The Northern Powerhouse: a Convincing Template for an English Devolution Revolution?

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Résumé
En 2014 le ministre des Finances conservateur, George Osborne, dans un discours clef prononcé à Manchester, a proposé la création de la Northern Powerhouse, un moteur de développement qui devait non seulement redynamiser l'économie innovante du Nord d'Angleterre mais également permettre un rééquilibrage dans le domaine des investissements notamment entre le Sud et le Nord. Désormais ce sont les unités métropolitaines, chacune avec à sa tête un maire élu, qui vont se concerter pour créer un réseau de transport dynamique et qui, suite à un important transfert de délégations budgétaires, vont assumer de plus en plus de pouvoirs politiques, financiers et administratifs dans la gouvernance quotidienne de la vie de leurs citoyens (services de santé, aide sociale par exemple). Ainsi la dévolution à l'anglaise ne sera pas focalisée sur la création (potentiellement problématique) d'un Parlement anglais à Londres, mais sur un localisme accru, fondé sur le renforcement des centres de décision plus responsables, à commencer par ceux du Nord d'Angleterre.

Abstract
In 2014, the Conservative Chancellor of the Exchequer, George Osborne, delivered a key speech in Manchester in which he proposed the setting-up of a Northern Powerhouse, the aim of which was not only to revitalise the innovating economy of Northern England but also to set in motion a rebalancing, especially in the field of investment, between the South and the North. In the future, metropolitan regions, each headed by a directly-elected mayor, will work together to create a dynamic transport network and, after a significant transfer of delegated budgetary responsibilities, will take on more and more political, financial and administrative powers in the day-to-day governance of their citizens' lives (health and social care for example). In this way the English form of devolution will not be focused on the (potentially problematic) setting-up an English parliament in London but on fostering greater localism, based on reinforcing more accountable decision-making centres, beginning with those of Northern England.

Mots-clés : dévolution anglaise – le Grand Manchester – collectivités locales – localisme – moteur de développement du Nord de l'Angleterre – déséquilibre économique spatial

Keywords: English devolution – Greater Manchester – local government – localism –– Northern Powerhouse – spatial economic imbalance

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Introduction

The convening of the Scottish Parliament on 1 July 1999, followed by further devolved powers already granted or promised to Holyrood over subsequent years, not to mention the Scottish Referendum on independence (14 September) and the landslide General Election victory in Scotland of the SNP (May 2015), have undoubtedly had a dramatic effect on the political debate both north and south of the border. If the Scots seem to be obtaining more and more power to manage their own affairs how can the English also take more control of their own political and economic destiny?

One possible line of inquiry concerns the thorny question of "English Votes for English Laws" but for the moment there is no real political consensus in attempts to find a lasting solution to the West Lothian question, especially as there is no English Parliament as such. Another aspect of the devolution debate in England is how to give more powers to the English people at the grassroots level – how to localise decision-making and move away from a Londoncentric approach to governance.

All major political parties in England want to give more powers to the English but the question is how to go about such an ambitious task. At the 2015 General Election Ukip focused on "English Votes for English Laws". This is perhaps hardly a surprise for such a nationalist English-orientated party. The Liberal Democrats stressed bottom-up "Devolution on Demand" – allowing local people to decide the right approach for themselves. Just after the Scottish Referendum the LibDem leader, Nick Clegg, specifically supported ideas similar to those espoused by George Osborne: "If we're talking now about devolving lots of powers from London to Edinburgh, and London to Cardiff, and to Northern Ireland, well, what about the North of England?" (Clegg, 2014). Labour proposed a similar approach to the LibDems, using the phrase "power to the people", and advocated a wide-ranging Constitutional Convention, including laws only affecting England. Yet promises to pass an "English Devolution Act", to set up a Regional Cabinet Committee chaired by the Prime Minister and to establish local Public Accounts Committees seemed to many to be old-fashioned, bureaucratic and a throw-back to "top-down devolution". The Conservatives also promised "power to the people", and as well as proposing "English Votes for English Laws" found the catchiest slogan of all the manifestos with the promise of building a "Northern Powerhouse".

The Conservatives were successful in obtaining an absolute majority in May 2015 and are now in a position to try to implement this electoral promise. This paper will first attempt to explain briefly the background to local government (re)organisation in England and the difficulties facing any government that seeks to carry out root and branch reform of a system that gives so much power to London. What exactly does the Conservative Government mean by the term Northern Powerhouse and what could be its impact on English Devolution? What are the geographical contours of the "North of England" in this context? Why should Greater

Manchester be given such a pre-eminent role? Is there not a danger that Manchester's position in the North could replicate London's position in the nation as a whole? Kieran Turner Dave, a Green candidate for Manchester Central constituency at the last General Election, claimed recently that the Northern Powerhouse was just a "carve-up behind closed doors" between the Conservative National Government and the Labour Local Government in Manchester. He fears more gentrification and the domination of the city of Manchester to the detriment of the suburbs and the surrounding districts[1]. Two key areas – transport, and health and social care – will then be examined to illustrate concrete steps that are now being taken to set up the Northern Powerhouse. Greater efficiency on the railways and more accountability throughout local government would possibly make this rather nebulous concept a reality for the people of the North of England. Finally the question arises as to why such an ambitious policy is being introduced at this particular time. It may be that the Northern Powerhouse will indeed provide an impetus for innovation and prosperity for the forgotten half of England, midway between a dynamic, dominant London and a confident, regenerated Scotland. Yet it also may be that behind the catchy expression lies a more strategic plan imagined by a wily Conservative Government, intent on strengthening its electoral fortunes in traditional Labour heartlands at a time when the Labour Party, squeezed between the Scottish Nationalists to the north and the Tories to the south, is still searching for one big, popular, political idea to win back power.

Local Government in England

In the 19th century Northern towns, like Manchester and Liverpool, were virtually city states, which set up local civic institutions, developed their own infrastructure and took their own planning decisions with scarcely a thought for the opinion of the London political establishment. It was only with the coming of the Welfare State in the 1940s that Westminster and Whitehall took control of the overall management of key services throughout the country: this can clearly be seen in the setting-up and strategic planning of the National Health Service for example, even though it was administered locally. Afterwards, and right up to 1997, there was ever increasing centralisation in both planning and administration.

Local government in England had traditionally been focused on the county and on the borough. After a number of fruitless attempts in the 1950s and 60s, the *Local Government Act 1972* wiped away the confusing patchwork system that had existed for centuries. New counties were put together, such as Cumbria. Historic counties like Rutland were abolished. Metropolitan Counties were set up, such as Greater Manchester. What was created was a two-tier system: a county council provided an overview with responsibility for county-wide services, police and public transport. The metropolitan counties were then divided into metropolitan boroughs and the non-metropolitan counties into districts. Although this system was relatively clear, it was never very popular with many people who felt dispossessed – traditional links to specific territories had been broken for millions of people. It was felt to be too administrative, too technocratic and replicated on a smaller level what had existed on a national one. It was felt by many that decisions were being taken by faceless bureaucrats, out of touch with ordinary people's lives. It was obvious that this system could not survive in the face of so much unpopularity and so the populist Conservatives under the leadership of

[1] Interview in *Sunday Politics North West*, BBC1, 19 April 2015.

Margaret Thatcher had a choice between giving power back to the people at the local level or else moving towards greater centralisation. It was the latter policy that won the day.

The reinforcement of the power of central government can be seen in the Conservative Government's approach to urban policy. When Thatcher became Prime Minister in 1979, two new and seemingly antithetical ideologies came to the fore: on the one hand, a market-led liberal ideology based on competitive individualism and, on the other, the authoritarian, centralised state, which weakens local democracy and participative politics (Thornley, 1995). Previous local initiatives in the field of urban planning were eliminated and replaced by policies that were more in tune with the two new strands. These implied a movement away from consensual, one-nation policies towards stronger state-controlled political and administrative power where key strategic decisions were wherever possible taken at the national rather than the local level.

The Local Government Act 1985 abolished the metropolitan county councils and the Greater London Council. The Conservative Government claimed they were inefficient and spendthrift. Opponents claimed it was because they were all controlled by the Labour Party. Other measures were introduced in the 1980s and early 1990s to try to row back from the changes introduced in 1972 by reinforcing the authority of the centralised state.

Historically, England is not a country of clearly-defined regions. What post-war regional policy there was, depended essentially on unrepresentative economic planning councils and boards. Today, the English regions are fixed for statistical purposes and to conform to the need for clearly-defined regions within the context of the Maastricht Treaty and the setting-up of the *Committee of the Regions* within the EU. Indeed the question of whether English people feel close to the very concept of a "region" has also to be considered. Might it be truer to say that very often English people feel a closer identity with a city (Liverpool, Leeds, Sheffield), a historical county (Yorkshire, Cornwall, Norfolk), a historical region (the Welsh Marches, the Lake District, the Isle of Wight) or, on another level, quite simply with the "North of England", than they do with a specific administrative region, often created in an arbitrary, functional way? Indeed the 2015 Conservative Party manifesto made the following claim, in tune with this nostalgic feeling: "We will not let anyone impose artificial regions on England – our traditional towns, boroughs, cities and counties are here to stay." This reinforces the commonly-held idea that English regions are artificial constructs and imposed from outside.

The 1997 Labour Party manifesto promised not only devolution for Scotland and Wales but also a referendum for London on whether to set up a new directly-elected strategic authority and mayor. The result of the 1998 London referendum was clear: 72% for the proposal; 28% against. Today the Greater London Authority is made up of the Mayor and the 25-member London Assembly who hold the Mayor to account. The London Plan is the overall strategic plan for London, setting out a fully-integrated economic, environmental, transport and social framework for development until 2036.

The *Local Government Act 2000,* introduced by the Labour Government, reformed local government in England and Wales by moving away from government by committee to government by executive – either directly-elected mayors and cabinets or else indirectly-

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elected leaders and cabinets.

In May 2002 the Labour Government published a White Paper entitled *Your Region, Your Choice* which aimed to provide for "directly elected regional assemblies in those regions that want them". Solutions would be "tailored" to regional problems making local government in England "more accountable", "more streamlined" and "more joined-up". The proposals were based on three clear principles:

- to give devolution to the English just as it had been given to the Scots, Northern Irish and Welsh
- to give people more choice
- to avoid creating more bureaucracy.

But the failure of the test referendum in the North East, carried out in November 2004, sounded the death-knell of the project. Although the turnout was not catastrophic (at 48% it was higher than the turnout in London though slightly lower than the turnout in Wales) what was most surprising was the clear vote against the measure: only 22% voted in favour of the proposal.

It had been assumed – incorrectly – that the London vote would be replicated in the rest of the country. Clearly it was now impossible to continue with other referendums in the English Regions if one of the regions that had seemed to have a specific identity of its own – the North East – had spoken so clearly. Many observers however were not sure that the vote was a rejection of English Regional Devolution – some, including the former Labour Minister Roy Hattersley, saw the result as an indictment of establishing another layer of costly and bureaucratic government. It seems that despite the fact that decision-making far away in London was perceived in a negative way, the English were still wary about directly-elected regional assemblies for three main reasons:

- the perceived high cost and heavy bureaucracy of such structures
- scepticism about the value and probity of politicians in general and "local" politicians in particular
- a lukewarm concept of regional identity.

Initially directly-elected mayors had to be approved by referendum but since the *Local Government and Public Involvement in Health Act 2007* there has been no need of a referendum to introduce a mayoral system. Many of England's largest cities did organise referendums but this proposal was not very popular and cities such as Birmingham, Leeds, Manchester, Newcastle, Nottingham and Sheffield all voted against. Accordingly the new Coalition Government, undaunted, sought other ways of inciting local authorities to introduce mayoral systems by introducing the *Localism Act 2011* that aimed to give more financial and planning powers to local authorities as well as increasing the number of directly-elected mayors. The Government set out the main points of the Act in a plain English guide:

- new freedoms and flexibilities for local government
- new rights and powers for communities and individuals
- reform to make the planning system more democratic and more effective

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- reform to ensure that decisions about housing are taken locally.

In 2012, at the behest of the Coalition Government, the Conservative Peer and former Cabinet Minister Lord Heseltine set out the case for rebalancing responsibilities for economic development between central and local government in a report entitled *No Stone Unturned*. He stressed the importance of localism and the need for government to end internal ring fences between departments and to engage in help for coordinated strategic partnerships with local government. The last page of the report contained a prescient picture of Manchester Town Hall and an unattributed quotation: "What Manchester thinks today, the world will think tomorrow".

The Government's response was to set a direction for the devolution of centralised spending to local areas by creating Local Economic Partnerships and a Regional Growth Fund and by encouraging local authorities to combine or collaborate. At its heart was the idea of empowering local leaders, accountable to their own communities, to fight against excessive centralisation, by emphasising local ambition and creativity.

What exactly is the Northern Powerhouse?

The concept at the heart of this expression is the ability of specific territories, starting with urban agglomerations in the North of England and especially Greater Manchester, to decide for themselves, or together, how to develop their economy, infrastructure, health services, social care, higher education, research policies and especially how to be at the forefront of an "innovation revolution", without the necessity of obtaining the green light from London.

The term was coined by the Chancellor of the Exchequer, George Osborne, in a speech delivered in Manchester in June 2014. On 3 November 2014 the Chancellor and leaders of the Greater Manchester Combined Authority signed a devolution agreement that would give new powers and responsibilities to Greater Manchester, and in exchange, Greater Manchester would adopt a "metro mayor".

In the Queen's Speech, delivered on 27 May 2015, the Conservative Government set out its programme for the coming Parliamentary session. Among the measures envisaged was the introduction of legislation "to provide for the devolution of powers to cities with elected metro mayors, helping to build a Northern Powerhouse". A *Cities Devolution Bill* (dubbed "Devo Manc") would be introduced to give Northern cities more powers over their affairs. The Chancellor fleshed out this programme in the 2015 Budget by stressing that what Greater Manchester was already doing (devolution agreement, directly-elected mayor, new powers in the field of transport and health and social care) could be a template for other city regions in England, just as Manchester had shown the way to the rest of the country in the past.

The constant references to the Northern Powerhouse inevitably beg the question: what exactly is meant by the term "The North" in this context? The Chancellor of the Exchequer seems to have focused essentially on a band of metropolitan conurbations in the North of England, comprising the city regions of Liverpool, Manchester, West Yorkshire, Sheffield, Humberside and the North East. In other words there is a marked emphasis on those towns and cities that were industrial powerhouses during the 19th century and the early years of the 20th century.

However some commentators doubt the relevance of portraying "The North" as a uniform whole: Jonathan Meades for example criticises this focus on the great industrial cities of the North where, he believes, government largesse will pour money into landmark vanity projects at the expense of smaller scale more human-dimensioned interventions throughout the regions of England (Meades, 2015). Leo Hollis thinks the plan offers little hope for the smaller cities and towns of the North and for more socially-orientated projects: "Rather than creating 'enterprise zones', ploughing pupil premiums into decaying schools or investing in infrastructure projects, the Government should support the people who want to find jobs elsewhere, most likely at the fringes of the big cities […]" (Hollis, 2015). He believes there will be winners but also losers in this so-called Northern regeneration programme.

The meaning of the word "Northern" in this context is actually quite vague: in July 2015 James Wharton, the Conservative minister in charge of the initiative, revealed that "the exact extent of the North in the context of the Northern Powerhouse is not prescribed by the Government" (Williamson, 2015). Many people mocked this statement. In certain political speeches the Northern Powerhouse seems to refer to almost anywhere within the North West or the North East of England, even if the larger centres of populations are mentioned far more than their rural hinterland. Indeed, the term "The North" sometimes seems to refer to almost anywhere in England outside London and the South East, and as such, should be seen in this context less as a geographical entity and more as a synecdoche for England beyond the capital.

The separation of England in two constituent parts, often referred to rather simplistically as the North-South divide, goes back at least to the Industrial Revolution and the rise of the Industrial City. In England the populations of Liverpool, Manchester, Leeds, Bradford and Sheffield for example increased exponentially especially during the last quarter of the 18th century and the first quarter of the 19th century. These cities were considered as successful industrial and commercial centres throughout the 19th century. They constantly rivalled London in dynamism and innovation, and even though they were each still relatively small compared to the capital, they formed together a formidable economic force. The Industrial City was seen as being futuristic and exciting yet fraught with paradoxes, such as that caused by the rapid economic growth and the dire social inequalities.

It was in Manchester, the archetypal Industrial City of the North, where the Anti-Corn Law League took root and found its voice, through Richard Cobden and John Bright amongst others (Briggs, 1975). In 1843, Bright claimed in a meeting in London that even if London was the centre of the British Empire, it was the provinces, with Manchester as their standard bearer, that were fuelling Britain's commercial success. For some, the League's clear objective – repeal of the Corn Laws that had imposed tariffs on imported wheat – was only the first step on the road to greater social and political progress. The Manchester School developed out of this movement and set out the advantages not only of free trade but also of laissez-faire and economic liberalism. It was perhaps fitting that the large public hall, financed by public subscription and built on the site of the Peterloo Massacre (1819), on land donated by Cobden, was opened in 1856 and was christened "The Free Trade Hall".

Manchester was, according to Asa Briggs, "the shock city of the 1840s" – arousing passionate debate among the hundreds of visitors from around the country and indeed the world, and

bringing to the surface the latent tension between central and local government (Lees, 1999). The oft-quoted expression "What Manchester does today the rest of the world does tomorrow" may well be apocryphal yet it oozes confidence (some would say arrogance) and civic pride. More recently George Osborne himself alluded to this innovative Mancunian heritage of the past two centuries (the first railway connection, the first computer, the splitting of the atom…) and called on the city to rediscover this "wellspring of creativity" (Osborne, 2007) to re-establish itself as a leading world city region of the 2020s.

The industrial North did remain economically strong and dynamic right up to the First World War, even though competition from Germany and America was beginning to eat into profits and cast doubts on the ideas that had inspired the Manchester School. Protectionism (referred to as "safeguarding") became the order of the day in the 1930s and the Depression led to high unemployment. Despite a relative boom after 1945, the lack of modernisation, poor productivity rates, rampant inefficiencies, demarcation disputes, amateurish management techniques, antagonistic labour relations, lack of investment and increased competition led to the decline of many industries that had characterised the Northern industrial cities, including Manchester. At its peak, at the beginning of the 20th century, the Lancashire cotton industry employed over 600,000 workers, and cotton goods generated a quarter of Britain's overseas earnings. In 1950 the industry employed 320,000 workers; in 1982, there were only 35,000 working in the cotton-mills.

In the last 25 years London and the South East have dominated the British economy and Northern cities have struggled to keep pace, despite various attempts to regenerate city centres and attract inward investment. The Chancellor of the Exchequer pointed out recently that London is "a global capital" and "the home of international finance" (Osborne, 2014a). What is now needed is a demographic and economic counterweight to this capital, a dynamic, resurgent other "half" of England, playing a similar role to that of Northern cities and towns during the Industrial Revolution. It was no coincidence that Osborne made this speech at Manchester's Museum of Science and Technology, the site of the world's first railway station, with large displays of Manchester's industrial heritage of the past two centuries on show. This was the moment he announced his Northern Powerhouse objective to the world.

In June 2015 the Centre for Cities organisation published a factsheet laying out key figures on the city regions in the Northern Powerhouse:

- The Northern Powerhouse Population: 10.7 million (16.7% of UK). However population growth over the period 2004 – 2013 is less than half the population growth of London and lower than the figure for the UK as a whole.
- The Northern Powerhouse has a high level of containment: 92% of people who work there also live there.
- The Northern Powerhouse accounts for 13.3% of the UK Gross Value Added (London accounts for 24.5%). However over the period 2004 – 2013 London has grown nearly twice as fast as the Northern Powerhouse.
- The Northern Powerhouse has a labour force of 4.5 million (16% of UK): Manchester city region has the highest number – 27% of the total.
- 29% of jobs in the Northern Powerhouse are highly skilled; the figure for London is 48%.

- The Northern Powerhouse has 23 universities, of which 6 rank in the top 20 for research excellence nationally.

The Institute for Public Policy Research North (IPPRN) has also published numerous papers on the subject of the Northern Powerhouse. One such report begins by citing the region's strengths (Cox and Raikes, 2015b): it claims that the economy of the Northern Powerhouse was worth £289 billion in 2013, twice that of Scotland. If the Northern Powerhouse were a nation it would have the 10th largest economy in the European Union. Yet the region has been growing more slowly "than all but one EU country in the past 10 years". This underperformance is due largely to its inability to "invest in success" in the fields of infrastructure, connectivity and skills.

It is clear from the Northern Powerhouse debate that Greater Manchester has become the focus of attention, a symbol for this group of Northern cities and towns. If Birmingham is often referred to as England's Second City, many believe that Manchester is de facto the real second most important city in the nation.

At the last Official Census (2011), Greater Manchester, comprised of 10 metropolitan boroughs, had a population of 2.7 million, slightly less than the population of Wales (3.1 million) and just over half of the population of Scotland (5.3 million). In 2011 Greater Manchester became the Greater Manchester Combined Authority. It is composed of 11 members, one for each borough plus the interim Mayor who was appointed in May 2015. An election for a directly-elected mayor is planned to take place in 2017. In other words, Greater Manchester has reacted first to the possibilities inherent in the political implications of the concept of the Northern Powerhouse.

Within the Coalition Government (2010-2015) and present Conservative Government it has been George Osborne, the Chancellor of the Exchequer, who has rolled out plans for the Northern Powerhouse. He knows Greater Manchester well: he has been MP for a constituency just outside Manchester (Tatton) since 2001. Another eminent voice raised in defence of the Northern Powerhouse is that of Jim O'Neill (Lord O'Neill of Gatley), the respected Goldman Sachs economist who invented the term "BRIC" to denote the emerging economic dynamos of Brazil, Russia, India and China. He was chair of the Cities Growth Commission and is an advisor to the World Bank. He suggested creating a strong mega city – "Manpool" – based on Manchester and Liverpool that could pull the North forward. O'Neill is a Mancunian and has been appointed as a Commercial Secretary to the Treasury.

An improved transport system for the North?

One key area where greater investment and coordination between city regions could lead to economic development is that of transport. What is suggested is a strategic policy led by the city regions of the North and this policy is one of the three priority areas of the National Infrastructure Commission[2]. In the relevant publications which have appeared in the last five years there is a clear focus on four key concepts: "interconnectivity" (faster and better links between the city regions for greater efficiency); "integration" (the idea of bringing the city regions together in one "mega region" of over 15 million people); "rebalancing" (this "mega region" should perform as well as London and the South East, with similar levels of growth and productivity); "investment" (the state should certainly help with pump-priming, but the overarching ideology at work here is the prime role for private initiatives including foreign funds). The Northern Powerhouse is inspired not only by London and the South East but also by Germany's Rhine-Ruhr region and the Randstad megapolis in the Netherlands: in other words the objective is to make the North not only a powerhouse in England and the United Kingdom but also one to rival the best in Europe.

The North of England has a number of key motorways of which the most important are the M1 and M6 which provide important North-South links and the M62 East-West Trans Pennine motorway. There are also many other urban motorways. However many of these are often grid-locked at certain times of the day and spare capacity seems virtually impossible to generate in such a built-up part of the country. One solution that is currently envisaged is to introduce "smart motorways" using active traffic management to increase capacity by varying speed limits. Some are being implemented on the M62 around Leeds and Bradford, on the M60 and M62 near Manchester and on the M1 near Wakefield and Sheffield. The Head of the Highways Agency has even suggested recently that the new "normal" speed limit on urban and interurban motorways should be 40 mph. This may well increase capacity and possibly fluidity but will hardly contribute to the attractiveness of the road network[3].

Railways however may well help to provide extra capacity and reduce journey times and there is great potential in upgrading the existing services and developing new attractive interconnections.

British Rail was privatised by the Conservative Government between 1994 and 1997. Railtrack was then formed to manage rail infrastructure but the Hatfield crash in 2000 led to the sale of Railtrack to Network Rail (2002). National Rail however is a trading name used by the Association of Train Operating Companies. It is thus an umbrella organisation designed to create the impression that the 20 franchised Train Operating Companies operating in the United Kingdom form an efficient national network. Yet despite National Rail's best efforts to coordinate ticketing and passenger services there is not yet an easily understood, joined-up service.

[2] The National Infrastructure Commission (NIC) was set up on an interim basis on 5 October 2015. Its brief is to provide long-term strategic decision-making to infrastructure projects. The creation of the NIC was proposed in 2013 by the Armitt Commission, itself set up by the Labour Party in 2012 to undertake an independent review of long term infrastructure planning. The fact that the NIC is independent and that its first Chair is Lord Adonis, a former Labour Transport Secretary, shows a desire to adopt a consensual approach to strategic decision-making.
[3] There is talk of a Trans-Pennine road tunnel linking Manchester and Sheffield.

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Rail connections in and to the North of England have not improved in the last 30 years. It is quicker to travel by rail from London to Paris than from Liverpool to Hull, which is less than half the distance. It takes 45 minutes to travel from Manchester to Liverpool, a distance of 56 km. This rail route is not only important for the economy of the North West of England: it is also highly symbolic of the time when, in 1830, the Industrial Age became the Railway Age, with the opening of the world's first railway service between these two Northern cities. Only a few years after the opening, the travelling time between Liverpool and Manchester was less than one hour. How is it possible to accept a similar travelling time nearly two centuries later?

Over the past few years a number of initiatives have been launched to find ways of improving the railways. High Speed 1 was built to connect London to the Channel Tunnel and opened in 2007. High Speed 2 (HS2) is planned to link London with Birmingham by 2026 (Phase 1) and then (Phase 2) through a 'Y' configuration, to connect in a westerly direction to Liverpool and Manchester, and, in an easterly direction, to Leeds and York. In November 2015, the Conservative Government announced a proposed way forward on Phase 2 with trains planned to operate from 2033. However part of Phase 2 (from West Midlands to Crewe) could open in 2027, so that the North and Scotland could benefit from some of the benefits of the huge investment as soon as possible. HS2 is expensive (the latest figure mooted is £55.7 billion) and remains controversial not only because of its cost but also because of its very nature: will it help to bind the rest of the country to London or will it concentrate even more power in London? What about the environmental issues? How much of the Green Belt will have to be sacrificed during the construction phase?

The Northern Hub, launched in 2010 by Network Rail and initially set to be completed by 2018 – 2019, is a coordinated investment of £560 million to upgrade the railways in the North of England by increasing capacity and reducing journey times. According to Transport for Greater Manchester it could create up to 23,000 jobs and stimulate the Northern economy to the tune of £4.2 billion. It will run from Liverpool and Cheshire in the West to Hull in the East and Newcastle in the North, with at its centre Greater Manchester. The plans include more electrification, some new lines, improvements in platforms and station facilities, more modern, faster and more frequent services and a joined-up approach to ticketing.

In July – August 2014, five cities in the North – Leeds, Liverpool, Manchester, Newcastle and Sheffield – called for a more adventurous £15 billion plan to improve transport across the North of England. This strategic proposition for an interconnected North (with the focus on East-West links) is called One North.

Transport for the North (slogan: "One Voice for the North") is a partnership between "Government, Northern city regions and Local Enterprise Partnerships working together, along with Highways England, Network Rail and HS2 Ltd" with the aim of developing a Northern Transport Strategy. The Chancellor's 2015 Budget contained a promise to spend £30 million over the period 2015 – 2018 to fund this partnership and to set it up as a statutory body by 2017, representing the "whole of the North". The partnership published a report on this transport strategy in March 2015 to outline its aim to "transform Northern growth, rebalance the country's economy and establish the North as a global powerhouse".
The IPPRN then published a paper on the potential benefits of such a partnership, the added responsibilities it could take on in the future, the role it might play in integrated smart-

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ticketing (the creation of an "Oyster" card for the North) and its institutional development. The report points out that the Northern Hub is a welcome initiative but constitutes "only small steps in the right direction" (Cox and Raikes, 2015a).

This dizzying list of proposals has emerged in only five years yet it would be unfair to claim that George Osborne is solely responsible for this upturn in interest in improving the railway network. The Labour Government had already announced in 2009 that it was going to electrify the line from Liverpool to Manchester and so reduce the journey time by 14 minutes – but a year later it was out of office.

Even now, with the British economy out of recession and growing relatively quickly, it was surprising to learn in June 2015 that the electrification of the Trans Pennine railway line between Manchester and Leeds (HS3) was planned to be "paused" due to cost over-runs on the Great Western Main Line. This led, not for the first time, to the accusation that the Northern Powerhouse was a brand lacking substance. *The Financial Times* claimed that " […] after the initial enthusiasm, scepticism is starting to creep in. Northern council leaders ask why if London can get the £14.8bn Crossrail, Mr Osborne cannot find the money immediately to upgrade rail lines across the Pennines" (Bounds *et al*., 2015). Three months later, the Chair of Network Rail, Sir Peter Hendy, set out how work could in fact continue. The Secretary of State for Transport, Patrick McLoughlin, then decided to "unpause" the electrification, with completion planned for 2022.

This is one of the real conundrums of the concept of the Northern Powerhouse: localism, reorganisation and public relations are one thing; finding the necessary investment is another, whoever is in charge.

There certainly has been a considerable amount of investment in Manchester Airport over the last decades. According to the UK Civil Aviation Authority, it is the third most important British airport after Heathrow and Gatwick, handling about 22 million passengers in 2014, with over 200 destinations served by over 70 airlines. Nevertheless the 2007 Master Plan suggested that passenger throughput would reach over 37 million passengers by 2015 but the financial and economic crisis in fact led to a fall in passenger numbers. Only recently has the number of passengers picked up: the figure for 2014 is about the same as that of 2006. There has also been a fall in freight transport: in 2007, cargo traffic reached approximately 165,000 tonnes whereas in 2014 it was only around 93,000 tonnes.

The Airport is owned by the Manchester Airports Group plc (MAG), which is a holding company composed of the City of Manchester (35.5%), IFM Investors (35.5%) and the remaining nine metropolitan boroughs of Greater Manchester (29%). In other words, the councils that comprise Greater Manchester already have a considerable vested interest in the running and development of the airport. What more powers do they really need to achieve their objectives and who is going to provide the extra finance?

In fact, rather than increase local ownership of airports, the Northern Powerhouse transport plan seeks to provide a more coherent harmonisation between airports in the North of England and to create multi-modal hubs linking road, rail and air traffic, which it is hoped will create dynamic business centres. In the last few years, as well as normal investment plans, a number

of specific innovative proposals have been made to develop Manchester Airport even further: one of them is called Manchester Airport City. It is a £800m project to build a huge business hub with offices, advanced manufacturing, a logistics centre, hotels, retail outlets and leisure facilities. This development will benefit from incentives as part of the Government Enterprise Zones, introduced in the 2011 Budget, designed to create new jobs and stimulate economic growth. It is planned to develop links between Airport City, the Northern Hub and HS2 to the South. The project also stresses the growing number of flights from Manchester to Asia, most notably China. Chinese investment is also being sought and the Chinese President Xi Jinping came to visit the development during his visit to the United Kingdom in October 2015.

If such investment in Manchester Airport is welcomed in Greater Manchester, it might well be seen as imperilling the development and indeed the economic future of other airports in the regions of the North, not to mention the Midlands. This is a criticism often heard when the question of developing one prime site in the rest of England as a counterweight to London is raised. Will Manchester Airport's development contribute to the decline of the secondary airports? It has been accepted that Leeds-Bradford Airport should have a rail-light rail connection to the city centres and the Northern Powerhouse transport plan might provide the investment for such a development. Yet the argument most commonly put forward is that Manchester Airport will become the dynamic focus of the Northern Powerhouse, a national alternative to Heathrow and Gatwick, and the other airports in the North will develop complementary activities (either holiday destinations with package tours or low-cost short-haul regional, national or European flights) in Manchester's shadow.

Greater Responsibility for Health and Social Care

Today, according to the King's Fund, an independent charity whose aim is to improve health and care in England, "devolution of powers and funds from central down to local government has emerged as one of this government's flagship policies" (King's Fund, 2015). As we have seen, the *Localism Act 2011* was a major step in giving more political and financial powers to local government in England. An amendment to the Act, which was accepted by the Coalition Government, also devolved greater bespoke powers to the members of the Core Cities Group[4]. One of the fields where these powers are set to be introduced is that of health and social care.

The National Health Service (NHS) was set up in 1948. Medical treatment was linked to needs and not means; it was to be financed entirely by taxation and promised to provide services that were free for all at the point of delivery. The NHS was supposed to be truly universal and national: regional inequalities were supposed to disappear, yet the original structure of the NHS established a complex tripartite system: hospitals in England and Wales were organised in 14 Regional Hospital Boards whereas teaching hospitals had other arrangements. In the field of primary care, General Practitioners (GPs), dentists, opticians and pharmacists were self-employed yet under contract. Finally, Local Health Authorities were responsible for providing maternity and child welfare services, home nursing and home help,

[4] Formed in 1995, the group was initially composed of Birmingham, Bristol, Leeds, Liverpool, Manchester, Newcastle, Nottingham and Sheffield. It focused its attention on a number of issues including transport, innovation and support for finance, business and industry. Glasgow joined the group in 2014 and Cardiff in 2016 making the group a truly British organisation.

vaccination and immunisation programmes and ambulance services. In other words the system was a compromise, with power exercised at different levels by different administrative structures. There was also little popular participation in decision-making.

Since its inception, worries have often been raised about the spiralling cost of the NHS, its complex organisation and its lack of accountability, yet the NHS has always occupied a special place in the British psyche. As Nigel Lawson, the former Conservative Chancellor of the Exchequer, wrote in his autobiography: "The NHS is the closest thing the English (sic) have to a religion, with those who practise in it regarding themselves as a priesthood. This made it quite extraordinarily difficult to reform" (Lawson, 1992, 61).

Nevertheless there were some rather piecemeal attempts at reorganisation in 1974 and again in 1982 but root and branch reform was finally carried out by the Thatcher Government in the 1980s. The Centre for Policy Studies, a Conservative think-tank, suggested the introduction of an "internal market". The money allocated for health care should follow the patient through the system, in a similar way to the new policy on education, pursued after 1988, where the money followed the pupil. The Secretary of State for Health, Kenneth Clarke, suggested management by GP fund-holders: family doctors would be offered budgets within which to buy a range of services and treatments, with a limit set on the amount they could commit. There was opposition from many quarters including the British Medical Association. The Government replied that they were trying to get value for money and reduce waiting lists.

Although initially hostile to this idea, the Labour Government under Tony Blair came round to accept the "internal market" from 2001 onwards, and rather than focusing on public investment, sought outside finance, with the controversial "Private Finance Initiative", allegedly providing better value for money but in fact leaving authorities with seemingly never-ending, long-term repayments. Nevertheless the Labour Government did abandon the GP fund-holder system and set up in its place Primary Care Trusts, whose remit covered 80% of NHS England's budget.

Today, health and social care are devolved issues in the United Kingdom. In a report published in 2013, the King's Fund set out to show what lessons England could learn from recent policies implemented in the other nations of the United Kingdom. Among its conclusions the report finds that Northern Ireland has had an integrated structure since 1973, and Scotland since 2004, though here local authorities have responsibility for social care. Wales has followed the same path since 2009. As part of the reflexion about English devolution, both the Coalition Government and the subsequent Conservative Government decided to focus on new models of health and social care for England, beginning with Greater Manchester.

On 27 February 2015, the Greater Manchester Authorities and NHS England agreed to a *Memorandum of Understanding* that would join up health and social care budgets, create a "patient focused pathway" and put "local people in the driving seat for deciding on health and care services that suit Greater Manchester".

It is claimed that such a change will save the taxpayer billions of pounds by easing pressure on hospitals and treating more patients in the community, although how exactly this will be

achieved remains vague. There is an inexorable rise in the number of patients seeking treatment in hospitals and some would argue that a large number of hospitalised patients in England (so-called "bedblockers") cannot be released because of the limited social care resources available.

This *Memorandum of Understanding* is a radical change since it introduces for the first time local political responsibility and accountability. It has happened quickly – discussions only lasted 4 months – and the sums involved are significant: in 2015 – 2016 the budget for health and social care services in Greater Manchester is £6 billion.

This is not the first attempt at devolution in this field – Clinical Commissioning Groups (CCGs) were set up in England in 2012, largely to replace Primary Care Trusts. However the division of responsibilities between Public Health England, NHS England and local authorities led to duplication in some areas and gaps in others.

A problem raised by some critics of these changes is the complexity of the question of governance. Are there too many layers? It is possible though difficult to change the organisational architecture but will the services on the ground improve? The list of partners involved in the *Memorandum of Understanding* is long: Public Health England; Greater Manchester (GM) Local Authorities; NHS England, GM CCGs; GM NHS GP Groups and other Provider Services; GM Blue Light Services (in other words police, fire and rescue and ambulance services.) Will it be possible to coordinate a clear policy involving so many partners in such a short time? Full health and social care devolution is set to be fully implemented by April 2016!

As this *Memorandum* is essentially an outline agreement it is perhaps not surprising that detail is thin on the ground: but at the back of many people's minds is the nagging thought of how can more patients be treated without increasing not only the health budget but also the social care budget.

Hospitals in England are continuing to overspend: for the financial year 2015 – 2016 it is expected that English hospitals will have a deficit of over £2 billion. The *Manchester Evening News* has recently revealed that 6 out of 9 hospitals in Greater Manchester were forecast to finish the year in the red to the tune of £40 million (Kirby, 2015). Will this reform turn the situation around? While it is true that the Coalition Government managed to maintain the health budget and indeed the present Conservative Government has promised to increase it in real terms by 2020, the social care budget has been drastically cut in recent years. According to the latest report (2014) by the Local Government Association and Association of Directors of Adult Social Services (ADASS) there have been budget savings of 26% in Social Care spending since 2010. According to this report the service is now under extreme pressure and in financial crisis. Critics therefore wonder if the amalgamation of NHS and social care budgets is just a way of masking cuts in social care budgets. Critics of the Conservative Government point out that the Conservatives historically do not have a good track record of protecting the health and social care budgets. However George Osborne claims that this reform will not only improve efficiency but also improve outcomes.

Another criticism levelled against the future local political management of health and social care is the effect it might have on surrounding areas, just outside Greater Manchester. According to Leo Hollis this example of localism will "break up the last remnants of the national Welfare State" (Hollis, 2015). The increase in competition between health hubs will thus weaken the "national" element in the NHS. Andy Burnham, MP for Leigh in Greater Manchester, and Shadow Secretary of State for Health during the 2015 General Election campaign, has talked of a two-tier NHS.

What about Lancashire and Cumbria to the north of Manchester and Cheshire to the south? Will they be penalised by this reform? Will it create a postcode lottery? Will people from these areas close to Greater Manchester seek treatment within the metropolitan region rather than in their own districts? The right-wing popular press has had a field day in recent years pointing out the apparent increase in Welsh patients crossing the border to England for quicker treatment and specialised cancer treatment (Hope, 2014). Will the example of Wales be followed in the Northern Powerhouse?

Why the Northern Powerhouse now?

A convergence of events has brought about this fascination on the part of the Conservatives with regenerating the North of England. The first reason for such a policy is the initial devolution of powers to Scotland, Wales and Northern Ireland in the late 1990s, followed by the increase in such powers during the last few years. The Scottish Referendum on independence not only crystallised attention on Scottish identity, decision-making and accountability but has also sparked demands for devolution in England. "English Votes for English Laws" is one catchphrase which still needs to be clarified over the coming months and years, and is not without presenting numerous serious problems for a Westminster Parliament intent on uniting the whole Kingdom under one roof as well as assuaging an increasing sense of English nationalism. The creation of a Northern Powerhouse however is perhaps easier to imagine than that of an ersatz English Parliament and would give the impression the Government had not forgotten English voters, especially those outside the capital, and was doing something to give them a louder voice.

Meanwhile, the need to make huge spending cuts, initiated by the Chancellor of the Exchequer, has led to a wider national debate into how to make the best use of limited resources. The last period of Conservative power (1979 – 1997) focused on privatisations and a market economy. Today, the Conservatives seem more interested in local accountability as a means of making public and politicians, whether national or local, of all parties, more aware of the nexus between taxation and public expenditure. In this way a more consensual rebalancing of political and financial responsibility involving politicians of all persuasions could outlive the ephemeral nature of one or two terms of office and lead to a lasting reduction in public expenditure and a more efficient use of increasingly rare revenues.

A successful rebalancing implies therefore a focus on creating a counterweight to the pre-eminence of London and the South East. Even during the Scottish Referendum campaign, SNP political discourse most often stressed the overarching power of London, Westminster and Whitehall instead of referring to the domination of England and the English. London, with all the institutional and administrative paraphernalia of national government, still

dominates the key reserved areas of United Kingdom politics, even if Scotland's devolved powers have over the last 15 years reduced the importance of the capital's role.

London itself is not just the seat of national government: it is also paradoxically a counterweight to national government in that the Mayor and London Assembly have genuine powers and can adopt positions hostile to those defended by national government. Both Ken Livingstone (Labour) and Boris Johnson (Conservative) have both at various times shown independence of political spirit and action since the inception of an elected city government. Despite the inconvenience of having a potentially hostile position, the Conservative Government has expressed the hope that this dynamic balance between Westminster and City Hall could serve as a model for certain regions in other parts of England.

It is not just in the field of politics that London plays such a dominant role: the same goes for the economy. The spatial economic imbalance between the capital and the rest of the country is the highest in Europe: "seven of the eight biggest cities outside London perform below the national average in terms of GDP per person"; in Germany "the eight largest cities outside Berlin all consistently outperform the national average" (*The Economist*, 2015). If the Northern Powerhouse is supposed to develop as a counterweight to the capital what are the sectors that can be successful in improving the North's performance? The example of scientific innovation could be one such potential winner.

Graphene was isolated at the University of Manchester in 2004. It is composed of carbon atoms arranged in a hexagonal lattice and can be obtained by setting out one atomic layer of graphite. It is ultra light, very thin, transparent and 200 times stronger than steel. The National Graphene Institute (NGI) in Manchester is a collaboration between university researchers and industrial partners to find new applications for graphene. More than 35 companies have already joined this partnership. The Graphene Engineering Innovation Centre (GEIC) is due for completion in 2017 with the aim of providing a critical mass of graphene expertise. The NGI was provided with £38 million at the 2012 Budget and the potential of graphene is often mentioned by Osborne in the context of the Northern Powerhouse: in September 2014, the Chancellor said "Graphene is potentially a game-changer – its properties make it one of the most important commercial scientific breakthroughs in recent memory" (Osborne, 2014c). The aim is to open a "Graphene City" in Manchester based on these two state of the art centres of excellence. China's President Xi Jinping visited the NGI during his October 2015 visit. On the same day, the Chinese telecoms giant Huawei announced a partnership with the NGI. The NGI joins the Sir Henry Royce Institute for Materials Research that will also have its centre in Manchester. Manchester is the European City of Science in 2016.

Once again Manchester stands out as the focus for this attempt to rebalance England. If it is understandable that this city region welcomes this attention and increase in its political power and prestige, then what about the reaction of other city regions and business representatives in other parts of the North to this regional "domination" and indeed what is their view of the idea of the creation of a Northern Powerhouse in general?

Greater Liverpool councils were initially split about directly-elected mayors but they have finally coming round to the idea. The Greater Liverpool Authorities had hoped for the same powers as those given to the Greater Manchester Authorities though without having to

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introduce a directly-elected mayor, but they have been told that the latter is a necessary prerequisite. In November 2015 it was stated that Greater Liverpool would sign up to the programme. They would then join Sheffield city region, Tees Valley and the North East that have already done so. It would however be wrong to imagine that the path to English devolution always runs smooth. For example, in the North East there has traditionally been both a great suspicion of the probity of local politicians[5] and a ferocious rivalry between Sunderland and Newcastle over which city is the true capital of the region. Yet citizens of the North West could point to a similar rivalry between Manchester and Liverpool, which seems for the moment at least to have been put to one side for the greater good of the region. Liverpool will now have control over investment of £900 million over a period of 30 years, to help develop the economic potential of Merseyside. Ambitious projects such as the £1 billion Superport logistics cluster and the £300 million deep-water terminal (Liverpool2) are both examples of industrial regeneration in this formerly blighted city.

According to the IPPRN the majority view of Northern businesses is that devolution in England is to be welcomed and that the Northern Powerhouse should proceed “full steam ahead” (Cox and Hunter, 2015). The Federation of Small Businesses is also in favour of giving greater powers to city regions since “local decision-makers are best placed to understand local economic needs” yet they have expressed doubts about the wisdom of devolving the right to set local business rates in the United Kingdom (except for Wales) since they feared a fragmentation of the tax system. The British Chamber of Commerce and the Confederation of British Industry are also supportive of more devolution for the English city regions.

It would seem therefore that the Northern Powerhouse has been welcomed across the board by many different political representatives and business organisations. Are there no voices raised in opposition?

The regions of the North of England are dominated by the Labour Party. At the last General Election, in the North West, Labour took 51 seats, the Conservatives 22 and the Liberal Democrats 2; in Yorkshire and Humberside, Labour won 33 seats, the Conservatives 19 and the Liberal Democrats 2; in the North East, Labour took 26 seats to the Conservatives 3. In other words in the three regions concerned by the Northern Powerhouse programme, Labour won 70% of the available seats and the figure is even higher if we only consider the city regions: out of 27 seats in Greater Manchester, Labour won 22, representing 81%. A similar picture emerges in local government: in 2015 all 96 members of Manchester City Council belonged to the Labour Party; out of 11 members of the Greater Manchester Combined Authority, 9 are Labour, 1 is Conservative and 1 is Liberal Democrat.

Some observers have pointed out that the Conservatives are cynically pushing for more devolution in the North as a means of gaining political popularity and winning more seats in local and national elections. Others would point out a policy that is markedly different from that implemented by the Thatcher Governments of the 1980s that seemed particularly hostile to the metropolitan county councils, dominated by Labour, and indeed finished up by

[5] The memory of T. Dan Smith, former Leader of Newcastle City Council, jailed for corruption in the 1970s, is still alive in the North East. The hugely successful BBC2 series *Our Friends in the North* (1996) referenced the theme of political corruption in local government in the North East.

abolishing them in 1985. They might refer to the claims by this Conservative Government to be one-nationist. It is said that Benjamin Disraeli, the father of one-nation Conservatism bringing together rich and poor, North and South, is David Cameron's favourite Conservative hero and indeed Boris Johnson has also claimed to be a "one-nation Tory" (Brogan, 2010). Whatever the motives of this Government, if Labour obtain increased powers in local government and fail to use these powers successfully, then the Conservatives will be able to claim not only the credit for having pushed through this form of English devolution but also the political legitimacy to play an important role in the management of the North and its powerhouse.

The Labour Party finds itself in a difficult position at the moment: Labour councillors are very much in favour of the proposals although they continue to insist upon the need for more government money for local devolved services yet the Parliamentary Labour Party is suspicious of Conservatives bearing devolutionary gifts to their own heartlands. The Shadow Cabinet have shown a certain irritation with the term Northern Powerhouse and try to pass it off as smoke and mirrors. But it could be argued that this attitude is essentially one of sour grapes at not having thought of such a catchy expression themselves and at remaining vague in their 2015 General Election manifesto about how they would regenerate the regions of England. It is difficult for Labour MPs, like Andy Burnham, who has always argued for the health and social care budgets to be merged and for the patients to be put first, to oppose a proposal that gives such powers to the Labour local authorities of his own city region. Lisa Nandy, Labour MP for Wigan (also in Greater Manchester) and Shadow Charities Minister in May 2015, believes the Northern Powerhouse is really just a joke: what really matters is a genuine transfer of power with adequate funding[6]. In other words she repeats the traditional Labour criticism of Conservative Government cuts yet remains vague about what is meant by "transfer of power" and about how to increase government expenditure when there is already a large public deficit. Instead of arguing cogently and specifically against the concept of the Northern Powerhouse, Labour MPs often criticise the fact that the Conservatives have launched these proposals without any referendum of the local populations but this argument has not gained much traction. Meanwhile, Labour councillors and local leaders are busy signing the protocols.

[6] Interview in *Sunday Politics North West* (2015), *op. cit.*

Conclusion

When the term Northern Powerhouse first entered the Conservative political lexicon during the period of Coalition Government, there were a number of snide comments about it being a vacuous expression, semi-detached from the realities of political and economic life in the North of England. A catchy tag, whether it is really attributable to a politician, or else a journalistic condensation of several more complex ideas, can quickly become an object of derision. Previous examples, doomed to haunt Thatcher, Major and Blair, include "Victorian Values" (1983), "Back to Basics" (1993) and "Cool Britannia" (1997). Even some Northern politicians were wary of what exactly lay behind the term. Nick Forbes, the leader of Newcastle Council, claimed "it sounds a bit like the name of a gay club I used to go to in the 1990s" (*The Economist*, 2015). The *Sky News* website recently suggested that "it sounds like an appliances warehouse".

Yet the choice of words is not only catchy – it is also redolent of a dynamic future built on the site of a successful past. "Northern" is itself sufficiently expansive and immediately sets up the dialectic with London and the South. But it is the word "Powerhouse" that has really had a media impact, blending "House" (homely, personal, closer to people's lives) and "Power" (energy, strength, power to the people, powerful as opposed to powerless) in a portmanteau word that evokes the force of the 19th century Industrial Revolution and the dynamism of a new 21st century "Innovation Revolution".

In an article published in *The Telegraph* just after the General Election in May 2015, the Director of Strategy to David Cameron, Steve Hilton, argued that the incoming Conservative Government should proceed with structural changes to the way British society is organised. "In government, I was an early champion of devolution to executive city mayors; as countries as diverse as the US, France and Japan have shown, strong local leaders are the real policy innovators" (Hilton, 2015). Hilton has been an influence on the Conservatives and especially David Cameron over the last 10 years and is behind the idea of a "Big Society"; he believes in a shake-up in the participation and empowerment of citizens in political decision-making, since for him, central government has become too big and too remote (Hilton *et al*., 2015).

The concept behind the Northern Powerhouse is similar to the philosophy espoused by the US academic Benjamin Barber and the Brookings Institute's Bruce Katz who claim that national government has had its day and a mayor at city level is best placed to react to the situation on the ground (Hollis, 2015). People are more interested in their own environment than in vague theoretical or ideological notions evoked in political debates hundreds of miles away. For most issues that affect the citizen's daily life, the future is urban rather than national. Barber claims the nation/state paradigm is obsolete and will be replaced by cooperation between city regions (Barber, 2013). Katz focuses on the networks that such city regions can forge to get things done, create more jobs and provide the new, innovative skills workers will need in the future without having recourse to the nation/state's capital city (Katz and Bradley, 2013).

A number of academics have been working on this question of a "new spatial economics" to reduce the imbalance between London and the rest of the country. It has been suggested that what is needed is more investment for the Northern regions and a greater decentralisation of the "key institutional structures that make up the UK's national political economy" (Martin *et*

al., 2015). This would involve the setting-up of a more federal United Kingdom, focusing in England on the city regions as "key units of spatial economic governance, and locally accountable as such".

Traditionally British local authorities had only limited statutory powers. If they wished to be more ambitious in their scope of action they might well have found themselves passing legislation that was *ultra vires* (beyond the law and thus illegal). The first major step away from this limiting aspect to local government powers came with the Labour Government's *Local Government 2000 Act* that introduced the concept of the "well-being power", but this power was only used sparingly. The *Localism 2011 Act* went considerably further by introducing a "general power of competence" to local authorities in England: the current Conservative Government is now implementing the generalisation of the use of this power of competence in its attempt to give the English city regions more say in the affairs of their populations.

The call for more English devolution has been heard by local government and is not just limited to the catchy slogan hammered home by George Osborne. In 2015 the Local Government Association published an offer of partnership with central government in order to achieve the following wider, more "social" objectives: "shared prosperity, a skilled and dynamic workforce, affordable homes, a healthy nation and safer communities." Whatever form it takes, there is now a dynamic in favour of moving away from the traditional domination of the United Kingdom (but also England) by a London-based centralised government.

Yet this concept cannot really come to fruition unless there are extra allocated resources – whether they be from national government or private investors – since no one is proposing to reduce investment in the capital. Some critics have claimed that Government commitments to invest billions of pounds in new Northern infrastructure projects or better public health services are in fact attempts to recycle or rebrand previous investment or electoral promises. Will there be any significant new money or is this decentralisation process merely window-dressing for continued reductions in overall government spending?

In future, local government in England and the national governments of Scotland and Wales will have to justify even more the decisions they take and the use they make of their financial resources. This is what is meant by local accountability. The Conservative Government believes this is the only way to save money for the country as a whole, and at the same time will stop the national government in Westminster from taking all the blame for frugal financial management. If the Northern Powerhouse is a success and is imitated in other parts of Labour-dominated England then the Conservatives can claim the credit for having given more power to the people and having rebalanced the country. If it is a failure then they can say it is the fault of the Labour-dominated local authorities that are incapable of managing their own budgets. Either way, the Conservatives will be able to claim they have not only rebalanced England but also rebalanced the United Kingdom by giving more powers to the English people in English city regions outside London. In this way the Conservatives are banking on the Northern Powerhouse not only improving the fortunes of the North but also those of the Conservative Party.

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Notice biographique

Paul Lees a fait ses études supérieures à l'Université d'Oxford (Oriel College), à l'Université de Nottingham et à l'Université de Nantes. Il a enseigné à l'Université de Nantes de 1975 à 2015. Il est membre fondateur du CRINI, ancien Directeur du Département LEA, ancien Directeur du Département d'Etudes Anglaises et ancien Doyen de la Faculté des Langues et des Cultures Etrangères. Il a beaucoup travaillé sur l'histoire politique britannique des 20ème/21ème siècles et notamment, sur les questions identitaires. Il a publié de nombreux articles sur la citoyenneté, sur la migration au Royaume-Uni et sur le Nord-Ouest de l'Angleterre. De 2008 à 2014 il a été coordonnateur de l'axe « Citoyenneté et Identités » du projet de recherche régional DCIE (Dynamiques citoyennes en Europe).

Biographical Information

Paul Lees studied at the universities of Oxford (Oriel College), Nottingham and Nantes. He taught at the University of Nantes from 1975 to 2015. He is a founding member of the CRINI research group, a former Head of the Department of Applied Foreign Languages and of the Department of English Studies, and a former Dean of the Faculty of Modern Languages and Culture. He has worked extensively on British political history in the 20th/21st centuries and especially, on the subject of identities. He has published numerous articles on citizenship, British migration and the North West of England. From 2008 to 2014 he coordinated the "Citizenship and Identities" Programme, one half of a wider regional research project called DCIE (Dynamiques Citoyennes en Europe).