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Introduction

Over the past forty years, economic and political power have become increasingly concentrated in London, creating an unequal country where opportunities and wealth are stacked in the favour of those living and working within the M25.

This inequality has had adverse effects on the economy of the UK beyond London and the South East of England. While many areas remain highly productive, from Media City in Salford to healthcare innovation in Leeds and software and technology hubs in Sunderland, in other places economic traditions have been lost, populations have declined, and a shift to low-skilled service jobs has stalled social mobility.

The Co-operative Party champions the principle of locating decision-making and economic regeneration closer to those affected. And rarely has this been so important than now, a time when the foundations of our economy have been shifted by Brexit, technology and deindustrialisation.

These have shone a light on a growing divergence in views and values across geographies and generations and are both a symptom and cause of the breaking down of many of the ties that traditionally brought people together.

This new era calls for a new settlement, one where democratic power lies with local communities who give some of that power to governments and local governments, not the other way around in the form of top-down deals.

While there are common factors which contribute to community disintegration, there are, too, communities bucking the trend. While deprivation, for example, remains a key influencer of cohesion, the fact that some areas have high deprivation and high cohesion shows

that local action can build resilience. A co-operative answer to building strong, cohesive communities can be a local one.

There are many great examples of co-operative councillors and local communities taking the lead on this. For example, the Elephant Project in Greater Manchester is an innovative project to involve people with experience of disadvantage in decision-making. And community pubs and shops are providing a space for people to come together and access services such as the Post Office and advice.

Since the EU referendum result it has become something of a cliché to talk about how to respond to the sense of powerlessness felt by too many people. But while the country is a very different place to when the Co-operative Party was founded over a century ago, empowering ordinary people to take control over the things that affect their daily lives remains at the heart of the Party and the movement.

But as well as championing these bottom-up initiatives and work of co-operative representatives and enterprises, this policy paper seeks to answer wider questions about how power is distributed around the UK, and how to rebalance this to give citizens and communities a greater say and stake.

It's time for a co-operative vision for devolution — not simply what to do with powers when, or if, they're devolved, but the bigger picture. How do we ensure that devolution genuinely empowers communities, ensuring power isn't just passed from one aloof political institution to another without a real community stake in any new settlement?

This is a paper on power, decision-making, cohesion and subsidiarity, from a starting point of community empowerment rather than top-down reorganisation.

Rebalancing power to communities

When power is passed simply from Whitehall to county and city halls without a real community stake in new settlements, there is a missed opportunity. Our co-operative devolution agenda is not just about shifting power from Whitehall, but also about placing power directly in the hands of people and communities.

When looking at how to empower communities beyond the town hall, many submissions from local parties reflected on the changing nature of work, and the way that this was fragmenting many traditional communities. Shift work, zero hours contracts, bogus 'self-employment', job insecurity, and deindustrialisation are undermining the sense of shared endeavour that used to bring many industrial towns together.

Others focused on how changes to the housing market were fragmenting once strong communities, with housing shortages in some places forcing communities apart, and a growing private rented sector with households forced to move more often through short contracts, rent increases or insecurity of tenure.

Many submissions understandably discussed the EU referendum and the divisions that it had created or revealed in their neighbourhoods, and the erosion of trust in public institutions and experts that it reflected and exacerbated.

Drawing on these experiences and reflections, the Co-operative Party believes that there need to be a meaningful shift in the balance of power to communities. This needs to happen both in the civic space, where decisions about local services can be made closest to those service users most impacted, and in the workplace, where employees should have a stake and a say. That means local councils doing things with, not to, its citizens and communities, and it means a bigger local co-operative sector.

A bottom-up definition of place

Communities should be supported to organise around places that

people recognise, rather than a top-down definition. Local communities – as defined by where people live, their emotional connections, shared history and traditions, the amenities they rely on for shopping, health, civic participation and socialising, their places of work – should be reflective of and owned by those who live there not drawn to accommodate the needs of distant service providers.

"Towns and rural areas need to feel that devolution benefits them."

- Tyneside Co-operative Party branch

As set out in the 1971 white paper on local government reorganisation in England, following the Redcliffe-Maud report:

"Local authority areas should be related to areas within which people have a common interest – through living in a recognisable community, through the links of employment, shopping or social activities, or through history and tradition. Local boundaries, the allocation of responsibilities and the system as a whole should be understood and accepted as sensible by electors..."

A new settlement of place and power should respect all local areas, whether city, rural, towns or regions. All should have a share in decision-making, whichever of the four nations, and particular care must be taken to counter any risk or perception of unequal distribution of investment and voice between cities and their surrounds.

Growing the local co-operative economy

Economies characterised by a larger cooperative sector are more equitable, productive and accountable, with a narrower gap between the rich and poor. Instead of wealth being concentrated in the hands of a small percentage at the top, co-operative economies have a wider ownership base.

There should be a Co-operative Development Agency in England and in Northern Ireland, as well as further support for the Wales Co-operative Centre and CDS in Scotland. This should include regional and local capacity to drive co-operative growth on the ground. The Co-operative Party's policy paper, 'An Economy where Wealth and Power are Shared' set out actions that national government can take to enable this transition – but there are also steps that local and regional representatives can take.

"There should be government funded co-operative development centres, to provide services at local and regional level, to help support the development and growth of co-operatives"

Hounslow Co-operative Party branch

Community wealth building provides areas with the tools to start to create a different kind of economy, using procurement from anchor institutions to buy goods and services from co-operatives instead of big multinational outsourcers. These tools are set out in '6 Steps to Build Community Wealth'.

Local authorities, combined authorities or metro mayors can establish Co-operative Commissions, to explore options for expanding the co-operative sector - with senior political leadership to champion the sector and lobby central government for any legislative changes required to better enable development of the sector. This is happening in Greater Manchester and Sheffield City Region, led by Labour & Co-operative metro mayors.

They can also explore ways to create a co-operative investment fund using patient capital from anchors, and use other financial mechanisms to attract investment, to invest in the start-up and scale-up of new worker co-operatives.

Citizen voice

Those who provide, receive and rely on services are best placed to know how to ensure they are run cost effectively and to a high quality. That means care recipients, their families, care workers and the wider community having a role in decision-making and social care service delivery. It means passengers and employees involved in the governance and decision-making on local transport, and housing tenants involved in policies and decisions to do with their housing estates.

The Co-operative Party believes that local councils should ensure services have transparent, participatory governance structures, which give service users, workers and the wider community a say in how they are run. This is not about who provides the service – the Party supports insourcing – but in the way it is run so that voices outside the town hall can be heard.

Councils often have to make difficult decisions – so deliberative, inclusive decision-making is all the more important. Not only is it about reaching the right decisions, but doing so in a transparent way that enables communities to develop solutions that work for them and understand why a course of action is decided upon.

One mechanism for this is Citizens' Assemblies, which can be an impactful way to forge consensus. Public meetings, local neighbourhood forums, participatory budgeting processes, meaningful online engagement and open meetings can also help to include and engage the wider public beyond the town hall.

Co-production is another important way to put into practice citizen and community empowerment. It involves shifting power, influence and responsibility away from centres of power into the hands of communities to design and review services collectively. Citizens are not only consulted, but are part of the conception, design, steering, and management of services. The Co-operative Party supports putting the principles of co-production into practice, with sufficient thought given to how and when in a process local people are involved – it's often too late when time and money have been spent arriving at a conclusion with consultation then being an afterthought. Early engagement could be achieved through the proactive development of community plans where local people come together to develop a plan across all public service spending in their area. A focus on citizen voice fits well with the Future Generations (Wales) Act which requires well-being assessments and inclusion of involvement.

Councils like Oldham and Plymouth have pioneered new working relationships with neighbourhoods and residents, underpinned by a genuine commitment to working with communities rather than merely doing things to them. The government should support co-operative councils like these to test new ideas and to develop models of collaborative working that can be rolled out in other parts of the UK. This support should include simplifying the burdens on local authorities

to make it easier for them to try new things, work in partnership, and genuinely engage with community representatives.

Young voices, cut out of decision-making because they aren't yet able to vote to elect representatives, should also be at the heart of decision-making. Wales has led the way, with the Future Generations Act, which helps ensure their needs are a key consideration of policy. Many local councils also show leadership here, with strong youth councils and youth mayors with a formal role in local governance. These are important both for making sure young people have a say, but also as a way to engage them into the political process and building a more participatory democracy. These should be expanded and enshrined in law.

Local press

Once a mainstay in every town and city, local news is in decline. As well as being bad news for journalism, it's bad for democracy too – which functions best with well-informed scrutiny and regular communication of what local public bodies are doing.

There are co-operative solutions – in 2009 the West Highland Free Press became the then only employee-owned newspaper in the United Kingdom enabling them to continue to provide local reporting and investigative journalism.

"It shouldn't be all doom and gloom in the industry, there is a solution available that reconnects journalists with their local communities and offers a sustainable business model to secure the future of newspapers."

 Paul Wood, employee owner and managing director of the West Highland Free Press.¹ "The Co-operative
Movement should be
involved in setting
up and funding
truly impartial and
independent local
media outlets to
keep local citizens
and residents fully
informed."

- St Albans, Watford & South Herts
Co-operative Party

The Ferret is another example – an award-winning investigative journalism platform for Scotland and beyond, as well a registered cooperative with both journalists and subscribers on the board.

There should be recognition from national and local government of the value of a thriving local press – in the form of funding, advice and support, particularly focused on news organisations which are owned and run by their employees, while retaining the all-important independence from government that the press needs. Local newspaper subsidies should be considered, similar to those in Norway which are designed to foster local competition and national diversity.²

Localism and community assets

The community deserves to play a key role to play in the preservation and delivery of local assets outside of local authority control. The Localism Act 2011 contains important powers for local communities to do just this and the co-operative movement has had significant success in applying localism powers to protect pubs under threat, for example. To date, over 2,000 pubs have been listed as assets of community value, and there are also many co-operative pubs open and trading.

However, we believe the Act needs to be strengthened, as the regulation and timetables can still result in barriers for communities. In

particular, it is still a real challenge for them to mobilise quickly enough when a local asset is under threat, especially when the owner of the asset refuses to engage in a constructive dialogue.

The government needs to review the existing rights and strengthen the legislative framework to effectively change the balance of power, by extending the protected period within which communities can mobilise to nine months, with a further extension where the asset owner refuses to speak to interested groups.

Furthermore, Community Interest Groups (CIGs) that have successfully listed assets should be given a 'first right of refusal' to purchase the asset, making the right a real 'right to buy' not simply a 'right to bid'. Finally, central and local government should recognise that for the localism agenda to reach its full potential, communities need better advice and practical support, as well as these legislative changes.

Beyond the responsive provisions in the Act, there should be a new proactive role for local authorities to ensure there are not community asset "deserts" – places where there are no assets or resources within a reasonable distance of their communities – through a community asset sufficiency assessment similar to the childcare assessments made under the 2006 Childcare Act. These assessments would identify when communities isolated from community assets, and feed into planning processes such as Local Plans so that developers and s106 funding can be targeted at those left behind communities.

Open by default

When one organisation holds all of the available information, the power balance is skewed in their favour. It is difficult to scrutinise or contribute if not all of the facts are available or incomplete information is shared. At the same time, austerity means that some councils are struggling with the cost and practicalities of managing the volume of Freedom of Information requests.

Open by default means data is publicly available so that residents can access it freely without making a request. Many councils are already adopting this approach, and the Co-operative Party supports this trend. A number of councils in Yorkshire, for example, share a platform called Data North Yorkshire where anybody can search for, preview and download data from a wide range of areas. It also allows local government to design new digital services because they can bring data together from different sources to design things that otherwise they couldn't do in isolation. It is important that this information is accessible, with easy, user friendly dashboards.

There should also be a commitment to open source – opening up the tools that the council uses so that community contributors and councils can collaborate to innovate, create and share. These commitments to open data and open source should be shared by local government contractors and partners.

Digital democracy

Many people feel powerless or alienated from the electoral process. Some of this can be addressed through reforming the way we take part in elections, and some of this requires us to change the way we engage in decision-making between elections.

In Taiwan, it's said that voting is just entry-level democracy.³ As well as heading to the polls, Taiwanese citizens can get stuck into every aspect of civic decision-making, with tools designed to ensure transparency and facilitate consensus decision-making.

There is a national platform for online participation called *Join*, and data visualisation tools to understand how budgets are allocated. There are participation officers in every ministry to ensure a link between the public and the public sector. At a local government level, Taipei City government use a g0v system to involve public in budget setting.

And this is not just top-down digital consultation – *vTaiwan* is a platform run by citizens which, for example, recently provided a forum for citizens to debate the legal status of Uber to reach a convergence towards a "Diversified Taxi Services Plan".

"At a time when the world is rethinking basic elements of governance, Taiwan's digital democracy—in which the people take the initiative, and the government responds in the here and now—can serve as a demonstration of new forms of citizen and state co-operation and dialogue for the 21st century."

Audrey Tang, Taiwan's Digital Minister

Similarly, Barcelona is working to give citizens a voice on the future of their surroundings and services, encouraging the use of technology to facilitate active democracy. *Decidim Barcelona* is a digital and democratic platform for citizen participation, build from opensource software and enabling citizens to take part in debates, make new proposals and self-organise. When it was used as part of wider engagement on a strategic plan, nearly 40,000 people

"Technology can be used a driver to link people together – just ask them to start suggesting ideas..."

- Midlands regional conference

and 1,500 organisations contributed 10,000 ideas and suggestions., showing that it can be a "a platform for collective intelligence". 5

The Co-operative Party believes it is time to trust citizens and communities to set the agenda. Democracy needs to be brought into the 21st Century so that it can meet 21st Century challenges and empower today's citizens. This means going beyond the ballot box, and creating platforms for digital democracy too.

This should include making government data and statistics available, accessible and easy to understand – in an interactive format that means citizens can create tools and scrutinise effectively. It should also ensure equal access to high speed broadband and programmes of digital inclusion, so that barriers to participation are removed and reduced. The Wales Co-operative Sector has led important work in this area, for example, with programmes on digital skills building. There should be online platforms, both at national and local levels, which enable mass collective deliberation on projects and thorny issues.

Local government financing

The Co-operative Party believes that local councils should be properly funded to ensure they can continue to deliver the services that people rely on. The Party also sees a need for a radical change in the way that local government works if it is to remain effective, relevant and accountable in this time of cuts in spending and changing expectations.

Fiscal devolution

The council tax base of councils is low, just 1.7% pf GDP⁶ – especially when compared to other countries across Europe where a greater proportion of taxes are devolved to local and regional government. Arguments for greater fiscal devolution revolve around the greater local control it affords – both control of the rates as well as direct control of the revenue, rather than relying on central government to apportion it.

However, the council tax bases across English local government areas are unevenly distributed. Even if every council charged the same rates, the council tax base per person in 2018-19 is more than three times larger in Kensington and Chelsea than Nottingham. For business rates, this is even more uneven: if identical rates were charged across every council in 2018-19, the tax base per person in Westminster was 46 times higher than that in Redbridge. This imbalance risks seeing rich areas get richer and poorer areas suffer low tax bases and tax rate competition, there would need to be a system of tariffs and top-ups to address disparities.

Critics also point to an accountability issue – that some taxes may not be paid by residents within a local authority area, such as business owners paying corporation tax and business rates – meaning they would pay locally decided rates without any say over what those rates should be or accountability over how they're spent. There are

mechanisms to overcome this, such as a referendum of ratepayers.

If poorly implemented, tax devolution could also create negative incentives – in particular, risking competition between councils and a race to the bottom, resulting in revenue erosion for all councils. This also means any supposed greater control would be an illusion as they would have little independent control over tax rates.

There are wider problems with business rates, however – the Cooperative Party believes that business rates are a tax on business activity, "creating a perverse disincentive to doing business". Instead, the Co-operative Party proposes that business rates, along with stamp duty, are scrapped in favour of a new Land Value Tax.

Co-operative Party policy also calls for a reform of council tax so that it is based on income not property values. Devolving this new income-based rate would provide councils with significant funds as well as greater control. One concern about local income taxes is that high income taxpayers are relatively more mobile – but designing the tax in a way which avoids this is possible. The Institute for Fiscal Studies suggest that a flat rate tax restricted only to the basic rate band would mitigate this, for example. There should be further exploration of the case to devolve other taxes too, including local or regional tourist taxes and devolved land value taxes.

Central government funding

The Co-operative Party believes that central government funding should be an important tool in fighting inequality – both ring-fenced and unrestricted funding should be needs based, redistributing tax revenue into the communities that need it the most. This means an end to the austerity being imposed on local government. It is wrong that councils are forced to choose between funding one vital service or another: it erodes the services communities rely on and undermines local democracy and accountability.

Funding from central government, in additional to locally raised taxes, must remain a crucial part of local government finances. It ensures needs-based funding so that local councils with greater demand for services or lower tax bases do not struggle to provide vital services. Central government grant is a protection from entrenched regional inequality and redistribution according to need is a tenant of progressive economic thinking.

Devolution done right is progressive politics

The Scottish, Wales and Northern Ireland Co-operative Parties lead detailed policy development on what further powers should go to their respective devolved administrations.

The Co-operative Party believes in subsidiarity and the radical decentralisation of power – not simply away from Westminster, but beyond Holyrood and Cardiff Bay to town halls and beyond. Devolution, done right, is progressive politics⁹ – it should be a tool to empower, helping to rebalance our economy and level the playing field of our democracy.

This is why devolution was a significant achievement for the last Government, delivering on a promise to bring government closer to the people and make politics more inclusive. However, over two decades have passed and it is time to build on Labour's legacy of decentralisation with a settlement fit for the 21st Century.

"A strategic framework is required to ensure the UK economy is balanced and investment is fairly spread across the nation... key to this is regional devolution of resources and responsibilities."

- Chorley & West Lancashire branch

Growing inequality, low turnout at elections, communities feeling side-lined, and growing reliance on multi-national one-size-fits-all outsourced services are symptoms, not causes, of a broken system. Tackling these, and driving equitable and sustainable growth across the UK cannot all be done from Whitehall.¹⁰

Current devolution in the UK

Scotland

By 2021 the Scottish Parliament will raise around half of its budget from taxes raised in Scotland, thanks to the assignation of tax revenue from VAT. Education, justice and health have always been separate in Scotland, and it is also responsible for economic development, transport, employability, social security and welfare and some tax. Scotland still lacks many economic policy levers and powers over the labour market, and has limited borrowing capacity, despite recent increases.¹¹

However, some argue that devolution to Holyrood has not necessarily left many communities feeling more empowered than when decisions were made in Westminster. Some analyses show Scotland to be the "most centralised in Europe" as local government has been consolidated and reduced from over 400 elected local government bodies in 1946 to just 32 today.

Scotland's regional police and fire services were merged into one national Police Service and one national Scottish Fire and Rescue Service. Regional police and fire authorities, which included direct local councillor representation, were scrapped.

"Had it made much difference to a community, perched on a periphery of Scotland? Not really and, if anything, they felt more remote from Edinburgh than from what had gone before."¹³

⁻Brian Wilson, former Labour MP

Wales

The lack of economic levers is even more pronounced in Wales than in Scotland. Some powers over stamp duty and income tax have been devolved, and borrowing powers increased. However, the Welsh government has less power over income tax than Scotland, and unlike Scotland it has no powers over air passenger duty or assignment of VAT.

Unlike Scotland and Northern Ireland, Welsh devolution did not follow a reserved powers model. This created an initial unevenness of devolution legislation with Wales left with more limited powers and playing continual constitutional catch-up.

Full primary legislative powers were gained in 2011, but still hampered by the conferred powers system – and it wasn't until 2017 that steps were taken to provide a lasting settlement in the form of the Wales Act 2017. However, there was a perception in 2017 that the Wales

"There is a need for less centrality of decision making, more could be devolved from Cardiff Bay and Westminster."

- Cardiff and Vale Co-operative Party branch

Act was a power grab by Westminster, where some powers were reserved to Westminster while the waters were muddied on others with no "principled justification" 14 for the reservations it makes. This has been exacerbated by the EU Withdrawal Bill sparked a discussion on whether Westminster was part of a further power grab, retaining control over aspects of law-making which are otherwise devolved to Cardiff, such as agriculture.

In Wales, the 2016 Welsh Labour Party's election manifesto which called for the devolution of powers from Cardiff Bay, included stronger local authorities as well as stronger town and community councils,

which may lead to some reorganisation – although this is still an ongoing review.

Northern Ireland

Of all the nations, Northern Ireland enjoys the least fiscal devolution, although long-haul air passenger duties were recently devolved, as was the rates system and business rates. And the picture within Northern Ireland points to limited devolution too – the system is very centralised, and councils have limited powers or spend. Decisions are made in Stormont, when it's sitting, or in Westminster if it isn't. Councils in Northern Ireland are responsible for less than 4% of public spending (2015-16) compared with 27% in Scotland and Wales.¹⁵

One recent development is the new city deals – agreed in Belfast and in development or being negotiated in Derry and Strabane, the North East coast and South West and Mid Ulster. These should see much needed investment and focus on economic development across Norther Ireland, delivered much more locally than either the Assembly or Westminster.

Currently, Labour does not stand candidates in Northern Ireland. The Co-operative Party's NEC made representation to the Labour Party as part of their rolling review of whether to stand candidates, in favour of having Labour (& Co-operative) candidates in Northern Ireland. Should the Labour Party decide to stand candidates, the NEC would consider how this would work and most likely there would be a similar arrangement for selecting and standing joint candidates as happens elsewhere in the UK.

England

Some progress on devolution has been made, with metro mayors now representing city regions like Greater Manchester and Sheffield. But devolution, and the extent of powers awarded to different regions, are patchy, and the piecemeal city-focused way it has evolved neglects to provide solutions for many of the UK's towns which are at the sharp end of unequal growth in the UK. While cities attract increasing numbers of young people, graduates and migrants, towns are home to more and more pensioners – widening the gap in terms of local economy, demand for services, values and views on the big issues of our time like Brexit and immigration.

Manchester city region has the most comprehensive devolution deal in England – including joint control with the NHS over health and social care, a directly elected mayor, more control over local transport and new planning powers – but there is scope to go further.

"If we take the north east as a region should we not be arguing that it should have similar powers and responsibilities to, say, the Assembly in Wales or the Scottish Parliament?"

- Sunderland Co-operative Party

Debate on devolution to English regions is an important feature of any discussion about devolving power from Westminster.

Policy proposals

1. A constitutional convention

There should be a new political settlement – both in terms of devolved and reserved powers to Scotland, Wales and Northern Ireland, as well as, crucially, devolution to English regions.

A constitutional convention would enable a transparent and inclusive debate about the UK's political settlement. Any discussion and decision should be reached in a consultative and participatory way, with local communities, elected representatives and other representatives of civic society able to take part and shape something that works for their own areas.

Scotland, Wales and Northern Ireland continue to lack some policy levers, and there is the potential for further powers to be devolved. The convention should include a review of devolved and reserved powers, to identify further powers to be devolved from Westminster.

The Party's approach to a convention's work on reviewing reserved powers would of course be led by the Scottish, Wales and Northern Ireland Co-operative Parties respectively.

Within England, the scope of the commission should include a cooperative vision for English regional devolution— not simply what to do with powers when, or if, they're devolved, but the bigger picture. Rebalancing the economy cannot be achieved from the top down, and recommendations from the commission should include a framework for devolution within England that moves beyond the piecemeal status quo but ensures local arrangements suit local needs.

And if English devolution is a tool for growth and greater equality, then those areas without a deal are left to fail. These rural areas, towns and cities need devolution to work for them too – and it is time to move beyond separately negotiated deals to a framework which provides the

"Towns and rural areas need to feel that devolution benefits them."

- Tyneside Co-operative Party

benefits of devolution to every region without removing the ability for different areas to shape it to suit local needs. It is important that any framework provides the flexibility for each area to agree a devolution deal that meets the needs of their local area.

The convention's remit should also include:

- · decentralisation of responsibility for public services;
- the relationship between local councils, devolved regions, combined authorities, central government and national and subnational bodies like the NHS;
- fiscal powers;
- structures for accountability and governance;
- how a new settlement for devolution can go beyond town halls to genuinely empower local communities;
- the role of town, parish and community councils in providing direct local representation, particularly for town and rural governance.

2. Democratic and accountable public bodies

Many of the mechanisms for accountability and voice in public life have been eroded, from regional school commissioners to fire services. Scotland's regional police and fire services were merged into one national Police Service and one national Scottish Fire and Rescue Service, for example. Regional police and fire authorities,

"Grassroots involvement is often better at Parish Council level."

- Oxford Co-operative Party branch

which included direct local councillor representation, were scrapped. In many local authorities, large service areas are outsourced, tying future administrations hands and shifting accountability from the local residents to distant shareholders. Where there is devolution, either national or regional, there remains risk that the quality of relationship between devolved and non-devolved bodies prevents genuine local input – this requires good quality partnership, for example the policing board in Wales

The Co-operative Party believes that public services should be accountable to their public – those who pay into, use and work for those services. For example, it is important to develop a means of bringing Scotland's police and fire services back into clear democratic control. All schools in receipt of public funding should be accountable to publicly elected bodies – the role of local authorities in schools oversight and governance should be restored and directly elected mayors should have strategic oversight of education in their regions.¹⁶

The structures which look after energy, water, infrastructure strategy, further education, skills and transport should be democratised, with more power and resources as well as roles for local government and passenger representatives.

3. Accountable deals

The lack of framework for regional and city devolution deals means many are, or at least appear, to be negotiated behind closed doors, making it harder for other regions to build on the experiences and progress made by others in similar deals. Despite many of the debates playing out in a very public way, the details of a deal are less public. A framework, as defined by the constitutional convention, should help to ensure that future deals are developed in a more open and transparent way, with opportunity for citizens and communities to participate.

Once a deal is in place, stronger local governance should be put in place to reflect the responsibilities which are being devolved. However, there is no one-size-fits-all solution on what these governance arrangements should be, and the approach of central government has been fairly top down – insisting on a mayor in all but one English deal, for example.

While we believe that visible and accountable local leadership is an important feature of devolution, there are a variety of ways of ensuring this and the corresponding scrutiny functions are in place. These

should be decided locally not imposed by central government as each community is best placed to know what is most appropriate to their local circumstances.

Endnotes

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