

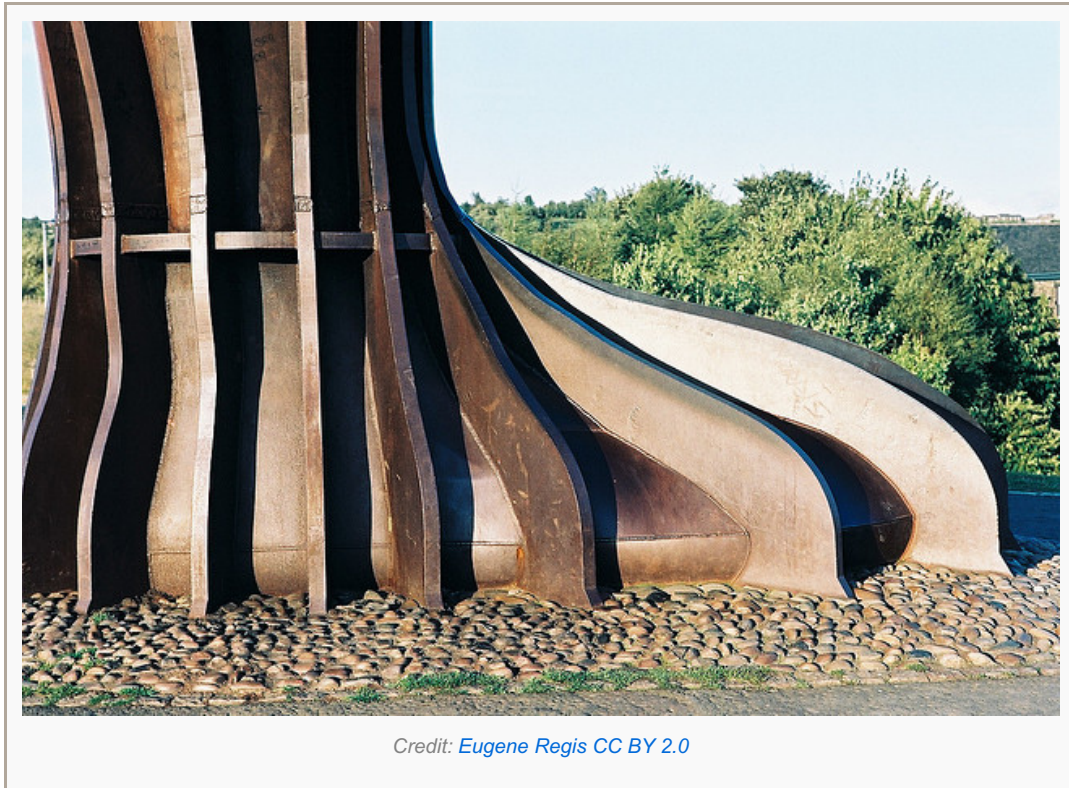
The North of England needs a devo-max government. Here's why

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By Democratic Audit UK

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The Chancellor George Osborne recently announced the creation of a combined Greater Manchester Mayor, despite the rejection of a similar mayoral system for the Manchester local government area. **Michael Dawson** of [Campaign for the North](#) argues that Osborne's proposals miss the point, and that what is needed is a devo-max Government with tax raising powers for the whole North of England.



Campaign for the North is fighting for a devo-max Northern government with tax-raising powers. We want a North that is run by Northerners and for Northerners. This is the only way that the North's economy can step out of the shadow of London. We don't want piecemeal handouts from Whitehall and we don't believe that the current government should decide as to how and where power is devolved.

I will begin this post by outlining several of our main aims, as explained in *'The Case for the North'*, followed by a critique of the coalition's half-hearted attempts to impose 'sham devolution' upon Northern England.

What's the problem?

It's no secret that the North of England has suffered at the hands of direct government from Westminster. From the Chartists to the Miners, Britain's preoccupation with taking power away from the North has always left us by the wayside. Entire books could be written on this subject and, indeed, they have been. Briefly, however, I will outline some of the present-day inequalities between London and the North:

- In terms of infrastructure spending, £5400 is spent every year on each London resident. In comparison, Northerners receive only £680.
- Average wages up North are £24,000 per year. This is £3,000 lower than the UK average of £27,000. In

London, the average wage is £35,000 and in the South East it's £28,000.

- With respect to Public Arts spending, £69 per head is spent on Londoners each year. In the North, however, it's £4.58.
- In London, the average house price is over half a million, whereas in the North, it's barely over £100,000. The entire cost of a house up North will only be enough for the deposit in London.

Most shockingly, however, are statistics surrounding poverty. There are areas in the North that are now as poor as Lithuania and Estonia. These are parts of Eastern Europe that had a Communist government until the 1990s. However, Europe's richest region is London and, as a result of this, the UK is the most financially unequal country in Northern Europe.

What do we want?

As mentioned previously, we maintain that devo-max with tax-raising powers is the **only** solution for the North. We have a population of fifteen million people, which is larger than all of the Home Nations combined, and our economy is the eighth strongest in the EU. It is evident, therefore, that the North has a rich potential tax base and sufficient resources to raise finance for infrastructure investments.

Following on from this, we seek to establish a HMRC North, a tax collecting body which would maintain its own establishment and be responsible both for raising revenue to cover the cost of regional services and those services reserved to central government or which the regions and nations of the British Isles decide to organise collectively. These measures must be the cornerstone of a revised relationship between central government and the Northern regions. They provide a foundation on which the North could build an inclusive, democratic and prosperous state.

Through tax-raising powers, the North would have the ability to spend directly on education. A Northern government should be able to 'hypothecate' tax, if desired, for much needed improvements to the North's education system. Throughout much of Western Europe, education is both world-class and affordable. It's time for the North to emulate this success. As a consequence, we call for the provision of free education for every child in the North of England up to the point of a meaningful vocational qualification or a first degree.

With respect to policing, too, there is a strong argument for a unitary police force covering the North of England. The current system squanders vast amounts of public money by replicating administrative costs throughout the North's eleven, disparate police forces. In addition, the amount of money spent on unnecessary members of senior management could be drastically cut. Such savings would be reinvested and would thereby ensure that the quality of service greatly increases. Take Police Scotland, for instance, which, in its first full year of operation, saved £110 million. By and large, the amalgamation of Scotland's police forces has been a resounding success and there are few, if any, reasons as to why a similar strategy could not be adopted by a Northern regional government.

In relation to the North's current healthcare crisis, it is unsurprising that under the coalition government, the generally healthier, more prosperous citizens of the [South receive more](#) NHS spending per capita than their poorer, unhealthier Northern counterparts. Lower life expectancy and higher rates of chronic illness among Northerners exemplify the fact that for too long, the North and its people have been disregarded by the political mainstream. There is only one solution for the North and that is devo-max. Only then will we, as Northerners, be able to take back control from Westminster and create a society that works for its people, not against them.

A Critique of the Coalition

In the wake of the Scottish Referendum, the main political parties are running scared. Running scared of the Scots, of UKIP and, now, of the regions. The latter point is no better highlighted than in George Osborne's cynical and self-serving attempts to impose a piecemeal, devo-light upon the people of the North. This sham devolution has focussed primarily on two issues: HS3 and City Regions.

In respect to HS3, we believe that it *could* be good for the North if it is done in the right way. However, we must also be aware that this is most certainly a pre-election gimmick. A high-speed rail link should not be a distraction from the need to focus on an integrated, joined-up transport policy for the North and, in particular, it should not be an excuse for the government to ignore the urgent need to upgrade existing transport services. The construction phase should benefit Northern companies and be used to boost to high-tech manufacturing in the region with a firm commitment to ensure that local companies are encouraged to compete for tenders for everything from infrastructure to rolling stock. Whether any of this happens remains to be seen. However, in light of Osborne's recent admission that money from Shale Gas extracted from the North could be used to fund such projects, it's becoming increasingly evident that this is, once again, another paltry handout from Westminster.

The bottom line is this: the North's transport needs are best considered by the people of the North (as are issues surrounding Shale Gas). We should have the tax-raising powers to be able invest in our own transport and the ability to use our own assets to raise finance to fund the projects we need. We need more than patronising handouts from central government to keep us quiet. We need genuine autonomy.

This brings me on to the issue of City Regions and, in particular, the topic of 'devo-manc'. In 2012, the people of Manchester voted in a referendum against an elected City Mayor. In that same year, David Cameron declared that Mayors were a "big move for us and it's absolutely going to be up to the people of those cities to make that decision". Yet despite this, George Osborne has taken it upon himself to make decisions on behalf of the people of Manchester. In light of both the referendum result and Cameron's ostensible commitment to upholding these standards, Osborne's idea for a Greater Manchester Mayor is an outright affront to democracy. It is the imposition of a settlement that the people rejected and, as usual, the North must march to the tune of a politician from the South East. City Regions have little, if anything, to do with devolving more powers back to ordinary Northern people. Osborne's real aims were outlined very clearly in his 'Northern Powerhouse' speech:

"In services based economy....there is a powerful correlation between the size of a city and the productivity of its inhabitants. The top 600 cities in the world contain just 20% of global population but create 60% of global GDP".

He then goes on to ask how we can have more of such cities in the North of England. Yet productivity and GDP have no direct correlation to the happiness, wellbeing and prosperity of a city's citizens. Take London, as an example, a city that is lauded by politicians from all sides of the political spectrum. However, as mentioned previously, is the wealthiest region in the European Union but also the most financially unequal city in the Western World.

Indeed, among the world's "top 600 cities" are Kabul, Dhaka, Luanda and Cairo – hardly paragons of success. Osborne's comments highlight just how removed he is from the wants and needs of ordinary people. We do not need a string of service sector cities in which large corporations profit vastly from the so-called "productivity" of their inhabitants. We need sustainable, environmentally friendly economies that work for every citizen and seek to close the wealth gap as opposed to widening it to the currently ridiculous proportions we see in cities such as London.

Note: Democratic Audit UK and Campaign for the North are co-hosting a [Northern Night event](#) at the LSE on Wednesday 10th December. This post represents the views of the author and not those of Democratic Audit or the LSE. Please read our [comments policy](#) before posting.

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