

The Mike Emmerich Independent Review of Growth-Capable Devolution

Working Paper No. 2

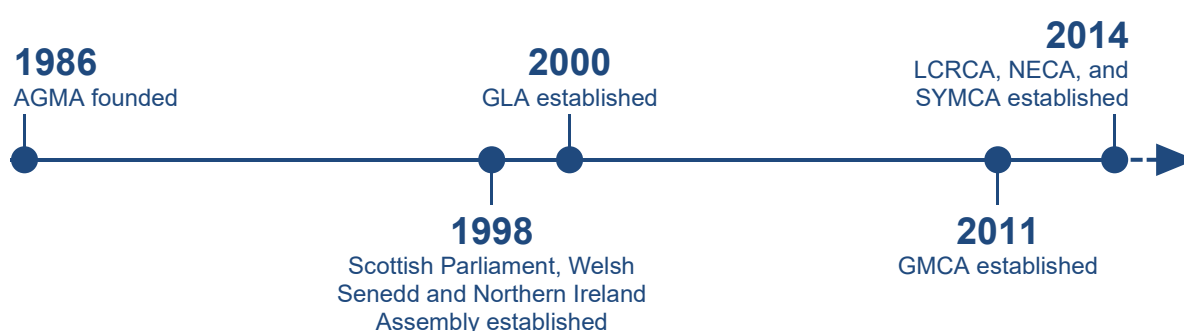
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Experiences of Devolution Across the United Kingdom

1. Purpose and central argument

This paper asks a practical institutional question: if English strategic authorities are expected to exercise materially greater powers, manage integrated multi-year funding and take a larger role in economic strategy, transport, housing, skills and potentially public-service reform, what organisational capability do they need in order to do so credibly? The evidence points to a distinction that is easy to miss in debates about devolution. Transferring powers is not the same thing as creating an institution capable of using them. The creation of the Greater London Authority, the Scottish Parliament and the Welsh Assembly all involved deliberate implementation machinery, financial systems, governance design and staffing.¹ Greater Manchester offers the most developed example of the model subsequently rolled out through mayoral combined authorities and now at the root of the strategic authority model. It is different, however, because it rests on collaboration among its ten councils stretching back to the creation of the Association of Greater Manchester Authorities in 1986, a great deal longer than any other combined authority, and has accumulated over time the collaborative relationships, evidence base, delivery capability and institutional capacity on which deeper devolution could be built.^{2 3}

Figure 1: Timeline of devolution in the UK



The comparison is particularly relevant now because government has a much greater ambition for devolution. The last English Devolution White Paper proposed universal coverage of strategic authorities, a statutory devolution framework and a move away from bespoke ‘devolution by deal’.⁴ The *English Devolution and Community Empowerment Act (2026)* has now placed strategic authorities in law. By July 2026 there were 14 mayoral strategic authorities and two foundation strategic authorities, 11 of the mayoral strategic authorities had been designated as established, and integrated settlements covered around 40 percent of England’s population. A further six are on the Devolution Priority Programme. The National Audit Office regards the new funding model as a significant step but also identifies unresolved questions about capacity, accountability and the relationship between local autonomy and

¹ UK Parliament, Hansard, *Greater London Authority, written answer, 31 March 1999 (Mr Raynsford): KPMG transition advice and appointment of a Head of Transition*, 1999

² Mike Emmerich, *The Knowledge Broker: Sir Howard Bernstein’s Manchester and Lessons for National Renewal*, forthcoming March 2027, especially chapters 17–20

³ Scottish Parliament, *Shaping Scotland’s Parliament: Report of the Consultative Steering Group*, 1998.

⁴ Ministry of Housing, Communities and Local Government, *English Devolution White Paper: Power and partnership: foundations for growth*, 2024

departmental responsibility.⁵ Since then, the Cabinet's *Rewiring the State* statement of July 2026 has committed to a major transfer of powers, resources and functions to mayors and local authorities within this Parliament, to transferring resource from central government where functions move, and to developing with the sector a blueprint for the capacity and capabilities that strategic authorities need.⁶

The implication is not that every strategic authority should copy London, Scotland, Wales or Greater Manchester. Their constitutional status, functions and histories differ too much for that. It is that the scale of institutional preparation should bear some relationship to the scale of the responsibilities being transferred. The NAO itself identifies a tension between the scale of devolved responsibilities and the capacity of mayoral strategic authorities to support them, with particular needs in HR, finance and legal functions, and a risk that expectations grow faster than capacity to deliver, especially in newer authorities. On that test, capability is not an administrative afterthought, but part of the devolution settlement itself.

2. London: devolution built deliberately

The establishment of the Greater London Authority in 2000 is the clearest domestic example of central government treating a new strategic institution as an implementation project in its own right. The proposed GLA combined an elected Mayor and Assembly with strategic responsibilities including transport, planning, economic development and other London-wide functions. Before the Authority became operational, government commissioned KPMG to advise on transition arrangements.⁷ KPMG recommended a dedicated transition team led by a Head of Transition. The Audit Commission then seconded Dr Robert Chilton to the Department to lead that work, reporting to ministers through the Director of the Government Office for London, with an explicit remit to ensure that financial controls and administrative machinery were in place. He was also made available to serve as the Authority's statutory Chief Administrative Officer, so that the new body would have interim senior leadership from the day it assumed its responsibilities in July 2000.

This was therefore not simply legislation followed by recruitment. Organisational design, senior leadership, financial control and administrative systems were treated as prerequisites for the new authority becoming operational. Functions, staff, assets and responsibilities also had to be assembled from an existing London institutional landscape including the Government Office for London, where some 50 civil servants were working on establishing the Authority, and bodies such as the London Research Centre, the London Ecology Committee and the London Planning Advisory Committee, whose 135 staff transferred to the GLA, rather than created in a vacuum.⁸ The significance for current strategic authorities is straightforward: where government creates or materially enlarges an institution, there is precedent for an explicit transition architecture rather than an assumption that the receiving body will absorb new responsibilities incrementally.

⁵ National Audit Office, *Devolution in England: funding and accountability*, 2026

⁶ Cabinet Office, *Rewiring the State*, 2026

⁷ UK Parliament, Hansard, *Greater London Authority, written answer, 31 March 1999 (Mr Raynsford): KPMG transition advice and appointment of a Head of Transition*, 1999

⁸ UK Parliament, Hansard, *Greater London Authority: transition staffing and organisational preparations*, 2000

3. Greater Manchester: an institution built from below

Greater Manchester is particularly relevant because it is the most developed example of the institutional model on which England's mayoral combined authorities, and now strategic authorities, have been built. Its modern devolved institutions grew out of a long history of collaboration among the ten local authorities and, crucially, the accumulation of practical capability before formal devolution arrived. The Greater Manchester Combined Authority describes this sequence as a long history of council co-operation leading to the statutory city-region pilot in 2009, the creation of the GMCA in 2011 and the first major devolution agreement in November 2014.⁹

Greater Manchester's governance arrangements developed in parallel with the 2009 statutory city-region pilot and the passage of the Local Democracy, Economic Development and Construction Act 2009. AGMA leaders moved quickly from existing voluntary collaboration towards a statutory Combined Authority, consulting on a scheme in 2010 before the GMCA was established in 2011. The important point is that the new institution was built on relationships, governance arrangements and a capacity to act collectively that already existed at city-region level.^{10 11}

The model was therefore substantially place-led and built from the institutional foundations already present in Greater Manchester, rather than created through a centrally supplied transition architecture. But it was never wholly independent of the centre. The enabling legislation was national, ministers had to approve the statutory arrangements, and the city-region pilot itself was a government initiative. Greater Manchester's distinctiveness lay in the extent to which it was able to use those opportunities to construct and develop an institution locally.

The same pattern continued through the 2014 devolution deal. Greater Manchester developed propositions and evidence, negotiated directly with the Treasury and ministers and built on the existing Combined Authority rather than designing a new London-style tier. The formal agreement signed in November 2014 combined substantial new powers and responsibilities with the move to a directly elected mayor, grafting the new mayoral model onto an already established system of collaboration among the ten authorities.

The process was iterative rather than comprehensive. The 2014 agreement covered transport, skills, employment support, business support, spatial planning, housing investment and governance. A separate health and social care agreement followed in February 2015, with later deals adding further functions. Greater Manchester's own summary identifies seven successive deals from the 2009 statutory city-region pilot through to 2017.¹² The institutional

⁹ Mike Emmerich, *The Knowledge Broker: Sir Howard Bernstein's Manchester and Lessons for National Renewal*, forthcoming March 2027, especially chapters 17–20

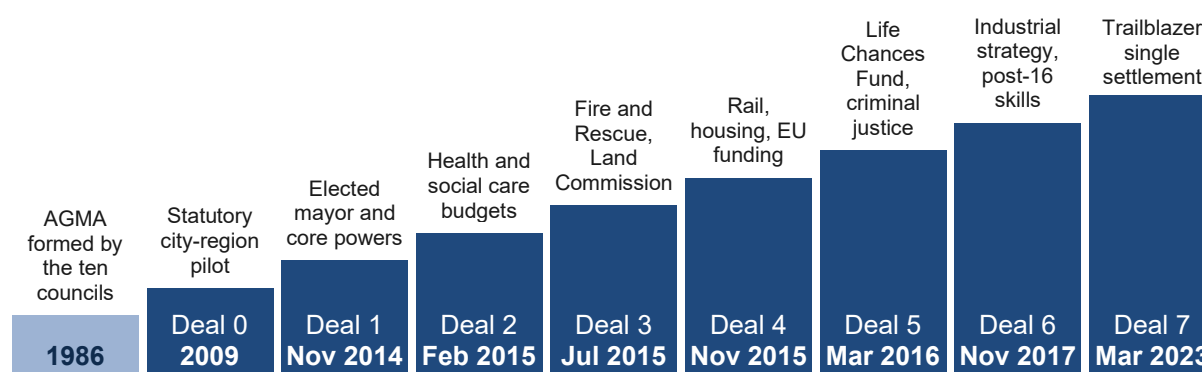
¹⁰ Local Democracy, *Economic Development and Construction Act 2009, Part 6; Greater Manchester Combined Authority Order 2011*, SI 2011/908.

¹¹ Mike Emmerich, *The Knowledge Broker: Sir Howard Bernstein's Manchester and Lessons for National Renewal*, forthcoming March 2027, chapter 19

¹² Greater Manchester Combined Authority, *Devolution*

model therefore evolved through repeated bargains and demonstrated delivery rather than through a single blueprint.¹³

Figure 2: Greater Manchester's devolution deals



That history offers a useful contrast with the present framework. The new model deliberately seeks greater consistency: powers are increasingly specified by statutory category, government is pursuing universal coverage, and the White Paper rejected the opacity and unevenness of the deals-based approach. Yet the new framework is being grafted onto a model whose constitutional, political, administrative and institutional reality was built through precisely that longer process of collaboration, negotiation and institutional development. Greater consistency in the powers available to places cannot substitute for the accumulated capability on which the more mature institutions rest, and simply willing that capability into existence cannot reproduce the long histories that Greater Manchester, London and some other places now possess.¹⁴

This is the strongest lesson from Greater Manchester for the present phase of devolution. A strategic authority needs an institutional base capable of originating strategy, negotiating with the centre and implementing complex programmes. A statutory framework can confer functions and create greater consistency between places. It cannot, by itself, manufacture the accumulated knowledge, professional networks, confidence, evidence and organisational routines that allow those functions to be used effectively.¹⁵

4. Scotland: strong national devolution, limited regional devolution

Scotland is useful for two different reasons which should not be conflated. First, the creation of the Scottish Parliament illustrates deliberate institution-building. The Consultative Steering Group developed principles and procedures for the new Parliament, while the Financial Issues Advisory Group, established in February 1998, designed proposals for budgeting, accounting,

¹³ HM Government, *Greater Manchester Agreement: devolution to the Greater Manchester Combined Authority and transition to a directly elected mayor*, 2014

¹⁴ Mike Emmerich, *The Knowledge Broker: Sir Howard Bernstein's Manchester and Lessons for National Renewal*, forthcoming March 2027, chapters 18–20

¹⁵ Rebecca McKee and Thomas Pope, Institute for Government, *Making Devolution Work: How strategic authorities can develop effective local economic plans*, 2025

public accountability and audit. The financial architecture was therefore considered before the Parliament was fully operational rather than left to emerge afterwards.^{16 17}

Scotland has powerful national devolution and significant elected local government. Its 32 councils have substantial statutory responsibilities including education, social care, roads and transport, economic development, housing and planning, and operate independently of the Scottish Government within the statutory and financial framework set nationally.¹⁸ The more significant question for comparison with England is what sits between those two levels, and how far power and capability have been developed at regional scale.

What Scotland has lacked, compared with England's mayoral model, is a uniform tier of powerful statutory city-regional government sitting between councils and the national government. Regional economic working has instead developed through partnerships and City Region and Growth Deals. There are 12 such deals covering Scotland, agreed among the Scottish Government, UK Government, local authorities and other partners. Governance commonly uses joint committees or equivalent regional arrangements, but these are principally partnership and programme structures rather than a general transfer of the Scottish Government's own functions to autonomous regional governments.^{19 20} The Scottish Government's March 2026 local-governance statement is revealing precisely because it proposes a further step: regional partnerships should be able to seek additional powers through a flexible model, with enabling legislation in the next Parliament to allow them to seek legal status.²¹

Scotland therefore combines powerful national devolution and significant local government with a comparatively underdeveloped regional tier. City Region and Growth Deals have created important regional partnerships and investment programmes, but there is not a uniform set of durable, multi-functional regional institutions comparable in breadth to England's more mature mayoral strategic authorities. The Scottish Government's current interest in allowing regional partnerships to seek additional powers itself points towards the continuing question of how more authority and capability might be exercised closer to regional and local level.

5. Wales: national devolution with an emerging regional tier

Wales also combines national devolution with local government and, increasingly, formal regional collaboration. The original Welsh Assembly was deliberately implemented through machinery for transferring functions and establishing procedures, but its initial constitutional model was materially weaker than the later legislature and government. The broader lesson remains that the institution evolved as its powers and constitutional separation developed.²²

¹⁶ Scottish Parliament, *Shaping Scotland's Parliament, including Annex I, Financial Issues*, 1998

¹⁷ Scottish Parliament, *Financial Issues: statement by the Minister for Finance, Jack McConnell*, 1999

¹⁸ Scottish Government, *Local authorities: factsheet*

¹⁹ Scottish Government, *City and Regional Growth Deals*

²⁰ Scottish Government, *Scottish City Region and Growth Deal Delivery Board*

²¹ Scottish Government and COSLA, *Local governance review: joint statement*, 2026

²² House of Commons Library, Research Paper 97/129, *The Government of Wales Bill: Devolution and the National Assembly*, 1997, and associated implementation material

For present purposes, the more interesting development is below the national level. Four Corporate Joint Committees were established from April 2021 under the *Local Government and Elections (Wales) Act* (2021), covering North Wales, Mid Wales, South East Wales and South West Wales.²³ They are corporate bodies able to employ staff and hold budgets. Their statutory responsibilities include Strategic Development Plans and Regional Transport Plans, and they have a broad economic well-being power.²⁴

The Welsh Government's March 2026 position statement explicitly presents CJsCs as a coherent, democratically led framework for regional collaboration and notes that City and Growth Deal governance is already being transferred into some CJsCs.²⁵ It also acknowledges the need to ensure that CJsCs have sufficient capacity and capability, and in 2025-26 the Welsh Government provided £200,000 to each CJC to strengthen capacity and governance. Wales therefore offers a live example of a regional tier being formalised around planning, transport and economic development without simply reproducing the English mayoral model.

6. Northern Ireland: local government with a narrower functional base

Northern Ireland is the closest of the three devolved nations to the proposition that major policy power remains concentrated at the national/devolved tier. Local government was reorganised into 11 councils in 2015, and councils lead statutory community planning in their districts. They have meaningful local functions, including planning and local economic-development responsibilities, but the range of services exercised by councils is narrower than in Scotland, Wales or England because major functions remain with Northern Ireland departments and arm's-length bodies.²⁶ Councils account for only around 4 percent of identifiable public spending per head in Northern Ireland, compared with 24 percent in England, 26 percent in Scotland and 27 percent in Wales.²⁷

There is nevertheless regional collaboration through four City and Growth Deals.²⁸ The Northern Ireland Department of Finance describes these as packages of capital funding and decision-making powers negotiated between central government and local councils, with a combined investment programme of about £1.3 billion from the Northern Ireland Executive and UK Government. These deals create important regional programmes, but they do not amount to a general-purpose regional tier with the breadth of powers associated with an established mayoral strategic authority in England.

For comparison with England, Northern Ireland therefore demonstrates the difference between funding a regional investment programme and devolving a broad suite of strategic functions to an institution. City deals can build partnership capacity and investment pipelines.

²³ Welsh Government, Written Statement: *Laying Statutory Instruments to establish Corporate Joint Committees*, 2021; *Local Government and Elections (Wales) Act* 2021, Part 5

²⁴ Welsh Government, *Written Statement: The role of Corporate Joint Committees*, 2022

²⁵ Welsh Government, *Corporate Joint Committees: position statement for regional collaboration*, 2026

²⁶ Northern Ireland Department for Communities, *Community Planning*, including the 2015 local-government reform and 11 councils

²⁷ Northern Ireland Fiscal Council, *The public finances in Northern Ireland: a comprehensive guide*, 2021

²⁸ Northern Ireland Department of Finance, *City and Growth Deals*

They do not automatically create the permanent strategic, fiscal and analytical machinery needed for wider territorial government.

7. Core Capacity and Capability for Strategic Authorities

Figure 3: Regional devolution arrangements across the UK



The evidence across these cases supports the need for a capability framework broader than a conventional combined authority corporate centre. The precise scale will vary with functions and maturity, but the following capabilities recur in institutions expected to make strategic choices, manage significant public money and negotiate across levels of government. The functions set out in this part of the report were those which informed the first report of the review and will be developed in subsequent papers. The list should be treated as an institutional specification to be tested against each authority's actual responsibilities, not as a claim that every function must be large or wholly in-house.^{29 30 31}

Corporate centre Governance, executive support, HR, communications, information management and organisational leadership. New institutions need machinery that turns political decisions into coherent organisational action.

Strategic finance Multi-year financial planning, scenario analysis, capital prioritisation and the ability to manage trade-offs across programmes. Integrated settlements increase the value of this capability because they create greater local flexibility across funding themes.

²⁹ National Audit Office, *Devolution in England: funding and accountability*, 2026

³⁰ HM Government, *Government Functional Standard GovS 006: Finance*, version 3.1, 2024, setting expectations for the effective management and use of public funds

³¹ Rebecca McKee and Thomas Pope, Institute for Government, *Making Devolution Work: How strategic authorities can develop effective local economic plans*, 2025

Treasury and commercial capability	Borrowing, cash management, investment, financial risk, commercial appraisal and the ability to understand long-term liabilities. The need rises as authorities handle larger capital programmes and more flexible funding.
Economic and analytical capability	A robust understanding of the regional economy, labour market, productivity, sectors, housing, transport and distributional outcomes, supported by data, forecasting, appraisal and evaluation.
Strategy, policy and commissioning	The capacity to turn evidence and political priorities into coherent strategies, interventions and commissioning models rather than treating individual grants as separate programmes.
Investment and appraisal	Skills in business cases, project appraisal, portfolio construction and the assessment of public and private investment, including the ability to challenge promoters and manage optimism bias.
Programme and delivery assurance	Programme management, risk control, benefits realisation, gateway assurance and the ability to intervene early where delivery is slipping.
Audit, scrutiny and accountability	Internal audit, risk management, transparent reporting and effective political scrutiny. The NAO's 2026 work underlines that stronger local autonomy has to be matched by credible local accountability.
Legal and governance capability	Expertise in statutory powers, procurement, subsidy control, contracts, governance and the legal implications of new functions.
Intergovernmental capability	The ability to negotiate with Whitehall departments, HM Treasury, constituent councils, agencies and neighbouring authorities. Greater Manchester's history shows that this is a substantive institutional capability, not simply stakeholder management.
People and organisational development	Recruitment, workforce planning, leadership development and routes for interchange with central and local government. Capability cannot be built if authorities cannot attract and retain people with scarce strategic, financial, analytical and delivery skills.

The last English Devolution White Paper itself recognised the capacity question, including proposals for secondments and stronger support for strategic authorities. The Institute for Government has similarly argued that streamlined decision-making will not be sufficient without stronger capacity and accountability.³² The case for deliberate institution-building is therefore not external to the current reform programme but is already implicit in it.³³

³² Institute for Government, *How the government can support better decision making in mayoral combined authorities*, 2025

³³ Ministry of Housing, Communities and Local Government, *English Devolution White Paper: Power and partnership: foundations for growth*, 2024

8. Conclusions: implications for the current English model

Four conclusions follow from the evidence. First, there is no single institutional route to successful devolution. London was deliberately constructed through a centrally managed transition. Greater Manchester accumulated capacity from below and converted it into statutory authority through successive negotiations. Scotland and Wales show national institutions built with substantial implementation machinery, while their regional tiers remain more collaborative and function specific. Northern Ireland shows the limits of equating regional investment deals with broad territorial devolution.

Second, the present move from bespoke deals to a statutory framework solves one problem but not another. It can make access to powers clearer and reduce arbitrary differences between places. It cannot ensure that authorities entering the same statutory category possess equivalent organisational capability. The risk is therefore not simply that powers are insufficiently devolved. It is that formally similar authorities have very different ability to use them.

Third, Greater Manchester is an important warning against treating capability as something that can be bolted on after powers arrive. Its strongest capacities were accumulated before and during devolution: joint governance, transport expertise, economic analysis, public-service reform work, investment appraisal, relationships with the centre and a habit of acting at city-region scale. The 2014 deal accelerated and formalised that trajectory. It did not create it from scratch.

Finally, a national programme of devolution needs an institutional-development component alongside the statutory framework. That does not require Whitehall to design every strategic authority. Indeed, the Greater Manchester experience suggests the opposite: local ownership and the capacity to originate propositions are valuable. But government and places need an explicit view of the minimum capabilities required for the powers being transferred, an assessment of the gap in each place, and a funded route to close it. Without that, the system risks devolving responsibility faster than the institutions receiving it can develop the machinery to exercise it. The NAO's 2026 findings on future capacity and accountability make that a current implementation issue rather than a theoretical one. The commitment in *Rewiring the State* to develop a capacity and capability blueprint with the sector is the right starting point.

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mike.emmerich@place-dynamism.com

enquiries@place-dynamism.com

www.place-dynamism.com