

The future of devolution: How a Labour majority could redefine local powers in England

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Greater devolved powers to local areas in England are one of the key legacies of the Conservative government over the past 14 years, but how could a Labour majority following the General Election shape the future of devolution? Laura Hughes, Partner at UK and Ireland law firm [Browne Jacobson's Government](#) team, who worked on the East Midlands devolution deal, explores.

From the establishment of Greater Manchester Combined Authority in April 2011 to the new East Midlands Combined County Authority in May this year, the expansion of devolution has bookended the current Government's tenure.

The Labour manifesto states devolution will be a central pillar of its growth strategy, with plans to strengthen the role of metro mayors across a narrow focus of powers including transport, [housing](#), [planning](#), skills and [employment](#).

But with only half of England signed up to a devolution agreement and a number of relatively advanced deals still to receive royal assent, including the Greater Lincolnshire and Lancashire combined county authorities, there remains plenty of uncertainty for a policy positioned at the heart of the levelling up agenda.

So what should we expect if Labour were to take power on 5 July?

Political considerations for pushing devolution into the shires

It's worth remembering that while the first combined authority in England was set up under David Cameron's watch, this was already well underway under Labour, a keen advocate of transferring powers related to economic growth from Whitehall to local areas. And on the surface, this remains the case based on its manifesto commitments.

However, intricacies lie in the devolution model that has been deployed thus far. While Labour set the wheels in the motion for the metro mayor model that has since been rolled out to other areas including the West Midlands, Liverpool and South Yorkshire, the Conservatives have also pushed a new version of this model into counties.

The first of these was the combined county authority (CCA) for Derbyshire and Nottinghamshire, whose 2.2 million total population is relatively comparable to the 2.8 million people living in Greater Manchester.

A Labour mayor, Claire Ward, was elected here but a relatively mixed picture for the historic make-up of its parliamentary constituencies suggests future swings.

When we also consider that there are strong Conservative voter bases in other CCAs planned for Lincolnshire, Lancashire and Cornwall, there is an argument to suggest a Labour government may not be as keen to continue on the existing path.

Indeed, while its manifesto gives prominence to 'landmark devolution legislation' as a mechanism for kickstarting economic growth, and discusses strengthening mayoral and combined authorities, there is no mention of CCAs.

Having worked on the legal framework of the East Midlands devolution deal, I was able to see first-hand how there is a place for CCAs in parts of the country that don't have large metropolitan centres, but still have strong regional identities and strengths that can contribute to the UK economy.

A reset for devolution?

As devolution has ramped up in the past couple of years since the Government published its levelling up strategy in early 2022, there has been a knock-on effect in which we are beginning to see a standardised model for how powers are distributed.

This runs the risk of limiting its potential by negating the very reason for devolution in the first place – giving local leaders, who understand their communities better than Westminster-based civil servants, a far greater say in what happens to their areas and having the ability to make meaningful change.

Labour's ideology is to have a more bespoke devolution model and it may provide an opportunity for a reset on how combined authorities are funded and governed.

The areas that received the first devolution agreements were substantial city-regions that already had their own transport authorities co-ordinating bus, tram and local train networks, enabling them to more easily connect people with where jobs are being created without the need for the level of subsidies required to achieve this in rural areas with small populations.

Areas where CCAs are proposed, or have been established, have a completely different set of opportunities and challenges that often vary significantly within a single county. For example, North Nottinghamshire comprises a number of former coalfield communities grappling with post-industrial economic issues that require targeted skills development, while the south of the county is broadly affluent.

In Lincolnshire, there is a significant wealth and health divide between those living in coastal and inland areas, but the county as a whole suffers from a greater 'brain drain' of talent compared to large university cities.

For devolution to truly work, we need to get back to recognising that areas will require specific powers to deal with specific issues, and future legislation from the next Government must reflect this, allowing more bespoke deals driven by what the areas want and need.

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