



The Constitution Unit



Nations and Regions: The Dynamics of Devolution

Quarterly Monitoring Programme

The English Regions

Quarterly Report
May 2002

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The monitoring programme is funded by the ESRC

Monitoring the English Regions

Report No. 7 (May 2002)

Research supported by the Economic and Social Research Council

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1 Introduction

Rarely has a Government subjected the governance of England to such scrutiny. The publication of the long awaited White Paper on regional governance, *Your Region, Your Choice: Revitalising the English Regions*, (Cabinet Office/DTLR, 2002) suggested that the rumours of the death of the devolution project had been much exaggerated. For some, the White Paper may have raised as many questions as it answered. But few doubted that its key proposals for elected regional assemblies, if implemented — assuming the necessary time for legislation and approval in referendums — would herald, for better or for worse, profound changes in the governance of England. Did it prepare the ground for a progressive, constitutional step forward, or signal a dangerous leap into the unknown? Was it, perhaps, a defining moment for England — or little more than a few modest proposals falling short of the measures needed to give the English regions real political clout?

For John Prescott, and a Government which took some convincing of the case for English devolution, the White Paper proposals marked a progressive step in constitutional reform following the creation of a Scottish Parliament, National Assembly for Wales and a Greater London Authority — subject to strong safeguards explained later (see Section 3). Stressing the different needs and aspirations of the regions, the Deputy Prime Minister maintained there was a growing demand in some regions to have a distinct, democratic voice and a 'greater say in their own future.' Where one or two regions led, he believed others would follow.

On the surface, publication of the White Paper in May — and Prescott stressed the emphasis was on choice, not on compulsion — revealed an ideological gulf between Government and Opposition as wide as any Euro divide (see Sections 4). Significantly, Fleet Street generally divided on left-right, pro-EU and Euro-sceptical lines: broad support, or cautious welcome on one hand; overwhelming hostility on the other, with the perceived threat to county councils (as we revealed in our last report) and the potential for higher local taxes at the forefront of concerns. The reaction of the regional press was diverse. (We give a flavour of some of this reaction in Section 5).

The timetable outlined in the White Paper means there is the likelihood (but not the certainty) of a referendum bill in the next Queen's Speech. Assuming royal assent by mid-2003, this means at least one referendum could be held within this parliament, giving time for a required review of local government structures before then - and paving the way for full-blown assembly elections early in the next parliament. Inevitably, the 110-page document, officially a collaboration between John Prescott's Cabinet Office and Stephen Byers' Department of Transport, Local Government and the Regions — although the document was largely written by the latter, while presented by Prescott — provoked a debate between some campaigners for regional government who felt short-changed and other gradualists supporting a 'greater regionalism' who

argued that evolving institutions, with modest powers, provided a more realistic, practical way forward - something on which to build, addressing the political realities in a Government which, until relatively recently, was largely lukewarm to regional devolution. In this context, the strong hint that the limited package on offer would be the starting point for wider reform was significant — it is likely there will be ongoing developments in regional governance (see Section 3 below).

The general decentralist tone of the White Paper, largely overlooked in the immediate coverage, was also significant, particularly a broad plea to Whitehall to consider the balance of their staff between the centre and the regions. 'Departments will have to demonstrate the case for not locating new streams of work outside London and the South East.' Some senior civil servants detect a change in the Whitehall mindset, a recognition that if regional government is still some way off, the case for 'greater regionalism' is taking root.

Initially, however, some might argue that the centre is clearly finding it difficult to let go. Any elected assembly, at the very least, will be subject to some central control and monitoring, with the Government setting 'targets' similar to Public Service Agreements in local government. However, it is unclear at this stage whether this will involve a string of central performance targets and indicators and a local government-style inspection regime. The Government would also be able to force changes in draft regional economic strategy — the essential starting point for a new administration — if it considered it 'inconsistent' with national policies. And freedom to spend, by raising extra money through a small precept on council taxpayers averaging 5p weekly, would also be matched with local council-style 'capping' powers if ministers considered any increase excessive and unreasonable.

That said, Tony Blair's cautious support cannot be underestimated, in an exercise which can be seen as a small victory for the Deputy Prime Minister. Reports of early rows between the Prime Minister and his deputy, as inter-departmental meetings and Cabinet committees tried to reach a broad consensus, were wide off the mark. John Prescott was, by several accounts, a model of diplomacy during intense discussions in 10 meetings he chaired of the Cabinet's 'Committee of Nations and Regions Committee', spread over eight preceding months. Determined not to antagonise sceptics and opponents of English devolution — and, while quiet, they are still to be found in Labour's ranks — he had to give ground, in the face of resistance from departments, such as Education and Skills, determined not to cede powers (responsibility for Learning and Skills Councils, for instance) to new regional institutions. But he left a sceptical Department of Trade and Industry with little alternative than to agree that Regional Development Agencies (the potential 'core' for elected assemblies) should either be devolved, or subjected to greater scrutiny by non-elected regional 'chambers', confusingly re-branded 'assemblies'.

Downing Street decreed that the White Paper should be explicit about the difficult issues. Just as Scotland had to be told the full consequences of

devolution in its referendum four years' ago, with Tony Blair insisting on the inclusion of a second question on limited 'tax varying' powers, so England had to face up to the consequences of more modest political devolution. The price to pay for a Regional Assembly, therefore, would be a precept of 5p weekly on the average council tax bill — potentially a powerful tax-raising tool, similar to that given to the GLA, but beyond anything possessed by the National Assembly of Wales (which has no tax-raising powers). Furthermore, on Tony Blair's insistence, people in a region earmarked for a referendum also had to be told that moves towards single-tier local government, involving the potentially painful elimination of either county or district councils, must be made before any electoral test.

While regions earmarked for a referendum — almost certainly in the North East and possibly Yorkshire and the Humber this side of the next election — will face only one question, if the government's plans come to fruition, it seems certain that an information sheet sent to every household will spell out these consequences in simple language. Tony Blair's rationale appears to be that it is better to be straight now than sorry later. But behind the political skirmishing at Westminster and beyond (and for some Conservatives, and right-of-centre newspapers deeply hostile to the 'Europe of the regions' concept, the two issues are inextricably linked with a greater regionalism providing the essential EU backcloth to a single currency) the real battle over the course, and substance of English devolution still has to be fought within the Government and between its departments of state. In this respect, the White Paper could be seen as a holding statement on the regions, pending a referendum (or referendums.).

Battles over powers will be fought after this when more legislation will have to be drafted setting out precise functions and — crucially — funding streams. We have previously reported the terms of a Treasury-funded study into identifying expenditure flows to the regions, which has now been awarded to Nuffield College, Oxford. This has the makings of a 'needs assessment' study for England by any other name, the essential first step to apportioning funds from the centre to the regions in preparation for regional government, according to some involved in the project. As such, its significance should not be underestimated. It should be completed within a year. In that time, it is fair to assume that some in Whitehall will be pressing for the functions of potential assemblies to be ironed out — and that depends on the Department of Transport, Local Government and the Regions, the sponsoring department, taking the lead.

With continued questioning over its political leadership, and the possibility of changes at the top, the road ahead could be uncertain. While the White Paper spelled out 10 areas to be covered by an assembly, from sustainable development to transport, skills and employment to culture (including tourism) and housing, some of these could be termed more of a 'wish list' than firmly agreed areas of responsibility. But while challenging the centre, the White Paper — and John Prescott — has essentially thrown out a challenge to the regions themselves. The Deputy

Prime Minister's line is that he can only do so much. He has pulled rival departments together, even if losing out to some extent in inter-departmental 'turf wars'. Now he believes that regions, and regional campaigners (particularly in the North East) must show that they are up to the challenge, developing broad support and alliances - as in Scotland, four years' ago - to push the case for English devolution.

Are campaigners in the regions up a challenge which will see the emergence of a strong 'no' campaign, embracing Conservatives and perhaps some business interests, which will argue that an emerging assembly will prove costly, over-bureaucratic, threaten the unity of England and the existence of 'historic' county councils? Unlike in Scotland and Wales - and the latter registered only a wafer-thin 'yes' majority in its referendum - little, if any work, has so far been undertaken to 'sell' the case for regionalism in any English region. The Conservative leadership has already latched onto an issue which, it believes, could provide immense political capital for Ian Duncan-Smith in the run-up to an election which, conceivably, could also see the first devolution referendum taking place. In short, the wider political battle on the regional front has yet to begin. But the stirrings are visible. The issue has probably divided the Local Government Association, the representative body for all large councils, more than any other — with Conservatives overwhelmingly opposed and Labour and the Liberal Democrats generally in favour.

At the local level, some councils are already squaring-up. Durham County Council, for instance, while welcoming the White Paper and the prospect of regional government, has begun campaigning to be the local unitary authority. Predictably, the local district councils, while also welcoming the prospect of a Regional Assembly, are launching a counter-campaign based on promoting merged districts as single tier local government. Some Conservatives, however, appreciate the arguments for devolution in a region like the North East, if not for the country as a whole, on the grounds of isolation from decision-makers in London. Actively co-operating with new regional structures, from RDAs to Chambers, they have clearly shifted ground over the past few years. For instance, the (voluntary) Conservative-led South East Regional Assembly, took a notably pragmatic line, with a measured response. David Shakespeare, its chair, who leads Buckinghamshire County Council, noted that in the White Paper, the Government had heeded its message that 'it has to be horses for courses'. He added: 'Not all regions may feel they needed elected regional government. If regional diversity means anything, regions must be given the freedom to choose how they are governed at regional level' (see Section 8 below).

2 Regional Structures

2.1 Government Offices

The launch of the White Paper on May 9th 2002 gave a new role to Government Offices (GOs). For the first time a White Paper was launched simultaneously at events in all the English regions. The events were hosted by GOs, but involved representatives of voluntary Regional Assemblies and Regional Development Agencies. The events took a similar format in each region, with regional stakeholders being invited to watch a live broadcast of the parliamentary debate on the White Paper, followed by speeches. In seven out of eight regions a Minister attended the launch. Some senior Whitehall figures objected to the presence of Regional Assembly chairs at the events, believing that events should be strictly Government ones, but were over-ruled by Ministers. The format was different in the North East, where a small event chaired by the Government Office Director, was organised for the regional press to coincide with parliamentary debate. On the evening of May 9th, the Government Office North East (GONE) hosted a major event in Newcastle, which attracted about 300 people from various sections of regional life and which was attended by the Deputy Prime Minister and the Secretary of State for Transport, Local Government and the Regions. For GONE, this was an unprecedented occasion, which had been organised at very short notice. None of the staff involved had organised an event on this scale previously, although several acknowledged that the move to devolution, in all likelihood, would mean that May 9th was only a foretaste of the future.

2.2 Regional Development Agencies

2.2.1 Responses to the White Paper

Officially, the RDA's welcomed the publication of the White Paper on Regional Governance. RDA's were represented at the launch events held simultaneously in each of the English regions. Responding to the publication of the White Paper on Regional Government, Dr John Bridge, Chair of One NorthEast (ONE) and spokesperson for all the RDAs on the White Paper, said,

[...] the proposals put forward by the Government are challenging but provide a great opportunity for the English regions. The Regional Development Agencies (RDAs) have been very successful over the last three years and we want to build on that success: the White Paper provides us with an opportunity to do so ... If the new structures that are proposed allow regions to develop faster and more efficiently, then they will be supported by the RDAs (ONE, News Release, 'A challenge and opportunity for the English Regions, 9th May 2002)

At a meeting in Daresbury, the North West Development Agency (NWDA) Chairman, Bryan Gray, welcomed the Government's proposals:

The overriding justification for further regional devolution must be to achieve greater economic efficiency in order to deliver a more competitive Northwest. I look forward to working with our private and public sector partners from across the region to make the most of the opportunities presented by the White Paper (NWDA, News Release, 'Northwest Development Agency Chief welcomes further devolution', 9th May 2002)

At a meeting with the Regions Minister, Alan Whitehead, shortly after the launch of the White Paper, the RDA chairs gave their first reactions. John Bridge from the North East, leading for the RDAs on governance questions, said the White Paper presented threats and opportunities. He acknowledged that many of the RDA's concerns had been met in the drafting of the paper, but suggested that there was a case for stronger powers in the areas of training and transport. Within the North East business was enthused by the prospect of single tier local government. The North West Development Agency welcomed the White Paper, but reported the fears of local business about the quality of existing regional politicians. In the South West meanwhile Sir Michael Lickiss reported that the White Paper had gone down surprisingly well¹.

2.2.2 Planning Green Paper

In April, the East Midland's Development Agency (EMDA), on behalf of all the RDAs, published a response to the government's Green Paper *Planning: Delivering a Fundamental Change* (DTLR, 2002), on which we reported in February 2002. The RDAs endorsed the Government's analysis of what is wrong with the current system and the principles of the approach to reform set out in the Green Paper. The Agencies' concerns principally relate to the detail of how those principles can, or will, be translated into practice. They welcomed the simplification of the planning hierarchy, with the abolition of Structure Plans and Unitary Development Plans, which RDA's believe will enable a more responsive and up to date planning system to be put in place. They also welcomed the proposal for RDAs to be consulted on major investment proposals, but firmly believe that RDAs should be given statutory status as consultees (EMDA, News Release, 'English Regional Development Agencies respond to the Government Planning Green Paper, 24th April, 2002).

¹ Source: information supplied privately to the authors.

2.2.3 Other issues

Meanwhile, RDAs continued to implement their strategies. For instance, MPs from the East of England attended at meeting at Westminster on 15th April to hear about the East Of England Development Agency's (EEDA) campaign to 'brand' the East of England. The 'Space for Ideas' marketing and advertising campaign was launched by the EEDA in January in order to promote the region 'as a great place to live, work, visit and invest'. The launch was centred on advertisements featuring companies from the six counties in the region, Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Norfolk and Suffolk.

Some of the first organisations to sign up include the East of England Tourist Board, Invest East of England, Sport England and a number of other local organisations and businesses.

According to EEDA board member Alan Cherry

The drive to develop a strong distinctive image for the East of England is one of EEDA's strategic priorities. Research shows we need that recognisable brand identity in order to attract new investment and new visitors, as well as creating an internal sense of belonging (EEDA Press Release, 'East of England MPs hear of the importance of regional branding campaign', 16th April, 2002).

Across England, RDAs began revisions of their Regional Economic Strategies in the spring of 2002, with most due for completion in the summer.

2.3 Regional Chambers

2.3.1 Responses to the White Paper

Existing voluntary Regional Assemblies participated in the launch events at the publication of the White Paper. In general, Assemblies welcomed the proposals. In regions with low levels of interest in elected Assemblies attention focused on the Government's proposals for regions that do not move towards such Assemblies. In the East Midlands, the chair of the region's Assembly (EMRA), Cllr Mick Young, welcomed the Government's announcement for decentralisation, saying he was pleased the White Paper was not just about elected Regional Assemblies but also focussed on strengthening existing arrangements in all regions. Speaking at the launch meeting in Nottingham he drew attention to the enhanced role for existing partnership-based Assemblies, including regional planning and closer work alongside the region's Government Office and other government-funded bodies, including input into the spending review process. He said that the success of the region's Assembly was its integrated approach to economic, social, and environmental themes. 'The debate about directly elected assemblies will no doubt now start in the East Midlands,' confirmed Cllr Young, 'but the work towards a

sustainable future must continue, whatever the choice of the region in the future.' (EMRA, News Release, 'Assembly Chair urges all regions to "follow our example"', 9th May 2002).

Interestingly, in the alleged heartland of opposition to regionalism, the South East welcomed the fact that 'it will not impose elected regional assemblies on regions that don't want them'. Cllr David Shakespeare OBE, Chair of the South East England Regional Assembly (SEERA) said:

It looks like the Government has got the message that we've been pressing over the past year. It has to be 'horses for courses'. Not all regions may feel they need elected regional government. If regional diversity means anything, regions must be given the freedom to choose how they are governed at the regional level (SEERA News Release, 'Government heeds South East views in regional White Paper, 9th May 2002)

2.4 Other bodies

2.4.1 New arrangements for culture in the regions take shape

On 27th May, Culture Secretary, Tessa Jowell, announced the appointment of a new National Council for the Arts Council of England, following the controversial restructuring of the Arts Council of England and Regional Arts Boards (see previous monitoring reports). Tessa Jowell argued:

Today's announcement is a key stage in the process to restructure the Arts Council. Nine of the new Council Members will also serve as Regional Council Chairs thus giving the Regions more power at a national level and creating greater authority at a local level. (DCMS, News Release, 'New National Council for the Arts Council of England will put regions at heart of arts policy says Tessa Jowell', 27th May, 2002)

The White Paper on Regional Governance's proposals on cultures and arts remain ambiguous (see Section 3).

2.4.2 Responses to the White Paper by non-government bodies

The TUC welcomed the publication of the Government's White Paper and supported the major principle that regional government should be about bringing decision-making closer to the people who use and deliver services'. John Monks, TUC General Secretary, said:

Regional government must be about revitalising the English regions and reconnecting regional policies with local communities rather than adding a new layer of bureaucracy. It should be about ending regional economic disparity whilst

respecting regional political and cultural diversity. The Assemblies must also reflect the gender and ethnic minority balance in a region. Trade unions were very active in campaigning for devolution in Scotland and Wales and social partnership has been an important factor in the success of the devolved administrations. Unions will give every support to regional campaigns where there is a strong demand for elected Assemblies and work closely with those Assemblies to strengthen regional economies (TUC News Release, 'TUC welcomes devolution for the English regions', 9th May 2002).

In the East Midlands, however, the regional TUC gave a 'cautious welcome' to the announcement. The Regional Secretary Christine Wood, said:

We welcome the opportunity for the East Midlands to decide on its own future for regional government. The region is mature enough to start the debate on whether we want this tier of government and how to cope with the changes it will require to existing structures.' Midlands TUC, News Release, 'Midlands TUC welcomes debate on future for the East Midlands', 10th May 2002.

The CBI maintained its hostile stance. John Cridland, CBI Deputy Director-General, said:

Business wants better regional decision-making but we do not want another expensive and time consuming talking shop. Establishing unitary authorities in areas with an assembly may help address fears about bureaucracy, but other fundamental questions remain unanswered (CBI Press Release, 'CBI News Release, 'CBI remains sceptical on Regional Assemblies', 9th April, 2002).

The Council for the Protection of Rural England (CPRE) was critical of the low priority given to environmental concerns in the White Paper. Henry Oliver, CPRE's Head of Planning, commented:

Today's White Paper offers many opportunities to improve the way we make and implement planning policy at regional level. However, experience so far suggests that there is a long way to go in giving proper weight to environmental considerations and recognising the need for greater public confidence in regional decision-making. We strongly urge the Government and all the regional bodies to address these vital issues (CPRE Press Release, 'New regional arrangements risk ignoring environmental concerns', 9th April, 2002)

Many other non-governmental organisations plan to prepare detailed responses to the White Paper in the coming months and we will report on these in due course.

3 Regional Politics and Policies

3.1 The White Paper on regional governance²

3.1.1 What does the White Paper mean?

The publication of the White Paper was significant if only because it demonstrated that previous reports of the death of the devolution project had been greatly exaggerated. Yet it was significant in other ways. Notably, in the face of some Whitehall scepticism, the Deputy Prime Minister, John Prescott, and his allies appeared to have fought a subtle and patient campaign, not least in the Cabinet's Committee of Nations and Regions, to extract a package of powers for Regional Assemblies from a reluctant Whitehall machine. At the same time, the nature of this struggle means that the White Paper presented a mixed bag of powers and responsibilities, reflecting the uneven gains which the Cabinet Office and DTLR were able to make.

The White Paper raised the prospect of at least some regions obtaining elected Regional Assemblies during the lifetime of Labour's second term. In his speech to the House of Commons, announcing the publication of the White Paper, Mr Prescott for the first time set out a timetable for achieving an elected Assembly in at least one English region. He stated:

We intend to introduce legislation to provide for referendums and local government reviews as soon as parliamentary time allows. We intend to allow a referendum to be held before the end of this Parliament. After a region has voted for an elected assembly, we intend to introduce further legislation enabling assemblies to be established. That would make it possible for the first regional assembly to be up and running early in the next Parliament — under a Labour Government, of course (*House of Commons Debates*, 9th May 2002, Column 278).

The strong expectation was that North East England was the region the government had in mind. The White Paper was replete with references to the North East. Furthermore, it was noteworthy, that while launch events were held in all regions of England, the Deputy Prime Minister and the Secretary of State for Transport, Local Government and the Regions, Stephen Byers, chose to attend a launch in Newcastle upon Tyne. There both ministers made it explicit that the North East was the only region which would be expected to achieve this in the medium term. The Deputy Prime Minister stated:

I would hope that the North East will want to carry the torch, although we will be consulting all the regions over the coming months to gauge what the level of demand is elsewhere. To be

² This section draws heavily on a forthcoming analysis of the White Paper, written by John Adam's and John Tomaney to be published by the Institute for Public Policy Research in June 2002. (See also, Tomaney and Mawson, forthcoming, chapter 14).

first in line – to be in the vanguard - is an opportunity that happens very rarely. From the mood here tonight I think it's a challenge you want to take, and one which – for all the right reasons – will put you in the spotlight (Prescott, 2002).

The Government's proposals, if enacted, would change the landscape of the British constitution and the terrain of English politics. In one sense they are potentially more radical than the proposals for Scottish and Welsh devolution, insofar as they represent a more fundamental challenge, albeit initially modest, to the dominance of Whitehall over all aspects of English life. Scottish and Welsh devolution involved making separate Departments accountable to elected Assemblies. In the longer run, English regional government suggests a dismemberment of Whitehall and departments struggled hard to resist allocation of their functions to Regional Assemblies. The range of powers proposed for assemblies reflects, then, the outcome of these Whitehall turf wars. Few Whitehall departments have willingly entertained the prospect of handing over powers to elected assemblies.

3.1.2 The shape of things to come?

John Prescott, therefore, fought a war of attrition, in order to extract the maximum range of possible powers he could for Regional Assemblies. Full control over the budgets and activities of Regional Development Agencies (RDAs) was a minimum requirement for a credible model of regional government. Therefore the main proposals in terms of economic development were widely predicted. RDAs have seen their budgets steadily increased since they were established and their financial flexibility extended. RDA finances will initially form the core budgets of RDAs. In the northern regions, where support for regional government is strongest, these powers are likely to receive significant support.

The planning powers proposed for Regional Assemblies also contain few surprises. The Government had already signalled its intention to create new regional planning structures in its Green Paper on planning, published in early 2002 (DTLR, 2002; see out February 2002 report). The Government proposes that mandatory Regional Spatial Strategies should be produced in all regions and that Assemblies will have responsibility for these where they exist. Previous arrangements were criticised for the lack of co-ordination between the strategies of RDAs and land-use planning (see Tomaney 2000). An elected Regional Assembly along the lines of the Government's proposals could potentially address this weakness of the existing arrangements.

A further significant power proposed for Regional Assemblies, is control over European structural fund expenditure. Structural fund expenditures, although likely to diminish in scale over time, remain an important element of regeneration funding, especially in the poorer regions such as Scotland, Wales and the northern regions of England. An Assembly

would take these powers from Government Offices where they currently reside.

In some areas the proposed powers go beyond what was expected. For instance, the proposed housing powers exceeded most predictions, with Assemblies taking a central role in the allocation of housing investment. These were powers that the Mayor of London coveted but, was denied by the Greater London Authority Act, 1999. The Mayor and his advisers have argued that successful regeneration policy requires the integration of economic development and housing policies with the planning system. The government's package holds out that possibility in the English regions. The creation of elected Regional Assemblies is likely, therefore, to add a further dynamic to the pressure for more devolution in London.

In a conscious acknowledgement that devolution is a process and not an event, the Government makes it clear, however, that the range of powers outlined in the White Paper is likely to evolve over time.

The package of assembly functions reflects the way in which these functions are currently organised. However, the Government is keen to further decentralise responsibility for policy and delivery where this will improve regional outcomes. As a consequence, it is likely that there will be ongoing developments in regional governance and organisational changes in the way functions are delivered. The government will therefore build into policy development the new opportunities offered by the creation of elected assemblies (Cabinet Office/DTLR, para 4.5)

The package provides a starting point upon which some in the regions would hope, over time, to build. There are a number of areas where early pressure to strengthen the powers of Assemblies was expressed. Skills and transport are areas where, in the regions, there was a widely held feeling that, to quote John Prescott and Stephen Byres: "Whitehall does not always know best" (Cabinet Office/DTLR, 2002: foreword). Indeed the White Paper made a strong case for these activities to be exercised at the regional level.

In the case of training and skills, the White paper noted that

Developing the skills of the workforce plays a vital role in economic development. So improving the skills base and equipping people to take up opportunities being created in a region will be an important component of delivering an elected assembly's objectives (Cabinet Office/DTLR, para 4.28)

According to the White Paper, Assembly's are to be given responsibility for the production of Frameworks for Regional Employment and Skills Action, but the Assembly's relationship with the main delivery arms for training policy, notably local Learning and Skills Councils, will be only a consultative one.

Similarly the White Paper notes:

Good transport is essential for sustainable economic success, a better environment, and an enhanced quality of life ... To achieve this, transport needs to be integrated with policy for economic development, planning, and housing (Para 4.37).

Yet, the potential powers for transport would restrict Assemblies to a mainly consultative role in relation to the activities of central government and its agencies. The last twenty years or so have seen an increasing recognition of the significance of transport beyond the field of transport itself: for the environment, economic development, regeneration, urban renewal, social inclusion, even housing. Furthermore, the RDAs have emphasised the importance of transport in their Regional Economic Strategies (RESs) — both in the congested south and the deprived north. The regional transport agenda — of linking the economic, social and environmental agendas; of tuning UK-wide policy to the different circumstances of individual regions; of brokering deals between sub-regional interests — is impossibly complex and voluminous to handle at the national level, whether that be the UK or England). It is noteworthy that at a meeting between DTLR ministers and RDA chairs, shortly after the publication of the White Paper, the chairs called for a strengthening of training and transport powers (See Section 2). In addition, despite strong pressure from some regions, the proposals for culture remained ambiguous, reflecting a rearguard action by DCMS, for the Arts Council's regional activities to be left untouched.

The government's proposals for Regional Assemblies to be accompanied by a move to a single tier of local government were well trailed prior to publication of the White Paper. However, the notion that this signalled 'the end of county councils', as prior speculation suggested, was not entirely borne out in the White Paper. Under the terms of the proposals it is possible that counties could survive in some places while districts disappear. This issue is likely to prove more of a stumbling block in some regions than others. In the North East, only the rump of Durham and Northumberland counties remained by 2002, while 70% of the population already lived in single tier local authority areas. The government's proposals here were designed to neutralise the charge that regional government would mean an extra tier of bureaucracy. It would be up to voters in the regions to decide whether the prize of regional government would make reform of local government worthwhile. The early signals from local government leaders in the North East, the only apparent candidate for an early referendum, indicated that they would not oppose the provisions of the White Paper in order to defend existing local government arrangements (e.g *Hexham Courant*, 17th May 2002).

The White Paper made clear that assemblies would be elected by proportional representation (PR). The Government proposed to use the same electoral system as used in Scotland and Wales. Even John Prescott, a noted supporter of first past the post, bowed to arguments for PR. Such a proposal would have far-reaching consequences in Labour heartland regions. Labour does well under the first past the post in regions like the North East. But the mayoral elections there in 2002 revealed that when

new voting systems were introduced Labour came in for a shock, losing all three in Hartlepool, Middlesbrough and North Tyneside (see Section 8).

The level of support for Regional Assemblies remains uneven at best. Even under the most positive prognosis, some regions are likely to remain unpersuaded of the charms of devolution. The government's approach raised the likelihood that some regions would not proceed towards elected Regional Assemblies in the foreseeable future, and those regions which do would not see actual assembly elections for some years. The White Paper therefore contained proposals to strengthen regional structures, even in regions where there is no appetite for elected assemblies.

However, the Government's strategy for regional governance short of elected assemblies appears solely to build up the role of the Government Offices (GOs) in each region. No added responsibilities seemed to have been allocated to, for example, the Regional Chambers. Many of the proposed extra responsibilities are assigned to the GOs: working with the Home Office on crime reduction and drugs; a new role in the 'community cohesion' fund; the enhanced role in emergency planning (Cabinet Office/DTLR, 2002: paras 2.31 and 2.33). Furthermore, the GOs are to be given 'extra responsibilities in working with and monitoring the performance of' the RDAs planning (Cabinet Office/DTLR, 2002: paras 2.31) and a responsibility to 'provide a forum for other public sector bodies in a region to review their high-level strategies and improve read-across by identifying mutual aims and removing any inconsistencies or duplication between them.' (Cabinet Office/DTLR, 2002: paras 2.27). Each of these functions would seem to better fit with the Regional Chambers, which despite their drawbacks, are more representative of the regions than the GOs which inevitably look to Whitehall for political direction.

The government makes it clear that it is looking to regions to produce innovative ideas for the inclusion of regional stakeholders in new regional governance structures. This is the one area of the White Paper, which has 'green edges', and upon which the Government is seeking inputs.

3.1.3 Fiscal flexibility?

The United Kingdom, it is traditionally claimed, is one of the most centralised of developed nations — and the control of HM Treasury over public expenditure and taxation is high even by the standards of other unitary nations. Very little fiscal activity eludes the Treasury's control. Faced with the forces of centralisation the degree of fiscal flexibility contained within the White Paper was a surprise. In some ways the financial powers of the proposed regional assemblies were stronger than those available to the other devolved institutions in the UK. For example, the fact that funds would be granted to assemblies via a 'block grant' provides for substantially more fiscal flexibility than that available to the Greater London Authority, as under the terms of the Greater London Authority Act, the Mayor is unable to switch funds between different budget heads. This provision severely limits the opportunity for divergent

and innovative policies and undermines the Mayor's ability to achieve 'joined-up' government.

The proposal for a block grant was influenced by the example of the 'single pot' made available to RDAs in March 2001. During the initial period of their existence, RDAs were constrained by Whitehall's accountability mechanisms. Monies spent had to remain within the programmes for which they were assigned by the relevant Whitehall Departments, and there was little room to switch money between different activities. RDA leaders felt this was a significant restriction on their ability to 'do their job' and made the single pot one of their top priorities. Following a successful lobbying campaign the decision to grant the RDAs their single pot was announced by both the Deputy Prime Minister (when he was responsible for RDAs in DETR) and the Chancellor of the Exchequer in 2001.

The White Paper also proposed significant borrowing powers for Regional Assemblies, another example of significant financial flexibility. Such powers were not made available to the Scottish Parliament or the National Assembly for Wales in their respective legislation. In one of the most significant changes to the UK devolution settlements, the Chancellor of the Exchequer and the Prime Minister visited Belfast in May 2002 to announce that a 'prudential' system for capital spending will allow the Northern Ireland Executive to undertake borrowing to help remedy its deficiencies in infrastructure investment, so long as it can service that borrowing from its revenue base. The fact that Northern Ireland does not have the same system of local government as the rest of the UK would undoubtedly have influenced this decision. Similar powers were also signalled for Regional Assemblies, although a 'prudential' borrowing regime may well have tighter limits than those available to local authorities. Nevertheless, this would give the administrations of Regional Assemblies options to invest in their region's infrastructure.

The White Paper also proposed to grant revenue raising powers to Regional Assemblies, via a precept on the council tax, although it is unclear how much the proposed Assemblies will be able to raise through this method. The council tax precept is the means by which the Greater London Authority raises additional funds, although, as constituted it is not the most progressive of taxes. Neither the Northern Ireland Assembly nor the Welsh Assembly were granted revenue raising powers when established, and powers of the Scottish Parliament to raise revenue remained unused in its first term.

It is only the Greater London Authority, which has both revenue raising powers and has taken the opportunity to use them. Mayor Livingstone has increased both the Police precept and the Transport precept — and used the money to fund increased numbers of police officers and to freeze London underground fares respectively. From 2003 the Mayor also proposes to introduce a congestion charge in central London, and use the £150m per annum proceeds for public transport. Clearly the proposed revenue raising powers of the proposed assemblies would be limited.

They would also be subject to a ‘capping regime’ (Cabinet Office/DTLR, 2002: para. 5.9).

The degree of fiscal flexibility proposed for Regional Assemblies surprised most commentators and potentially has radical implications. Having room at the margins to enable Assemblies to decide their priorities enhances fiscal responsibility and concentrates the minds of elected politicians about just how important particular expenditure really is. It also increases the potential for greater divergence in public policy (Heald and Geaghan, 1996).

3.1.4 Limits to regionalism?

Despite the historic centralised nature of taxation and public expenditure within the UK, the centralising instinct of Whitehall manifests itself in different forms. Perhaps the most surprising proposal contained in the White Paper was that:

We will expect each assembly to help achieve in their region a small number – perhaps six to ten – of targets agreed with the Government. These targets will be relevant to an assembly’s responsibilities and will leave it open to the assembly to establish how to achieve them. Some additional money will be available to reward elected assemblies which achieve or exceed the targets. Targets and rewards will be agreed between central government and each assembly, along the lines of existing local public service agreements (Cabinet Office/DTLR 2002: para 5.3).

Neither the Scottish Parliament, Welsh Assembly nor the Northern Ireland Legislative Assembly have to negotiate their priorities for public policy with the centre and the proposal appeared to undermine the autonomy of priority setting in the devolved territories. The Government also proposed that assemblies should produce an annual report for the regional electorate on their progress in meeting these objectives (Cabinet Office/DTLR 2002: para 4.7).

The case for regional government might seem to be undermined by the necessity of a democratically elected regional body being obliged to enter into negotiation with the centre. The simple fact that Whitehall has an institutional locus via which it can influence the political priorities of a devolved administration would seem to be contrary to the general spirit of devolution. In particular, the use of financial incentives, which can be used to bargain with the devolved administrations, would give Whitehall ‘the upper hand’ in negotiations.

The PSA target is not the only means by which the centre could restrict the autonomy of the regional assemblies. The Government proposed that it will apply the principles of ‘best value’ to assemblies, building on the lessons learned from local government and tailoring requirements to the

particular circumstances of assemblies (Cabinet Office/DTLR, 2002: para 5.12).

Best value required local authorities to seek continuous improvements in economy, efficiency and effectiveness, and to do this by reviewing services periodically in order to gauge whether they are still necessary, and whether current approaches to service delivery are the most appropriate. While these may be objectives which many would support, the best value regime is a significantly centralising force, which has restricted the freedom available to local authorities. The Government would doubtless 'tailor' the best value regime for Regional Assemblies in its own way, and the potential remains for this to be a centralising provision.

The proposals of fiscal flexibility in the White Paper could be undermined by the fact that assemblies will be subjected to PSA and best value requirements. The Government may not strictly deserve its reputation for centralism, especially as it devolved power to Scotland, Wales, Northern Ireland and London. Nevertheless, these two provisions contained in the White Paper could tempt it to intervene in regional politics and policy-making. Successor governments could use these provisions with enthusiasm.

3.2 Growing debate on regional inequalities

A loose campaign for a new regional policy, beyond that being pursued by eight Regional Development Agencies, appears to be in the making. After noises from countryside groups, such as the Council for the Protection of Rural England (CPRE) and — more recently — leading figures in the Royal Geographical Society, a new Alliance for Regional Aid, which includes senior academics and economists tied to the Regional Studies Association (RSA), has been launched.

A series of presentations on the widening economic divide, broadly between London, the South East, East Anglia and the rest of the country, were made at the launch in London on 23rd April. The Minister for Regions in the Department of Trade and Industry, Alan Johnson, who is in overall charge of RDA policy, gave a keynote speech in which he defended the Government against claims that it is disguising jobless levels to give the impression that Britain has Europe's lowest unemployment rate. He dismissed these claims as 'rubbish'.

Professor Steve Fothergill, of Sheffield Hallam University and co-author of a recent report criticising New Labour's regional policy, bluntly told the minister on the conference platform: 'You are falling into the trap of looking at superficial unemployment figures...Britain has a very good record of diverting (jobless) people onto other benefits and out of the system altogether.' *The Guardian* reported (April 24) that Mr Johnson, who is also in charge of the Government's relations with unions, whispered loudly: 'Rubbish, absolute rubbish.'

At the conference, Mr Fothergill told delegates from local councils, unions and other agencies, of the yawning gap between official jobless figures and employment statistics, which highlight the number of people in work. In Middlesbrough, and Merseyside, for instance, only 56 and 64 per cent respectively are in work — compared with 87 per cent in prosperous West Berkshire. 'And the gaps are not narrowing,' he warned. A report by the Regional Studies Association (RSA, 2001; See our February report for a discussion) has already argued that 1.4 million new jobs are now needed in the East and West Midlands, Yorkshire, the North West, North East, Wales and Scotland, to catch up with the South East.

Speakers at the launch conference complained that spending on industrial aid in Britain, Regional Selective Assistance — once designed to create jobs in poorly-performing regions — was the lowest in the European Union, with around £120 millions annually going to the English regions, compared with well over £1 billions in the 1970s. On an EU average of 100, the UK spends 30 per cent per head compared with 190% in Germany, 124% in Ireland and 61% per cent in France. Conference speakers disputed Government claims that this high level of spending was largely discredited because it propped up failing companies. Some were critical of a recent Treasury report (Productivity in the UK: the Regional Dimension) warning that regional economic policy had been focussed for too long on subsidy and failure 'rather than tackling market failures and building up the indigenous strengths of regions.'

Mr Johnson acknowledged there was a case for a debate on the level of selective assistance in Britain. But he cautioned: 'All I do know is that it is not the amount of money available, it is the quality of how you spend that money...yes there is a debate (to be had) on the level of assistance we give (but) there is also a debate about the quality of that assistance.' The Alliance for Regional Aid plans an intensifying campaign to alert the Government to a widening economic divide between the three northern regions on the one hand and London, the South East and East Anglia on the other. GDP per head in the North East is around 40 per cent below the South East.

Key to the campaign is a complaint that the RDAs are no substitute for an active regional policy. The CPRE has reported that 'the absence of a clear inter-regional dimension is a key weakness of the Government's new regional policy' (CPRE, 2002). A report, *Even Regions, Greener Growth*, says that without clear direction from the centre — what appears remarkably like a call for a national plan — the scope for encouraging businesses to locate outside the south and east is limited. 'Policy should be backed by a clear statement of the preferred balance of spatial development across the country, and mechanisms to resolve competition between regions for major developments and to assess the spatial impact of national policies and spending decisions.' The report says the Government needs to develop a clear vision for the economy of the south and east, discouraging land-hungry and traffic-generating development in economic 'hot spots'.

3.3 Regional campaigns

The Campaign for the English Regions (CFER) and its constituent bodies gave a broad welcome to the White Paper. Speaking for CFER, the Chair George Morran said:

This is a historic moment. The publication of the White Paper signals for the first time a real commitment by a UK Government to offer the people of the English regions the opportunity to take some responsibility for their own futures in a number of important areas of public policy. This White Paper has the potential to address the very real concerns they have about the largely hidden, distant, incoherent and undemocratic existing structures in each region. CFER believes the White Paper provides a starting point for the people in each region to express their views on the direction and pace at which they wish to move forward. We will use the time between now and any legislation to encourage as many people as possible to be involved in this consultation, and to lobby government to strengthen these proposals. We have no doubt that when referendums on devolution to the English regions are held they will be won (CFER Press Release, 'Campaigners Welcome White Paper', 9th May 2002).

The Campaign for Yorkshire welcomed the publication of the White Paper, but called for its proposals to be strengthened. Director Jane Thomas said:

There are inevitably some areas in the White Paper that the Campaign feel are a little weak but we will use the time between now and any legislation to persuade the government to strengthen their proposals. Nevertheless it is a package worth having and we can build on this to create something that will be genuinely meaningful to the lives of people in this region (Campaign for Yorkshire Press Release, 'Building for the Future of Yorkshire', 9th May 2002).

Campaigners in the North East held an event at the Angel of the North on Saturday 11th May, attended by about 100 people, including Sir John Hall of Newcastle United FC. The event was organised under the slogan, 'North East — Ready to Go' (*The Journal* [Newcastle] 13th May 2002). Celebrities endorsed the campaign, including prominent local actors Denise Welsh (late of *Coronation Street*) and Tim Healy (currently starring in *Auf Wiedersehen Pet*) ('Stars join campaign for regional assembly', *The Journal* [Newcastle], 24th May 2002).

In all regions campaigners are formulating their responses to the White Paper and we will report on these forthwith.

4 Media

4.1 National (English) newspapers

We have noted in previous reports that, with one or two exceptions, the English regions have a low profile in the national (English) media. This changed with the publication of the White Paper when Fleet Street turned its attention, albeit briefly, to provincial politics. The White Paper received a mixed reception. The press split on broadly left -right lines. For instance, *The Guardian*, for the first time editorialised in support of English Regional Assemblies. It called on the government to be radical:

[...] unless the government acts now on devolution, the reality is that most power will remain in Whitehall and England will be left to fester. The government should therefore be brave. It should treat devolution as desirable in itself. It should give devolved institutions with real power to England. And it should trust the people to act wisely in their own interests ('Labour and the English', *The Guardian*, 7th May 2002)

The *Financial Times* and the *Economist* have tended to give extensive coverage to the English regions. The *FT* broadly welcomed the government's approach (see 'Think regional, act local', *Financial Times*, 10th May 2002), while the *Economist* suggested that powers of the proposed Assemblies would need to be strengthened (see, 'Morpeth's Grouse', *The Economist*, 11th May 2002).³

Commentary elsewhere was less sympathetic. Christopher Booker, writing in the *Sunday Telegraph*, saw in Labour's proposals a secret plot hatched abroad. This theme recurred in the interventions of some Conservative MPs and letter writers, mainly from the south, which wrote in significant numbers to national and regional newspapers and the BBC's online news service. Booker provides a useful summary of the foreign plot thesis and is worth quoting at length:

In all the acres of newsprint devoted to John Prescott's plans for elected regional assemblies, one hugely important dimension has been almost wholly missing: as can be seen from ... [a] ... map produced by the European Commission in 1971, and which has only recently come to light under the 30-year rule. Apart from the redrawing of one or two boundaries, the map, which was included in a secret report on the regionalisation of Britain by Paul Romus, a senior French official of the Commission, is remarkably similar to that unveiled by Mr Prescott last week.

As I have reported many times over recent years, the story behind the long-term plan to see all the nation states of the

³ The Independent, however, was hostile to the proposal in its editorial stance, see 'There was no need to turn Mr Prescott's pipe dreams into reality', *The Independent*, 14th May.

European Union broken up into regions is complex. The purpose has always been consistent: to create a Europe of the Regions, relating directly to Brussels, as a way of breaking up national identities, reducing the power of national governments and promoting a common European identity.

But the motor for this has not been a blueprint imposed by Brussels. Much of the initiative has come from various shadowy bodies under the aegis of the Council of Europe, such as the Council of European Municipalities and Regions, chaired by the former French President, Valéry Giscard d'Estaing, who is also now chairing the convention to draw up the constitution for a United States of Europe. The groundwork has been done by local politicians, mainly French and German, who in recent years have been quietly joined by a phalanx of their counterparts from Britain, led by Councillor Ken Bodfish of East Sussex and the aptly-named Albert Bore, former leader of Birmingham city council and now president of the EU's Committee of the Regions.

[...]

The last building-block necessary to complete the project was to set up elected assemblies for those English regions, and it is this which Mr Prescott, Mr Blair and Stephen Byers have unveiled in their joint White Paper (Christopher Booker, 'Notebook: Prescott's map was drawn up 30 years ago', *Sunday Telegraph*, 12th May 2002).⁴

A further proponent of the 'Europlot' thesis was Richard Littlejohn in *The Sun*, who claimed that Regional Assemblies 'are specifically designed to break up England into administrative units in preparation for our absorption into a federal Europe. The Regional Assemblies correspond exactly with plans drawn-up by Brussels for the government of a fully integrated European Union' (Richard Littlejohn, 'Carved up, stitched up ... Labour's England', *The Sun*, 10th May, 2002).

A similar theme was rehearsed in the *Daily Mail*, which reported the government's proposals under the headline 'Prescott's folly'. Its columnist, Simon Heffer, argued 'You have to back to the Dark Ages in England to find anything approaching regional identities ... This has not prevented the Government from arbitrarily, in consultation with Brussels, carving up England into 'regions' (*Daily Mail*, May 10th 2002).

⁴ In an editorial the *Daily Telegraph* maintained that the Scottish experience warned of the dangers of English regional devolution:

There is no need for us to peer into a crystal ball to discern the future. We already have a tin-plated example of what can go wrong with regional devolution in front of us, in the form of the Scottish Parliament - the best advertisement around for leaving things as they are in England. It has been a stunning disappointment, even to those who were once its greatest supporters (*Daily Telegraph*, 10th May 2002).

Elsewhere comment was less febrile. Writing in *The Times*, Peter Riddell opined:

There is a strong case for having elected assemblies if there is sufficient demand. The level of support varies considerably, on a sliding scale from the highest in the North East to lowest in the South East. Regions will have to surmount a series of hurdles of legislation and referendum before assemblies are set up. That will produce a patchy framework; some regions will have devolved bodies, others will not. Devolution will vary considerably across Britain, strongest in Scotland and weakest in England, with Wales in between. There is nothing inherently wrong with such, provided devolution is a developing process rather than fixed (Peter Riddell, 'Political patchwork is no comfort for town halls', *The Times*, 10th May 2002).

4.2 Regional press

The publication of the White Paper generated much coverage in the regional press and this section gives only a flavour of the diverse reaction. Not surprisingly, the press in the North East gave the issue extensive and favourable coverage. The *Northern Echo* editorialised:

This newspaper believes passionately that the North-East deserves a better deal than it gets. For far too long, the region has suffered from decisions — or lack of them — taken hundreds of miles away by politicians and bureaucrats who have only a flimsy understanding of its needs. The on-going outrage of the Barnett Formula — the woefully outdated system of targeting Government grants which discriminates against the North-East — is a prime example. That is why we have supported the principle of regional assemblies on the grounds that the North-East would have more relevant government and a stronger voice in running its own affairs (*Northern Echo*, [Darlington] 10 May 2002).

The regional press in the North East responded gleefully to John Prescott's call for the region to be the torch bearer of regionalism, with *The Journal* [Newcastle] proclaiming across two pages, 'North to lead the way over Home Rule', 9th May 2002). The North East had been impatient for the publication of the White Paper and critical of the government for its 'delays'. Ultimately, according to the paper's political editor, the publication of the White Paper was testimony to the tenacity of the Deputy Prime Minister:

It was, for Mr Prescott personally, a stunning achievement in the face of indifference not just from Downing Street but from a national press that thinks the fate of Martin Sixsmith is more important than the regions. Many are the cynics who said the White Paper would never happen, that Tony Blair wasn't interested, and that Prescott himself was a busted flush on his

way out of the Cabinet. The publication of *Your Region, Your Choice*, has proved them wrong and demonstrated once again that Prescott is a far more formidable political operator than he is usually given credit for. It is no mean feat for him to have overcome not only Mr Blair's scepticism on this issue but also the hostility of a Whitehall machine that stands to lose a great deal of power as a result of the White Paper's proposals ('Cometh the hour, cometh John Prescott', *The Journal*, 11th May, 2002)⁵.

The regional press subsequently turned its attention to issues such as the future of local government in the region. A particular debate emerged on Teesside about how to avoid a Newcastle dominated region (see, 'Building bridges or just a Newcastle takeover?' *Evening Gazette*, [Middlesbrough] 15th May 2002). Some Teesside voices, however, spoke strongly in support of the idea ('MP backs 'louder voice' for Teesside', *Evening Gazette*, [Middlesbrough] 16th May 2002). Similarly, attention Northumberland tended to focus on the future of local government there ('Self rule crusade takes wings', *Hexham Courant*, 17th May 2002).

The *Yorkshire Post's* treatment of the White Paper can only be described as hostile. Headlines such as, 'Yorkshire home-rule fears of tax rises' and 'Yorkshire MP fears home rule would channel vital aid away from needs' give a flavour of the way the paper reported the launch. In its editorial it stated:

If the Government really wanted to address the democratic deficit, it would slash the number of quangos it has set up and return their powers and revenues to town and city halls. If voters were once again convinced that decisions taken locally could make a difference to the quality of their lives and their neighbourhoods, the numbers that turn out at local elections would show a marked increase. But the reinvigoration of local democracy is not going to be achieved through the creation of another layer of bureaucracy, further removed from the voters, which will, as likely as not, end up stuffed to the gills with former MPs and failed councillors (*Yorkshire Post*, 9th May 2002)⁶.

⁵ This was in marked contrast to the view in some of the national press, which saw the White Paper as a sop to John Prescott by Tony Blair (see, for instance, Richard Littlejohn, 'Carved up, stitched up ... Labour's England', *The Sun*, 10th May, 2002). Although, paradoxically, such newspapers also presented the proposal as a carefully hatched plan to destroy England.

⁶ Martin Wainwright, *The Guardian's* Northern Editor offered a carefully and wittily crafted response to the *Yorkshire Post's* coverage of the issue in a letter to the paper, which deserves to be recorded.

Sir, – I am surprised that you are so timid about a Yorkshire and Humber regional assembly, when the *Yorkshire Post* itself provides one of the strongest arguments for this long-overdue reform. Based in Leeds rather than London, with staff who know our region and appear committed to its

In Cornwall, attention focused on its place in proposed arrangements for the South West. Members of the Cornish Stannary plan to take the Government to the European Court over its white paper on regional devolution, describing it as "yet another act of discrimination against the Cornish". The Stannary is calling for Cornwall to be treated as a region in Europe that can negotiate for itself. The Stannary has taken issue with what they say is the White Paper's failure to acknowledge Cornwall as a distinct region based on historical and cultural factors and are seeking a judicial review to get it on par with other European regions ('Devolution plan discriminates against Cornish', *Cornish Guardian*, 23rd May 2002). Cornish MPs also spoke in favour of special arrangements for Cornwall, while Mebyon Kernow leader Dick Cole argued that two Cornish seats on a South West Assembly would be insufficient to achieve representation ('Devolution: refusal to change boundaries branded 'a mockery' by MPs', *Cornish Guardian*, 16th May 2002).

4.3 Broadcast coverage

An interesting development in the last quarter was the 'Devolution Day' broadcast of the BBC held on 21st March. This was a set of broadcasts organised around the publication of a specially commissioned opinion poll on attitudes to regional government (see Section 5). The poll had been conducted in advance of the publication of the White Paper, in the assumption that the latter would be published before Easter. In the event, the scale of programming was scaled down somewhat, with the focus of attention being the North East. In addition to coverage of the poll results on national TV and radio news bulletins, BBC News 24 broadcast a 50 minute live debate from Newcastle upon Tyne, which was also broadcast live on BBC radio in the North East. The BBC's late night parliamentary programme ('Despatch Box') was also broadcast from Newcastle.

The background to this coverage was twofold. It emerged on the one hand from the post-General Election review of political broadcasting undertaken by the former 'Newsnight' editor Sian Kevil (see our November 2001 report). This review sought the problem of declining audiences for political programming. The BBC's research appears to suggest that there is a regional dimension to this loss of interest and that public interest in regionalism may be one way of addressing this. On the

success, you hold a mirror up to Yorkshire, which no purely national newspaper can match. I am not being creepy in saying that. Indeed, I am the Northern Editor of one of those national papers. But I spend my life apologising for the skimpy and partial picture of Yorkshire — notable, recently, in the treatment of Bradford — which emerges from most of the metropolitan media. As with our trade, so with politics. Sit quietly at your desk for a minute and think of the Yorkshire and Humber assembly as a political Yorkshire Post. There you are! Or do you think that the Yorkshire Post is an unnecessary tier of the media? And we could all swan along with the nationals plus the hit-and-miss, patchy network of evening and weekly papers? [...] (*Yorkshire Post*, 19th May 2002).

other hand, the BBC has been concerned for some time, about its poor audience penetration in 'the North' (across all broadcasts genres), reflecting an apparent perception that the BBC is a 'southern' organisation. The BBC has established a 'Northern Taskforce' to address this. 'Devolution Day' was the joint product of these two sets of concerns.

The BBC, both nationally and especially in the regions, gave extensive coverage to the publication of the White Paper. In the regions, in particular, TV and radio news and current affairs programmes covered the publication for several nights. Weekend regional political programmes also covered the publication. Coverage on ITV stations appears to have been less systematic, but nevertheless, especially in some regions, saw regional broadcast news programmes addressing the issue for the first time.

Meanwhile ITV has announced cutting the hours dedicated to regional programming. The ITC has agreed to new rules standardising the amount of local programmes across the network. ITV has suggested that the new rules will lead to fewer but better programmes. One effect of the changes will be to give regional news programmes a more prominent place in the schedule. The ITC said a new charter for the nations and regions would protect the regional identity of ITV if the network ended up under the control of one company (see, for example, *The Guardian*, 28th May 2002).

5 Public attitudes and identity

5.1 BBC poll on regional attitudes

A major BBC poll on attitudes to regional government in England was published in March 2002⁷. The poll appeared to show a high level of support in the regions of England for devolving power from Westminster to elected regional assemblies. Almost two-thirds of people interviewed (63%) want regional government, according to the survey, with less than a quarter (23%) opposed to the move, 8% undecided and 6% with no opinion.

The BBC's poll showed enthusiasm varied between the regions.

- Support for the move was highest in the West Midlands (73%), the North-East, North-West and Yorkshire and Humberside (all 72%)
- The least support for a regional assembly came in those regions closest to London
- In the East 55% were in favour and 49% in the South-East — the only area where a majority did not favour the move

⁷ The BBC survey was conducted by Opinion Research Business, who interviewed by telephone a random sample of 2,646 people in every English region from 1-10 March.

- In the South West 61% backed regional assemblies, with 59% in the East Midlands

The poll also shows the geographical areas with which people most identify. Four key groups emerged:

- Provincial (36%) — people who say they primarily belong to their local community
- Englanders (27%) — those who say they primarily belong to England
- Brits (22%) — people identifying most with Great Britain and the United Kingdom
- Cosmopolitan (13%) — Those who say they primarily see themselves as belonging to Europe or 'the world as a whole'.

The BBC poll suggested the most popular reason why people in England would support a regional assembly is to give their area a stronger voice in both Westminster and Brussels (72%) followed by a boost to their region's economic prospects. Other positive arguments given were that it would bring government closer to the people (60%) and increase public pride in the area (58%).

But most people also believed that regional assemblies could bring more red tape and bureaucracy (62%). Opinion was divided on whether devolution would just produce a talking shop for politicians and would be a waste of money — 48% agreed, 44% disagreed and 8% had no opinion.

Thirty-nine per cent were willing to pay extra taxes, levied by new assemblies in the form of a local taxation, to help improve local services, while 47% were opposed to such bills. The new poll suggested most people in England (54%) would not be worried if county councils were discarded to make way for the new bodies. But 42% would be concerned, with the figure highest in the South East (49%). Tackling unemployment, improving rundown areas and the environment and economic help were the responsibilities many people would like to see taken over regional assemblies, according to the poll.

5.2 Support for an English Parliament?

By contrast the Campaign for an English Parliament published the results of poll by NOP Telebus, which appeared to show that more people in England want an English Parliament than want Regional Assemblies. The results are published on the Campaign's website, although no details about sample size or methodology were given at May 2002 (see below).

Campaign for and English Parliament Poll

English Parliament	47%
Regional Assemblies	28%
Don't know	25%

Source: <http://www.englishpm.democ.co.uk/>

5.3 Business support for regionalism

A survey by Opinion Leader Research for the Regional Policy Forum suggested that most businesses in northern England are in favour of regional assemblies. In the North East, 64 per cent of businesses were in favour, while in the North West and Yorkshire the figures were 65 per cent and 49 per cent respectively. The Survey also showed that 72 per cent of businesses thought that public policy making was too centralised and 59 per cent thought regional government would mean greater democracy. However, 69 per cent also said it would bring more bureaucracy (Opinion Leader Research, 2002; see also *Financial Times*, 9th May 2002).

6 Regionalism at Westminster and Whitehall

For obvious reasons regionalism figured prominently at Westminster in the last quarter. We noted in our February 2002 report that regionalism was increasingly being discussed at Westminster. The rising profile of regional issues has continued, as is demonstrated in the table below. A theme of the debates in the last quarter has been growing Conservative attacks on the costs and bureaucracy of regional governance. This includes not only the alleged costs of proposed elected Assemblies, but also the costs of existing regional arrangements, including voluntary Assemblies, RDAs, and Government Offices (the latter of which the Conservatives themselves established in 1994).

The most important treatment of the English regions came with the publication of the White Paper on regional governance on 9th May 2002. Flanked by the Prime Minister and the Chancellor of the Exchequer, the **Deputy Prime Minister** (DPM), John Prescott introduced the White Paper to the House. The DPM outlined his longstanding commitment to English regionalism and situated the proposal for elected Assemblies in the context of the Government's wider reform of the constitution. He outlined the powers, functions and financial resources of the proposed Assemblies. He indicated they would be elected by proportional representation and include mechanisms for civic engagement. Regions wishing to move toward elected regional government would be required to move toward unitary local government. A scheme setting out a system of unitary local government would be presented to voters in the region in advance of a referendum. He stated:

We intend to introduce legislation to provide for referendums and local government reviews as soon as parliamentary time allows. We intend to allow a referendum to be held before the end of this Parliament. After a region has voted for an elected assembly, we intend to introduce further legislation enabling assemblies to be established. That would make it possible for the first regional assembly to be up and running early in the

next Parliament—under a Labour Government, of course (*House of Commons Debates*, 9 May 2002: Col278).

Replying for the Conservatives, **Theresa May** reaffirmed her party's opposition to regional government:

We are opposed to regional government because we believe that regional assemblies will take power away from local government, lead to the abolition of county councils, and take decision making further away from local communities. The Deputy Prime Minister claims that today's measures will bring decision making closer to the people of England, but far from devolving power, they will centralise it, taking it further away from local people. The Government are simply going in the wrong direction, pulling power up to remote bodies; we want to push power down to local people and to local communities. We want community government, not regional government (Column 279).

She focused many of her remarks on the future of county councils.

Counties count. They are historic areas, with which people identify clearly. I wonder how many people in the north-east realise that regional government will mark the end of Durham and Northumberland county councils. How many people in the south-west realise that it will mark the end of Devon, Cornwall, Dorset and Gloucestershire county councils? (Column 279).

In reply, the DPM stressed that region's would be given a choice about whether to have elected Assemblies. He claimed that the Conservatives always began by opposing devolution, only to eventually accept it.

The Chamber was well attended and lively, with strong representation from both northern Labour MPs and southern Conservatives. At times, it appeared that genuine ideological divisions were opening up between the government and opposition.

For the Liberal Democrats, **Alan Beith** stated his party's opposition to the proposed reform of local government and the use of precept to fund aspects the Assembly's activities:

I hope that the Deputy Prime Minister realises that, in regions such as the north-east, there will be a continuing demand for the levels of funding that Scotland has achieved through the Barnett formula. People in the regions affected will regard that as very much part of the process. The argument about establishing a version of the Barnett formula for the north-east or north-west will not go away simply because the regional assembly argument is moving forward (Col 282)

The debate followed very clear party lines. The Conservatives saw in the proposals a plot to destroy England:

Sir Patrick Cormack (South Staffordshire): As one who is proud of the historical identity of the county of my birth—Lincolnshire—and of the county of Staffordshire, an important part of which I have the privilege to represent, may I ask the right hon. Gentleman to ponder for a moment? He is bent on rewriting, redrawing and destroying the map of this country as people have come to know and love it, and on putting in jeopardy the very identity of England. He is driving people forward by putting in place regional structures that will almost oblige many to think that they must vote in that direction. He is an iconoclast and he ought to be ashamed of himself (Col. 284).

Other Conservatives claimed there was no sense of identification with existing regional boundaries in some parts of the country:

Mrs. Angela Browning (Tiverton and Honiton): [...] I attended the consultations on defining the south-west region, and I have to tell the Deputy Prime Minister from first-hand experience that the conclusion was that Swindon, the Scilly Isles, Bournemouth, Poole and the coalfields of Gloucestershire had nothing in common that would not apply to any other region of the country. I want to put this to the Deputy Prime Minister: if, in the course of the consultation, the south-west puts a proposal to him to break into two regions—or even three regions, as Cornwall wants to go its own way—would he consider that and give it his blessing if that was what the people wanted?

Other Conservatives claimed that regional government was about to be imposed on the country because of the demands of some northern regions.

Mr. Peter Viggers (Gosport): Does the Deputy Prime Minister recognise that devolution in Scotland and Wales created for the Government a problem in the north-east and the north-west, which now feel disadvantaged? However, that is absolutely no reason to impose regional government on areas of this country that have no desire for it whatever (Col 289).

By contrast, Labour MPs welcomed the proposals. In response to their questions, the DPM emphasised continually the leading role of the North East region in the campaign for Regional Assemblies. A number raised the prospect of greater powers being devolved to the regions.

Mrs. Louise Ellman (Liverpool, Riverside): I should like to ask my right hon. Friend whether he is satisfied that the powers now being offered, which undoubtedly open major opportunities, are sufficient to make a real difference, particularly in economic development and transport. Will he reassure us that the Government are ready to listen to the voice of elected regional assemblies? Is he ready to listen to the voice of the north-west, which will welcome this proposal,

in the same way as he welcomes comments from the north-east? (Col 286).

In the weeks following publication of the White Paper issues surrounding it were debated in various forums in the House. **Andrew George (St Ives)** used a debate in Westminster Hall to state the special claims of Cornwall (*Westminster Hall Debates*, 15th May 2002). This proved to be a prelude to a wider discussion about regional government, with regional boundaries being a theme of some contributions. **Andrew Turner (Isle of Wight)** doubted the official boundaries for the South East:

I am by no means convinced that the Isle of Wight is part of the south-east of England. I am not convinced that the south-east of England exists as a geographical entity, other than in terms of lines drawn on maps by various Government bodies at various times and adopted subsequently, not least by our European masters, to ensure convenience for some of their purposes. Were we to look at the regions in the south-east and along the south coast of England, it is extremely unlikely that we would unite Margate and Milton Keynes, yet that is what the Government propose in their White Paper. I find it astonishing that Bournemouth — which for centuries, until the intervention of Sir Edward Heath, was part of Hampshire — should be regarded as so detached from the New Forest, Southampton and the Isle of Wight as to form part of a different government region, and that it might in the future form part of a different sub-regional government (*Westminster Hall Debates*, Col 276WH).

Malcom Moss (North East Cambridgeshire) dismissed the White Paper as 'a sop to the Deputy Prime Minister and the north east' (*Westminster Hall Debates*, Col 280WH). Revisiting themes from the debate on the White Paper on 9th May, Mr Moss raised the costs of local government reorganisation, set up costs of a new Assembly and the weakness of regional identity in large parts of England as objections to the government's proposals. Mr Moss spoke strongly in defence of 'historic' counties.

The future of counties was raised in questions to the local government Minister on 21st May. Although the question was raised by a Conservative member to attack the government's proposals on regional governance as a threat to counties, some southern MPs used the occasion to make the case for unitary authority status for their areas.

Mr. Tony Clarke (Northampton, South): The hon. Member for Tatton (Mr. Osborne) champions the case for the status quo but many hon. Members would like the rights of unitary, one-stop local governments to be afforded as soon as possible to electors in England, as it is in Scotland and Wales. What does my right hon. Friend say to the electors of Northampton, who were promised and denied unitary government in 1996?

The then Secretary of State said that it was a mistake and that there would be a review

Regionalism at Westminster

Source	Date	Subject	Raised By
Commons	5 March	Regional Assemblies	David Lidington (Aylesbury)
Commons	5 March	Elected Regional Government	Anthony D. Wright (Great Yarmouth)
Westminster Hall	5 March	Political Participation (Young People)	Vernon Coaker (Gedling)
Written Answers	5 March	Regional Assemblies	Peter Luff (Mid Worcestershire)
Written Answers	5 March	Regional Planning	Bill Wiggin (Leominster)
Written Answers	5 March	Planning Green Paper	Anthony Steen (Totnes)
Written Answers	5 March	Regional Museums	Lynne Jones (Birmingham Selly Oak)
Written Answers	7 March	Mayoral Referendums	Bob Blizzard (Waveney)
Written Answers	7 March	South West Regional Assembly	Robert Key (Salisbury)
Written Answers	11 March	Regional Development Agencies	Chris Grayling (Epsom & Ewell)
Written Answers	11 March	Government Offices for the Regions	John Redwood (Wokingham)
Commons	12 March	London and the South East	Eric Pickles (Brentwood and Ongar)
Written Answers	12 March	South West Regional Assembly	Robert Key (Salisbury)
Written Answers	12 March	Regional Development Agencies	Oona King (Bethnal Green & Bow)
Written Answers	12 March	North West Arts Board	Tony Lloyd (Manchester Central)
Written Answers	12 March	Regional Development Agencies	Bernard Jenkin (North Essex)
Lords Written Answer	12 March	Regional Cultural Consortiums	Baroness Anelay of St Johns
Commons	19 March	House of Lords Reform	Fiona Mactaggart (Slough)
Westminster Hall	19 March	Parish and Town Councils	Mark Prisk (Hertford and Stortford)
Written Answers	19 March	Barnett Formula	Teddy Taylor (Rochford & South End East)
Written Answers	19 March	House of Lords Reform	David Taylor (North West Leicestershire)
Written Answers	19 March	Regional Assemblies	Ian Liddell-Grainger (Bridgwater)
Written Answers	19 March	Government Office for London	Paul Burstow (Sutton & Cheam)
Lords Written Answer	20 March	Devolution in the Regions: White Paper	Lord Greaves
Commons	25 March	Voter Participation	Kevin Brannan (Cardiff West)
Commons	25 March	Voting Arrangements	Simon Hughes (Southwark North and Bermondsey)
Lords Written Answer	25 March	North West Tourist Board	Lord Fearn
Lords Debate	26 March	House of Lords: Elected Member Options	Lord McNally

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Commons	10 April	Barnett Formula	Bill Wiggin (Leominster)
Written Answers	10 April	Regional Development Agencies	Adam Price (Carmarthen East & Dinefwr)
Written Answers	11 April	Government Agencies and Quangos	Andrew George (St Ives)
Written Answers	16 April	Funding of Regional Development Agencies	Claire Curtis-Thomas (Crosby)
Written Answers	22 April	South East Development Agency	Derek Wyatt (Sittingbourne & Sheppey)
Commons	23 April	Regional Government and Transport	David Clelland (Tyne Bridge)
Commons	24 April	Regional Co-ordination	Mike Gapes (Ilford, South)
Written Answers	24 April	Public Bodies (Regional Representation)	Syd Rapson (Portsmouth North)
Written Answers	25 April	Elected Mayors	James Wray (Glasgow Baillieston)
Lords Debate	30 April	The Future of Parish Councils	Baroness Knight of Collingtree
Written Answers	2 May	Regional Governance	Joyce Quin (Gateshead East & Washington West)
Written Answers	7 May	Planning Policy	Gareth Thomas (Harrow West)
Commons	9 May	Regional Government White Paper	John Prescott (Deputy Prime Minister)
Lords Debate	9 May	Regional Assemblies	Lord Falcolner of Thoroton
Written Answers	10 May	Directly-Elected Mayors	Don Foster (Bath)
Commons	13 May	House of Lords Reform	Robin Cook (Leader of the House of Commons)
Lords Debate	13 May	House of Lords Reform	The Lord Chancellor
Written Answers	14 May	Regional Assemblies	Peter Luff (Mid Worcestershire)
Westminster Hall	15 May	Regional Government	Andrew George (St. Ives)
Written Answers	15 May	East of England Development Agency	Peter Lilley (Hitchen & Harpenden)
Written Answers	15 May	Allocation Changes of Regional Development Agencies	David Borrow (South Ribble)
Written Answers	15 May	Regional Government	Graham Brady (Altrincham & Sale West)
Written Answers	16 May	Regional Development Agency Boards	David Borrow (South Ribble)
Written Answers	20 May	Planning (North West)	Louise Ellman (Liverpool, Riverside)
Commons	21 May	Future of County Councils	George Osborne (Tatton)
Written Answers	21 May	Regional Planning Authorities	Desmond Swayne (New Forest West)
Written Answers	21 May	Regional Assemblies	Andrew Rosindell (Romford)
Written Answers	21 May	Regional Government	Gordon Prentice (Pendle)
Lords Written Answer	21 May	Regional Assemblies	Lord Greaves
Commons	22 May	Operations of the Government Offices for the Regions	Vernon Coaker (Gedling)
Written Answers	22 May	Future Role of the	Ben Chapman (Wirral)

		Government Regional Offices	South)
Written Answers	22 May	Benefits of Regional Government	David Hamilton (Midlothian)
Written Answers	22 May	Regulation and Auditing of Regional Assemblies	Malcolm Moss (North East Cambridgeshire)
Lords Written Answer	22 May	Regional Government	Baroness Hanham
Written Answers	23 May	Regional Development Agency Boards	Theresa May (Maidenhead)
Written Answers	23 May	Regional Tourist Boards and Regional Assemblies	John Greenway (Ryedale)
Lords Written Answer	23 May	English Regions	Lord Alton of Liverpool
Written Answers	24 May	South West Regional Assembly	Robert Key (Salisbury)
Written Answers	24 May	Regional Government	Tim Loughton (East Worthing & Shoreham)
Written Answers	24 May	Regional Observatories	Theresa May (Maidenhead)
Written Answers	24 May	Government Agencies (South-East)	Tim :Loughton (East Worthing & Shoreham)
Lords Written Answers	27 May	One North East: Funding	Lord Dormand of Easington

7 EU issues

None to report

8 Local Government

8.1 Local Government Reaction to the White Paper

Given the potential implications of the White Paper on Governance for the future of local government, the reaction of local government was surprisingly muted. Where reaction did occur, it was complex and regionally variegated. The house magazine of local government, *Local Government Chronicle*, was hostile to the proposals, describing them as a 'soft toy' for Prescott, and ill prepared. Nevertheless, it concluded:

Elected assemblies could be the building blocks for a regional system which will break down the north/south divide, but they will have to be a lot more powerful than the proposals in the white paper. Regional assemblies need strong, distinct powers if they are to succeed — and they can only be devolved from central government ('Prescott thrown a soft toy to get his teeth into', *Local Government Chronicle*, 17th May 2002).

The publication of the White Paper has proved a challenge to the Local Government Association (LGA), with the emergence of a basic Labour/Conservative split, which has been difficult to disguise. The

Leader of the LGA Conservative Group, Gordon Keymer, reacted in ways similar to Conservative MPs in the parliamentary debate on the White Paper:

The myth of panacea that the likes of Prescott and Mandelson have peddled over regional assemblies must be expunged. Not one extra school will be built, social services will not improve and street cleanliness will not get better. Local services will suffer as regional assemblies suck power from those democratically elected institutions, the councils, that are best placed to serve the interests of local communities and people ('Reorganisation argument hots up', *Local Government Chronicle*, 17th May 2002).

Faced with these sentiments, the LGA leader Sir Jeremy Beecham, was forced to acknowledge the publication of the White Paper in less than fulsome terms.

The LGA is keen to ensure that regional assemblies have the backing of local people and that the process for establishing them does not divert councils from improving their services to local people ('Reorganisation argument hots up', *Local Government Chronicle*, 17th May 2002).

In the North East, where the consequences of the proposals are likely to be tested first, the initial reaction of local government was complex. In Northumberland, the leader of the county council, Michael Davey, speaking at the launch of the White Paper at the International Centre for Life in Newcastle, argued that 'the issue of local government is too important to lost in squabbles about local government' (source: authors' notes). Meanwhile, in Durham, the county council made an early pitch to be the unitary authority, claiming it already provides 85 percent of services in the county, although it acknowledged the possibility of some job losses. The chief executive of Durham county council, Kingsley Smith, said:

I can see this fantastic scenario with a regional assembly and very good, cost-effective delivery of services through one unitary authority in Durham. I would suggest 90 per cent of employees would automatically go into that authority ('Job losses forecast if assembly elected', *Local Government Chronicle*, 17th May 2002)

The district councils in Durham offered a different scenario, where district mergers could take place, possibly leading to a south and north Durham council, calling the County Council proposals 'simply impractical' ('Town halls fight for their future', *The Journal* [Newcastle] 20th May 2002). There is little love lost between county and districts in Durham and the current proposals for future governance arrangements were rehearsed at the time of the Banham review. As far as the White Paper is concerned, it appears that having fought behind the scenes to maintain the status quo in local government arrangements (and lost) the councils are now viewing the proposals in terms of the opportunities they

provide. The road ahead will prove a long one, however, with great potential for dissension.

It was noteworthy that in all the debate in the North East about local government reform, the ‘historic’ nature of counties was never mentioned, in contrast to the parliamentary debate on the White Paper. The reasons for this are complex, but may reflect that in Durham, for instance, the current county boundaries bear no relationship to any ‘historic’ ones (Gateshead, South Tyneside, Sunderland, Hartlepool and Stockton, were all lost from the county in 1974, while Darlington was lost in the last round of local government reform resulting from the Banham Commission, set up by the former Conservative government). Among other things, this ensured that 70 per cent of the population in the regions live in unitary local authority areas.

In the south, the political and institutional terrain is different. As Lord Hanningfield, Conservative leader of Essex County Council noted:

Only 12 per cent of people in this region [East of England] live within areas served by unitary councils. So if we were to move to regional and unitary government, it would be more expensive here than anywhere else (‘Reorganisation argument hots up’, *Local Government Chronicle*, 17th May 2002).

8.2 Mayoral contests

Seven mayoral contests on 2nd May provided the first concrete evidence that electors, when faced with a new concept — an executive mayor — are prepared to ditch traditional loyalties and opt for the rebel, the anti-politician or the plain idiosyncratic. With any future full-blown regional assembly elected by a form of proportional representation, the additional member system — with top-up members in addition to constituency representatives — as the mayoral results in the North East suggest, the conventional parties should prepare themselves for unexpected results. The mayoral referendum concept limps on, but is still less than a bandwagon. The latest referendum results are set below. A summary table of mayoral election results is also set out below. The full results from all the mayoral elections are set out in an Appendix.

Latest Mayoral Referendum Results

COUNCIL	DATE	RESULT	FOR	AGAINST	TURN OUT	TYPE
Bedford	21 February	Yes	11,316 (67.2%)	5,537 (32.8%)	15.5%	In Person
Hackney	2 May	Yes	24,697 (58.94%)	10,547 (41.06%)	31.85%	All Postal
Mansfield	2 May	Yes	8,973 (54%)	7,350 (44%)	21.04%	In Person
Newcastle-under-Lyme	2 May	No	12,912 (44%)	16,468 (56%)	31.5%	In Person
Oxford	2 May	No	14,692 (44%)	18,686 (56%)	33.8%	In Person

Stoke-on-Trent	2 May	Yes	28,601 (58%)	20,578 (42%)	27.8%	In Person
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Source: New Local Government Network (<http://www.nlgn.org.uk/yourmayor/>)

Mayoral Election Results - May 2002

COUNCIL	ELECTORATE	TURNOUT	ELECTED MAYOR
Doncaster	216,097	58,487 (27.07%)	Martin Winter (Labour)
Hartlepool	67,903	19,544 (28.78%)	Stuart Drummond (H'Angus the Monkey) (Independent)
Lewisham	179,835	44,518 (24.75%)	Steve Bullock (Labour)
Middlesbrough	101,570	41,994 (41.34%)	Ray Mallon (Independent)
Newham	157,505	40,147 (25.49%)	Sir Robin Wales (Labour)
North Tyneside	143,804	60,865 (42.32%)	Chris Morgan (Conservative)
Watford	61,359	22,170 (36.13%)	Dorothy Thornhill (Liberal Democrats)

Source: New Local Government Network (<http://www.nlgn.org.uk/yourmayor/>)

The mayoral elections produced a mixed bag of results across England. In the London Borough of Newham, Labour, fearful of a challenge from the Christian People's Alliance, in the end won comfortably with the sitting council leader, Sir Robin Wales, becoming mayor. (Labour went on to retain 59 out of 60 council seats in the Borough). Similarly in the London Borough of Lewisham, the Labour candidate — selected in controversial circumstances, as we have reported previously — also won. Steve Bullock, a former council leader and 17 year local councillor, also won comfortably. In Doncaster, where the local Labour Party was embroiled in a high profile corruption scandal, Labour, in the form of existing council leader, Martin Winter, also won. In Watford Borough Council, the Labour leader of the council, Vince Muspratt, previously confident of victory, was soundly beaten by the Liberal Democrat candidate, Dorothy Thornhill.

It was the Labour heartland region of the North East which produced a set of genuinely shocking results. On the mayoral front, ministers were so shocked by the results of two contests, in Hartlepool and North Tyneside, that it was reported that they are to stop using powers under which they can order councils to hold referendums. But voters will still be able to continue triggering referendums through petitions representing five per cent of the electorate ('Mayoral polls delayed amid fears over results, *The Independent*, 6th May 2002).

Significantly, in the local elections also held on 2nd May, Labour losses were far less than predicted — even in authorities where mayors were elected. An expected dent to the party's majority in Birmingham (a city

where Local Government and Regions Minister Nick Raynsford was considering forcing a referendum on a hostile council) never materialised.

Mr Raynsford has been under pressure to pull back from forcing referendums on hostile councils, since Labour won only three of the seven contests on 2nd May, although all were in Labour territory. The biggest shocks were in North Tyneside, political base of the Transport, Local Government and Regions Secretary, Stephen Byers, and in Hartlepool (where the local MP is Peter Mandelson). In Middlesbrough, where the former senior policeman Ray Mallon easily trumped Labour, there was little surprise. Widely expected to win, Mallon has since gone out of his way to stress his centre-left leanings and his admiration for Tony Blair. He has appointed a Labour councillor as his deputy and three other of the party's councillors to his executive, or 'cabinet', alongside a Conservative and an independent councillor.

In North Tyneside, Labour — still the largest party on the council — has opted to go into opposition, after the new Conservative mayor, Chris Morgan, narrowly beat Labour's candidate, Eddie Darke, agent to Stephen Byers. The new mayor told *The Guardian* (May 24) he was 'to some extent' surprised he had been vested with so much power, with no duty to consult the council (now reduced to a 'scrutiny' role) before taking key decisions. He thought Labour had 'shot itself in the foot' by drafting legislation 'so loosely and giving the mayor so much power.'

In Hartlepool, the election of H'angus the monkey — aka Stuart Drummond, a credit controller in a local call centre and part-time football mascot — caught almost everyone by surprise. Like his Middlesbrough neighbour, Ray Mallon, he has promised an inclusive administration and appointed leading councillors to his Cabinet. But he has made a virtue of being the anti-politician, with ties to no party.

Privately, some ministers are alarmed that mayoral contests — opposed by John Prescott when he was Transport and Regions Secretary, while his successor, Stephen Byers, has publicly said he has little enthusiasm — have undermined the party's base in its heartlands. While four more mayors will be elected in October - in Hackney, Bedford, Mansfield and Stoke - Mr Raynsford had threatened to force contests in Bradford, Birmingham and Thurrock. He could now pull back. Labour only triumphed in Doncaster and two London boroughs — Lewisham and Newham — on 2nd May. Giving a hint of the Government's new thinking, one minister told the *Financial Times* (May 24): 'I don't think you will see any more directives to hold referendums after we have decided what to do in the three outstanding cases, but there is lots of petitioning going on and we welcome that.'

9 Finance

No report

10 The political parties

In proposals published on 4th March 2002, Don Foster MP, Liberal Democrat spokesperson on the regions, outline his plans for the creation of a directly elected regional tier of government. In his paper, *Empowering the People*, he claimed that there will be financial gains by reducing the number of places on the boards of quangos 'as the chaos of regional bureaucracy is rationalised'. The document also calls for a review of the Barnett Formula and the establishment a new needs-based formula with a Financial Commission for the Nations and Regions. Once fully established regional assemblies could move towards fully-fledged regional parliaments with law making powers (Liberal Democrats, News Release, 'Liberal Democrats promise to 'empower the people' through strong regional government', 4th March, 2002).

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12 Appendix: Pattern of voting in Mayoral elections

Doncaster

Elected: Martin Winter (Labour)

Electorate: 216,097

Turnout: 58,487 (27.07%)

First count

Martin Winter (Lab) 21,494 (36.75%)

Andrew Burden (Cons) 9,000 (15.39%)

Ms Jessie Credland (Comm Gp) 8,469 (14.48%)

Michael Maye (Ind Maye) 7,502 (12.83%)

Graham Newman (LD) 5,150 (8.81%)

Terry Wilcox (Ind Wilcox) 4,036 (6.90%)

Shafiq Ahmad Khan (Ind Khan) 2,836 (4.85%)

Eliminated: Ms Jessie Credland, Michael Maye, Graham Newman, Terry Wilcox, Shafiq Ahmad Khan

Second Count

Distribution of Khan's, Maye's, Credland's, Newman's and Wilcox's votes

Martin Winter (Lab) 25,707

Andrew Burden (C) 12,707

Hartlepool

Elected: Stuart Drummond (Independent)

Electorate: 67,903

Turnout: 19,544 (28.78%)

First Count

Stuart Drummond (ND) 5,696 (29.14%)

Leo Gillen (Lab) 5,438 (27.82%)

Ian Cameron (Ind) 5,174 (26.47%)

Arthur Preece (LD) 1,675 (8.57%)

Stephen Close (C) 1,561 (7.99%)

Eliminated: Ian Cameron, Arthur Preece, Stephen Close

Second Count

Distribution of Preece's and Close's and Cameron's votes

Stuart Drummond (ND) 7,395

Leo Gillen (Lab) 6,792

Lewisham

Elected: Steve Bullock (Labour)

Electorate: 179,835

Turnout: 44,518 (24.75%)

First Count

Steve Bullock (Lab) 20,011 (44.95%)
Derek Stone (C) 8,004 (17.98%)
Alex Feakes (LD) 7,276 (16.34%)
Sinna Mani (Green) 5,517 (12.39%)
Ms Marie-Louise Irvine (Parents) 3,710 (8.33%)

Eliminated: Alex Feakes, Sinna Mani, Ms Marie-Louise Irvine

Second Count

Distribution of Feakes's, Mani's and Irvine's votes
Steve Bullock (Lab) 24,520
Derek Stone (C) 9,855

Middlesbrough

Elected: Ray Mallon (Independent)
Electorate: 101,570
Turnout: 41,994 (41.34%)

First Count

Ray Mallon (ND) 26,362 (62.78%)
Ms Sylvia Connolly (Lab) 9,653 (22.99%)
Joe Michna (LD) 3,820 (9.10%)
Ronald Darby (C) 1,510 (3.60%)
Jeffrey Fowler (Soc All) 352 (0.84%)
Rod Jones (Ind) 297 (0.71%)

Newham

Elected: Sir Robin Wales (Labour)
Electorate: 157,505
Turnout: 40,147 (25.49%)

First Count

Sir Robin Wales (Lab) 20,384 (50.77%)
Tawfique Choudhury (Ind) 5,907 (14.71%)
Graham Postles (C) 4,635 (11.55%)
Alan Craig (CPA) 3,649 (9.09%)
Michael Davidson (BNP) 2,881 (7.18%)
Ms Gabrielle Rolfe (Green) 2,691 (6.70%)

North Tyneside

Elected: Chris Morgan (Conservative)
Electorate: 143,804
Turnout: 60,865 (42.32%)

First Count

Chris Morgan (C) 21,829 (35.86%)
Eddie Darke (Lab) 19,601 (32.20%)
Michael Huscroft (LD) 12,323 (20.25%)

Allan Pond (Ind PF) 4,993 (8.20%)
Michael Elliott (Soc All) 2,119 (3.48%)

Eliminated: Michael Huscroft, Allan Pond, Michael Elliott

Second Count

Distribution of Huscroft's, Pond's and Elliott's votes
Chris Morgan (C) 26,083
Eddie Darke (Lab) 24,531

Watford

Elected: Ms Dorothy Thornhill (Liberal Democrats)
Electorate: 61,359
Turnout: 22,170 (36.13%)

First Count

Dorothy Thornhill (LD) 10,954 (49.41%)
Vince Muspratt (Lab) 4,899 (22.10%)
Garry Ling (C) 4,746 (21.41%)
Stephen Rackett (Green) 851 (3.84%)
Paul Woodward (Soc All) 390 (1.76%)
Anthony Cooke (FCP) 330 (1.49%)

Eliminated: Garry Ling, Stephen Rackett, Paul Woodward, Anthony Cooke

Second Count

Distribution of Ling's, Cooke's, Woodward's and Rackett's votes
Dorothy Thornhill (LD) 13,473
Vince Muspratt (Lab) 5,269