

Written evidence from Bennett Institute for Public Policy (EDE 11)

Public Administration and Constitutional Affairs Committee The Evolution of Devolution: English Devolution

1. Introduction

1.1. The Bennett Institute for Public Policy at the University of Cambridge was launched in April 2018 with a primary aim:

“ . . . to rethink public policy in an era of turbulence and growing inequality. Our research connects the world-leading work in technology and science at Cambridge with the economic and political dimensions of policy-making. ”¹

1.2. Our research proposes sustainable and innovative policy approaches in its three programmes of research on the broad themes of *Place*, *Progress* and *Productivity*.

1.3. This submission draws on this body of work and focuses on four inter-related areas:

1.3.1. **The need for reform** – this section considers the need for reform and sets out the different approaches to devolution in the UK at a national and sub-national level.

1.3.2. **Three principles** – this section articulates three possible principles that could underpin devolution in England.

1.3.3. **Perspectives on devolution** – this section draws on the experiences of previous approaches to devolution, identifying some deeply entrenched views in political circles about the appropriate geography for English devolution.

1.3.4. **Devolution, decentralisation or delegation?** – the final section asks whether devolution in England is a process of decentralisation or delegation.

2. The need for reform

2.1. England is one of the most centralised countries in the developed world.

2.2. Since 1997 there has been some significant devolution of powers to the nations of Scotland, Wales and Northern Ireland.

2.3. To date, devolution in England has been conducted in a far more piecemeal fashion, with the creation of eight mayoral Combined Authorities and two non-mayoral Authorities through a series of ‘deals’ struck with central government. Including Greater London, 37 per cent of the English population – representing 39 per cent of economic output but just 13 per cent of land area – now live in areas with a mayoral devolution deal.²

2.4. There has been no significant local government reform in England since the introduction of Unitary Authorities from the mid-1990’s onwards. Before that, the last comprehensive reform of the system of local government happened in 1972, with the Local Government Act.³

2.5. There has, however, been a significant reduction in the funding of local government in England, with a 21 per cent reduction between 2010-11 and 2018-19⁴ leading to increasing fiscal pressures on councils across the country. The COVID-19 pandemic has brought this trend into ever sharper focus.⁵

- 2.6. The last ten years have also seen the creation of a number of new organisations with responsibilities for different public services. This has included the introduction of Police and Crime Commissioners⁶ and the creation of Local Enterprise Partnerships⁷ from 2011 onwards, and the establishment of Clinical Commissioning Groups to commission health services from 2013 onwards.⁸
- 2.7. As well as the evolution of a complicated organisational landscape, the ways in which services are provided also adds a further layer of complexity to English public administration. A 2018 report by the Institute for Government looked at the scale and nature of public sector contracting in the UK⁹ and found that £284 billion per year – around a third of all public expenditure – was spent on buying goods and services from external suppliers. As well as goods such as stationery and medicine, and the construction of infrastructure such as roads and schools, this figure also includes the daily delivery of back-office functions such as information technology and human resources, and frontline services such as probation and social care.
- 2.8. As a result of these disparate changes, the governance of England has become increasingly opaque for its citizens, with a range of different bodies responsible for the provision of different, often outsourced, services.
- 2.9. COVID-19 has unearthed some of the tensions and dysfunctions associated with the governance of England. Three particular examples stand out:
- The response to the pandemic has shown how the UK government is, in a number of important policy areas, England’s government, and this has led to some confusion among citizens about which government’s rules it needs to heed.
 - COVID-19 has produced a centralising reflex in UK government with central systems of contract tracing being developed, and a lack of willingness to engage with local health officials. It is instructive to compare this approach with other more multi-layered models, such as that of Germany, where there has been greater partnership working and trust between different parts of government.¹⁰
 - The dispute over regional lockdowns which broke out in October 2020 demonstrates the ability of directly elected ‘metro’ mayors to speak for the areas that they represent. Despite their limited powers, ‘metro’ mayors enjoy a degree of ‘soft power’, thanks in part to the popular mandates that they enjoy.¹¹

3. **Three principles**

A vision for devolution

- 3.1 Part of the challenge of defining aims and principles to underpin devolution in England is the lack of an established, overarching constitutional vision for the UK. Two distinct, territorial approaches to devolution have developed over the past 20 years.
- 3.2 Devolution to Scotland, Wales and Northern Ireland has, in broad terms, reflected the values of “*self-determination, national pride and the right of people to pursue their own priorities.*”¹²

- 3.3 Meanwhile devolution at sub-national levels in England has been developed in a different way altogether, with the primary focus upon the achievement of the priorities of the central state. It has since 2010 progressed through a series of ‘deals’ made between the UK government and local authorities. These ‘deals’ are “repeatedly framed in terms of economic growth, regeneration and concepts such as functional economic geography”;¹³ “a number of items have been made available to most areas, but each deal also contains a few unique elements or ‘specials’ (often consisting of commitments to explore future policy options).”¹⁴
- 3.4 There is a growing need to clarify the underpinning purpose of devolution in England, and a debate is needed about whether it should signal more than the achievement of a narrow set of economic and service delivery goals.

Framework for devolution

- 3.5 To date, no formal ‘framework’ for devolution has been published by the UK government. In November 2017 MHCLG announced that it was working on a framework that “above all else, provides clarity and consistency about what a successful devolution agreement looks like.”¹⁵
- 3.6 In June 2018, the Public Administration and Constitutional Affairs Committee called for “. . . a clear statement of how the different parts of England are fairly and effectively being represented. Consideration should be given to extending the existing decentralisation of powers and funding to combined authorities and mayors to a greater number of areas.”¹⁶
- 3.7 The ‘devolution framework’ appears to have been overtaken by the Government’s commitment to publish a White Paper during 2020, which itself has been postponed until 2021.¹⁷

Underpinning principles

- 3.8 Professor Kenny has argued¹⁸ that three elements – functional capacity, coherent economic geography, and a sense of identity rooted in place – are “fundamental to successful innovations in governance.” The Combined Authorities created by recent governments reflect established thinking about policy functions and economic geography. However, much less consideration has been given to the need to establish jurisdictions with boundaries that are meaningful to those residents who live within them. Drawing boundaries purely on a functional basis may not tally with place-based identities that apply at the level of the county, the city, or the town. And, some of these identities have deep roots.
- 3.9 There needs to be a balance between the need for a roughly coherent economic geography and the importance of a sense of shared identity rooted in place. Governance arrangements that do not pay attention to these issues are less likely to garner the consent of the publics they are meant to serve.
- 3.10 The geography of Greater London, Greater Manchester and Cornwall’s devolution deal are good examples of where there is a relatively clear sense of shared identity rooted in place.¹⁹
- 3.11 Our suggestion is that these three elements should be balanced against each other and viewed as organising principles for further devolution in England.

4. The politics of devolution

Public attitudes

- 4.1. Unlike Scotland and Wales where referendums on devolution were held in 1997, and Northern Ireland through the Good Friday Agreement referendum of 1998, the English have never been publicly consulted about how they might wish to be governed. More generally, there has been little debate about these issues among England's political leaders. If the English are to be asked whether they want a greater say over their local governance, then it is important to reflect on how a wider debate should be instigated and taken forward.
- 4.2. The last public test of demand for regional devolution in England was the decisive rejection of a Regional Assembly by the North East of England in a referendum in 2004. The referendum was an early example of an effective, anti-establishment campaign that framed the proposals as a top-down imposition that would simply create a new cadre of politicians and would not deliver value for money.²⁰
- 4.3. Polling suggested that public awareness that the 2004 referendum was taking place was high (89 per cent), but knowledge of what exactly was at stake was much lower. 56 per cent of respondents reported not knowing what the main issues of the campaign were, and this figure reached 68 per cent of 18 to 34 year olds.²¹
- 4.4. Equally, the context has changed since 2004. With the establishment of 'metro' mayors and combined authorities, there is more familiarity among the public with the idea of devolution to localities in England.
- 4.5. The turnout for the 2017 round of Combined Authority Mayoral elections of 27.8 per cent was noticeably lower than turnout at the English local elections held on the same day (35.1 per cent), but was comparable to the turnout for the Police and Crime Commissioners elections held a year earlier (27.3 per cent).²²
- 4.6. The history of public attitudes to devolution in Wales provides an important illustration of the possibility that these can shift over time and be shaped by the establishment of devolved institutions. The first devolution referendum in Wales in 1979 resulted in 80 per cent of people voting against devolution.²³ In 1997 the balance had shifted to 50.3 per cent in favour. By 2011 when a referendum on the Sennedd's legislative powers was held, the balance had shifted further in favour of direct law-making powers for the assembly, with a 63.5 per cent to 36.5 per cent winning margin.²⁴
- 4.7. It is important to consider whether this kind of dynamic, with support for devolved institutions developing over time once they have been created, might apply in different parts of England. At the same time, the chances of this happening in English localities are in part determined by the degree to which people find the geographical boundary of the authority that is created to be a meaningful one.

Political perspectives

- 4.8. There is a striking lack of consensus amongst the UK's political parties about the rationale and appropriate geographical scale for devolution in England.

- 4.9. This lack of consensus reflects an underlying divergence of views about England itself.

“ . . . when it comes to the idea of devolving power within England, politicians have disagreed fundamentally about how such a system should work, and at what geographical scale it should be built. Labour figures have, for the most part, stuck to an ingrained commitment to the idea of devolution to large regions, although such units appear to elicit very little popular support. And the Conservatives have tended to favour governance at the level of cities and counties, but have also been more alive to the growing perception that the interests and identity of England as a whole are not adequately represented by the system of territorial governance that has developed in the UK.”²⁵

- 4.10. This divergence of views has underpinned the different approaches to devolution taken by different British governments over the last 20 years. For example, the Regional Development Agencies introduced by the last Labour government were later scrapped by the Coalition government and replaced with Local Enterprise Partnerships. These have since been supplemented with metropolitan Combined Authorities.

5. **Devolution, decentralisation or delegation?**

- 5.1. Debates over devolution often focus on the question of centralisation versus decentralisation, and appropriate geographical scale. We would suggest too the case for considering the inter-relationships between the different institutions involved in the governance of a place. This enables a sharper focus on how different elements of the system can effectively work together to resolve common problems. This approach requires *“ . . . the central state to internalise a different kind of understanding of its own role in relation to the other political communities it has spawned. The reverse logic of devolution is that the centre needs to become an arbiter and co-ordinator, as well as a player in its own right. And this means learning and adopting the language and ethos of partnership with other centres of political authority across the UK.”²⁶*
- 5.2. As Kenny and Tom Kelsey recently argued: *“[The Combined Authorities] have acquired a limited set of administrative responsibilities in areas relating to economic development, typically in areas like skills, transport and planning, although Manchester has additional powers to the other authorities. But they all lack meaningful control over their own revenue streams and are not empowered to determine their own priorities when these diverge from the preferences of the centre. The term devolution is in some ways a misleading description of this model; delegation would perhaps be more accurate.”²⁷*

November 2020

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