

Are we ready for Regions?

Research into the Public Sector's approach
to Elected Regional Assemblies

Kate Turney with Warren Hatter

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New Local Government Network (NLGN)
Second Floor
42 Southwark Street
London SE1 1UN
Tel 020 7357 0051
Email network@nlgn.org.uk
www.nlgn.org.uk

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about the authors and acknowledgements

Warren Hatter

Warren Hatter is Head of the Research Unit at NLGN, where he has worked since October 2002. He spent the previous 11 years working at MORI's Local Government Research Unit.

Kate Turney

Kate Turney was a Researcher at NLGN until June 2004. Prior to this she worked in Ottawa in the office of a Canadian MP.

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introduction

Architecture: Government Offices, Regional Development Agencies and Regional Assemblies

The architecture of British politics has changed significantly. We have already experienced devolution to Scotland, Wales, Northern Ireland (temporarily and intermittently) and London. Now attention is focusing on the English regions.

The first significant institutional arrangements at the regional level, set up under the previous government in 1994, were the ten Government Offices (GOs), designed to band together existing central government functions within a single regional organisation. They are also charged with representing regional concerns to government.

In 1999 the *Regional Development Agencies Act* led to the creation of nine Regional Development Agencies (RDAs). These RDAs strengthened the institutional basis for regional decision-making. Primarily created as business-led organisations to challenge persistent regional inequalities through bringing together social, economic and environmental issues, RDAs are responsible for producing Regional Economic Strategies and have seen their remit and resources grow over the last few years. Supported by the Treasury, they are now considered useful instruments for delivering improvements in skills, investment, innovation, enterprise and competition and have been allocated more funding as well as a 'single pot' to increase their flexibility, within agreed central government targets (Trench, 2004: 125).

The third side of the existing regional triangle comprises the voluntary Regional Assemblies (RAs). The RAs were also introduced with the *Regional Development Agencies Act*. They consist of a mixture of local government and stakeholder representatives and are designed to scrutinise the corresponding RDA, including statutory consultation on the Economic Strategies. Their scrutiny powers have increased over time including access to central government funding to support their activities. The *Regional Assemblies (Preparations) Act* increased their political weight by charging them with producing regional spatial strategies, including transport and waste. Yet their unelected and consultative nature means they often lack authority.

These developments can be seen as developments on the road to full devolution in the English regions. If, in the long-term, full devolution happens, in the form of powerful Elected Regional Assemblies (ERAs), this will have been an accurate perception, but there is more to it than this. The changes referred to above have happened under what is called the 'Chapter Two' agenda, designed to develop regional governance with or without the achievement of ERAs. Under 'Chapter Two', regional powers are developed, without being predicated on popular support for ERAs. This makes 'Chapter Two' developments as permanent as any constitutional change can be said to be – and, therefore, the regional bodies cannot be ignored by local agencies and service deliverers.

Devolution: 'Chapter Two' and Elected Regional Assemblies

The Government sought to push the regional agenda further through the White Paper *Your Region, Your Choice: Revitalising the English Regions* in May 2002. In the summary, this set out the Government's plans to "decentralise powers, strengthen regional policy and enable directly elected regional assemblies to be established in regions where people want them" (ODPM, 2002: 4). So strategic responsibility for services such as planning and housing moves away from Whitehall to the regions; and there is also the possibility of ERAs where there is popular support. The stated aims of ERAs are to revitalise democracy and improve accountability and effectiveness in a number of different areas, including among others economic development, skills and employment, housing, and transport.

A significant by-product of ERAs is the move to a single tier of local government where two currently exist – with the Boundary Committee for England recommending at least two options for unitary government for areas in ‘shire’ areas, prior to a referendum, as has already happened in the North East, North West and Yorkshire and Humberside.

Following the White Paper the Government started ‘soundings exercises’ in all the English regions in December 2002 to test support for a referendum. Before the results were announced, the Regional Assemblies (Preparations) Act became law in May 2003. The following month the Deputy Prime Minister, John Prescott announced that referenda on ERAs are to be held in autumn 2004 in the three northern regions: the North East, the North West and Yorkshire & the Humber.

So devolution may take another step in the UK. For the past two years it has been on the agenda for each of the three regions that are to be the test-bed. The transferral of powers, if it happens, could cause huge changes in the way that services are delivered in these regions. The executive powers and influencing roles have the potential to change the rules of the game as they open up new negotiating avenues and involve new players. The debate is particularly complex because of the centralist nature of British government and the existing relationships between Whitehall and the public sector. The first referendum is due to be held in November 2004 (in the North East) and the ‘Yes’ and ‘No’ campaigns are already gearing up.

The Agendas: Devolution, New Localism and Productivity

It is easy – but misguided – to describe these developments purely in terms of an agenda of moving democratic accountability away from Whitehall. Two other perspectives should be considered – those of New Localism and the Treasury’s productivity agenda.

First, these developments should be put in the broader context of the New Localism agenda. The widely announced death of ‘command and control’ centralism has led to a common belief in the need for more local control over service delivery. In the initiatives of different government departments, this has meant beginning to decentralise a mixture of both managerial and democratic accountability, to varying degrees. We need only consider the development of foundation hospitals, local authority freedoms and flexibilities and plans to fund schools directly from Whitehall to understand that New Localism and decentralisation mean different things to different people.¹ Nonetheless, the overall pattern is of a move to local control over service delivery; and moves to develop strategic responsibility at a regional level, away from Whitehall, fit into this pattern. Of course, this is not how it looks to many in local government, who perceive any development in regional powers as eroding local powers.

Second, HM Treasury’s mission is to improve productivity across the UK. A regional approach to this has been fuelled by a recognition that there are major weaknesses in relying on centrally-driven regional economic policy. In this scenario, each region has an economic strategy in its own right, not only in relation to other regions. This, of course, is at the heart of the work of RDAs. It is important to note that the argument for this approach is not at all predicated on democratic accountability.

Devolution experiences

The UK already has some experience of devolution. Five years down the line we can look to the processes that have gone on in Scotland, Wales and London, which provide us with some kind of yardstick for the bedding down of government in the regions.

¹ For a thorough exploration of this phenomenon, see Chapter 1 of Corry, D, Hatter, W, Parker, I, Randle, A and Stoker, G (2004) *Joining-Up Local Democracy: governance systems for new localism*, London: New Local Government Network

Even so, devolution to the English regions will be different from what has gone before. The regions are not individual nations with a historical trend for devolution as seen predominantly in Scotland (with nationalist parties and its own legal system) and also in Wales. Nor is the proposed devolution on a city basis, as with London. London is a special case because it is, in effect, both a region and a single city. Although the Greater London Authority (GLA) and the powers and responsibilities of the Mayor of London form the closest model in terms of structural arrangements, regional government in England will embark on its own path and will not have a directly elected leader. In spite of these basic differences, some important themes have emerged which will need to be addressed by any new form of regional government and existing players within that region.

The transition to new democratic structures is a tricky issue. Creating a regional tier of government involves a number of changes to the political landscape, none of which can happen overnight.

The process of devolution to Scotland and Wales was facilitated by the existence of their respective Offices in Whitehall before 1999. The current setup in the regions means that any new body will not be leaping into the unknown, because there will already be an experienced group of staff drawn from the existing regional bodies. However, these bodies have not had power and authority comparable even to that of the Welsh Office, let alone the Scottish Office. They also remain unaccountable to the electorate and have mixed connections within the regions they serve. If an ERA was created it would change the nature of all of these organisations and have an effect on all existing relationships across each region.

When the GLA arrived on the scene in London the boroughs had already established 'sub-regional partnerships' and were not prepared to have a 'second tier' role. This has made the governance of London complex. The arrival of the Authority also meant that other agencies working in London had to restructure their organisations (Travers, 2004: 137). As a new body, an ERA would inherit some structures and regional relationships but would also need to engage with all sectors both in and outside its own region, just as established sub-regional bodies will need to engage with it.

Such a potential change to the political structure means that organisations involved in service delivery in each region across the sectors should be looking at the role of regional government and how it ties in with their own agendas. The development of a regional tier of government means that relationships between the regions and Whitehall are changing, and the establishment of ERAs would magnify this. There is also restructuring to unitary authorities in two-tier areas to consider, which would change the make-up of the local government family and all the inter-relationships. It is potentially a time of great change for local service providers.

NLGN Research

This report seeks to step back from the pros and cons of regional government and stimulate the debate further by looking at what is presently going on in the three 'frontline' regions and offering a number of recommendations for all partners involved. The aims of this research are to find out how ready services are in these regions for regional government and to consider the implications.

The interviews on which the report is based took place in April and May 2004. All respondents have a key position in public services in one of the three regions in question. The questions were designed to provide qualitative analysis on whether any of the regions that are to be the test-bed for devolution in England are ready for the possible transferral of public service delivery away from central government to ERAs. In light of the 'Chapter Two' agenda, we also investigated how the current regional 'architecture' is working from the perspective of those interviewed.

One initial critical response to this report may be that there is no need for the public sector to be engaging with the issues of ERAs until the guidelines for the Bill are published or even until the referenda have taken place. However, the rationale behind this report is twofold:

- ◆ Devolution in other parts of the UK has shown that the transferral of powers to a formal structured tier of government would require a lot of pre-preparation by both those responsible for the design of the structures and those who are going to work with (and be affected by) the new arrangements.
- ◆ There is a need for service providers to be thinking about service delivery on a regional basis. Whatever the outcome of the referenda this autumn, the role of existing regional quangos will be strengthened as more decisions, in areas such as housing, planning and economic development, are moved to the regional level. This changes the landscape within which local authorities and other public bodies are operating. They will need to engage with the regional agenda sooner or later - the sooner the better.

findings

The next few pages outline the main findings from the interviews. Respondents were drawn from the North East, North West and Yorkshire and Humberside. They are all either senior officers or key people in the accountability arrangements, drawn from organisations delivering a broad range of public services. (For further details, see the appendices).

1. Are we getting ready?

The overarching message from across the range of interviews is that so far not much planning for the arrival of ERAs has been done by the public sector in the northern regions. When asked about this, responses were typically *'I must admit, not a great deal'* or quite simply *'None'*.

The explanations that emerged from the interviews for this are that most organisations are waiting for the Draft Bill on the powers and responsibilities to be published, or as one interviewee put it *'The devil will be in the detail'*. This view of waiting to see what will come out of the Bill is summarised by one interviewee's feelings on preparation for regional assemblies:

'As I understand it we are still in negotiation with government about what will be in the Draft Bill when it is published. Even if there is a successful referendum it is going to be several years before there actually is an elected assembly in place. I think there is plenty of time to look at transitional issues then.' **Council Leader**

This also seems to be reflected in a widespread lack of engagement with the developing 'Chapter Two' agenda.

2. Re-organisation at the local level

The Boundary Committee has now published its options for unitary authorities in each of the three regions (available at www.boundarycommittee.org.uk). These options, having been finalised by the Office of the Deputy Prime Minister (ODPM), will be put to the public vote in the referenda. The re-organisation of local government as an issue had mixed responses in our interviews. Most did not even mention it. One who did talk about the unitary debate met the restructuring with a level of uncertainty about what it would mean for local government organisations within the regions:

'I suspect in the transition period the council will be less affected in its service delivery and organisational contexts than in the political contexts, because inevitably that's when the focus will be on getting the right size/shape/layout etc. for the new ERA. I think first and foremost there will be a degree of uncertainty from the staff's point of view and you have to multiply that kind of uncertainty across the whole range of local government organisations in the region at a time when there's also the review of unitary councils. That is creating a degree of uncertainty amongst the local government family.' **Local Authority Chief Executive**

Another respondent commented on the potential for major structural change depending on the referendum, but felt that, on the whole, the regional agenda was being developed *'behind closed doors.'*

Local government re-structuring is not a new idea. In London alone we have seen the creation of two London-wide governing bodies, albeit on very different terms. The Greater London Council (GLC) was created in the 1960s along with 32 London boroughs and the City, all of which survived its abolition in 1986 and are now the sub-regional level of governance beneath the GLA. Elsewhere in England, six metropolitan counties were created and abolished within

the 14 year period between 1972 and 1986; and 333 district councils and 36 metropolitan districts were also set up in 1972 - all with varying populations (from 18,760 to 422,000 for the districts and from 172,000 to 1.1m for the metropolitan districts). And when local government was restructured in Scotland and Wales to the unitary system in 1996, 46 new English unitary councils were created in parallel, adding to the 'hybrid' of local government in England. The path of local government development means that many people operating within those structures already have experience in dealing with changes dictated from the centre. This may explain why the restructuring debate was not so prominent an issue.

However, any changes at the local level will be coupled with a new democratic addition in the middle and changes at the centre. This changes the parameters of restructuring. Even for local authorities that are not affected by the change to unitaries, some of their neighbours undoubtedly will be. This will change existing relationships and partnerships. While this may not be too high up the agenda at the moment, local government should be aware of the changes. If a unitary authority 'moves in' next door, how will they build relationships? What happens if the new body is more powerful than its predecessor? Thus, if the referenda are successful, local government and other public agencies will have to form new relationships at local and regional levels simultaneously. One interviewee had thought a lot about the structural changes that ERAs would bring about and was very positive about the possible transferral of powers:

'In terms of regional government, we are kind of prepared. We think we are ready [for any possible local government restructuring] ... I am not used to being part of an organisation that does not deliver what it says it will and would not be so supportive of an ERA if I did not think it could achieve.' **Police Authority Chair**

However, this rare example of preparation for the structural changes was a result of the particular circumstances of the Police Authority in question, and the comment is not at all illustrative of the project's findings among senior people in public service.

3. Awareness and knowledge

In an ideal world, key public sector people in each of the regions would be totally up to speed with the events throughout their respective organisations. They would be actively engaging with the regional programme, both in terms of examining their own roles and existing relationships with other bodies, and looking at how to determine regional and local needs to improve service delivery and influencing the development of the regional agenda.

This scenario is unrealistic. While bridging the democratic deficit, improving accountability and tackling the social and economic imbalances within England are important issues, every organisation has its own set of priorities. The main issues for respondents include: funding and balancing increasing expectations with falling budgets; the regeneration of deprived areas; education standards; crime; unemployment; and health inequalities. None of these issues are small, all are important for serving communities and improving quality of life. They are all also very much on a local setting. Set against these issues - along with any number of long-term plans driven from the centre - it is no surprise that the regional agenda is seldom near the top of the list.

Engagement with the regional agenda among interviewees was mixed. Although levels of planned preparation are low, all of the respondents were aware that regional initiatives are already in development. When asked about their relationships with the existing trio of regional bodies, the messages about the RDAs and the GOs were generally quite positive. The current RAs were met with some distaste by a minority, described as '*parochial*' and '*phoney*'. So

service providers in the regions do have the regional agenda somewhere on their radar screens. But there were differences in levels of thinking about the regional agenda and where it might lead to. One interviewee was clear in their consideration of the issues:

'Any ERA will have responsibilities for regional strategies around Planning, Transport and things of that nature and those strategies are key to the future economic success of the city and the wider region. So an ERA is going to be something the city is going to really need to engage with because we will be keen to influence those strategies.'

Head of Local Authority Chief Executive's Office

Another was aware of the regional debate, having:

'a line in our action plan to do some thinking about regional government but it has not happened yet.'

Housing Corporation Representative

There were also a very small number of respondents who had done no planning for ERAs, no thinking about the potential implications of having them and were totally indifferent to the agenda. One such response was:

'Having an ERA in the region is not a big issue from my point of view ... it will not make much of a difference to my organisation ... it does not interest me.' **Director of Education**

Another saw the regional agenda in the following terms:

'Clearly, within local government, there are other departments which have a much more regional focus than Social Services does and I suspect my colleagues perhaps in Transport and Planning and Regeneration will be much more familiar and au fait with the issues around regional government than we are in Social Services.'

Social Services Director

One interviewee - a senior official from a GO - stood apart from the others in terms of levels of awareness and knowledge, preparation for ERAs and understanding the implications of either outcome of the referendum. The organisation is central to the regional process: *'The process is not being done to us, we are running a lot of the activity'*. The interviewee had a very good understanding of regionalisation, including that whether the referendum is successful or not, more things will be done at a regional level: *'There is certainly no lack of initiatives to do more regional delivery of national programmes.'*

So is the opportunity to influence outcomes being voluntarily passed up by local authorities and other organisations? Levels of knowledge about the institutional arrangements indicate this: more than half the respondents claimed to have at least a fairly good understanding about the institutional arrangements as they stand. Yet only a small number (three) had a very good understanding, all of whom are directly involved in one capacity or another with the regional agenda already. The same number felt they had no understanding of the arrangements at all. This suggests a correlation between levels of understanding and involvement in the process.

4. In or out of the loop?

This suggests to us that the gap between those 'in the loop' and those out of it is too big. Those who are out of the loop reflect this in their levels of preparation for ERAs and their limited influencing role.

When questioned about their input into the arrangements, the majority of respondents felt that they had not been involved in enough consultation – some had had none ('People have not come to us and said "This is how we are going to structure it and what are your views?" at all'). Others meanwhile were hoping that more consultation would follow ('If we have not had more consultation in two months time, then I would say no').

Of those who felt they were sufficiently involved in the process, all except one are from organisations operating on a regional basis. The other is considered influential within their region beyond their organisation. So what does this say about the people who are involved in the negotiations? The fact that the majority of people interviewed have had no significant input - or none at all - suggests that the network of influence does not extend as far as it should.

Each organisation has a number of difficult balances to strike, but this does not mean that devolution and regionalisation should go to the bottom of the heap. As one observer has put it: "The delivery of public services usually involves some role for Westminster, often Europe and almost invariably local government" (Trench, 2004: 31). ERAs would depend on public sector bodies to implement the strategies they produce, especially local government. This gives these bodies significant leverage in terms of strengthening their role in the new political setting. People working within the three regions could use the opportunity to take a more pragmatic approach to ERAs. At the very least, they should have a good base knowledge of where regional programmes are at now, how this might change and most importantly, why this might change how they work and what they can do to shape the agenda. There was evidence – but not much - that some of this is going on in the regions. For example, one respondent said:

'We have not done any major work in terms of transition but we have tried to build up an understanding within the council of what regional government is potentially about and what process we are going to go through.'

Head of Local Authority Chief Executive's Office

Others also echoed the importance of understanding the processes and potential changes as a means of involvement. Yet this has not read across all services. So the 'ostrich' approach that seems apparent in some public services contrasts with the work-load in the GOs, where civil servants are working on devolution issues and increasing the capacity for delivering national programmes on a regional basis. If ERAs are established in the regions the civil servants that would be transferred could lead policy and end up setting the agenda. The local public sector runs the risk of having to catch up on a playing field where the levels have already been determined.

5. The future impact of ERAs

It is easy to see why at face value it might be too soon for local agencies to be doing any planning. If any referenda are successful, the ODPM has announced that the first assemblies should be up and running early in the next parliament (2006). Yet if we look at why the public services in the regions think that it is too soon, the issue becomes more complex. An elected regional body focused on producing regional strategies will change service delivery in the region, even for realms of responsibility that will not come directly under its influencing role.

Some respondents believe that an ERA would not affect them, because ERAs are not expected to control 'their' service. However, this is short sighted for two reasons. First of all ERAs should alter the co-ordination of governmental relationships between the centre and the periphery, offering a new form of communication: "Mandate and leadership will strengthen regional-level 'voice' in Whitehall. It will also strengthen regional-level voice vis-à-vis local government. These new national-regional-local dynamics will require all concerned to re-think their roles and relationships, including local government" (LGA, 2004: 5). There is a need for local government and other bodies involved in service delivery to be looking at the new regional agenda and adjusting their positions to ensure continued improvement of services for their communities and citizens.

It is clear from Table 1 below that the influencing role is important. It is likely to extend beyond boundaries laid out in the draft Bill. Table 2 emphasises that 'influencing' or 'co-ordinating' will be part of an ERA's way of operating. This makes it inevitable that, as it becomes more established, influence will extend beyond purely those policy areas assigned to it in legislation.

Table 1: Three different sets of roles for ERAs

<p>♦ Executive role for ERA – example: Planning:</p> <p>An ERA would control responsibility for preparing and issuing Regional Spatial Strategies. It would also be able to direct local authorities to refuse strategic planning applications that are not in the region's best interest without having to go to Whitehall (ODPM News Release 2004/0031:12/02/04). This is a direct function and would involve cross-over into other areas such as planning, transport and waste in each region.</p>
<p>♦ Influencing role for ERA – example: Transport:</p> <p>An ERA would have an advisory role over funding allocation. It would also become involved in helping to improve each region's infrastructure, and would involve a cross-over into housing and planning initiatives.</p>
<p>♦ 'Context changing' role for ERA – example: Social Services:</p> <p>An ERA would have no direct control or advisory role over the provision of Social Services. However while the service would not be directly affected by an ERA, the environment in which Social Service providers work would certainly change.</p>

Table 2: Budgets for which assemblies will have responsibility

Region	Budget <i>Programmes for which assemblies will have direct responsibility</i>	'Influencing role' <i>Budgets for which assemblies will have an important say</i>	Total
North East	£350m and £103m for fire and rescue	£600m	£1.1bn
North West	£780m and £238m for fire and rescue	£1,600m	£2.6bn
Yorkshire and Humber	£570m and £159m for fire and rescue	£1,100m	£1.8bn

Source: ODPM 'Business and jobs' Fact sheet (available from www.odpm.gov.uk)

There is some recognition of the potential for change, although this did not read across all services. One respondent acknowledged the implications of having an ERA:

'I do not think our organisation would change because it is delivery based, we do not have a policy unit. But I think our relationships would change because if there was the freedom given to regional government to set policy in areas abreast with public health then it would have a huge impact on the context of our work. It would not change our organisation but it would change the policy context.' **Primary Care Trust Chair**

While not all services are included on the list of functions that an ERA would be involved in, the influencing roles and the changes to the context should encourage more 'joined-up' thinking across the range of public services. For services that will not be directly affected by the creation of ERAs, some of the bodies they currently work with will certainly see their own relationships change. This will undoubtedly have a knock-on effect on existing relationships. Some respondents were aware of the role that ERAs might have to play, with one acknowledging:

'The police are going to have to have close working relationships with regional government and I think that will be a massive change. At the moment we have close relationships with local authorities that would still exist in a regional setup but equally we would have to have a very good relationship with the regional government of the region.'

Police Authority Chair

There had been some thought on how an ERA might affect existing relationships. Current relationships within the regions were generally described in favourable terms and respondents were quite protective of them. There was emphasis on partnership working as a means of improving services. Responses to how an ERA might affect these relationships were varied. Some were laced with suspicion:

'If it has any sense [an ERA] ought to actively support existing (cross sector) relationships but it could go the other way and undermine these relationships and interfere with them.' **Council Leader**

Others were more positive about an ERA as a facilitator, with one believing that an ERA would bring:

'New direction from the middle and provide a forum for dialogue on shared concerns and prejudices'.

Local Authority Director of Education

6. 'Emotional' readiness and concerns

Despite the general lack of planning, and in some cases specific lack of thought about the regional agenda, there is a base to build on. The interviews brought out aspirations from almost all respondents about what an ERA could achieve – greater prioritisation of resources with a more unified approach, more public accountability in decisions being made, increased democracy, a stronger voice for the regions in Whitehall and Westminster, ownership of decision-making, local solutions to local problems, raised profiles for the region both nationally and internationally to name but a few.

Only a small minority of respondents were actively negative about what an ERA might achieve: being another talking-shop or adding a layer of unnecessary bureaucracy. This shows that there are positive feelings about the concept of having a democratic body charged with improving the region's overall performance and is something that those

involved in the possible transferral of powers should build on.

While inevitably some thought that the proposed powers and responsibilities are insufficient², particularly for transport and further education, others saw them as a positive progress. For example:

'You have got to show that you are worthy of being given the powers to do things and I think you have to earn that over a period of time. I would assume that the powers will start at a low level and hopefully will grow as you prove you have got the ability to deliver.' **Police Authority Chair**

Most were aware that achieving these ideals will take time and were quite realistic in their thoughts about what the first five year life-cycle of an ERA would involve. These thoughts centred on understanding of the need to rebalance the UK economy, a focus on an ERA settling in and finding its identity, stability and focus on regional-level achievements, and starting to increase links across the regions. As one respondent put it: *'The first five years will be a period of established consolidation rather than development.'* There was also awareness that it would take time for people involved in service delivery to understand the arrangements, which is one of the reasons why it is so important for people to bring themselves up to date now.

The fact that only a few respondents – all in key positions in the public sector - felt prepared and knowledgeable about the arrangements for a possible ERA did not mean that only a few people were interested in elected regional assemblies. Almost all respondents had considered whether to support or oppose the idea of regional assemblies – some stopped at supporting a referendum while others had gone one step further and indicated whether their organisation supported or opposed having an ERA.

In the interviews, a number of concerns were raised about what the addition of a regional tier might mean in practical terms. There were differences in opinion on the type of leadership that might emerge in each region. Some favoured the charismatic, visible style of leadership (looking at Ken Livingstone as an example) while others thought that the emphasis should be on a group effort throughout the ERA and were conscious of the design of the system behind the leader. A few interviewees talked about the leadership vacuum that currently exists in each region. This was linked by some to the proposed powers and responsibilities, for example:

'At the moment there is a serious leadership vacuum .. If you give an ERA sufficient powers you will attract a calibre of people that will want to change things but it depends on the design.' **Passenger Transport Executive Representative**

The matter of rural-urban divisions within each region was also raised, from both sides:

'Our influence is often a few steps away from where the real action is ... the Core Cities concept highlights that smaller areas are not being favoured ... we are the losers in this process against larger urban areas'.

Local Authority Director of Planning

'To devolve policy to a region which is so diverse from the rural issues to the urban issues and how you can deal with a collective strategy and focus the right resources and capacity in response to those agendas is going to be a massive challenge ... as the key economic driver in the region we need to influence as best we can regional policy ... [we are] trying to say if it [the city] is not developed and successful as a regional capital, then that is bad for the region.' **Head of Local Authority Chief Executive's office**

² Although it is worth reminding the reader that the interviews took place before the publication of the draft *Regional Assemblies Bill* in July 2004.

There were other concerns voiced, including the role of Westminster and Whitehall, whether powers will indeed cascade down from central government or end up being '*sucked up*' from the local level and the sustainability of regional assemblies as a party political issue.

The authors are inclined to believe this fear is partly due to the lack of clarity about the regional agenda. In particular, a lack of distinction between strategic responsibility – increasingly regional – and service delivery. Nonetheless, the fact that these concerns exist provides one of a number of 'hooks' to involve key players in the regions – who are not 'insiders' in the regional agenda – in developing that agenda.

conclusions

The most obvious conclusion from our interviews with key people across the public services in the 'frontline' regions is that public bodies are doing little that will make them ready for ERAs. If anything, most intend to 'firefight' any issues arising, if and when ERAs are set up. As one respondent said:

'I have had a conversation with you that I have not had with anyone else, let's put it that way.'

Local Authority Director of Education

More urgently, this reflects a lack of engagement with the 'regional agenda' right now. Many key players have not 'bought into' the regional project – whether it is in terms of being involved in the push for sustainable economic development through developing an economic policy to improve productivity in their region, or developing strategic work by the regional tier.

It is no surprise, given the established role of local agencies as delivery agents for strategic decision makers in Whitehall, that there is limited engagement with a strategic regional tier. However, this is a two-way street. Our findings tell us that consultation has not reached as far as it might. It appears to be restricted to those 'in the loop' and the loop is too small.

Overall, the impression is of a regional policy – in terms of both 'Chapter Two' and ERAs – driven by 'insiders'. Some people in local authorities indicated worries that elected regional assemblies may 'suck up' powers from the local level. If these same people are not influencing the agenda then the risk is that this might happen. Their concerns could become a self fulfilling prophecy.

Regional issues need to move up the agenda of public bodies. Even from a self-interested point of view, this is important. 'Chapter Two' developments mean that relationships are changing and, for any agency, life will surely be better inside the tent than out.

Overall, key people's attitudes to 'regionalism' are helpful and supportive. When prompted, senior people were on the whole optimistic about what an ERA could achieve. This 'emotional readiness' and general positive approach of the key players in the public sector in the regions form a good starting point for both local and central government to build on and encourage the public sector to connect with the regional agenda. For central government, this is a potential opening for extended dialogue about the design of ERAs and what they can be expected to achieve.

The concerns that such people have, when regional issues are raised, also provide a 'way in' to engagement. One example of this – and an issue that must not be ducked – is the perceived 'leadership vacuum' in some regions. We see the powers included in the Draft Bill in July 2004, which are greater than anticipated, as being a step in the right direction as high calibre people are more likely to be involved when they can make a real difference. The key with this - as with other contested issues that form part of the regional debate - is to extend involvement beyond the small group of current 'insiders'.

appendices: methodology, glossary, questions, interpretation

Methodology

- ◆ 22 respondents were interviewed by telephone or face to face between 14 April and 5 May 2004.
- ◆ The interviews are confidential and anonymous so respondents cannot be identified.
- ◆ All respondents are at a senior level either in management or through accountability functions in the public sector across the three northern regions: the North East, the North West and Yorkshire and Humberside.

Profile of respondents by role

Service	Roles
Planning	1 Director of Planning from a Local Authority
Transport	2 Passenger Transport Executive Representatives
Police	2 Police Authority Chairs
Education	2 Directors of Education from 2 Local Authorities
Social Services	1 Director of Social Services from a Local Authority
Housing	1 Director of Housing from a Local Authority 1 Housing Corporation Representative
Local Authorities	1 Chief Executive 1 Head of a Chief Executive's Office 2 Leaders 2 Cabinet Members *All from different Local Authorities
Health	1 Chair of a Primary Care Trust 1 Director of Public Health of a Primary Care Trust
Regional Bodies	1 Government Office representative 3 Regional Development Agency representatives

Glossary

ERA	Elected Regional Assembly
GLA	Greater London Authority
GLC	Greater London Council
GO	Government Office
ODPM	Office of the Deputy Prime Minister
RA	Regional Assembly
RDA	Regional Development Agency

Questions

The set of questions shown below was used by the interviewer during this project as an aide memoire on the questions and issues to be discussed.

- ◆ What are the big issues for you at the moment?
- ◆ How much of an issue is the possibility of directly elected regional government in this region?
- ◆ When you think about regional government, which issues do you see as more important – managerial or political? Why? Which areas of your organisation will stay the same?
- ◆ What areas of your organisation, and more generally your sector, do you think would be affected by a transition to an ERA in the region? (How?)
- ◆ How do you see people/information/asset issues being affected?
- ◆ How much and what sort of planning has been focused on the transition period within your sector and organisation?
- ◆ Has central government kept you up to date with how your role may change?
- ◆ How has this been prompted?
- ◆ As far as you are aware, what pre-preparation has been set up to help your region with the transition period?
- ◆ Have you communicated what you have done with other people? How?
- ◆ How well do you feel you understand the proposed institutional arrangements under an ERA? (e.g. very well/fairly well/not very well/not at all)
- ◆ Where are you getting your information from? Do you feel you have had (enough of) an input into the arrangements?
- ◆ If an ERA is established in this region what do you expect it to achieve in reality?
- ◆ What do you base this on?
- ◆ What do you think an ERA in your region *could* achieve? Why?
- ◆ Can you explain the differences?
- ◆ What do you think are the blockages to achieving your dream ERA?
- ◆ Do you think those blockages could be removed by a charismatic leader as we have seen happen in London with Ken Livingstone?
- ◆ How do you feel about the proposed powers and responsibilities an ERA in your region would have?

- ◆ How do you think an ERA would work in exercising its responsibilities?
- ◆ How do you think an ERA might change accountability in your sector?
- ◆ Do you think it could make the political system more remote or do you think there could be better end user engagement? Why?
- ◆ What differences can service users expect from ERAs?
- ◆ How do you think the transferral of strategic powers from Westminster will change service delivery in your organisation?
- ◆ How do you think your relationship with Westminster might change? Why?
- ◆ Do you think it might become more remote? Or perhaps more direct? Why?
- ◆ How well do your relationships with other public sector bodies work?
- ◆ Do you exchange information? Staff? Pool budgets? Are you involved in any co-operation?
- ◆ How do you think an ERA might affect your relationship with other public sector bodies?
- ◆ Will it be beneficial? How?
- ◆ How well do your relationships with the RDA/GO and the current Regional Chambers work? (i.e. how much/what sort/how effective)
- ◆ How does your organisation's relationship with the private/voluntary sectors work? (i.e. how much/what sort/how effective)
- ◆ How do you think an ERA might affect cross-sector relationships?
- ◆ If an ERA does come to your region what would you *most* like it to have achieved by 2011?
- ◆ What do you think it will have achieved? Why?
- ◆ What lessons have your organisation learned from devolution in other areas, particularly Scotland/Wales/London/Northern Ireland and continental Europe?
- ◆ Lastly based on the powers you are aware of, do you support or oppose having an elected regional assembly in this region? How strongly? (*Very or fairly*)
- ◆ Is there anything else you would like to say?

Interpretation of data

It should be noted that qualitative research is an interactive process between the researcher and the participant, allowing insights into attitudes and reasons for these attitudes. Results are not based on quantitative statistical evidence but on a small sample of a cross-section of public service providers – hence findings are illustrative rather than statistically representative.

References and Further Reading

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It is now over four years since the Greater London Authority was introduced and the first mayoral elections took place. Created by the Greater London Authority Act 1999, these bodies sparked controversy from the start. The London Assembly however is now an established institution while the Mayor has brought several key changes to the functioning of the city, most notably the introduction of congestion charging. Even so, such major changes in London's governance raise the question of whether the whole experience has been a positive one on which to build.

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Whatever the outcome of the forthcoming referenda, the increased role of regional structures in the UK is beyond doubt. Creating a regional tier of governance is changing the political landscape – something that cannot happen overnight and which requires a step-change on the part of existing Public Sector players.

Are we ready for Regions? is based on an NLGN survey of key individuals in the three 'frontline' regions of northern England: the North East, the North West and Yorkshire and Humberside. The report steps back from the pros and cons of regional government, seeking to stimulate the debate further by considering what is happening in the three regions and offering a number of recommendations for all partners involved.

The interviews on which the report is based took place in the late Spring of 2004. The questions were designed to provide qualitative analysis on the extent to which the three regions are ready for the transfer of powers away from central government already happening, and its acceleration should there be Elected Regional Assemblies.