

**THE DEVOLUTION WHITE
PAPER: ASSESSING ITS
IMPLICATIONS FOR RURAL
POLICY MAKING AND
DELIVERY**

EXECUTIVE SUMMARY

**OF THE FINAL REPORT FOR THE ECONOMIC AND
SOCIAL RESEARCH COUNCIL AND THE WEST
MIDLANDS REGIONAL ASSEMBLY**

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April 2004



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EXECUTIVE SUMMARY

INTRODUCTION

The publication of the White Paper *Your Region, Your Choice: Revitalising the English Regions* in May 2002 and the Government announcement in June 2003 that referendums are to be held to test public support for Elected Regional Assemblies (ERAs) in the three northern regions, mark a step change in the devolution debate in England. (Cabinet Office/DTLR, 2002; ODPM, 2003a). Anxieties have been expressed, however, about whether the Government's proposals are capable of meeting the policy challenges facing the English regions and, in particular, whether they may 'add value' by delivering 'better' public services. Some of the strongest concerns have been expressed by rural voices, reflecting mistrust about the 'remoteness' of regional government in rural areas and the 'weight' of urban political interests in regional politics (Jeffery and Reilly, 2002). Drawing upon the views of regional stakeholders participating in the West Midlands Regional Rural Affairs Forum (RAF), this report addresses these concerns by exploring existing arrangements and the potential implications of the White Paper for rural policy making and delivery in the region.

Since undertaking fieldwork for this study the Haskins Review has been published and its conclusions replicate many of our findings at the regional level (Haskins, 2003). The Review includes a number of recommendations that, if implemented, would reinforce the role of the regional tier in rural policy delivery. Assessing the detailed implications of these recommendations is beyond the scope of this study, nonetheless, we briefly examine how rural stakeholders might respond to them.

KEY FINDINGS

EU and national policies

- The EU does not possess a specific rural policy as such, but policies for regional development, agriculture and the environment have a particular rural salience. Ongoing CAP reforms are significant for both rural economies and the environment.

- The majority of policies for rural areas are determined in the EU and in Whitehall and are delivered via a range of arms length national organisations.
- Public Service Agreements and Tier 2 (regional) targets are becoming increasingly persuasive in terms of priority and budget setting at regional and local levels.

Regional institutional arrangements

Regional capacity

- The structures and processes around rural policy are judged by rural stakeholders to be less well developed than other policy areas.
- The Government Office's Regional Board is assisting the co-ordination of central government activity in the region, but doubts remain about how far this will bring about better policy delivery.
- The capacity of existing systems to develop and deliver rural policies tailored to the needs of the region is deemed limited.
- There is an emerging consensus around a 'rural agenda' for the West Midlands. But how far institutional structures and priorities are aligned with this agenda is unclear.
- There is a lack of dedicated resources for rural policy work at the regional level and reliance on the good will of 'volunteers'.

Confusion about structures and processes

- There is considerable uncertainty about institutional responsibilities and arrangements for rural policy making and delivery.
- A lack of knowledge about levels of public expenditure for rural areas in the region, or its sub-regions, makes it difficult to judge whether priorities are matched by budget allocations.
- Confusion about how the region's numerous strategies and programmes fit together hinders effective delivery.
- The responsibilities of the Government Office for the Region (GO) in relation to the region and Whitehall for rural policies and delivery are viewed as equivocal.
- The contribution of the Rural Affairs Team in the GO is considered to be both unclear and too DEFRA orientated.

- The role being played by the Regional Development Agency in rural affairs is welcomed, but links between its activities and the broader rural agenda need to be made more transparent.
- The region's Rural Affairs Forum lacks a clear remit, is inadequately resourced and is criticised for being dominated by powerful government bodies.
- Connections between the Rural Affairs Forum and the Rural Accord Group are viewed as ambiguous and the relationship between the Forum and the Assembly raises particular concerns.

Complexity of delivery

- The presence of a multiplicity of initiatives and inflexible funding regimes.
- Poor co-ordination between different policy initiatives from individual government departments.
- Partnership working has increased, but doubts remain about how far this has encouraged a more 'joined up' approach to delivery.

Rural interests marginalised

- The West Midlands is widely perceived by rural stakeholders as conurbation focussed and the specific needs of rural areas need to be acknowledged and tackled accordingly.

What does the White Paper offer?

A twin-track approach:

- *Track 1* is being applied, irrespective of decisions about an ERA. It aims to strengthen the roles of the GO and the Regional Assembly. The stress is upon improved co-ordination between stakeholders and strategies, a closer working relationship between the GO and government regional agencies and a more active regional involvement in government spending plans.
- *Track 2* envisages an ERA, which would assume responsibility for writing regional strategies and ensure that regional strategies are mutually consistent. In relation to rural policies, ERAs would be responsible for delivering rural regeneration programmes, actively engage with the Rural Affairs Forum, lead in implementing the regional element of the English Rural Development Plan and ensure that countryside, landscape, recreation and rural issues are addressed in other regional strategies.

Will the White Paper proposals lead to 'better' policies for rural areas and more effective delivery?

Some of the rural stakeholders interviewed had only a limited knowledge of the White Paper. Despite this, a number of key findings emerged:

- It was widely accepted that the proposals outlined in *Tracks 1* and *2* of the White Paper would not solve the rural challenges facing the region. However, stakeholders were divided on which Track offered the best solution.
- The majority favoured the *Track 1* approach, believing that an ERA would marginalise rural interests and lead to greater bureaucracy and confusion. Stakeholders preferred incremental adjustments to current institutional arrangements, while acknowledging their marginal benefits.
- A minority favoured *Track 2* in the hope that the functions of an ERA would be enhanced in the future.

More specifically, opinions in respect of *Track 1* were as follows:

The proposed enhancement of the Assembly's role:

- Was viewed as an opportunity to integrate rural issues more fully with other regional policy areas, such as transport and economic development,
- Was already encouraging greater co-operation between regional organisations,
- Should be an opportunity to increase the level of dialogue between the Assembly and government agencies. This is, however, conditional on the availability of appropriate resources,
- Was welcomed in respect of its status as the Regional Planning Body,
- Does not include specific guidance regarding the role of the Rural Affairs Forum in relation to the Assembly, potentially leaving rural issues on the 'outside track'.

The proposed enhancement of the role of the Government Regional Office:

- Is crucially dependent upon the leadership of the Regional Director and the ability of the Rural Affairs Team to develop a more holistic approach to the region's rural agenda,
- The establishment of the Regional Board, to assist in dovetailing strategies, was considered a useful step, though stakeholders were undecided about how these new activities would impact on rural policy,

- Needed to be set within the context of nationally imposed targets on government bodies, which were seen to hinder collaboration at the regional level,
- Many stakeholders were unconvinced that the increased opportunities for the Office to feed regional priorities into the Treasury spending review process would lead to tangible outcomes.

Opinions in respect of *Track 2* were as follows:

- The predominant view amongst stakeholders was that an ERA would threaten rural interests and these anxieties coloured their detailed views on the *Track 2* proposals.
- Particular concerns were expressed about the representation of rural interests on an ERA and the perceived dominance of urban interests in the region,
- Some critics were concerned that an ERA would merely introduce an additional layer of bureaucracy,
- The business and voluntary and community sectors were apprehensive about losing their current seats on the existing Assembly to elected politicians in an ERA,
- Some feared that an ERA would involve a ‘round up’ of existing local politicians with parochial views and local interests,
- Given the proposed functions outlined in the White Paper, many believed that an ERA would be a mere talking shop, resulting in minimal added value,
- The majority of rural stakeholders did not feel that *Track 2* offered any significant added value in tackling the specific rural issues facing the region.

Among those who supported the principle of an ERA:

- They were dissatisfied with the ERA model proposed, believing that the lack of resources and authority at its disposal would give the region insufficient autonomy to develop and deliver its own policies.
- It was judged to offer the possibility of greater co-ordination and integration, by transferring responsibility for writing and ensuring consistency between regional strategies currently prepared by a mixture of regional organisations,
- There was preference for something akin to the Scottish or Welsh model but *Track 2* was seen as a first step towards establishing a more powerful body in the future,
- Some believed that an ERA would be given a clear set of responsibilities for rural areas and ensure the integration of rural issues within wider regional policy debates,

- An ERA might be in a better position to influence government departments and public bodies. However, the potential value of ‘influence’ referred to in the White Paper was seen as vague and ill-defined,
- An ERA would bring the Rural Affairs Forum ‘in house’, thus establishing it as an effective regional body,
- An ERA’s ability to ‘rural proof’ regional strategies was viewed as potentially positive. However, stakeholders doubted whether this would result in any significant changes to rural delivery,
- An ERA was viewed as the only way of securing an increased level of transparency and democratic legitimacy in the regional policy process,
- An ERA could fill a vital gap, by serving as a strong regional co-ordinating body to drive forward and deliver the rural agenda.

The Haskins Review of Rural Delivery

The *Review* proposes a strengthening of regional institutions in a bid to develop a strong co-ordinating tier between those formulating rural policy in Whitehall and those responsible for delivering rural programmes at the sub-national level. It, therefore, affirms and develops the reform agenda in the Devolution White Paper. Its recommendations regarding the regional tier include measures to:

- Improve the co-ordination of delivery by enhancing the role of the Government Offices,
- Develop joint targets between Whitehall departments, affording regions greater opportunities to develop and implement more integrated rural initiatives,
- Establish Regional Rural Priority Boards, chaired by the Government Office, to decide on regional rural priorities, objectives and actions,
- Rationalise institutional structures and funding streams,
- Enhance the role of the National Rural Affairs Forum and increase the capacity of Regional Rural Affairs Forums,
- Decentralise decision making and funding to sub-national levels,
- Connect rural programmes and initiatives more closely into the regional agenda,
- Establish a comprehensive framework for the delivery of rural policy and develop a set of regional priorities for rural areas,

- Extend the role of Regional Development Agencies over rural development programmes,
- Give a greater role to local authorities and local partnerships

These measures could clearly assist in meeting many of the concerns identified by rural stakeholders. Nonetheless, it is anticipated that they would express doubts including:

- The capacity of the Government Regional Office and its Rural Affairs Team to perform the tasks envisaged,
- The ability of central government departments and their agencies to co-ordinate their activities and for joint targets to be set which give due regard to regional priorities,
- The benefits of radical reforms to institutional structures, preferring instead to examine and build on existing arrangements, and
- The capacity of Regional Rural Affairs Forums to perform their enhanced tasks without additional resources.

More fundamentally, while possibly acknowledging the logic of a regional body charged with formulating and co-ordinating policies and delivery in rural areas, some stakeholders would continue to express concerns about the potential marginalisation of rural affairs in an elected regional assembly.

RECOMMENDATIONS

The proposals in the Devolution White Paper, coupled with the reforms advocated by Haskins, have the potential to bring about improvements in rural policy making and delivery at the regional level. For these to be realised, however, the following measures are required:

1. Flexibility in the alignment of EU and national policies is required to ensure that the needs and priorities of rural areas in regions and sub-regions are met.
2. Actions are required to incorporate mainstream programmes in the proofing of rural policies at national, regional and sub-regional levels.
3. Responsibilities and arrangements for rural policy and delivery have emerged incrementally and DEFRA should review and clarify its rural policy remit at the regional level and assess the resources required for its implementation.
4. In particular, though reliance on networked forms of governance is vital, there is an outstanding need to clarify the responsibilities, relationships and accountabilities of bodies taking forward rural related policies and programme initiatives at the regional level.

5. There is a conspicuous need to streamline the multiplicity of funding regimes and clarify and improve understanding of the responsibilities of those bodies involved in rural policy delivery.
6. Clear sets of regional priorities and objectives for rural areas should be defined which inform national and regional spending programmes and targets.
7. Improvements in the tracking of regional and sub-regional public expenditure in rural areas are required to ensure that regional priorities are being matched by spending allocations.
8. There is a specific need to ensure that assistance provided through Objective 2 measures in rural areas and the English Rural Development Programme are aligned.
9. To strengthen its research and advocacy capacity, the activities of the Regional Rural Affairs Forum needs to supported by dedicated resources.
10. Bodies responsible for rural policy delivery should be made more accountable to rural interests in the region, both through the Government Office's Regional Board and the Regional Rural Affairs Forum.
11. In advance of an ERA being established, the Assembly should extend its co-ordinating role by establishing a dialogue with those bodies responsible for rural service delivery in the region.
12. Consideration should be given to transferring the Rural Affairs Forum and its secretariat to the Regional Assembly, even in the absence of an ERA. The roles of and the relationship between the Regional Rural Affairs Forum and the Regional Rural Accord Group require clarification.
13. The creation of the Government Office's Regional Board should be used an opportunity to embed rural issues in regional policies.
14. The Government Office's Rural Affairs Team should take a stronger lead in co-ordinating and monitoring the activities of those bodies responsible for rural delivery in the region.
15. The role which the Regional Development Agency is expected to play in rural affairs needs to be made more transparent.
16. Local authorities and local strategic partnerships should be given the support and flexibility required to address local needs.

In order to gain their support for elected regional government it is imperative that rural stakeholders are reassured that an ERA would take full account of rural interests and ensure that policies for rural areas are fully integrated in the region's strategic priorities.