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## **Policy Briefing on the Manchester City-Region pilot & proposal for a Combined Authority for Greater Manchester**

### **About this briefing**

The main purpose of this briefing is to provide an overview of the Manchester City-Region pilot and the workstreams associated with the pilot. This briefing also highlights how the Manchester City-Region pilot relates to the proposal to establish a combined authority for Greater Manchester, which is open for public consultation until 14 July 2010.

The briefing explains the links between some elements of the Manchester City-Region pilot and the national Total Place pilots.

Also included is some analysis of the opportunities and possible challenges presented by these developments from the perspective of the VCS. However, this is by no means an exhaustive analysis as the full impact of these developments may not be clear until the pilots have been concluded, and the results of the consultation on establishing a combined authority have been received.

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## 1. Manchester City-Region

### 1.1 What is the Manchester City-Region?

The Greater Manchester Region was chosen in April 2009 as a pilot Statutory City-Region. New devolved powers for the area were then set out in the Manchester City-Region agreement, which was signed in December 2009.

This is ultimately a bid to attain a devolved status and it builds upon the partnership work that has been taking place across the city-region's ten districts since the mid 1980's. The city-region agreement centres on reforming public services so that they are better able to support long-term economic growth and improve citizens' life chances. These reforms are set out in 10 key workstreams. In addition to a raft of broader reforms, it was agreed that a number of pilot projects would also be pursued.

The Statutory City-Region covers the former metropolitan county of Greater Manchester, which comprises the boroughs of Bolton, Bury, Oldham, Rochdale, Stockport, Tameside, Trafford and Wigan and the cities of Manchester and Salford.

### 1.2 Manchester City-Region – further background

The Greater Manchester Region is one of two pilot statutory city-region's that were announced by the Government in the 2009 Budget. The process of becoming a statutory city-region involves central Government giving groups of local authorities additional freedoms and flexibilities with the aim of helping them better drive economic growth in their area and contribute to sustainable development.

New devolved powers for the Greater Manchester area have now been formalised in the Greater Manchester City-Region agreement, which was signed in December 2009 by the leaders of the Association for Greater Manchester Authorities (AGMA) [see glossary] and the Regional Minister.

According to the Department for Communities and Local Government, the agreement recognises the role of Greater Manchester as a key focus for national growth and represents a shared commitment between central Government, local government and businesses to ensure that the city-region continues to be an economic success.

The Greater Manchester City-Region agreement centres on reforming public services so that they are better able to support long-term economic growth and improve citizens' life chances. The Greater Manchester City-Region agreement includes a commitment to pilot a number of projects relating to children's services, skills, young people, housing, science and research. It was also agreed that the pilot would explore how Greater Manchester could assume increased responsibility over transport.

According to AGMA, the city-region process builds upon the Greater Manchester Multi Area Agreement [see glossary] and the evidence presented in the Manchester Independent Economic Review (MIER) [see glossary].

For full details, see 'Manchester: Statutory City-Region Pilot – Delivering Economic Growth with Public Service Reform', available at: <http://www.agma.gov.uk/>

The proposal to establish a combined authority for Greater Manchester builds directly on the Greater Manchester City-Region pilot. According to the consultation document which lays out the proposal to establish a combined authority, the Government believes it is important that the governance arrangements in Greater Manchester are adequate for the city-region to deliver on the commitments laid out in the city-region agreement. This is based on the evidence of two separate reviews, which together suggest that the “current sub-regional governance arrangements across Greater Manchester are sub-optimal for improving the economic performance of the city-region.” For further details about the proposal, see section 2 of this briefing.

### 1.3 What are the Manchester City-Region pilot workstreams?

Based on learning from the Sustainable Communities report (produced as part of the Manchester Independent Economic Review), the ten City-Region workstreams are essentially aimed at ensuring the region is better able to respond to economic opportunities, and all citizens in the region can benefit from economic growth.

Public sector services will essentially be reformed in a bid to increase the strength and diversity of Manchester’s economic base and the productivity and efficiency of Manchester’s labour force; thus delivering the outcomes of more skilled residents and more resilient communities.

To achieve these overall aims, ten key workstreams have been identified:

1. Radically improve the early years experience for hard to reach groups particularly in the most deprived areas
2. Increase the proportion of highly skilled people in the city-region
3. Attract, retain and nurture the best talent
4. Improve life chances in the most deprived areas by investing in lifelong skills development and other forms of support so that people can compete in the modern labour market, and by incentivising integration across agencies
5. Significantly improve transport connectivity into and within the city-region
6. Improve the housing market, creating quality places to meet the needs of a competitive city-region
7. Rapid transition to a low carbon economy
8. Increase the international connectivity of Manchester’s firms, especially to the newly-emerging economies
9. Expand and diversify the city-region’s economic base by creating the best conditions for innovation accelerated by next generation digital infrastructure

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## 10. Total Place

Four of the city-region pilot workstreams are being delivered within specific geographical boundaries. These are variously referred to as 'spatial' or 'geographical' pilots and cover the following themes: early years, better life chances in the most deprived areas, housing and low carbon economy. In Manchester, the early years pilot and the better life chances in the most deprived areas pilot are both being delivered in Ardwick, while the low carbon communities pilot is being delivered in Moss Side.

Each local authority has agreed to establish a 'Place Board' to manage geographical pilots within that District and act as a primary accountable body. The Board will be chaired by the Council's Chief Executive. The Joint Commissioning Board (co-chaired by the Northwest Development Agency) will assist in overseeing the pilots and help prepare the Greater Manchester Strategy Delivery Plan.

In Manchester, the Place Board members include: Manchester City Council, Jobcentre Plus, North West Development Agency, HCA, GMPE and Government Office North West. It is being led by Steve Mycio (Deputy Chief Executive, MCC).

### 1.4 How does the Manchester City-Region pilot relate to the Total Place initiative?

Workstreams one and ten of the Manchester City-Region pilot relate directly to the national Total Place initiative<sup>1</sup> [see glossary]. The theme chosen for the Manchester City-Region Total Place pilot is 'early years' (0-5 years).

The Greater Manchester Total Place pilot is one of the sub-pilots of the Manchester City-Region pilot, but both are said to be part of a single programme of work driving forward public sector reform, in the spirit of Total Place. According to the recent 'Manchester City-Region and Warrington Total Place' report, published in February 2010, the Manchester City-Region pilot was already going to take a 'place based' approach to the Greater Manchester area before the Total Place pilot became part of the Manchester City-Region.

The Manchester City-Region Total Place pilot also includes Warrington (though Warrington is not part of the City-Region Pilot), and is being led by Wigan Council. There are seven early years pilots in the region.

The key proposals being tested by the early years pilots are a movement from a health-care based system to a broader more holistic system delivered in partnership through public sector bodies. The Manchester City-Region has also committed to the creation of an evaluation framework - co-produced with the Treasury - that will be tested on the early years pilots. It is expected that this will provide a model for Cost Benefit Analysis in the public sector that can be applied to other areas.

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<sup>1</sup> A separate policy briefing is available from Community Network for Manchester on the Total Place Initiative.

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The 'Manchester City-Region and Warrington Total Place' report presents the progress of the Manchester City-Region Total Place pilot to date. The key interim conclusions from the pilot are:

- There is a compelling case for spending on prevention in early years. Doing so will deliver both improved outcomes, significant savings across the public sector and improved economic productivity for the region.
- Public sector reform that places the citizen at the centre and focuses on solutions could make a real difference to the 'whole life cost' of support: e.g. reducing the impact on benefit payments, cost of the criminal justice system, and costs to the mental health system.

The report recommends that Local Authorities increase their sphere of influence over mainstream funding programmes in the areas of non-acute health spending, DWP, education and social care. It also recommends the development of a multi-agency commissioning model.

The report further recommends that the three major spenders of public sector funding for the region - Local Authorities, Health and DWP – should work together to produce a series of high level shared outcomes, along with a plan for better pooling and more efficient use of resources around those shared outcomes. It recommends that these three agencies should work together to design a common system of engagement with citizens – both in the language that they use and the sharing of information.

For full details of the findings and recommendations for future developments, see: 'Manchester City-Region and Warrington Total Place Report', 5 February 2010.

In Ardwick, the early years pilot is being combined with the 'better life chances' and 'worklessness' workstreams. The pilot began on 1 April 2010 and is being overseen by the Think Family Board.

For further details, especially on the impact these developments are having on the local VCS, contact Nicola Shanahan (Child and Family Support Forum) on 0161 834 9823 or email: [nicola@macc.org.uk](mailto:nicola@macc.org.uk).

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## 2. Combined Authority for Greater Manchester

### 2.1 What is the proposal to establish a Combined Authority for Greater Manchester?

On 29 March 2010, AGMA published a scheme for the establishment of a new Greater Manchester combined authority. Under the scheme the new combined authority would take over responsibility for co-ordinating economic development, regeneration and transport provision across Greater Manchester. The combined authority would also oversee the performance of the new devolved powers contained in the Greater Manchester City-Region agreement.

The scheme proposes that all the functions of the Greater Manchester Integrated Transport Authority (GMITA) would be transferred to the combined authority, with the transport authority being dissolved. Under the new arrangements, a Joint Committee would be established to assume responsibility for delivering transport across the Manchester City-Region.

AGMA leaders present this scheme as a genuine route to devolution, in which there is a significant transfer of power from central Government to the City-Region (as is reflected in their comments below). They also note that transport powers, for example, would be similar to those wielded by Transport for London. For full details, see: [http://www.agma.gov.uk/about\\_agma/index.html](http://www.agma.gov.uk/about_agma/index.html)

“This deal gives Greater Manchester a bigger say in its own destiny and places it at the forefront nationally of tackling a whole raft of issues such as skills development, worklessness and deprivation. These new freedoms will be particularly important as we work in partnership to speed up the pace of the region's economic recovery.”

“This is probably the most significant opportunity we have had to create a platform for genuine devolution.”

### 2.2 Proposal to establish a Combined Authority for Greater Manchester – further background

The proposal to establish a combined authority for Greater Manchester draws directly on the results of two separate review processes, the first related to transport governance, the second based on a general review of governance in the city-region.

A review of transport governance in the city-region was carried out in July 2009 on behalf of the 10 Greater Manchester authorities. This considered a number of options for improving transport governance across Greater Manchester, including the establishment of a combined authority.

In late 2009, AGMA carried out a review on the effectiveness and efficiency of transport and arrangements to promote economic development and regeneration within Greater Manchester. According to the Department of Communities and Local Government, this review has concluded that the current sub-regional governance arrangements across Greater Manchester are sub-optimal for improving the economic performance of the city-region and for allowing the city-region to meet its strategic ambitions.

Evidence from these reviews contributed directly to the development of AGMA's scheme for a combined authority. The scheme was submitted to the Department for Communities and Local Government, who worked closely with a number of other departments, most notably the Department for Transport, to consider the case for a combined authority. The Government concluded that AGMA have made a compelling case for the establishment of a combined authority, which has led to the proposal being released for broader consultation before being approved by the Secretary for State.

The scheme for the development of a combined authority has been made possible by Part 6 of the Local Democracy, Economic Development and Construction Act 2009 [see glossary].

The consultation period will run from 31 March – 14 July 2010. However, as all the AGMA local authorities have now signed up to the scheme, and it is backed by central government, the extent to which these plans may be influenced as a result of consultation feedback may be limited. According to an AGMA news release, AGMA have requested that the new authority should be created as from 1 April, 2011. If these plans go ahead, this would be the country's first ever combined authority.

For full details, see Department of Communities and Local Government consultation: 'Proposal to establish a combined authority for Greater Manchester':

<http://www.communities.gov.uk/documents/localgovernment/pdf/1526224.pdf>

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### 3. How will these plans affect the VCS?

#### 3.1 Opportunities and challenges

##### *Commissioning*

- Within the frameworks of the city-region pilots, VCS organisations are ideally placed to provide services at a local level to those less likely to access statutory services. However, with the focus being on efficiency savings, harmful assumptions can easily be made that VCS organisations can deliver more for less; leading to unsustainable contracting.
- The delivery activities recommended for a number of the city-region pilot workstreams involve the development of a multi-agency commissioning model. This may mean that the VCS needs to operate at a regional level rather than locally in order to compete. This, in turn, may lead to larger organisations winning regional contracts over smaller organisations that are embedded in local communities. However, this may also encourage the development of stronger partnerships and consortia based bids, which can strengthen the sector and reduce duplication. More information should be sought on how a multi-agency commissioning model would relate to the Manchester Commissioning Model.
- Within the context of the city-region pilots, there are clearly opportunities for the VCS to influence commissioning arrangements through a timely involvement in mapping, data sharing and consultation programmes, which serve to establish local needs. There are opportunities to use local VCS-based tools (such as One Central Place in Manchester) and link these systems to other regional data gathering / sharing systems. However, VCS organisations need to be involved from the beginning in data gathering processes in order to meaningfully feed into them.

##### *Influencing decision making*

- The city-region pilots are intended to shift power from Whitehall to local areas. However, the budgeting and priority setting plans relating to the Manchester City-Region indicate that decisions will be made at a city-region level rather than a local level. There is a risk that there will be fewer local forums for influencing decision making or that the weighting accorded to each areas' input will ultimately reduce the impact local communities can hope to have within these processes.
- The VCS in the city also has a pivotal role to play in raising awareness about the pilot programme and can use its expertise to actively engage in changing the culture of service delivery, and involve local people in this process. There is an opportunity for the VCS to link this initiative to the 'Duty to Involve' and strengthen our influence on decision making processes generally.

## Workstreams

- The Greater Manchester Strategy is based on a model of economic growth, rather than economic sustainability. There are potential conflicts within the ten workstreams with regard to environmental sustainability. For instance, plans to ‘significantly improve transport connectivity into and within the city-region’ and to ‘increase the international connectivity of Manchester’s firms’ may not accord with plans to make a rapid transition to a low carbon economy. Nevertheless, the sector has an important role to play in supporting environmental sustainability programmes at a local level, and there are employment opportunities associated with delivering this agenda. Likewise, plans for increased innovation and productivity across the city-region should also lead to increased employment opportunities locally.
- Several of the workstreams are being delivered in specific geographical areas, meaning that they are likely to impact on some parts of the VCS more than others (in the pilot stages at least).
- In Manchester the early years / most deprived areas workstream is being delivered in Ardwick. The Child and Family Support Forum has observed that there are no early years VCS services that specifically operate in Ardwick, though families are likely to draw on services delivered by the VCS in neighbouring areas or at a city-wide level. This may mean that the overall role of the VCS in supporting families in this area is not accurately reflected. Additionally, the true value of spending on early years provision as a means of preventing the development of other social / welfare issues later in life may not adequately be reflected in a 2 year pilot (a more longitudinal approach is necessary).

## 3.2 How is Community Network for Manchester responding?

CN4M is playing an important role in communicating the details and progress of the city-region pilots and the proposal to establish a combined authority for Greater Manchester to the wider VCS. We do this by raising awareness about the consultation processes associated with these initiatives, circulating information which analyses the likely impact on the VCS (this briefing for instance), and actively feeding into the pilot workstreams in local areas.

The Network already plays a pivotal role in engaging local groups in shaping services. Our involvement in efforts to contribute to a broader culture change in how services are delivered (through the city-region pilot workstreams) can be seen as an extension of this role.

A number of individual Networks (e.g. Child and Family Support Forum; Learning, Skills and Employment Network, Sustainable Neighbourhoods Action Group and Transport Action Group) are able to provide analysis of the pilots on a thematic basis and identify opportunities and implications for the VCS. Pilots that our Networks have particular knowledge about include the early years pilot in Ardwick, and the Resident Wages Project.

At a strategic level, there are opportunities to link the city-region pilots to the Neighbourhood Focus Strategy and Community Engagement Strategy, and clearly demonstrate CN4M's role in engagement. Efforts will be made to raise these issues in Manchester Partnership meetings.

There may be opportunities to link workstream 1 (radically improve the early years experience for hard to reach groups particularly in the most deprived areas) to the research CN4M intends to do on identifying and engaging with 'hard to reach' groups over the coming months.

Our Networks can also play a role in facilitating the development of partnerships that take a holistic approach to service delivery, and support the establishment of consortia in certain parts of the sector (as the Learning, Skills and Employment Network has done with Manchester First)

'Value for Money' exercises are likely to become increasingly common and rigorous as the city-region pilots develop – CN4M can fulfil an important leadership role in supporting the sector to get to grips with this.

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## 4. Glossary

The **Association of Greater Manchester Authorities (AGMA)** acts as the voice of the ten local authorities of Greater Manchester, and works in partnership with a wide range of organisations: private, public and voluntary, within the city-region and beyond.

AGMA Chief Executives and Council Leaders meet regularly to work together on a range of key strategic and policy issues which impact on Greater Manchester.

AGMA claims that the 10 local authorities “are working together with a common objective of ensuring that by 2020 we will be able to confidently call ourselves a world class city-region at the heart of a thriving North of England.”

The ten local authority districts are: Bolton, Bury, Oldham, Manchester, Rochdale, Stockport, Salford, Tameside, Trafford and Wigan.

A **Multi-Area Agreement (MAA)** is a set of plans and proposals to improve outcomes in an area, negotiated between a group of local authorities at a sub-regional or city-region level. MAAs focus mainly on employment, skills, transport, regeneration, housing and planning. MAAs follow similar principles to local area agreements (LAAs), but concern a larger geographic area. One significant difference is that while there is a statutory framework that governs the arrangements for LAAs, no equivalent exists for MAAs.

The **Manchester Independent Economic Review (MIER)** is a comprehensive analysis of the Manchester economy, presented in seven separate reports. It was conducted by independent reviewers and was published in April 2009. The MIER concluded that the productivity of firms within the city-region is lower than expected given the size of the city-region’s economy. The reports concluded with a series of high level recommendations focussed on increasing the city-region’s productivity. The city-region is taking forward these recommendations through the **Greater Manchester Strategy (GMS)**.

The **Total Place Initiative**<sup>2</sup> was launched in July 2009. It is an ambitious national pilot programme looking at how all public money is spent in a local area and how it can be used more efficiently to improve local services. It seeks to identify and avoid overlap and duplication between organisations and is part of the Treasury’s Operational Efficiency Programme (OEP).

The Government presents Total Place as an initiative that takes a holistic approach to service delivery both for financial reasons, and because the intelligent way forward appears to be “redesigning the public sector to work with citizens to deliver solutions not services”. They contend that this forms part of a broader empowerment agenda in which local areas are given greater autonomy in a bid to strengthen local democracy, and the expertise and knowledge of those at the front-line is used to inform policy.

There are thirteen Total Place pilots, which are spread across England. They vary greatly in terms of their size, and in terms of the themes they have elected to focus on.

Part 6 of the **Local Democracy, Economic Development and Construction Act 2009** (‘LDEDC Act’) provides for the establishment of economic prosperity boards (EPB) and combined authorities.

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<sup>2</sup> A separate policy briefing is available from Community Network for Manchester on the Total Place Initiative.

These are new sub-regional structures that are designed to support the effective delivery of sustainable economic development and regeneration and, in the case of combined authorities, transport. They are corporate bodies with their own legal identity which are able to take on functions and responsibilities for economic development, regeneration and (for combined authorities) transport. They are controlled by their members, the majority of whom must be elected members of the constituent local authorities.

#### 4. Sources of further information

##### **Total Place Initiative**

A policy briefing on the Total Place Initiative produced by CN4M is available at: <http://www.cn4m.net/node/3435>. This contains a full set of references for sources of information on the Total Place Initiative.

##### **Manchester City-Region Pilot**

The Association of Greater Manchester Authorities (AGMA) website contains a section dedicated to the Manchester City-Region Pilot, including links to a copy of the bid and the agreement, several documents on governance and the Manchester City-Region development programme: [http://www.agma.gov.uk/city\\_region/index.html](http://www.agma.gov.uk/city_region/index.html)

The Manchester City-Region and Warrington Total Place Report, 5 February 2010 can be found at:

[http://www.agma.gov.uk/cms\\_media/files/mrcity\\_region\\_warringtontotal\\_place\\_report.pdf](http://www.agma.gov.uk/cms_media/files/mrcity_region_warringtontotal_place_report.pdf)

##### **Combined Authority for Greater Manchester**

The Department of Communities and Local Government consultation entitled: 'Proposal to establish a combined authority for Greater Manchester' can be found at:

<http://www.communities.gov.uk/documents/localgovernment/pdf/1526224.pdf>

## 5. Feedback and further reflections

In order to ensure the briefings we produce are relevant and reflect the needs of the sector, we would very much appreciate it if you would take a moment to tell us your thoughts on the following...

How useful did you find this briefing? Please tick the appropriate box.

Very useful       Quite useful       Not at all useful

Does the briefing provide enough information?

Enough info       Not enough info       Too much info

How do you think this briefing or the analysis could be improved?

Do you know of any further information resources related to either the Manchester City-Region Pilot or the proposal to establish a combined authority for Greater Manchester that could be included in further drafts of this briefing?

Do you have an opinion about the probable effects of these initiatives on the VCS that you would like to share with others?

Are there any follow-up actions that you would like to suggest for the sector?

Once you have completed this feedback sheet please save it and return it by email attachment to: [estelle@cn4m.net](mailto:estelle@cn4m.net), or by post to:  
Community Network for Manchester, Green Fish Resource Centre, 46-50 Oldham Street, Manchester, M4 1LE.

*Thank you for your time!*