

Who governs Merseyside? The significance of Heseltine's new report

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By democraticaudit

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Anyone who took part in our ['Who governs Merseyside?'](#) event at the Bluecoat on 6 October will surely attest that the quality of the debate was exceptionally high. The 'expert panel' more than lived up to its billing, despite the fact that two of its members were unable to attend on the night. Yet, we barely needed an expert panel, such was the quality of the contributions from the audience. **Stewart Wilks-Heeg** looks at what was said.

One such contribution came from [Professor Peter Batey](#), one of my colleagues at the University of Liverpool. Professor Batey suggested that if the object of the exercise was to measure influence over the long term, then Michael Heseltine was surely a name that should be in the mix.



Liverpool (Credit: Eric the Fish, 2013, CC by 2.0)

From where I was sat, Peter's argument was well received. There had been much discussion on the night about the power of national, rather than local, politicians to shape the content of public policy on Merseyside. Indeed, if I were asked to say which national politicians had played the strongest role in the governance of Merseyside over the past 30-40 years, then Heseltine would top my list too. But, we were really discussing the issue of who governs Merseyside in 2011, not 1981 or 1991. So, like a few others, I wondered if Heseltine's influence still mattered a great deal.

Today's edition of the [Liverpool Daily Post](#) goes some way to answering my doubts. A report co-written by Michael Heseltine and Terry Leahy, formerly Tesco's chief executive, will be presented to the Prime Minister today, making a series of proposals for economic development initiatives for the Liverpool city-region. [The Daily Post](#) says that the Heseltine and Leahy report makes the following key recommendations:

- More high level government functions, including civil service jobs, should be re-located to Liverpool, encouraging the private sector to follow suit.
- Liverpool's historic strengths in banking and finance, and the high quality of life the city offers, make it an ideal location for the government's proposed Green Investment Bank.
- Plans for HS2 should ensure that Liverpool -London rail connections are as fast and frequent as those for Manchester-London, thereby retaining parity between the two major cities in the North West.
- Plans to enable Liverpool to host the first World Expo in the UK since the Festival of Britain in 1951 should be supported.
- Development of the Liverpool's proposed Bio-Innovation Centre should have immediate priority.
- Free, blanket wi-fi coverage across Liverpool's central business district should be provided to further enhance the city's reputation as a 'creative hub'
- Income from business rates in the city-region should be maximised, retained and pooled by the six local authorities working together to invest these funds according to agreed strategic growth priorities.
- Government should establish a government task force to determine a funding strategy for 'a multi-purpose Mersey Barrage' and to build on the work undertaken to clean up the Mersey over several decades, so that it can 'become the world's cleanest river in an urban setting'.

Aside from underlining the validity of Professor Batey's argument, as well as the importance of his work with the [Mersey Basin Campaign](#), the Heseltine/Leahy report also highlights the significance of another contribution from the audience at the event on 6 October. Garry Hayward, who has subsequently expanded on his points in a [fascinating blog](#), argued that political power on Merseyside is located in networks rather than held by individuals, and that it is primarily focussed on generating consensus about economic development objectives. Democratic Audit's [Who governs Merseyside?](#) research briefing hints at much the same conclusion, and also raises the question of whether actors external to the formal networks of local governance are the ones with most power to shape policy. The conclusions reached at our event on 6 October and the results of our [public vote](#) suggest that many others would agree with this analysis.

In this sense, it remains to be seen what David Cameron and, more importantly, George Osborne, Vince Cable and Eric Pickles, make of the Heseltine/Leahy proposals. As might be expected, Heseltine's ideas are reminiscent of the interventionist, broadly 'one nation Tory' approach he adopted towards urban regeneration as Secretary of State for the Environment from 1979-83 and 1990-92. While Vince Cable is likely to be sympathetic, it is more difficult to imagine Heseltine persuading his own modern day equivalent, the Secretary of State for Communities and Local Government, Eric Pickles.

Certainly, many of the key players on Merseyside will welcome Heseltine's proposals, and I have no doubt that major business interests in the city-region have been consulted on them. But, whatever is made of the recommendations locally, it is surely the question of how the Liverpool city-region should be governed which looms largest of all. Heseltine and Cameron are [apparently at odds](#) over the matter of whether Liverpool should have an elected mayor, but the question is clearly much bigger than this. If the very real policy challenges facing Merseyside are to be addressed, the city-region needs a coherent policy agenda, backed up by genuine political will and large-scale investment, and endorsed by the people of Merseyside. It says all too much about the state of local democracy that Merseysiders should have to rely on a former Conservative cabinet minister persuading current Conservative cabinet ministers in order for pressing city-regional policy concerns to be recognised.

Postscript: The Heseltine/Leahy report, [Rebalancing Britain: Policy or Slogan? Liverpool City-Region: Building on its Strengths – An Independent Report](#), has now been published on the Department for Business, Innovations and Skills' website.

Stewart Wilks-Heeg is the former Executive Director of the Democratic Audit until 2013. He was an undergraduate and M.Sc student in the LSE Department of Government and gained his PhD at the University of Liverpool. He has written extensively on local government and urban politics in the UK. He is the author (with S. Clayton) of *Whose Town is it Anyway? The State of Local Democracy in Two Northern Towns* (York: Joseph Rowntree Charitable Trust, 2006).

