 Sarah Longlands

And perhaps forgetting - maybe they'll be saying, "oh, let's look at what happened in Manchester, let's look at the West Midlands."

00:06:19 Sarah Longlands

And they'll be forgetting the fact that we've had devolution in Scotland, Wales, Northern Ireland for the best part of 20 years.

00:06:25 Sarah Longlands

So let's take a look at what's happened there and what we can learn from it.

00:06:29 Sarah Longlands

And I think the interesting thing about Scotland, Wales and Northern Ireland is that

00:06:34 Sarah Longlands

probably some of the residents and policy makers at a more local level would be critical of devolution for some of the same reasons that were critical of Westminster in England, because I think they would say, well, it's too centralised to Belfast or Cardiff or Edinburgh.

00:06:48 Sarah Longlands

So, you know, I think that there's definitely things that we can learn.

00:06:51 Sarah Longlands

There's research that's being done.

00:06:53 Sarah Longlands

There's policy that's been written which speaks to the impacts of devolution.

00:06:58 Sarah Longlands

And there's also, of course, lots of experience in how to diverge, if you like, from a Westminster approach.

00:07:04 Sarah Longlands

So yeah, I totally agree with that, Bec.

00:07:14 Nicola Headlam

I was involved in Parliament and Constitution Library when we did, when the first round of devolution happened in the Blair administration, the sort of Ed Cox, Hazel Blears era.

00:07:22 Nicola Headlam

And I remember asking in a select committee, where is the feedback loop out from the regions back into the policy making centre?

00:07:30 Nicola Headlam

What if there are things being done better in the countries of the UK to complete lack of kind of interest really?

00:07:37 Nicola Headlam

And certainly one thing that we've noticed in LPIP as it's gone along is that certainly Wales as a far more mature polity, so the Cardiff-based Welsh devolution settlement seems to have bedded in kind of effectively and policy making in Wales is a tighter and closer fit

00:07:55 Nicola Headlam

For people to kind of engage in those circuits conveniently.

00:07:58 Nicola Headlam

And I think, as you've already said, Sarah, it's a really good point.

00:08:01 Nicola Headlam

You hear constantly, so for example, from Des, the chair of the LPIP board, that the city regions feel a little bit straitjacketed by the Scottish devolution context.

00:08:12 Nicola Headlam

Everybody knows the greatest Strathclyde example has a 40-year institutional history and context.

00:08:18 Nicola Headlam

And they have, I think, lacked a bit of focus under the Edinburgh-based devolution of the last 20 years.

00:08:24 Nicola Headlam

It's just interesting that building in learning loops is not something that we've been particularly good at, even when we've devolved to the nations of the UK.

00:08:32 Rebecca Riley

I mean, I think one of the things in terms of the LPIP work as well, because we've been doing quite a lot around capacity, it's a point of our strap line is capacity, capability and confidence.

00:08:43 Rebecca Riley

And I think one of the things that strikes me is, you know, picking up what Sarah's just said about the Wales example, is longevity and consistency.

00:08:52 Rebecca Riley

I mean, the reality is, you can't please everybody and there's always going to be people who moan about whatever structure is put in place.

00:08:58 Rebecca Riley

Can't do anything about that.

00:08:59 Rebecca Riley

But what you can do is create infrastructure that creates longevity so that learning happens and you've got consistency or innovation because the other problem is it's very difficult to innovate.

00:09:13 Rebecca Riley

When you just go in through constant loops of reorganisation and restructuring, which is a big feature.

00:09:19 Rebecca Riley

But I think the capacity issue is a real problem and we're seeing it now as there's greater devolution, you're fighting over.

00:09:29 Rebecca Riley

staff in a very shallow pool, particularly at senior level, because people haven't done it for a long time.

00:09:36 Rebecca Riley

So they've not built up that knowledge and experience to then become a senior leader to be able to design programs, etc.

00:09:44 Rebecca Riley

Local authorities haven't had an economic development remit for a very long time.

00:09:49 Rebecca Riley

So there is a real gap that we need to fill somehow.

00:09:54 Rebecca Riley

And I think this is where the devolved nations

00:09:57 Rebecca Riley

they've got that consistency.

00:09:59 Rebecca Riley

You could argue maybe they've not pushed as much on the innovation side, but even that, if you think of what Wales is doing, if you think of what Scotland's doing, if you think of what Northern Ireland's managed to do without a government in place for a number of years, there's real innovation and collaborative working there.

00:10:16 Rebecca Riley

I think that's one of the big hills we're going to be climbing up now is how do we build that capacity?

00:10:22 Rebecca Riley

And also a lot of the work that we've been doing is particularly around business cases and so on has showed the over reliance on consultancies.

00:10:32 Rebecca Riley

And the trouble is with that is that you should use consultancies appropriately, but actually if you're using them all the time, you're not embedding those skills in your organisation.

00:10:41 Rebecca Riley

You're always subcontracting it out.

00:10:44 Rebecca Riley

Which means you get into that same problem that you're not enhancing the skills and capacity of your staff. So there is a real issue now, I think.

00:10:53 Rebecca Riley

And if we, coming back to the Manchesterism point, there are parallels in Manchester with what's happened in the devolved nations because there's been consistency and people think it's an overnight miracle.

00:11:06 Rebecca Riley

And the reality is it's 40, 50 years of Manchester working in a certain way.

00:11:12 Rebecca Riley

And I don't think I realised that until I've worked in different cities, different places, different structures where actually that collaborative doing it for the good of Manchester over, you know, subsumes everything else.

00:11:26 Sarah Longlands

There's a kind of culture and mindset there that I think is different.

00:11:29 Sarah Longlands

And you just made me think that there was a moment a few years back where I realised that Manchester's the outlier.

00:11:34 Sarah Longlands

It's not the model.

00:11:35 Sarah Longlands

You know, it's difficult just simply to think you put in place policy to replicate that because it is about mindset and culture and ways of working, which, and also I think political consistency, which like it or lump it has definitely been a part of how they've managed to get to where they are now, you know.

00:11:52 Rebecca Riley

I mean, that's one of the problems with the West Midlands.

00:11:54 Rebecca Riley

It's not the people in these structures really, it's the political inconsistency.

00:11:59 Rebecca Riley

And we've seen in the last local elections, you know, there was an interesting conversation that I got involved in with sort of central Whitehall civil servants.

00:12:08 Rebecca Riley

And I'm not quite sure that they realise the way that local government works in terms of signing things off.

00:12:16 Rebecca Riley

They didn't quite get that if you've designed a plan, all your local authorities have signed it off, there is legitimate political decision making there.

00:12:25 Rebecca Riley

Central government can't come along and change it without going through that whole process again.

00:12:30 Rebecca Riley

When you've got cities and city regions that have the sort of mix that Birmingham has, which is more or less, you know, straight down the middle. A Mayor can win his seat or her seat on a few hundred votes.

00:12:45 Rebecca Riley

It makes it a much more difficult process for anybody that gets in that post really, because the bringing people together is a much more fragile structure.

00:12:56 Nicola Headlam

I think that's right and I think certainly, all of us in different ways have sort of had nibbles of what is the 'secret sauce' of Manchesterism over the years.

00:13:06 Nicola Headlam

I certainly did. My doctoral thesis is the pre-mayoral structures and how convoluted they were.

00:13:12 Nicola Headlam

And again, that piece of work I always return

00:13:15 Nicola Headlam

And again, it is an oft forgotten element of the current subnational framework.

00:13:21 Nicola Headlam

Manchester was in no way enthusiastic about mayors.

00:13:24 Nicola Headlam

It's very important to remember.

00:13:26 Nicola Headlam

Manchester had a very specific model of leadership, which was embodied in a small number of people working within that local kind of quangocracy, which Manchester always kept at kind of heart.

00:13:37 Nicola Headlam

We know those people by name.

00:13:40 Nicola Headlam

And there was a sense that Manchester didn't want this mayoral innovation at all, tried to push back very hard.

00:13:46 Nicola Headlam

Something that I always return to is the Kevin Orr paper, if mayors are the answer, what was the question?

00:13:52 Nicola Headlam

And I'm, despite obviously an enthusiast for sub-national devolution of all stripes, I'm not actually that crazy about executive models with a person at the middle.

00:14:04 Nicola Headlam

I understand that the mandate is helpful in terms of the things that Bec's describing.

00:14:04 Nicola Headlam

Taking an economic strategy or a spatial plan, God forbid, through 10 local government bodies is a hard old grind and having the mayor with some mandated executive authority at the centre of a 10 borough solution, which is the Manchester's unique political geography, is helpful.

00:14:23 Nicola Headlam

Can you maybe reflect a little bit on why mayors have become the SPOCs (Single Point Of Contact) over and sort of embedded themselves as they have?

00:14:31 Sarah Longlands

I was really interested in Bec's point there about, you know, the ability of Whitehall to come in and override, I suppose, or the difficulty in trying to get political consensus, because I think one of the things that's really overlooked about devolution from my point of view is that it should be understood as a evolution and innovation in the form of democracy, not just something that we're used to Hoover in private sector investment.

00:14:55 Sarah Longlands

And I think that bit is always overlooked in favour of let's get a load of jobs, let's get a load of private sector investment.

00:15:02 Sarah Longlands

And I think this next chapter of devolution, that's what we need to really focus on.

00:15:06 Sarah Longlands

And on your point about mayors, I share the ambivalence about the mayoral model.

00:15:11 Sarah Longlands

We've been writing about this for a long time, you know, I remember I was writing about it when New Labour brought in directly elected mayors.

00:15:17 Sarah Longlands

Do you remember that?

00:15:18 Sarah Longlands

You know, we've still got a lot of those, you know, which is kind of like bonkers. And I do worry that the mayoral model, because it isn't just one person, it tends to be one man, who is given the responsibility.

00:15:31 Sarah Longlands

I think there is something interesting the way that Andy Burnham talked about it when he was a mayor.

00:15:35 Sarah Longlands

He talked about it more as a referee.

00:15:37 Sarah Longlands

He's always given football analogies, isn't he?

00:15:39 Sarah Longlands

So he talked about, you know, the team of Manchester, he's the referee, team of 11.

00:15:42 Sarah Longlands

So I think there is something interesting about thinking about it in that way.

00:15:46 Sarah Longlands

So this isn't someone who's wielding power like a king or a queen.

00:15:50 Sarah Longlands

It's someone who's there as a bit of a fixer to bring things together to build consensus, to reinforce partnerships and to kind of collect the sense of direction rather than a dictator model.

00:16:02 Sarah Longlands

But I think the problem is that it's also quite vulnerable to populism, which is obviously a big growing trend at the minute.

00:16:06 Sarah Longlands

So I think there are real challenges with that.

00:16:11 Sarah Longlands

But you know what? We're down that road.

00:16:13 Sarah Longlands

So I think the focus now has to be on how do we make it work as effectively as possible and how do we make it work as a democratic system?

00:16:20 Sarah Longlands

Because when it comes to stuff like planning, the central government already override local decision making and we've seen that on the debacle around warehouses in areas like Wigan.

00:16:28 Sarah Longlands

We're seeing it now in the debate on it in Scotland.

00:16:31 Sarah Longlands

Like we've got to reconcile some of that because if people don't perceive mayoral devolution as democratic, they're not going to vote for it.

00:16:38 Sarah Longlands

I mean, voting turnout is already fairly pitiful.

00:16:41 Nicola Headlam

Well, quite.

00:16:42 Nicola Headlam

So the Bev Craig era in Manchester, which has begun obviously, has begun on a 25% turnout, isn't it?

00:16:48 Nicola Headlam

The thing is though, that's not uncommon though.

00:16:49 Sarah Longlands

No, exactly, exactly.

00:16:51 Rebecca Riley

You can't say, oh, they've not done particularly well because it's the same everywhere, isn't it?

00:16:57 Rebecca Riley

And I think that's the awful thing.

00:16:59 Sarah Longlands

Yeah.

00:16:59 Sarah Longlands

We've done a bit of work in some of the regions looking at how do you start, the mayoral model is also really dependent on the representative model.

00:17:06 Rebecca Riley

Yeah.

00:17:07 Sarah Longlands

What are the ideas that mayors now have around participation?

00:17:10 Sarah Longlands

And I know there's a bit of work being done on that in GM (Greater Manchester), but we've done some work on that in Yorkshire too.

00:17:14 Sarah Longlands

And it does feel like it is some way to go in terms of convincing combined or strategic authorities that that's important.

00:17:21 Sarah Longlands

By the way, just on my soapbox, combined authority, I'd much prefer combined authorities to strategic authorities.

00:17:27 Sarah Longlands

Combined authorities are about bringing people together.

00:17:29 Sarah Longlands

It's the combined heft of the local authorities and the other organisations in a place and coming to a consensus.

00:17:35 Sarah Longlands

Strategic authorities, like implies that local authorities are not strategic.

00:17:38 Sarah Longlands

So it's, yeah, just a little.

00:17:41 Rebecca Riley

I mean, I think that as well is another good example of central government changing the name of something without any discussion and also no communication of local government are so confusing anyway, what are all these things?

00:17:55 Rebecca Riley

And I know we're moving towards trying to iron that out, but you transition that way of working into the new models, don't you, unless you really, really change them.

00:18:04 Rebecca Riley

And I feel like we end up in this world of where we just change the name of things and hope that they'll change.

00:18:10 Rebecca Riley

I mean, I suppose on one level, actually, that was what Manchester has been good at, is whatever was dictated and came down from the centre, they did just change the name

00:18:21 Rebecca Riley

on the thing and they kept with their collaborative combined model, whereas other places sort of they constantly shunting to whatever government tells them to the letter.

00:18:32 Rebecca Riley

And I think if whatever the model is at the local, it's got to be strong enough to have that, like in our three Cs, have the confidence to push back, which is what Manchester's done.

00:18:44 Rebecca Riley

One of the issues for me in terms of that mayoral model and where does it come from and

00:18:48 Rebecca Riley

I'm thinking way back in the midst of my career, the discussions that were had.

00:18:53 Rebecca Riley

There was very much a look into the US and it was actually about having leaders who were visible, who were accessible and who represented the place.

00:19:04 Rebecca Riley

And I think that model is what persists in central government rather than the democratic accountability model that you've just described, Sarah, because if you think of the Starmer government,

00:19:16 Rebecca Riley

All the mayors were sucked into this going round the world promoting cities.

00:19:21 Rebecca Riley

I'm not saying that they shouldn't be doing it, but actually who's doing the on the ground stuff?

00:19:26 Rebecca Riley

Who's looking after the place?

00:19:28 Rebecca Riley

I don't think central government has quite decided what it actually wants out of a mayor.

00:19:34 Rebecca Riley

There isn't a consistent sort of job description. They don't all do the same things, and to some extent, there isn't even the same powers.

00:19:42 Rebecca Riley

We don't have the same powers. And one of the things when I first came to Birmingham as I did a comparison piece, just for my own knowledge more than anything else, between Birmingham and Manchester and the mayoral model that was coming in.

00:19:55 Rebecca Riley

Going back to that political stability piece, because there was more political stability in Manchester, there were more powers given to the mayor.

00:20:04 Rebecca Riley

Because the risks were low.

00:20:06 Rebecca Riley

In Birmingham, substantially less powers were given to the mayor.

00:20:10 Rebecca Riley

So that when central government looks at these job titles, they think they're the same thing, but they're not.

00:20:15 Nicola Headlam

Well, worse than that, you know, a David Skaith, very new, working on the York and North Yorkshire footprint.

00:20:23 Nicola Headlam

There's been nothing at that footprint.

00:20:24 Nicola Headlam

And of course, it's not that there's been nothing there, but someone like David Skaith, who just does simply not have equivalent powers to a Bev Craig or the West Yorkshire model, there's a lot of difference.

00:20:37 Nicola Headlam

And this is a real key point for all this: A lot of civil servants have cherished the Manchester model because it seemed to be demonstrably doing things.

00:20:47 Nicola Headlam

So Sarah's already alluded to some work that CLES had been doing about essentially property-led regeneration in Manchester.

00:20:54 Nicola Headlam

There's been lots of problems with that kind of way of working.

00:20:57 Nicola Headlam

If you'd just like to say something about that, Sarah.

00:20:59 Sarah Longlands

I mean, I think anybody who's ever been to Manchester in the last 5, 10 years, the city is transformed.

00:21:05 Sarah Longlands

And of course, a lot of people would say, well, that's really positive and it looks really great etc, etc.

00:21:09 Sarah Longlands

There are real challenges there in terms of that.

00:21:11 Sarah Longlands

Property driven model has been, it's not just a new thing.

00:21:14 Sarah Longlands

That has been a defining feature of the way in which urban policy has operated in the UK for the last at least 10, 15 years.

00:21:24 Sarah Longlands

There was a deliberate attempt to centralise, to densify cities

00:21:29 Sarah Longlands

often called a agglomeration, if you like.

00:21:31 Sarah Longlands

And it was really the basis of the Northern Powerhouse idea as well.

00:21:34 Sarah Longlands

So work in Manchester, so you see it every day, but this is not just something that happens in Manchester.

00:21:39 Sarah Longlands

And so you've seen this influx of developer capital quite often from overseas into cities like Manchester.

00:21:46 Sarah Longlands

And I think there are, and also in Manchester, the phenomenon of a huge number buy-to-rent properties owned by pension companies, by offshore tax havens, all sorts of things.

00:21:58 Sarah Longlands

And you have to ask, there is an important question you have to ask here about who benefits from all of this?

00:22:03 Sarah Longlands

The theory is that this money comes in and then the benefits trickle down and trickle out to the neighbouring boroughs and places like Greater Manchester.

00:22:11 Sarah Longlands

But I'm not convinced that is happening.

00:22:09 Sarah Longlands

And if it does happen, it doesn't happen nearly fast enough.

00:22:16 Sarah Longlands

And when you look at the levels of deprivation and poverty, we're not seeing any significant movement in those figures, despite the doubling of GDP that we've seen in Greater Manchester in the last 10 years.

00:22:28 Sarah Longlands

So the piece that we've written is really about reminding people of the fact that model has been a deliberate part of UK policy and now we've got to ask questions about who benefits from it, who owns the wealth that is created? And isn't there not a better way of thinking about property which would ensure that some of those benefits are reinvested in place through what we would call a community wealth building model.

00:22:56 Nicola Headlam

I mean, it is very interesting, isn't it, that capital, I mean, certainly in the Greater Manchester example, it melts, as in it flows South, so there's actual spatial configuration.

00:23:07 Nicola Headlam

A 10 borough political decision to work at a 10 borough scale gives you a kind of vibrant city centre, a donut of deprivation around it, arguably which we sort of all live in.

00:23:19 Nicola Headlam

And benefits of capital always accrue to the southern part of the city.

00:23:23 Nicola Headlam

So when you talk to real sort of spatial planners, there would have been a governance solution that would have been much more Cheshire oriented for the Greater Manchester kind of project.

00:23:32 Nicola Headlam

The South East Lancashire and North East Cheshire has got a lot more in common with the dormitory towns around London than it has with North Manchester.

00:23:42 Nicola Headlam

And the political decision to create a political geography on the basis of the 10 boroughs is the kind of the conception act of Manchesterism as it is.

00:23:51 Nicola Headlam

They then grafted on all the agglomeration jazz and this sort of, as you say, there's lots of people that have got grave misgivings about the ways in which trickle down is able to trickle within a city region.

00:24:04 Nicola Headlam

And as I say, in the Manchester example, capital melts. There's no structure to push more capital into the northern boroughs.

00:24:11 Nicola Headlam

The places that have done better have been the sort of Cheshire Plains and all the rest of it.

00:24:15 Nicola Headlam

Another thing about devolution is; the devolution map, it looks like there's these islands that are well governed and then there's nothing in between.

00:24:22 Nicola Headlam

Well, what's in between are other kinds of places.

00:24:25 Nicola Headlam

So the fact that Cheshire has always been extremely take it or leave it, even around Northern Powerhouse stuff, around Manchester stuff.

00:24:32 Nicola Headlam

I think the danger is, of course, that the civil servants, certainly, for example, see Manchester as this kind of well governed 10 boroughs and then sort of bugger the rest in a way.

00:24:40 Nicola Headlam

That's just not what place functions like as we all know.

00:24:45 Rebecca Riley

One of the things that fascinates me is be careful what you wish for because we want all this growth in these cities and trickle down isn't really happening in the same way and when people aim for this one of the things that fascinates me is - well have you looked at London?

00:25:03 Rebecca Riley

Here we are, major capital city, all this growth, and it's the most deprived and unequal city in the country.

00:25:09 Sarah Longlands

Highest level of child poverty in the UK.

00:25:11 Rebecca Riley

Highest level of, And we look at London and say, "oh, I wish we were like London." Really? Do you really?

00:25:17 Sarah Longlands

Well, that's one of my real frustrations, I think, with the GM model today is that they could have thought to themselves, how can we do London but better?

00:25:25 Sarah Longlands

How can we learn?

00:25:26 Sarah Longlands

It's back to the learning look back, you know, how do we learn from the mistakes of what's happened in London and create something

00:25:32 Sarah Longlands

that actually works for this city, for this place, for these people.

00:25:36 Rebecca Riley

But I think that also is the opportunity now with devolution, isn't it?

00:25:39 Sarah Longlands

Absolutely.

00:25:40 Rebecca Riley

Absolutely.

00:25:41 Sarah Longlands

To diverge from that model.

00:25:42 Rebecca Riley

Exactly.

00:25:42 Rebecca Riley

And I think the West Midlands, actually because of that diversity of political thinking,

00:25:49 Rebecca Riley

It is trying to do that. And it is trying to think about how do we do things differently.

00:25:54 Rebecca Riley

But you have got the juggernaut of private sector investment.

00:25:58 Rebecca Riley

How do you make that work?

00:26:00 Rebecca Riley

And we've worked with CLES for a long time on the Anchor Institutions Network and thinking about those sorts of things so that we can think about how as anchor partners, how do we make our own investment more inclusive and broader, etc.

00:26:15 Rebecca Riley

But it is it takes a political will to do that.

00:26:15 Rebecca Riley

If you think of London, and I do, in some of these devolution debates, London is left out and actually Whitehall, it's in London, but it's like on a different planet.

00:26:30 Rebecca Riley

Sometimes when we're talking about devolution, we actually need to welcome London into that discussion because it's got the same problems.

00:26:38 Rebecca Riley

It's got issues about what power, I mean, it's got the most powers as a devolved mayor, but actually it still has this disjoint with whatever is coming out of Whitehall.

00:26:49 Rebecca Riley

Just a reflection as well, the cities and the devolved areas that are emerging and the devolved nations, there needs to be much more collaboration.

00:26:58 Rebecca Riley

We've had, best part of 15 years of competition where we've all been set against one another.

00:27:03 Nicola Headlam

Well, really that competition logic hasn't changed since the mid-80s.

00:27:07 Rebecca Riley

It's got worse in the last 15 years though because every bit of funding was a competition.

00:27:12 Nicola Headlam

And what I think is particularly annoying is that was a version of demand management being dressed up as something else.

00:27:19 Nicola Headlam

and what we have invested in our sub-national polities and the gaps and CLES have done work on the sort of devolution deserts, where there's not a lot has been touched by any of this.

00:27:30 Nicola Headlam

But I think there's just really bald facts.

00:27:33 Nicola Headlam

And actually, Bec, the first thing I'd like to say is I wish private investment was a juggernaut because it's been a bit of a slow drip.

00:27:39 Nicola Headlam

I think if we had levels of investment commensurate with the 90s going into the cities on the private side, you know, also OECD figures suggest that you should be spending 5 to 6% of GDP

00:27:49 Nicola Headlam

on replacing all your transport and kit and social housing year on year on year.

00:27:54 Nicola Headlam

And in this country, we've only ever managed our public investment to be at that level when we were building the Olympics, so 2001 too.

00:28:00 Nicola Headlam

And there's just been a real lack of capital committing to the sub-national territories, even, and if we look at Phil McCann's work about how England is split into two separate kind of risk profiles for venture capital investment.

00:28:15 Nicola Headlam

And everything north of London is treated with much more scepticism than a kind of London model for that kind of investment capital.

00:28:22 Sarah Longlands

And I think London's interesting as well, because like Northern Ireland and Wales and Scotland, it's got an elected assembly as well.

00:28:28 Nicola Headlam

The GLA is a powerful, and in terms of housing, London housing policy is different to anywhere else in the country.

00:28:35 Sarah Longlands

They've got a direct link into the affordable social housing programme that other regions don't have at all.

00:28:39 Nicola Headlam

And again, I think maybe it's partly we're coming to the end of a period where the government department in charge of this stuff changes every 18 months.

00:28:47 Nicola Headlam

But certainly if you go back, it was DLTR (The Department for Transport, Local Government and the Regions), wasn't it?

00:28:50 Nicola Headlam

And as soon as the L of London devolution had moved, that was the last time that there was a London administered sense.

00:28:57 Nicola Headlam

But I think the main thing is that the minute that you start to scratch at what's actually happening on the ground in all the kind of corners of the UK, you can come away with a quite a confused picture of what are the drivers, what are the levers and what are the kind of objectives of subnational policy, even just economic development policy.

00:29:15 Nicola Headlam

Let alone the kind of broader inclusive growth patch.

00:29:17 Nicola Headlam

Sarah, you travel around A lot.

00:29:19 Nicola Headlam

Where is some reasons to be hopeful of kind of interesting stuff in the UK?

00:29:24 Sarah Longlands

Right, okay, put me on the spot there.

00:29:25 Sarah Longlands

This is a bit of a weird example, but I think we're seeing massive reorganisation of local government at the minute, right across the country.

00:29:36 Sarah Longlands

And it's one of those stories that perhaps isn't that sexy or exciting, but it's going to have fundamental ramifications for people for years.

00:29:43 Sarah Longlands

And it will lead to the development of a new generation of what they're calling now strategic authorities rather than combined authorities, see my earlier comments.

00:29:51 Sarah Longlands

So I think whilst there's lots to worry about in terms of that process, I think that could also be an opportunity to rethink local government for the 21st century.

00:29:59 Sarah Longlands

What kind of institutions do we need to build?

00:30:01 Sarah Longlands

How do those institutions respond to the challenges that the state has to grapple with now?

00:30:06 Sarah Longlands

So I think, again, there's probably been too much emphasis played on, "oh, let's create these bigger structures and we create more efficiency" instead of let's create these structures so that are strategic in order to try and do government, do the state better.

00:30:18 Sarah Longlands

So I think that's one thing. The other thing that I think is really exciting is Bec mentioned the Anchor work in Birmingham and it is something that's name checked in the cabinet statement that was

00:30:29 Sarah Longlands

about encouraging strategic authorities and local authorities to work with other organisations to create a kind of place-based approach to budgeting.

00:30:36 Sarah Longlands

And I think the fact that we're seeing the language of place-based approaches come back into policy now and seeing that also played out at a local level.

00:30:44 Sarah Longlands

So places like Cumbria, places like Birmingham, places like Leeds, lots of areas now are really investing in that kind of Anchor-led approach.

00:30:52 Sarah Longlands

So I think fundamentally that is about people building relationships with themselves and with organisations and kind of collapsing

00:30:59 Sarah Longlands

those institutional boundaries in favour of let's focus on what's really important for our place as well.

00:31:05 Sarah Longlands

I think that's also hopeful.

00:31:07 Sarah Longlands

And I've also just come back from Nova Scotia, sorry, name dropping here, but I learned so much there from what they are doing.

00:31:13 Sarah Longlands

They've got quite a strong federalised structure, but they're doing lots of interesting things on food.

00:31:18 Sarah Longlands

And I'm not just talking about local food initiatives, I'm talking about regional food initiatives to try and bring some of the control of food and ownership of food systems and enterprise back into local and regional hands so that the benefits come back down too.

00:31:33 Sarah Longlands

And a lot of those institutions now being majority owned by indigenous First Nation communities like the Mi'kmaq who suffered on the back of colonialism for years and now are kind of rediscovering their original economics and coming back to reclaim that.

00:31:47 Sarah Longlands

So that if communities that went through colonialism can recover and actually carve out a real stake and agency in the future, I'm sure we can too.

00:31:55 Nicola Headlam

It's very positive, very upbeat.

00:31:57 Nicola Headlam

But what are you saying your inbox is filling up people that want to know what LPIP can help them with and all the rest of it.

00:32:03 Nicola Headlam

What kind of a council of hope that you are thinking?

00:32:06 Nicola Headlam

I should just say actually the rewiring Whitehall document, 7 pages on government with the big wide margins.

00:32:14 Nicola Headlam

What was interesting was so many scores settled in such a short document, you know, things like, we're not going to do consultations that are performative and nerdy enough to admit that there were moments where I was thinking, oh yes, they've properly understood the exam question.

00:32:27 Nicola Headlam

The rewriting Whitehall kind of impetus has been with us since the 90s.

00:32:27 Nicola Headlam

It certainly has consolidated into one place an awful lot of things that are kind of problematic in the system all the way down.

00:32:39 Nicola Headlam

So I'm incredibly, I'd say, I've said to everyone I've spoken to this week, well read it, it's only 7 pages and it gives you a really strong sense of kind of what's coming.

00:32:47 Nicola Headlam

Bec, reasons to be cheerful?

00:32:48 Rebecca Riley

I go back to what I said earlier actually and echoing what Sarah said about place being embedded in everything.

00:32:56 Rebecca Riley

Even if people are just going “I don't know what to do” and they're trying to find help.

00:33:01 Rebecca Riley

That's great because it's being thought about.

00:33:03 Rebecca Riley

When I did the Manchester blog that I did and I also looked at fiscal devolution and did a paper on that, one of the things that really sort of fascinated me is the uneven powers, uneven capabilities.

00:33:19 Rebecca Riley

And I do genuinely think government is thinking about that now and trying to come up with solutions.

00:33:26 Rebecca Riley

We did have a period of Whitehall saying to places, you decide what you want, which on the surface is a very good thing to do.

00:33:33 Rebecca Riley

However, if those places don't have the skills and knowledge and expertise to be able to define what a good fiscal allocation is, then you're asking people to do things that they've not had to do before.

00:33:44 Rebecca Riley

So my bee buzz hopefulness is that we can move towards a better relationship between central government and local government, whatever form it takes, and build up the trust so that we can share the knowledge and the expertise.

00:33:58 Rebecca Riley

And I know they're looking at and they're already starting to do it, shifting people from central government into the local areas. That's got to be a great thing.

00:34:07 Rebecca Riley

And actually, interestingly, that's a model that Manchester had. Cos Manchester just had a very small central team and then they seconded people into the centre and out again.

00:34:17 Rebecca Riley

And then moved round and that's what created that culture of collaboration and Manchesterism and the “I love Manchester” sort of idea.

00:34:26 Rebecca Riley

We need to have that sort of relationship between Whitehall and places, not this adversarial monitoring to death process.

00:34:36 Rebecca Riley

It's about redesigning things together collaboratively.

00:34:39 Rebecca Riley

And I do think that that's the way that things are moving.

00:34:42 Sarah Longlands

And I think we need to see that between Whitehall and Scotland, Wales and Northern Ireland as well.

00:34:46 Rebecca Riley

Yeah, I mean, there is a danger actually that we're trying to fix England and we take the eye off the ball for the devolved nations, you know what I mean?

00:34:56 Nicola Headlam

To be honest, they're fixing, as I've been saying last year in this, the governance of most of England is a bin fire.

00:35:02 Nicola Headlam

It's very unclear who does what, where, why.

00:35:04 Nicola Headlam

It's very variegation across.

00:35:07 Nicola Headlam

As Sarah has eloquently pointed out, Manchesterism doesn't even work on an inclusive growth perspective in Manchester.

00:35:14 Nicola Headlam

So we are kind of the very different speeds in the different places.

00:35:18 Nicola Headlam

If we are serious about either advancing growth policy that goes right to the roots, growth in every postcode, harder than that, even inclusive growth in every postcode.

00:35:29 Sarah Longlands

Good growth!

00:35:30 Rebecca Riley

I mean, one of the things that happened to me when I first went down to Birmingham and I was doing work there, it was slightly random in that FCDO (Foreign, Commonwealth & Development Office) had their away day in Birmingham in the library.

00:35:41 Rebecca Riley

So they bring everybody together from all over the world and they come together for a few days to share activities and whatever.

00:35:49 Rebecca Riley

And I was asked to speak to them about the structures in the UK.

00:35:55 Rebecca Riley

So I did this nice slide deck and set out everything and how things, which was fine, got through that.

00:36:00 Rebecca Riley

And then at the end, there I started then asking me lots of questions.

00:36:04 Rebecca Riley

And of course, these are highly qualified people who help other places set up good governance.

00:36:10 Rebecca Riley

And by the time we got to the end of the conversation and the Q&A, they were like, this is like exactly what we tell other people not to do.

00:36:18 Rebecca Riley

And like, why aren't you advising our government? I mean, I'm going back to like 2016, but we do have the skills and expertise for this sort of stuff.

00:36:27 Rebecca Riley

They're probably just not used very well. And there is also an element of serendipity in all this, the decisions that are made, the actions that take are not taken holistically.

00:36:38 Rebecca Riley

It's all incremental movements, isn't it? So I do think that we're at a point where this is

00:36:45 Rebecca Riley

I mean, it's hard going when it's all up in the air, but you just hope it'll come down in a sensible fashion.

00:36:50 Nicola Headlam

I think my counsel of optimism is, when I finished doing Northern Powerhouse work, which as we all know was extremely unedifying at the time, I became convinced that without cross-government activity, you were nowhere.

00:36:59 Nicola Headlam

So even if the department was kind of saying very loudly that X, Y or Z needed to happen.

00:37:08 Nicola Headlam

I think one of the worst things I've ever heard ever was the Darren Jones speech where he said that his trick for government was to do as little as possible across government.

00:37:16 Nicola Headlam

And I think that was when I finally kind of all faith I had in the Starmer project just evaporated because it's hard, hard, hard yards to go across government.

00:37:24 Nicola Headlam

If you don't have a strategy that can tie all the ministries in together, that you can then do the subnational work on the basis that there's one settled view coming from the centre, you really are never going to change anything very much.

00:37:36 Nicola Headlam

And so No. 10 North taking the local growth function from MHCLG (Ministry for Housing, Communities and Local Government) and taking things from the Treasury into kind of one devolution-facing department.

00:37:46 Nicola Headlam

That's a real wonkish kind of Whitehall watching point to make for people that are into devolution.

00:37:51 Nicola Headlam

But they can still get it wrong in a million ways.

00:37:55 Nicola Headlam

But by consolidating that together into the Cabinet Office, into No. 10 North, we've got a fighting chance of it being a core government priority in a sticky way that will outlast, hopefully, the administration.

00:38:07 Nicola Headlam

What do you think about the machinery of government change?

00:38:09 Sarah Longlands

The disruption that it creates in the civil service, I think, is positive as well, because that's..

00:38:15 Nicola Headlam

The swing, too, yes..So if there's enough local growth expertise then in Number 10 North and a political push from the Prime Minister and Louise Hague and others, I feel like they can still get it wrong in a lot of ways, but they might have a structure which actually is functional.

00:38:34 Nicola Headlam

So we've talked for a while. I'm going to get this out as soon as I can.

00:38:38 Nicola Headlam

So of course, 15,000 people And the three of us will be going to Liverpool in a few weeks' time.

00:38:44 Nicola Headlam

What have you got on at Labour Party Conference? What are your messages? What are you selling? What are your hopes for kind of that next bit?

00:38:52 Nicola Headlam

And then after we've done conference, I'm going to be doing podcasts every day.

00:38:56 Nicola Headlam

So you are basically required to attend. Obviously, CLES doesn't have an events programme. I know that City REDI are doing a big thing on conference.

00:39:04 Nicola Headlam

And then after that, we're swinging into kind of almost the honeymoon being over for Andy Burnham.

00:39:10 Nicola Headlam

The King's Speech, the Budget...

00:39:11 Nicola Headlam

Normally at the end of Placecast I do a thing where we wave the place-based innovation magic wand, but today I'm feeling racy.

00:39:19 Nicola Headlam

So you're allowed to describe an act to go into the King's Speech on about all this stuff we've been talking about.

00:39:26 Nicola Headlam

Beck, have you got an idea for a legislative lever that you might want to embed in order to embed some of this kind of work?

00:39:33 Rebecca Riley

Just reflecting on what we're doing for the party conference.

00:39:36 Nicola Headlam

Brilliant, yes.

00:39:37 Rebecca Riley

Because we're sort of, the topic that we're looking at is around this between the central government and local government.

00:39:45 Rebecca Riley

And I'm fully behind, the announcement about putting civil servants into place. Absolutely behind that.

00:39:53 Rebecca Riley

I think it's the best way to build that knowledge and expertise. So I think in terms of legislation though, there has to be clearer legislation about the responsibilities in these strategic authorities, combined authorities, whatever we call in them, and it has to be more consistent.

00:40:11 Rebecca Riley

So if you could put them on a more consistent footing in terms of the roles and responsibilities and accountabilities, because at the moment we are risking the devolution of risk without the funding, the capability, etc.

00:40:27 Rebecca Riley

There needs to be some sort of, I was going to use the word levelling up, but that's the wrong term now, isn't it?

00:40:32 Rebecca Riley

There needs to be some equalisation of powers and that needs to be resolved because at the moment they're all done on different acts of parliament, aren't they?

00:40:41 Rebecca Riley

So that needs to be evened out.

00:40:43 Rebecca Riley

And then thinking about the fiscal stuff, a lot of people talking about income tax, etc, but actually it's broader than that.

00:40:51 Rebecca Riley

It's actually about all forms of government funding and how do we allocate it.

00:40:56 Rebecca Riley

And I'm gonna flag something about funding into place because when we talk about how much money is going into place, nobody knows. Nobody actually knows.

00:41:05 Rebecca Riley

And we look at data like public expenditure, PISA, and most of that is just guessed.

00:41:11 Rebecca Riley

And we allocate an amount, whether that's the MOD (Ministry of Defence) or whatever have you, at two places, but actually we don't have a clear view.

00:41:19 Rebecca Riley

So I would like clear financial accountability of everything that is going into different places.

00:41:25 Rebecca Riley

And you can only do that if that is done across government at the national level.

00:41:30 Nicola Headlam

Brilliant.

00:41:30 Nicola Headlam

So party conference, meeting on trust and an act of parliament on total place supermax from Bec.

00:41:38 Nicola Headlam

Sarah, party conference, presumably you've got a whole slate of events happening in Liverpool.

00:41:43 Sarah Longlands

Yeah, well, just on that last point, I think just a couple of quick thoughts on me on that would be, yeah, I totally agree with Bec

00:41:49 Sarah Longlands

on the inconsistency, can we just get a proper structure which like the assemblies in Northern Wales and Scotland has got proper legislative backing.

00:41:58 Sarah Longlands

I'd also, being an organisation that is a big advert to community wealth building, I would point to could we do something similar to what they've done in Scotland on a community wealth building act?

00:42:07 Sarah Longlands

Could we do it better? I think we probably could.

00:42:09 Sarah Longlands

Could we embed it in terms of economic ownership?

00:42:12 Sarah Longlands

So I think I'd probably like to see something like that in the legislative framework and the cabinet statement does say they're going to put a new white paper out this autumn, so

00:42:18 Sarah Longlands

I think feels like it's all to play for.

00:42:20 Sarah Longlands

Amazing.

00:42:20 Nicola Headlam

So I was going to say the King's Speech will have a Total Place Act and the Community Wealth Building Act.

00:42:26 Nicola Headlam

I mean, it would be just amazing, wouldn't it?

00:42:28 Nicola Headlam

My government.

00:42:30 Sarah Longlands

Loving that.

00:42:31 Sarah Longlands

Yeah, I could just retire.

00:42:32 Sarah Longlands

That'd be fun.

00:42:34 Rebecca Riley

I know, because then you need help doing it.

00:42:36 Rebecca Riley

Well, yeah, that's it.

00:42:40 Sarah Longlands

Yeah, absolutely.

00:42:41 Nicola Headlam

I still think legislative signals matter though.

00:42:43 Nicola Headlam

Yeah, I mean, legislation is definitely not everything, but I think in terms of setting out a level of intent, I think it's really important.

00:42:50 Sarah Longlands

So, and then party conferences, yeah, we're doing an event on devolution and health on the Monday, and then we're also doing a dinner on 'Women in economic development'.

00:42:59 Sarah Longlands

So a chance for women to get together and talk about economic development and really show what that perspective can bring to the current conversation.

00:43:07 Nicola Headlam

Love that.

00:43:08 Nicola Headlam

Well, listen, it's been my favorite hour of the week always is to speak to you both.

00:43:13 Nicola Headlam

Slightly more structured than our usual grabbing each other over G&Ts or whatever's happening at the time.

00:43:19 Nicola Headlam

I think that, as I say, sketching out the kind of contours of Manchesterism and subnational policy as we are, looking forward to the government taking this agenda by the scruff of the neck.

00:43:30 Nicola Headlam

But that's been a really interesting, special episode of Placecast.

00:43:34 Nicola Headlam

Thank you very much for being with me.

00:43:36 Sarah Longlands

Thank you.

00:43:36 Rebecca Riley

Thank you.