City Regions and Devolution in the UK
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Introduction

The impact of austerity in cities has been framed around ‘austerity urbanism’. This is a concept initially developed by Peck (2012, 2014) and extended more recently by Davidson and Ward (2018) to describe a strategy of fiscal policies and cuts focused on cities. This is in part a neoliberal response to previous policy failures to generate sustainable economic growth, which would influence the local tax base (Kennett et al, 2015). This ‘austerity urbanism’ approach has received criticism for being primarily overly ‘US centric’ and that it underestimates the role of global as well as national economic processes, shaping the way cities are becoming focal points, for ‘managing’ the distributional consequences of fiscal crises and retrenchment (see Hastings et al, 2017; Pike et al, 2018).

This critical engagement is extended further, to include how social and institutional actors exercise agency within cities in terms of contestation and negotiation (Meegan et al, 2014; Newman, 2014). Much of the work to date precludes agency and the ways urban actors can either resist or at least mitigate the impact of austerity. This point has been extended by Blanco and colleagues (Blanco et al, 2014; Davies and Blanco, 2017) and similarly by Bristow (Bristow and Healy, 2015; Webber et al, 2018), where attention is drawn to the importance played by agency in relation to LAs as ‘regulatory intermediaries’ adapting, responding and reacting to austerity crisis. LAs devise various strategies to protect the poor and disadvantaged groups who tend to depend on LA services (see Donald et al, 2014; Fuller, 2017, 2018).

Building on Chapter 2, this chapter is interested in how civil society social actors exercise agency within city regions in terms of the contestation and negotiation of austerity-fuelled welfare reform and the emerging ‘politics of labour conditionality and discipline’. Attention is drawn to the role of trade unions and LA unions, who as actors still have a voice within the ‘growth’ agendas and in particular in terms of the growing precarious nature of the economy. This is undertaken by drawing on devolution developments in the GMCR, as noted in Chapter 1, considered to be one of the flagship devolution
initiatives in England. This comprises, through city-region devolution, the LAs of Manchester, Bolton, Bury, Salford, Trafford, Stockport, Wigan, Oldham, Rochdale and Tameside to one (political) level. The inception of a mayoral CA, following waves of deal-making, has seen GM’s ‘Devo Manc’ in the vanguard of recent devolution debates. This has been central to England’s state spatial reconfiguration, with agglomerative city-region building and various rounds of ‘spatial imaginaries’ facilitating the decentralisation of budgets pertaining to economic and social development (Deas et al, 2020; Hincks et al, 2017).

The next section builds on the Introduction and charts the political economy of austerity in city regions. This is followed by an analysis of the implementation of welfare reform in the context of devolution in Greater Manchester and how these impact on civil society by reinforcing social inequalities. One of the key contradictions of austerity is how it undermines neoliberal objectives for a free market supply of labour. Building on Chapter 2, a subsequent section illustrates the increasingly unstable nature of the labour market because of the rise in precarious work. The chapter then focuses on the civil society institutional actors and explores the way they negotiate and contest austerity politics.

**The political economy of austerity in city regions**

Austerity is generally used to mean public expenditure cuts: reducing government budget deficits through a combination of public spending cuts and regressive tax hikes. There is a view that austerity involves an ‘economic model’ integral to neoliberalism with the aim of underpinning and reinforcing the power of ruling classes – that is, financial interests (Callinicos, 2012: 67). This restoration of ‘class power’ entails reducing wages and labour protections to make the workforce more ‘flexible’. The ‘disciplining of labour’ is a key element of the austerity ‘growth project’ in terms of restricting its agency and capacities of mobilisation and resistance and this is facilitated by curtailing the bargaining power of labour via industrial relations and employment regulation. In addition, as we noted in Chapter 2, welfare and labour market policies involve the increasing use of conditionality in terms of reducing access to benefits and restricting the capacities of labour to negotiate and challenge the welfare system (see Etherington, 2020; Umney, 2018).

Austerity has generally led to widescale inequalities and markedly uneven growth which has particularly impacted on the northern and
midlands former industrial regions (Beatty and Fothergill, 2016). Devolution and localisation share a joint purpose – to ‘download’ austerity to the regions, while at the same time seeking to manage its contradictions. Precarious economies, therefore, need to be understood in relation to the wider political economy of state restructuring and geographical uneven development. City governance, which operates at different spatial scales, now involves an array of actors, stakeholders and organisations; it is neoliberal in character in terms of the changing relations between state and market economy involving the increasing influence of corporate interests and privatisation of public services (Jones, 2019a, 2019b). Austerity plays a key role in the restructuring of modes of representation and democratic accountability, which are integral to devolution strategies. Interventions in managing civil society over the past few years have become more punitive and revanchist. Universal Credit (UC) now involves the amalgamation of six different benefits into one with a tapering system linked to in-work benefits and wages designed to ‘make work pay’. This requires a more disciplinary and conditional welfare system through a tougher claimant regime in which sanctions are an integral feature. In turn, ‘in-work conditionality’ is a central feature of UC, with the requirement for claimants to attain ‘earning thresholds’ set at the level of effort reasonable for an individual to undertake. In short, the localisation of welfare performs societal depoliticisation by transferring aspects of social policy from the (collective) public to the (individualised) private sphere, articulated locally through the changing internal structures of the state. The Conservative Government’s welfare reform agenda has, therefore, been established around moral and ideological messages in terms of rights, responsibilities and benefit ‘dependency’ drawing distinctions between ‘strivers’ (people who work) and ‘skivers’ (those who claim benefits) (Shildrick, 2018). As Wiggan (2012: 391) states: ‘a hostile environment is slowly being constructed for all those who find they need to rely on social security, whilst the principle of solidarity that underpins support for more expansive public expenditure is eroded in favour of a market orientated system of punitive welfare’.

The onset of the 2008 financial crisis stimulated employer strategies towards labour flexibilisation and a key aspect of this is pay determination and the prevalence of low paid work, which is evidenced by this becoming a more prevalent feature of the UK labour market (D’Arcy et al, 2019). As such, working life in low-paying sectors has become more insecure and there is evidence that the movement between work and welfare becomes more common (see Peck and Theodore, 2000; Rubery et al, 2018). In turn, businesses shift the risks
of the market on to workers, as the ‘exit of qualified/skilled benefit claimants into low paying, precarious jobs, is uniformly considered a sub-optimal result of activation’ (Raffas, 2017: 356). Indeed, the role of activation/welfare-to-work becomes clearly defined as a policy tool to ensure that precarious jobs are filled by claimants as a way of sustaining the new financialised business model of outsourcing and fragmentation. The removal and downgrading of employment rights and processes, which facilitate employee representation in negotiating workplace employment conditions, are key to facilitating this process (Rubery et al, 2018).

Our understanding of austerity in the context of devolution and civil society requires analysis of the role of social and spatial agency within the wider geography of insecurity. Both the attacks on civil society and the contradictions of neoliberalism and austerity are clearly expressed – and visible – on the local scale (Gough, 2014). Cumbers et al (2010: 53) make an important point when they state that ‘our approach is to bridge the separation of production and reproduction (by) locating individuals within both their local labour market contexts and the broader webs of social relations through which they negotiate everyday life in the city’. We propose a deeper sense of agency through ‘unpacking’ resistance in the context of social struggles. As noted in Chapters 1 and 2, city regions are important sites of resistance to the downloading of or devolving austerity particularly in relation to local government and other state institutions. The labour market impacts of economic and state restructuring places demand and pressures on local institutions, trade unions and social movements in terms of resisting and negotiating the local impacts of austerity. However, devolved governance also opens a new space for civil society actors to mobilise their power resources and capacities, to engage in partnerships, and to try to shape local agreements (Gough, 2014).

The role of actors and collective action can, therefore, be extended to include the analysis of representational structures such as local government as ‘anchor institutions’ in the delivery of vital social investment and reproduction services and in terms of engagement with unemployed and disadvantaged groups (see Hastings et al, 2017). Referring to the role of local government, Newman coins the term ‘landscapes of antagonism’, contextualised within a ‘contradictory field of political forces’ (Newman, 2014: 3298). As Johnson et al (2017: 13) emphasise, as ‘wider systems of welfare have retreated over the past 30 years or so, paradoxically local government has assumed a greater burden of responsibility for regulating the market in various ways’. In this way, the local state is a site where trade union densities and
organisation are still relatively strong and often act as a focal point for negotiating and in some cases challenging the impact of welfare reform.

**The GM 'city deal': austerity and uneven development**

Chapter 1 outlined that the Northern Powerhouse was established to mobilise partnerships and local government to collaborate ‘strategically’ on key economic issues. This includes increased powers over transport and economic planning; electing their own mayors; some powers to manage health; new employment and skills power via apprenticeships; and in 2017, the co-commissioning of welfare-to-work. The GMCR Devolution Settlement now includes major infrastructure, planning, housing, health and social care, welfare and employment investment initiatives. In the area of employment and social inclusion, GMCA has piloted a health and employment programme ‘Working Well’, which was subsequently rolled out as a Work and Health Programme within the devolved welfare-to-work programme in 2017. The Work and Health Programme is commissioned nationally by the DWP by regional contract package areas, as was the case with the WP. However, as part of the Devolution Agreement, Greater Manchester is a distinct contract package area and the programme has been jointly designed based on the learning from the Working Well programmes. The GMCA and individual LAs have established internal and external partnerships in order to manage the implementation of UC and the ‘managed migration’ from ‘legacy benefits’ on to UC (Manchester City Council, 2019a).

The devolution settlement though has essentially involved the devolution of austerity, which impacts on civil society in a variety of ways, some of which have been highlighted above. The following further features need to be exposed:

- The Health and Work Programme, as described above, which is aimed at assisting those who are ‘furthest away’ from the labour market, will be smaller and more focused than the WP and Work Choice, formerly the major welfare-to-work programmes that were wound up in 2019. Both programmes comprised a combined expenditure of £540.8 million in 2015/16 (£416.4 million WP, £124.4 million Work Choice). This compares with the £130 million allocated for specialist employment support. Spending on specialist support under the new Work and Health Programme has a projected budget of £130 million representing a cut of more than 80 per cent from the WP and Work Choice alone.
NHS devolution has major implications for welfare-to-work policies for claimants with long-term health conditions. Because of devolution, Greater Manchester was already a long way ahead of other areas in producing plans about transforming services, new models of care, improving outcomes, radical upgrades in population health, and prevention. But underlying it all is the ‘financial challenge’. With a devolved health and social care budget for GM of just over £6 billion, the ten councils and NHS commissioners must find ‘massive savings’. Nationally, Sustainability Transformation Partnerships are largely about making those massive savings, as well as exposing the NHS to even more private sector involvement (Bedale, 2016).

Keep has observed that the nature and intensity of cuts to the Adult Skills Budget (post-2013) have been such that the system reached unsustainable levels (Keep, 2016). Keep’s analysis is corroborated by the Institute for Public Policy Research, which states that ‘by 2020/21 adult skills funding will have been nearly cut in half in real terms from 2010/11’ (Dromey and McNeil, 2017: 3).

Similarly, the area based reviews (ABRs) relating to the Further Education Sector, which devolved authorities must manage, involve a rationalisation based on major cuts in Further Education funding. Government guidance on the review process, included in a parliamentary briefing on post-16 ABRs, states that the ABRs need to be undertaken ‘in a way which also addresses the significant financial pressures on institutions including a declining 16–19 population and the need to maintain very tight fiscal discipline in order to tackle the deficit’ (HoC Library, 2018: 14).

City region and LAs, which are subject to significant funding cuts, will have to absorb the impacts of the cuts in welfare within city-region and local areas (see Gray and Barford 2018; and below).

From welfare to increasing low pay and labour market insecurity

Greater Manchester had a large manufacturing base and in 1959, the manufacturing industry employed over half of the Greater Manchester workforce; today, it accounts for less than 1 in 5 jobs. The de-industrialisation of the latter 20th century hit the regional economy hard, as it did much of the UK’s industrial north. Some parts of the city were particularly affected – East Manchester, a former centre for heavy engineering and chemicals, experienced 24,000 job losses between 1974 and 1984 alone. In contrast growth has been driven by the service
sector. Financial and professional services account for one-sixth of all jobs, one-fifth of GVA and almost half of GVA growth in the decade leading up to the onset of the recession. The manufacturing sector contracted by 37.6 per cent over the period 1998 to 2008, reflecting the wider structural shift in the economy from manufacturing centre to service economy (Hunt, 2015).

Pike et al (2016) provide some empirical analysis of some of the embedded precarious and unstable nature of the regional economies described above. Their study addresses the question of how many more and better jobs need to be created to address the demand deficiency in the major industrial cities. They categorise the labour market in terms of the ‘more jobs gap’ and ‘better jobs gap’. The more jobs gap comprises those people who are unemployed, inactive people who want to work, and underemployed workers who would like more hours such as people working part time. The better jobs gap incorporates those on low paid work, with those jobs classed as insecure such as temporary contracts, while workers prefer a permanent employment contract. In short, economic disadvantage within civil society is stark.

In this context, the number of people in GM who earned less than the low pay threshold (defined as two-thirds of national median income, or £7.74 an hour in 2014) increased to 233,500 in 2014 (New Economy Manchester, 2015). Furthermore, the chances of progressing out of low pay are limited. According to one key source:

> Most people who were low paid at the start of our period of study were low paid at the end. Our findings are in line with others that suggest that in many low wage labour markets, there is very limited scope for progression to better paid work. There appear to be substantial numbers cycling in and out of low paid work as they change jobs. Yet a relatively small minority show a clear sense of moving up out of low pay. (New Economy Manchester, 2015: 68)

Insecure and low-paid work is linked to the ‘de–unionisation’ and that people within the welfare system become vulnerable to exploitation. Trade union density (proportion of workers who are members of a trade union) is 26 per cent in Greater Manchester, slightly higher than the England average (23 per cent) and collective bargaining coverage is 30 per cent, also higher than the England average (27.9 per cent) (EWERC, 2017: 12). These figures show that most workers in Greater Manchester do not have access to, or are members of, trade unions. Furthermore, these are workplaces where trade unions have difficulties
For trade unions and civil society organisations, the proliferation of insecure jobs has caused a diminishing in the social and economic status of individuals. The more that employers depend on insecure employment forms and contractual forms of work that reduce entitlement to employment rights and social protection the greater the risk that segments of the more vulnerable workforce (whether due to age, disability, or limited education for example) are rendered ‘invisible’ and both the worker and their work become marginalised in the city … For their part, unions are playing a clear role in promoting core rights to which all workers should be entitled to such as sick pay, holiday pay and the chance to contribute to a pension scheme. (EWERC, 2017: 8)

Yates’s study of the labour market in respect to young people in Greater Manchester provides an interesting and insightful lens into these dynamics of low pay and welfare policies in terms of the way they tend to reinforce low pay and insecure work (Yates, 2017; Peck and Theodore, 2000). This argues that young people are a source of cheap labour and various policy instruments, such as training and welfare, reinforce their exclusion and marginalisation (see also Finn, 1987). With respect to training, there has been a trend towards a shift from training without jobs towards education without jobs as an increasing number of graduates compete for low paid jobs (see Allen and Ainley, 2013; Roberts, 2017). Apprenticeship programmes, where the majority offered in Greater Manchester tend to be run by low paying employers who offer below minimum wage rates, tend to be poor quality and undercut wages. The other factor that shapes the labour market transitions of young people is the discriminatory practices of the welfare system, where young people are denied access to benefits transferring the costs of social reproduction from the state on to young people and households. Yates adds:

But since 2010 the dominant form which labour market interventions towards young people have taken are coercive and disciplinary. Young people have experienced removal of state welfare such as housing benefit and have been targeted by punitive active labour market policies such as the
‘Work Programme’ and ‘Youth Obligation’; these schemes force young people to engage in compulsory training or work placements or have their already diminished welfare payments completely removed entirely. (Yates, 2017: 475)

Yates acknowledges that this trend has been shaped by the absence of trade unions and enforcement of employment rights (only a small percentage of young people are members of trade unions) in workplaces into which the majority of young people move (whether from the welfare system or outside it). In Greater Manchester, the lack of resources to support people of all age groups to retain their jobs with continued in work support is seen as a factor as to why many disadvantaged groups return to the benefit system. The impact of cuts to benefits and social support, including vocational training, underpins and shapes this trend towards poverty and exclusion. We discuss this impact in more detail below.

Implementing welfare reform and the reduction in social protection

The migration to UC from legacy benefits has been observed by the authorities to have major negative implications for people’s incomes and wellbeing (see SSAC, 2018). This has had a major impact on disabled people claiming disability related benefits. A relatively high proportion of claimants were being found ‘fit to work’ even though many of these decisions have been challenged as being incorrect. One of the consequences of incorrect assessments is the relatively high proportion of sickness benefit claimants vulnerable to benefit sanctions and benefit cuts (GMLC, 2017). According to the GMCA (2018: 10), the migration numbers are significant in terms of the roll out in GM – involving 198,500 from out of work benefits (Employment and Support Allowance, Job Seeker Allowance), 211,000 from tax credits and 207,600 housing benefit claimants. The GMCA has emphasised the complex nature of the migration process and challenges in estimating the impacts. Furthermore, the GMCA has not been able to quantify the impacts except that there is a proportionally greater increase in the use of Trussell Trust foodbanks in the city region (19 per cent) compared with 13 per cent for the North West Region. In addition, the GMCA has through reference to national assessments identified the various ‘threats’ from UC in terms of reduction in incomes and vulnerability to financial hardship (GMCA, 2018: 5).

To sum up, benefit cuts hit the Greater Manchester area disproportionately as there are large numbers of out of work benefit
claimants and those who are in low paid work claiming tax credits (Beatty and Fothergill, 2017: 8). Benefit freeze has significant financial consequences for families and individuals in the GMCR. Manchester City Council has summarised these impacts when it states:

The combined and cumulative impact of these welfare reforms alongside the introduction of UC is difficult to monitor due to its complexity and the fact that individuals will have very different experiences based on their circumstances. However, evidence suggests that vulnerable residents in particular, who have barriers to employment could be at risk of greater poverty and housing instability. (Manchester City Council, 2017: 7)

As the new system involves cuts in social support this is leading to the undermining of benefits or social security as a safety net. Data collated by Beatty and Fothergill (2016) on the financial implications of welfare changes across civil society focuses on estimated changes to key benefit including Employment and Support Allowance, UC, Benefit Cap Extension and Benefit Freeze, which together amount to significant cuts in income for claimants. Accumulated loss in income from the post 2015–20 reforms and the implications of financial changes for working-age adults equates to nearly £1,000 per person across the GMCR. Accordingly, Whitham’s study of local welfare support illustrates how austerity has impacted on the capacity to respond to increasing impoverishment and destitution when it is pointed out that the funds for local crisis support have taken a significant cut – spending on crisis support in 2017/18 was £3.8 million. This is over £15 million lower than spending under Crisis Loan and Community Care Grant provision in 2010/11. The number of successful applications for support through local schemes in Greater Manchester was just over 10,000 in 2017/18 compared to 123,000 Community Care Grants and Crisis Loan awards made in 2010/11 (Whitham, 2018: 13).

*Universal Credit displacing austerity on to local authorities*

UC has major impacts across the board on a variety of services delivered by LAs. The Joseph Rowntree Foundation has made a detailed assessment of the impact and cost of cuts on local government; its case studies highlight the crucial role LAs play in the growth agenda, as well as providing essential support to disadvantaged groups (Hastings et al, 2017). Gray and Barford (2018) argue that there are profound
Precarious city regions

geographical impacts of LA cuts with those in the more deindustrialised and disadvantaged regions, where LAs are more reliant on central government, experiencing more disproportionate cuts.

Taking Manchester City Council as an example – the largest economy and source of employment within the city region – between 2011/12 and 2016/17 the Council had to deliver a massive £339 million of savings with a further £14 million required in 2017/18, following the cumulative effect of reductions in funding from central government (Manchester City Council, 2019b: 26). Despite these cuts and retrenchment, LAs are, in terms of ‘their duty of care’ having to manage the impact of the UC migration process. A key Manchester City Council source sums up the impact of UC on the city council services:

Research identified the risk of welfare reforms pushing additional unmet costs on to local authorities and partners including voluntary and community sector (VCS) organisations, as they manage both the administrative and wider policy consequences of welfare reform creating significant workload pressures. Councils are uniquely placed to support families to adjust to changes brought about by wider welfare reforms. (Manchester City Council, 2019a: 11)

This raises an important question in terms of the city-regional roll-out implementation of UC in the context of austerity. At the time of writing, this has been stalled by the government but there will be thousands of workers transferred from Working Tax Credit to UC, which in turn will have major implications for in-work poverty and its impact on local welfare services.

The contested politics of devolution, austerity and welfare

We have attempted to capture the multiple civil society actors and their agendas in terms of negotiating and contesting welfare and employment policies in Table 3.1. Building on Chapter 1, our analysis of the role of actors and collective action includes trade unions, the voluntary sector, community organisations and representational structures such as local government which act as ‘anchor institutions’ in terms of engagement with unemployed and disadvantaged groups (see Hastings, et al, 2017; Etherington and Jones, 2018). As highlighted by the ‘Just Work’ programme (Johnson et al, 2017), it is important to understand
### Table 3.1: Actor strategies for opposing labour market policies

<table>
<thead>
<tr>
<th>Policy interventions</th>
<th>Tensions and conflicts</th>
<th>Key actors and sites of negotiation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Devolution deals</td>
<td>Growth versus distribution Inclusion, funding for devolution Deals, modes of representation</td>
<td>Trade unions, civil society, LAs; negotiating ‘social dialogue’ formalised in Greater Manchester; devolution and democracy; Inclusive growth politics via Inclusive Growth Analysis Unit</td>
</tr>
<tr>
<td>Employment rights</td>
<td>Low level of unionisation High levels of insecure work</td>
<td>North West TUC, Greater Manchester trade unions and GMCA Good Employment Charter</td>
</tr>
<tr>
<td>Welfare reform/Universal Credit</td>
<td>Impact of austerity increasing labour market marginalisation Working poor, cuts in funding PBR model, negative impact Conditionality and sanctions, delays in benefit, tough claimant regime</td>
<td>Local authority employment and anti-poverty strategies and role of anti-poverty coalitions, disability rights Organisations advice services (Greater Manchester Law Centre, Greater Manchester voluntary sector) trade union/non-governmental organisation campaigns against welfare reform Links between non-governmental organisations and trade unions in Greater Manchester Negotiating with central government (submissions to Work and Pensions Select Committee)</td>
</tr>
<tr>
<td>Social, health and community support services</td>
<td>Impact of austerity on both LAs and disadvantaged groups Local authority conflicts with public sector trade unions</td>
<td>LAs, frontline services and WP providers, NHS providers, advice services; advocacy for benefit claimants trade unions Opposition to cuts in services and jobs</td>
</tr>
<tr>
<td>Apprenticeships and skills, area reviews</td>
<td>Cuts to skills funding, including adult skills budget, area-based reviews, phase out of European funded skills programmes, extent of employer buy-in in face of recession, quality of provision and engagement of limited access to advanced skills by disadvantaged groups to skills</td>
<td>Skills providers especially further education colleges (playing an advocacy role for disadvantaged groups), trade unions negotiating funding gaps in work representation around apprenticeship quality</td>
</tr>
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Source: Adapted from Etherington (2020: 109)
the economic context in order to situate social and spatial agency and mobilisation. De-industrialisation has involved the loss of unionised work and led to the fragmentation of both the labour market and business structure, which creates significant challenges for trade unions to organise and coordinate collective action. This said, there exist active trade councils within the GMCR. The metropolitan geography and relatively strong interconnectedness from previous rounds of city-region building has provided a platform for social action to be networked across the city region.

There is an emerging agenda then, which recognises that quality of work and employment rights needs to be built into policy agendas. The North West TUC has outlined its own devolution employment charter (North West TUC, 2018) and the University of Manchester Inclusive Growth Analysis Unit has played an active role in shaping a discussion on ‘responsible businesses’ along with the GMCA, which has developed its own employment charter that seems to be broadly similar to that of the North West TUC (Rafferty and Jelley, 2018). The increasing awareness and discourse around representational gaps and lack of employment rights within the city-region economy has, therefore, brought to the fore campaigns around living wages and anti-poverty strategies.

One of the features of devolution under neoliberalism though is the tendency to marginalise trade unions and voluntary sector engagement within the devolution political process (see Smith Institute, 2017). In many respects this may explain why there have been tensions between the trade unions and the devolved authorities around the devolution process. This can be illustrated in the UNISON trade union response to the Greater Manchester Health and Social Care Plan, which goes to the heart of trade unions’ lack of engagement with the devolution process and the way devolution embodies the implementation of privatisation:

Our concerns include: the lack of employee and trade union involvement in the production of the Plan; the lack of focus on improving the quality of employment as a means of improving health outcomes and the absence of any plan to implement the living wage at a Greater Manchester scale; the implications on our members delivering public services of new delivery models. We believe that health service delivery and employment in Greater Manchester should be very much part of the National Health Service. (UNISON, 2016: 6)
Furthermore, the TUC argues (2014) that LEPs often do not recognise or understand the role that unions can play as agents for change. While it is recognised that LEPs should be held accountable for their development, there are no mechanisms currently in place for this to happen (see Pike et al, 2018). Furthermore, the devolution of employment policy tends to be taking place without any structural changes or adjustments that will allow the voice of disadvantaged groups to be heard within the city-region policy process, especially as there is no trade union representation on the Greater Manchester LEP. As GM has involved the devolution of major public services such as health and social care, it is of little surprise that some form of social dialogue has been established with the trade unions via the Greater Manchester Strategic Workforce Engagement Board and a Workforce Engagement Protocol. The election of a high-profile Labour mayor (Andy Burnham) in 2017 ‘was seen by the trade unions and voluntary sector organisations as an opportunity to contribute to a progressive agenda around poverty and inequality’ (Johnson et al, 2017: 7). Within this context, Oldham Borough Council established its own Fairness Commission to track and monitor the impact of welfare reform. Salford Borough Council established its own inquiry into the impact of benefit sanctions. Of course, this is a contradictory process as they are also at the same time implementing public expenditure cuts.

The significance of LAs as ‘anchor institutions’ in terms of mitigating the impact of austerity and as a source of contestation in relation to negotiating and opposing austerity cannot be overstated. GM possesses a history of coordinated action across the different LAs, which has aided city-region wide network building within civil society (Hincks et al, 2017). There is evidence of this in the submissions and critical engagement with the welfare reform agenda, such as Manchester City Council’s submission to the Work and Pensions Select Committee, Oldham Fairness Commission and the Tameside Poverty pledge. There are, however, tensions around these arrangements, as devolution involves devolving and managing austerity; devolution authorities efficiently administer centrally determined cuts. This means while there is greater (and formal) engagement of trade unions in the GMCR, this is tenuous given their opposition to the overall thrust of the devolved economic and social strategies (Nelson, 2017: 8).

Another pressing tension is the lack of control the devolved LAs have over the implementation of welfare reform, UC and skills policies. An example of this is the operation of advice organisations such as the Greater Manchester Law Centre, Greater Manchester Centre for Voluntary Organisation and TUC that provide some
The Greater Manchester Coalition of Disabled People has responded to devolution by making demands on the mayor to shape a more progressive agenda:

whilst the Greater Manchester Mayor does not have direct responsibility for delivering all of the services that we require to protect and promote our independence, the Mayor will have an important ambassadorial role and opportunity to promote best practice. This manifesto for disabled people has been produced to assist the Mayor in becoming our ally and champion in our fight for equality. (GMCDP, 2018: 3)

The forging of cross city mobilisation is also illustrated by the campaign against welfare reform and UC, as part of a national campaign, comprising a wide range of organisations across GM. The campaign, supported by the incumbent Mayor, has focused on resisting evictions due to non-payment of rent as a result of benefit cuts and delays built into the UC system (GMLC, 2018). Added to this, the upscaling or ‘scale jumping’ of engagement around the GMCR has proved to be a challenge for the likes of the Greater Manchester VCSE Devolution Reference Group, which has been historically embedded in localised civil society networks, and is consequently sub-regional in its mobilisations (see Chapter 1).

Conclusions

Manchester has been termed ‘mythic Manchester’ by some academics (Haughton et al, 2016) who cut through the hype of devolution to reveal a city region at breaking point, with cracks appearing in many services. As we have highlighted in this chapter, massive cuts in welfare benefits, leading to a depth and intensity of social problems, are pushing a series of critical capacity issues across civil society. Getting behind this and exposing its ‘dynamics’ (Shukaitis, 2013), we have argued that civil society ‘precarity’ is being reproduced through the GMCR labour market and economy through social struggles and the capital-labour relation, exhibited through the local politics of welfare-to-work – the ‘new politics of austerity’ (MacLeavy, 2011).

The growth model and trajectory of GMCR is pitted with multiple tensions as local and city-region institutions come to terms with the failure to redistribute the gains of ‘growth’. The implementation of welfare reform and the UC benefit migration will only accentuate
social and labour market inequalities because this is taking place within the context of major cuts in LA and welfare spending. Moreover, the austerity–neoliberal growth ‘model’ undermines democracy and system accountabilities. Devolution has an inbuilt democratic deficit in terms of the way local actors are highly constrained by central directives. As Finn (2015) has noted, the UK has one of the most centralised welfare-to-work systems within the OECD countries and this is reflected in the nature of the implementation of welfare reform. UC becomes a vehicle for downloading austerity and a source of contestation rather than negotiation and influence by local actors and institutions. City-region authorities, LAs and civil society institutions are acting as ‘buffers’ to mitigate the regressive impacts of austerity on poorer communities (Hastings et al., 2017).

The other element is the scope for influencing devolution policies by trade unions and civil society organisations. The institutional and governance changes have not in any way integrated social dialogue between those organisations representing trade unions and disadvantaged communities. This has major implications for the establishment of employment rights, fairness at work and bridge building between policymaking stakeholders and disadvantaged groups and communities. As Rubery et al. (2018: 524) point out, the contradictions described in this chapter are not necessarily new, but there is a need to recognise through the introduction of city regions ‘the state’s political orientations towards work disciplining of the unemployed or allowing employers to renege on their traditional employment guarantees and responsibilities’.