

Written evidence from Sarah Ayres¹ (EDE 27)²

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

INTRODUCTION

1.1 This invited written submission focusses on a specific set of issues outlined in the Committee's call for evidence. My views are based on my own academic research that has examined English devolution for the past 20 years. Five central claims are made.

1.2 First, the Government needs to make clear its vision and narrative for the next phase of English devolution. Is it to be controlled by the Centre, involving incremental adjustment to the status quo? Or, will it involve a fundamental reshaping of central-local relations in a bid to enhance local democracy and empower local communities? Clarifying the Government's position is important in galvanising support for devolution and managing public expectations.

1.3 Second, it is clear that not all localities in England have the positive relationships with the Centre necessary to cultivate devolution agreements. In the last round of devolution deals, this resulted in a high degree of differentiation in both the *process* governing central-local relations and the *outcomes* in term of devolution agreements. This raises questions about spatial equity and social justice. Securing 'parity of opportunity' to all local areas will be important.

1.4 Third, The next phase of devolution needs to build on the high-trust relationships developed between Whitehall and some localities in the last round of devolution deals. In local areas where the encounter was more 'bruising' efforts need to be made to engender a spirit of cooperation. While informal negotiations were helpful in securing devolution deals in the last round of reforms, English devolution needs to assume the mantle of a more objective and evidence based process if it is to instil confidence.

1.5 Fourth, English devolution needs to be visible to the public instead of a technocratic exercise undertaken by political elites behind closed doors. However, a key challenge will be to balance public engagement with the 'fleet of foot' characteristics required for momentum and decision making in the last round of devolution deals.

1.6 Fifth, the English devolution agenda needs to promote new 'imaginaries' of empowerment and voice amongst a disenfranchised public. The path dependent nature of the British Political Tradition creates a sense of the 'way things are done around here', which impacts on the aspirations and expectations of local actors and citizens. Articulating a new vision of what English devolution could be is an essential part of overcoming the propensity for a process dictated and controlled by the Centre.

2. What aims and principles should underpin devolution in England?

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2.1 Elected in May 2015, the Conservative government set out ambitious plans in its Manifesto to devolve powers and budgets to boost local growth in England' (Conservative Party, 2015, 1). That same document pledged to devolve 'far-reaching powers over economic development, transport and social care to large cities which choose to have elected mayors' (ibid, 1). The Government was swift to implement the Cities and Local Government Devolution Bill (DCLG and Home Office, 2015) to make good this pledge. This Bill was an enabling piece of legislation allowing the Government to proceed on a case-by-case basis to reach a tailor-made deal with each participating. As a consequence, a high degree of variability was evident both in terms of the *process* of negotiating the deals and the final policy *outcome* (Ayres, 2017).

2.2. Central Government proposals for devolution were met largely with enthusiasm from local areas and there was a firm commitment in parts of Government to see the devolution of power in core policy areas such as transport, economic development and regeneration and public service reform. Importantly, the last round of 'devolution deals' eschewed a constitutional approach, whereby all areas would be granted similar devolved powers. Instead, the policy cast devolution more as a functionally efficient means to achieve agreed policy outcomes. This served both to challenge local areas to articulate their desired outcomes instead of entitlements to 'powers', and to reassure central government participants that they would retain some control when power was devolved (Political Studies Association, 2016).

2.3 The next phase of English devolution will take place within the context of an unprecedented global economic, social and health crisis. Hambleton (2020) argues that cities and localities face four key challenges, fuelled by the current COVID crisis: a health emergency, an economic downturn, a climate change emergency and a worrying growth in social, economic and racial inequality. He contends that these challenges will require joined up, local solutions if the UK is to 'build back better'. Hambleton calls for less 'placeless' leadership, whereby decision makers who operate at a national or supranational level are not concerned with the impact of their decisions on place. Instead, he calls for a renewed emphasis on 'place based power' that emphasises community and caring for place, people and the environment.

2.4 Indeed, the crisis could be seen as a catalyst for radical changes to territorial governance. For example, COVID has raised the public consciousness of 'place' by highlighting spatial and social injustice, identifying the benefits of local solutions and raising the profile of local leaders, such as elected mayors. As a consequence, the next phase of English devolution will need to manage public expectations carefully. A question remains whether the English Devolution White Paper will offer an extension of the current devolution deal process, characterised by the technocratic, economic productivity agenda negotiated amongst political elites. Or, will it drive a wedge through the path dependent inclination of the British Political Tradition to offer something more radical in the context of a global crisis? A more radical agenda would involve giving local leaders the freedoms and tools they need to engage their communities in searching for local solutions to the highly complex challenges facing localities post COVID.

3. To what extent should there be consistency in devolved and local governance within England?

3.1 During the last phase of devolution deals, the move towards more transactional and negotiated deal making (Sandford, 2017) clearly advantaged some areas over others. Those with a history of partnership working and established high trust relationships with central government were best able to champion local interests. This issue was compounded by limited resources at the centre to deal effectively with the number of bids submitted in the devolution deal process (NAO, 2015), leaving some areas feeling side lined. The Government faces a particular challenge in consulting the English tier due to the huge variations in institutional arrangements and local governance capacity (Ayres *et al*, 2018). Indeed, there is often a perception amongst local leaders that Government has its preferred areas and local leaders to work with. In negotiations surrounding the recent devolution deals, for example, Greater Manchester was often referred to as the ‘best practice model’ and a lot of political energy and time had been devoted within Whitehall to develop devolution here (PSA, 2016). It remains to be seen whether the very public fallout between the centre and the elected Mayor for Greater Manchester, Andy Burnham, over the allocation of resources to manage the COVID crisis have soured relationships for the future.

3.2 During the last round of devolution deals, research revealed that central government actors did not want to constrain the possibilities of the deals by introducing a formal suite of options or guidelines and that deals were to be ‘bespoke’ (PSA, 2016). One consequence was that local areas used the early bids, such as the Greater Manchester deal, as a template or footprint. In practice, the early devolution deals became ‘guidance’ for later authorities, as they were one of very few sources of information on the Government’s negotiating position. Indeed, once a formula to achieve devolution of a programme or power has been agreed, the Government has been quite ready to apply it to new localities (Ayres *et al*, 2017). The lack of any formal guidance in the early stages of the devolution deal process resulted in many of the later bids simply emulating those agreed earlier. Greater clarity up front on the remit and scope of future devolution opportunities could engender higher levels of innovation.

3.3 Moreover, the requirement at the time for secrecy between those elites in Whitehall and localities negotiating the devolution deals undermined the potential for local areas to share information and best practice (PSA, 2016). While some areas of the negotiation might best remain confidential, the blanket ‘shut down’ in local dialogue demanded by Whitehall negotiators at the time undermined the potential for policy innovation - a point that should be redressed moving forward. Moreover, allowing some elements of the bids to be discussed more openly would permit a ‘softer’ transition between the negotiation phase and gaining the necessary support amongst interested parties for successful implementation (Ayres *et al*, 2017).

4. How should decisions on English devolution be agreed?

4.1 The process of negotiating the last round of devolution deals, was characterised by a high degree of ‘informal governance’. Informal governance can be defined ‘as a means of decision making that is un-codified, non-institutional and where social relationships and webs of influence play crucial roles’ (Harsh, 2013, 481). This more fluid and ad hoc way of working was generally supported by those in central government and localities who negotiated the deals (the core insiders). They recognised the value of a reduced formal bureaucracy in (i) working to tight timescales (ii) having honest and frank discussion (iii) avoiding public and damaging disputes through the media and (iv) building a degree of trust and understanding between government tiers. Indeed, there was little support from core insiders for a highly prescriptive and formulaic deal-making process. The majority agreed that flexible, bespoke

discussions, tailored to local circumstances remain the most effective way to negotiate deals (Ayres *et al*, 2018).

4.2 However, while individuals at the heart of the process could clearly see the merits of informal working, other key stakeholders felt disconnected and ill informed, undermining public confidence in the policy. The fact that guidance and procedure were absent generated scepticism and suspicion from some participants, councillors, and the public. The UK government was seen to be embarking on fundamental constitutional change driven largely by informal ways of working. While there are undoubtedly benefits to more informal and fluid governance arrangements, there is a danger that devolution could be undermined if key actors and the public feel disenfranchised by and disconnected from the process. Deal-making needs to be based on evidence of efficiency, effectiveness and returns on investment. However, this remains difficult to judge in the absence of clear criteria for assessment.

5. Is there a public demand for devolution in England?

5.1 During the last round of devolution deals, central government's apathy towards public engagement was evidenced by the speed at which devolution deals were agreed, leaving very little time for local consultation. Indeed, mechanisms through which relevant stakeholders or the public could hold decision makers to account were noticeable by their absence (Ayres, 2020). Bailey *et al* (2015) suggest that many local stakeholders felt ignored by the process, leaving them feeling ill-informed and disconnected from decisions. Members of the public were, not surprisingly, far less impressed with a process that operated through a set of informal, secretive, elite-to-elite relationships.

5.2. Despite the initial euphoria surrounding the potential for a reimagined localism, many commentators have expressed concerns about the ability of the current devolution deal process to meet key objectives, not least around democratic engagement. For example, Blunkett *et al* (2016, 553) note that 'while each proposed deal is different, there is one thing that they all have in common - a lack of public consultation prior to being announced - which may present a real threat to this new policy taking root'. They go on to contend that:

'although the government's devolution agenda may well offer significant opportunities in terms of economic growth, employment and market innovation, how will the "revolution in devolution" develop democratic roots so that it can take hold and be sustained?' (ibid, 554).

5.3. Stoker (2019) makes a compelling argument that the focus in the governance paradigm on technical statecraft and problem solving has overlooked the need to ensure democratic anchorage, leading to a disillusioned public and a rise in populism. For example, the possibility of devolution has raised citizens' expectations about their potential involvement in local decisions and the prospect of 'doing democracy that break from the over-reliance on the traditional instruments of representative democracy' (ibid, 6). However, the reality of English devolution most often fails to meet this rhetoric. Stoker (2019, 11) argues that 'a lack of visibility provides a breeding ground for suspicion about governance arrangements'. In particular, he argues that accountability 'within networks is driven more by peer pressures and expressed through the building of trust *within* the network rather than the *external* form of accountability...to the people' (p.12).

5.4 One way to resolve this dilemma is for English devolution to become more about empowering local people instead of escaping into technical statecraft. Devolution needs to bring the politics and political tension to the fore to reignite citizens' sense of belonging and engagement. However, in a policy area as turbulent and conflictual as English devolution this could be a risky strategy - but perhaps one worth taking if a lack of public support looks to derail the agenda in the future. Notwithstanding the public misgivings, the secrecy behind the devolution deals was seen by some as necessary in activating change in an area of policy that was described by a senior local government official to 'have limped along for years' (PSA, 2016, 8). For example, Kenealy (2016, 578), in his analysis of the Greater Manchester deal, suggests that local actors 'embraced the secrecy with which they have proceeded to date'. Leaders in Greater Manchester feared that they would lose control of a public debate and 'not get the prize that they had been seeking for so many years' (ibid, 578). This analysis suggests that democratic legitimacy, transparency and public scrutiny were purposefully sacrificed to drive the devolution agenda forward. Nonetheless, this form of decision making has clearly prioritised elitist decision making over the preferences of citizens. While this may prove effective in the short term it does create problems of buy-in, public support and implementation challenges in the future.

5.5. One explanation for this perceived short-sightedness lies in an inherent propensity for top down elitist control in British politics. Wills (2016, 2), for example, notes that a historical disposition to centralism in the UK 'imposes on our ability to imagine other ways of organising the state and enacting citizenship...growing up in a centralized polity has limited our ability to develop an alternative geographical imagination about the operation of political power'. Wills describes a path dependent pathology built into the ruling and rationalities of Westminster and Whitehall officials that permeates the political system. This sense of the 'way things are done around here' also impacts on the aspirations and expectations of local actors and citizens. One way of addressing this is to develop new 'imaginaries' about political decision making and to renew practices of democratic engagement outside Westminster (Healey, 2018). Those charged with future negotiations will be operating in a political environment where the devolution 'genie is out of the bottle' (Cox, 2016, 565). Greater public consultation may, therefore, be in their gift in a way that was not possible for their counterparts in 2015 who faced a huge hurdle in simply getting the agenda started.

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