



Findings from the Economic and Research Council's  
Research Programme on *Devolution and Constitutional Change*



### *Devolution Briefings*

## ***Devolution is a process not a policy: the new governance of the English regions***

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#### **Key Points**

- The rejection of elected regional assemblies the November 2004 referendum in the North East does not mean an end to the government's regional governance agenda for England; 'unelected' regionalisation proceeds apace
- A wide range of government departments have decentralised some of their functions to regional bodies since 1997 producing new 'policy networks' at the regional level which link central government and its agencies with local government, private and voluntary sector organisations
- This 'rush to the regions' has happened in an ad hoc and largely uncoordinated manner, reflecting concerns to balance developments in Scotland and Wales, with lagging regional economic performance, and with the joining up of policy delivery
- This new regional governance is not limited to the north of England; it is as much evident in the southern and midland regions. It has three central features to:
  - The production by regional-level organisations of regional strategies, some mandatory, other voluntary, which have no enforcement mechanisms, so function more as a source of advice to the centre
  - Civic engagement, largely through the 'economic and social partners' in Regional Chambers, which lends legitimacy to regional strategies
  - Scrutiny by Regional Chambers of Regional Development Agencies, which provides a degree of public accountability for the Agencies
- This evolving system of regional governance is – despite the North East referendum – here to stay, with evidence of growing commitment at the centre to developing it further

#### **Regional Governance Beyond the Referendum**

On 5 November 2004 it appeared that the concept of English regional government had died an ignominious death. Voters in the North-East rejected an elected regional assembly by a margin of almost four to one, on a respectable turnout. This unexpected whitewash led to widespread obituaries for a concept which many in the press and political arena felt should never have seen the light of day, and it has, on the face of it, led to a reorientation of government policy away from regional solutions towards a renewed focus on city mayors, unitary local authorities and neighbourhood governance by 'communities'.

English regional government, however, has been a bigger and more complex story than elected regional assemblies for a long time. The proposals in the 2002 White Paper, *Your Region, Your Choice*, were only the tip of the regional iceberg. Even if the North-East had voted in favour of an elected assembly, the changes to regional governance that would have been wrought as a result would have been less significant than what has already happened in the spheres of administration, planning and economic management. Unelected regionalisation of government functions is proceeding apace, quite separately from the headline-grabbing elected assembly agenda. The forms of regionalisation that have taken place since 1997 are set out in Box One:

**Box One: Regionalisation since 1997**

- the establishment of new regional institutions, such as Regional Development Agencies and Regional Chambers;
- the extension of the responsibilities of Government Offices for the Regions, and the consolidation of regional offices of executive agencies;
- the reform and widening of the scope of the regional planning process, symbolised by the transformation of Regional Planning Guidance into Regional Spatial Strategy;
- the emergence of dense networks of regional forums, commissions and networks based around the discussion of high-level visions or strategic priorities for their region in a specific policy field;
- the emergence of an interest in regional policy in the Treasury, the predominant department in the making of domestic policy. The interest marries a desire to address long-standing issues of regional disparity (the 'North-South divide') with supply-side policy interventions, promoting skills, venture capital and increases in productivity, contrary to previous Labour governments' policies of direct redistribution.

These functional changes have been aided by a gradual drift towards standardisation of the regional boundaries of England across Government, and by the advocacy of better regional policy-making by a plethora of individuals (senior officers, local government and civil society representatives) within the regions themselves. The promise of more autonomous elected assemblies as a future goal certainly underlay these developments, but it was not a significant driving force. These developments have been evident as much in the southern and midland regions of England, which were never expected to vote for elected assemblies in the near future, as they have in the northern regions, which were expected to.

**Regional Ad-Hockery**

These changes have not resulted from a conscious, Whitehall-wide impetus towards expanding the scope of the weak regional tier of governance in England. Most of the changes that have taken place have resulted from *ad hoc* solutions to specific policy or departmental needs:

- RDAs were established primarily as regeneration agencies with a competitiveness brief, but were transferred from the then DETR to DTI in 2001 as a result of growing Treasury policy intervention.
- DCMS's 1999 review of its executive agencies led to the establishment of Regional Cultural Consortia, the boards of which act as link-points for cultural policy within the regions.
- DEFRA's 2003 review of its executive agencies led to the establishment of the Land Management Agency (provisional title) and the strengthening of regional Rural Affairs Forums.

- Government Offices were strengthened following the April 2000 Cabinet Office report, *Reaching Out*, which criticised the limited number of departments with a presence in them on the grounds of administrative efficiency.
- Some organisations appear to have strengthened their regional tier purely in acknowledgement of its growing existence, as if the regional tier had reached a critical mass obliging all major policy actors to take part in it in one way or another. The Arts Council of England's reshaping of arts board boundaries in 2001, and the Learning and Skills Council's appointment of regional directors in 2003 (despite not having regional offices) are two examples of this.

The many institutional changes in England's regions have been accompanied by the largely organic growth of a number of policy networks. Most of these have clustered around the Regional Chambers, or exist within them. Regional Housing Boards, Rural Affairs Forums, and two pilot Regional Transport Boards have been established. Regional Chambers have formal memberships consisting of representatives from local authorities (70%) and representatives drawn from a range of civil society organisations (30% - the 'social and economic partners'). They also convene a number of policy forums focused on regional priorities, which contain much wider expert members than are available in the Regional Chamber itself.

The Regional Chambers were themselves originally set up as very restricted organisations. Without any statutory or legal personality, with no clear powers and budgets restricted to what they could persuade their local authority members to part with, they were able to achieve very little in their first two years of existence (1998-2000). Since then, however, they have accumulated a small number of powers and responsibilities. They receive annual funding to scrutinise Regional Development Agencies, and this funding has mainly been used to develop regional capacity: information, statistical analysis, and building relationships with executive agencies.

In addition, they took on the responsibility for Regional Spatial Strategies under the Planning and Compulsory Purchase Act 2004, which also abolished county structure plans. This change brought with it extra funding and capacity-building opportunities. The Chambers will also have to monitor district and unitary authorities' Local Development Frameworks for conformity with the Regional Spatial Strategies.

Regional Chambers have also extended their own capacity, with many (especially in the northern regions) branching out into a number of policy fields: skills, culture, regeneration, rural issues, ICT and broadband. This has been met with tacit approval by central government: the centre has never actively encouraged this role expansion but has referred to it in policy documents (such as *Strengthening Regional Accountability*, the consultation paper on Regional Chamber Funding, and *Your Region, Your Choice*, the 2002 White Paper).

### **Why the Rush to the Regions?**

Why should this rush to the regions have happened, in a country (England) well-known both for a tradition of centralised political power and almost entirely lacking in distinctive regional cultures and identities? The answer lies in the interplay between traditions of English/British centralism and a number of policy impetuses within the (New) Labour Government elected in 1997. Many pressures towards some form of regionalisation of policy exist within Labour: economic disparities, democratic ideals and considerations of governmental efficiency can,

for many advocates, be neatly solved by the establishment of a new tier of government. Paradoxically, this co-exists with a Labour tradition of ‘democratic centralism’, insisting on centralisation of policy control and public funding to achieve economic and social redistribution, and this centralising impulse echoes the traditional instincts of Whitehall.

In 1997, a number of policy impetuses combined to produce an approach to the regions which, whilst ambivalent and at times incoherent, was stronger than anything previously seen in England. New Labour’s constitutional reform programme, with devolution to Scotland and Wales as a leading proposal, made provisions for English regions also. Regional Chambers were envisaged initially as a stop-gap before the introduction of elected assemblies following a referendum.

A parallel concern with economic performance led to the introduction of Regional Development Agencies in 1999. A desire to reform Regional Planning Guidance, and to extend regional planning from a perceived narrow focus on land-use issues to a much wider plan for the spatial implications of a range of public policy, became clear early on in *Modernising Planning*.

Finally, an unusual (for a government) degree of interest in the policy-making process, in joining up different policy ‘silos’, and in extending the principle of consultation in policy making and partnership in policy delivery, characterised the New Labour government as a whole in its first term. Though particularly evident at local government level, this impulse also found its way into regional government, most notably in the extension of membership of Regional Chambers to a range of social and economic partners lacking a democratic mandate.

These policy pressures came up against twin obstacles:

- one, the strand of Labour Party thinking which supports centralisation of policy to achieve effective redistribution; and
- two, the traditional centralism of the government of the UK, built around the concept of parliamentary sovereignty.

Regionalisation was not a high enough order priority for the government to tackle these obstacles head-on, so therefore it adapted the role of the regional tier to those fixed points. The outcome is a regional tier that is fragmented in institutional terms, and that has virtually nothing in the way of executive power or policy discretion. It is not an executive tier of government but one which *advises, advocates*, and acts as the *voice* of a semi-representative range of regional elites and stakeholders. Regional Chambers, and their associated forums and networks, are in effect a large semi-formalised consultation process, a means for feeding through regional stakeholder opinions and evidence based on analysis of regional economic and social conditions into the central policy-making process.

This odd situation allows the levers of executive power to be entirely maintained within central control, but places central government within a routine of consultation and policy development which obliges them to listen to (if not to act on) the concerns of regional elites and provides an opportunity for modification of government policy to meet regional specificities. It relies upon informality, goodwill, and personal relationships to function.

The role of advocacy and voice is made more legitimate and authoritative through three processes of *governance* which are visible across the regional tier: *strategy* or strategic

planning; *civic engagement*; and *scrutiny*. These three processes, rather than a focus on particular policy areas, are what characterise regional governance within England. They are processual methods through which information and expert opinion is melded into a set of regional priorities and approaches. Devolution in the English regions is a process, not a policy.<sup>1</sup>

## Strategy-making

Strategic planning refers to the production of a document, known as a ‘regional strategy’, which provides a framework for policy-making and decision-making in the region in a given policy field, normally for the following 15-20 years. This document will typically summarise existing developments in the policy field, and will set out regional priorities for action. It is drawn up by a small officer team under the guidance of a range of regional partners (sometimes for a regional forum which meets regularly for the purpose), and will be subject to consultation of most of the regional executive agencies and the Government Office. Strategies rarely make specific commitments in terms of spending plans or specific localities in the region.

Strategy-making appears to have developed out of the increased importance given to Regional Planning Guidance (RPG) in 1998, followed by the introduction of the Regional Economic Strategy (RES) as a statutory part of the responsibilities of Regional Development Agencies in 1999. Guidance on RPG indicated that the Government expected it to include a fully-formed regional transport strategy, and a regional sustainable development framework. Figures and locations for the building of new housing in the region were also merged into RPG in the late 1990s, making it a far more comprehensive document (and obliging more consultation and a more concerted response by consultees). The Regional Cultural Consortiums, set up in 1999, were required to produce regional cultural strategies.

This sudden growth in strategy-making was followed by a range of ‘voluntary’ strategies (i.e. strategies which are not statutory or mandated by Government guidance) in subjects as diverse as health, rural affairs, coastal management and broadband. In some regions literally dozens of strategies were written, often by different organisations, leading to pressure to institute some form of *integrated regional strategy* to ensure cohesion between them. Some regions, notably Yorkshire & Humber and the East Midlands, had created such a strategy at an early date (1996 and 1998 respectively) and were thus better placed to ensure integration of subsequent strategies: in other regions, a more complex process was called for.

Vitaly, all of this strategy-making took place in the context of the absence of executive power at regional level. None of the strategies, mandatory or voluntary, came with sanctions with which to enforce their priorities (the partial exception is the RES, which informs the funding decisions of the RDA). The strategies therefore constitute a platform of advice to the centre and a point of origin of future advice from the region.

## Civic Engagement

Strategies gain much of their legitimacy and clout from the process of *civic engagement*, something which is visible in the plethora of networks, forums and institutions in the regions. Civic engagement is a distinct concept from consultation, from partnership in service

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<sup>1</sup> Ron Davies, Secretary of State for Wales in 1997-98, famously said of the Welsh devolution settlement, that “devolution is a process, not an event”.

provision, and from public participation in policy-making: it refers to the participation in policy-making of representatives of a range of organisations within civil society. This includes business representatives, voluntary organisations, faith groups, environmental groups, and representatives of other functional sectors such as health, housing, education and culture. These actors are distinct from 'ordinary' members of the public, in that they are well-informed and accustomed to lobbying and interaction in the policy-making world.

Actors such as this make up the 30% of regional chamber seats allocated to 'social and economic partners'. The concept of social and economic partners *as full members of Regional Chambers* was not present in the development of Labour's policy on the English regions whilst in opposition, and it most likely results from a 'policy transfer' effect of Labour's overriding concern with partnership in service delivery and consultation. Subsequently, secondary legislation under the Planning and Compulsory Purchase Act 2004 requires Regional Planning Bodies (which are the Regional Chambers) to consist of at least 30% partner members.

On the Regional Chambers, partner members all now enjoy full membership and voting rights, and play a prominent role in debates over regional issues. The principle of inclusion of partners is visible across the other regional institutions. RDAs were careful to build on existing regional partnerships when they were established in 1999. They all maintain either functional or sub-regional committees to bring in expert advice on particular issues. The many regional forums and networks which have been established or emerged since 1997 all prize inclusiveness of regional interests and expertise.

### **Regional Scrutiny**

Thirdly, the practice of *scrutiny* within Regional Chambers helps to suggest that the regional tier of governance can be characterised as a system of governance rather than an accidental collocation of institutions. Regional Chambers have instituted scrutiny panels to monitor the work of their respective Regional Development Agencies. In most cases they have recognisably followed the local government model of scrutiny, choosing a topic, assembling information and questioning senior officials and board members of the RDA on their future plans. This process provides a limited degree of public accountability for RDAs.

### **A New System of Regional Governance?**

These three processes characterise the form of governance existing at the English regional tier, and establish that it is a system of governance with recognisable similarities, despite its heterogeneous origins. The focus on strategy, scrutiny and civic engagement, together with voice and advocacy, can also be seen in the functioning of the Greater London Authority, the often forgotten 'first English regional government'.<sup>2</sup>

The majority of media and political attention towards London has been taken up by the GLA's small portfolio of executive powers – the transport system and policing – and high-profile affairs like the 2012 Olympic bid. However, the GLA too has a range of regional strategies which must, by statute, be written by the Mayor. Strategy-writing and other policy

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<sup>2</sup> The GLA described itself thus during the Mayor and Assembly's first term. Though much debate can be had over whether London is a city or a region, or both, in terms of public administration within England it unquestionably has regional status, with its own RDA, Government Office, and its own branch office of many of the major executive agencies.

development must (again statutorily) go through a rigorous consultation process. The London Assembly is tasked with scrutinising the Mayor's strategies. And, as in the other English regions, many of the Mayor's strategies do not come with budgets or sanctions with which to enforce them, and therefore rely on the goodwill of partners for their implementation.

The similarities between the GLA and the (other) regions of England result from the fact that they share a formative period (1998-99) and that their functions result from a similar range of policy obstacles and concerns. In particular central government ministers were concerned not to give away a great deal of power to the GLA, wishing to keep it themselves, and saw strategy-making as a kind of compromise.

The proposals for elected regional assemblies in *Your Region, Your Choice* are characterised by the same concerns. Again, a large number of strategies and consultation requirements were proposed for elected assemblies, and in the vast majority of policy areas no budgets or executive sanctions to deliver them would exist. Elected assemblies would have been reliant on the goodwill of partners and the largesse of central government.

The shape of the new governance of the English regions is therefore a result of a number of pressures internal to the interaction of sub-national government, New Labour, and the Westminster state. Paradoxically, it may be that the form English regional government currently takes is both more stable in the medium term and perhaps even more likely to lead to policy change than elected regional assemblies would have.

All the indications are that, even if an elected North-East Assembly had been established, it would have had to overcome considerable public disinterest and scepticism, and that its limited powers would continually tempt it towards high-profile political disputes with central government rather than policy action.

And the indications are that central government is at ease with the existing regional tier: there have been several instances of pooling of regional budgets across different executive agencies, a significant departure for Whitehall and the Westminster system. This is not to say that the new governance of the English regions is superior to an elected assembly, but that the indications are that it is here to stay.

*This Devolution Briefing was written by Mark Sandford, Research Fellow in regional government at the Constitution Unit, University College London. He has published a number of articles, book chapters and research reports on regionalisation in England, the governance of London, the scrutiny process, and networks and civic engagement in the English regions. His monograph *The New Governance of the English Regions* will be published by Palgrave Macmillan in autumn 2005.*

The Devolution and Constitutional Change Programme was set up by ESRC in 2000 to explore the series of devolution reforms which have established new political institutions in Scotland, Wales, Northern Ireland, London and the other English regions since 1997. It has commissioned 35 projects around the UK to carry out top-class academic research and to contribute to the policy debates surrounding devolution.

For more information see the Programme website at [www.devolution.ac.uk](http://www.devolution.ac.uk) or contact the Programme Director, Professor Charlie Jeffery at ESRC Devolution Programme, School of Social and Political Studies, Adam Ferguson Building, George Square, University of Edinburgh, Edinburgh EH8 9LL. Tel 0131 650 8489, fax 0131 650 6546, email [charlie.jeffery@ed.ac.uk](mailto:charlie.jeffery@ed.ac.uk).