



The Constitution Unit



Nations and Regions: The Dynamics of Devolution

Quarterly Monitoring Programme

The English Regions

Quarterly Report
February 2004

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The monitoring programme is funded by the ESRC

Monitoring the English Regions

Report No. 15 (May 2004)

Research supported by the Economic and Social Research Council

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Key issues

With referendums in the three northern regions now just five months away, Deputy Prime Minister John Prescott continues to press the case for regional assemblies. The three northern regions hosted the 'Your Say' hearings, aimed at sounding out the public (along with invited attendees from the regions) on what powers and functions they would like to see held by assemblies. The Opposition has expressed concerns over the cost and reasons behind the hearings, Mr Prescott and his team, Nick Raynsford and Phil Hope, made clear that the hearings were to gather public opinion, not to become more yes/no debates. There is little doubt that Mr Prescott is planning more powers for elected assemblies, with a parliamentary order due in July, commenting at one hearing that there was a "very strong case" for regional passenger transport authorities, similar to Ken Livingstone's Transport for London body.

While the run-up to the local and European elections took some of the heat out of referendum campaigns, the pattern of political debate is taking on a different character in each region. In the North West there are now five Labour MPs signed up with the No campaign, while in the North East a widely constituted No campaign has yet to be launched, despite several promises that its appearance is imminent.

With the Boundary Committee for England preparing to report on its recommendations for local government reorganisation options at the end of May, there has been further clamouring by the county councils, arguing that single, county-wide unitaries would be the most cost-effective option. Others warn that scrapping district and borough councils will make local government too distant and remote. Local government is catching on to the implications of elected assemblies, with two reports emerging this quarter, the first from the County Councils Network of the Local Government Association, which suggests that local government must now set out its stall on shaping a local-regional relationship in preparation for the outcome of this autumn's referendum. The second comes from the Campaign for the English Regions and the Local Government Information Unit, which calls for the strengthening of powers and functions of elected assemblies whilst stressing that any new powers should be drawn from central and not local government.

The last quarter also witnessed the publication of certain Government reviews with a distinctly regional dimension. The Lyons report on public sector relocation was greeted with mixed reviews, with the regions generally pleased that Lyons recommends the decentralisation of 20,000 jobs away from London and the South East. Emphasis will be on job relocation, but it remains to be seen what level of seniority the relocated posts take. There are concerns that junior posts will do little to reinvigorate regional economies, as it is hoped. The Barker Review on housing supply also recommended that influential Regional Planning Executives should be established to oversee housing and planning in each region. With the Core Cities report also published in March, it seems that

regional policy is creeping up the agenda, although the real level of support for regional assemblies within Government still remains to be seen.

Following the publication of *Making it Happen – The Northern Way* (see our last report), the Office of the Deputy Prime Minister (ODPM) and the three northern regional development agencies (RDAs) have established a steering group, chaired by former Yorkshire and the Humber RDA Chair, Sir Graham Hall. The group also includes the three northern RDAs and regional assembly Chairs, alongside a university Vice Chancellor, two business leaders, Chair of the regeneration agency, English Partnerships, and Ed Balls, the Chancellor's Chief Economic Adviser. Richard McCarthy, Director General of sustainable communities in Prescott's department, is an observer. Having met twice already, the group has come up with 12 initiatives to strengthen the 'northern way' plans, in an interim statement, before delivering a final report to the Treasury and ODPM by July. It will feed into the Chancellor's next three-year spending review.

1. Introduction

With the Boundary Committee for England about to make its final recommendations on the structure of local government in the six counties of the North, John Prescott's plans for devolution referendums in three northern regions are almost in place. By the time we next report, the Deputy Prime Minister should have officially named the date for the referendums by laying a parliamentary order early in July. Unless there is either a last minute hitch or pressure for postponement from Downing Street, given the uncertainty in the wider political environment, polling by an all-postal ballot (10.8 million are eligible to vote, from an English electorate of 40 million) is likely to take place in early November. Inevitably, the case for and against regional government has been obscured in the run-up to local and European elections on 10th June. Emerging 'yes' and 'no' campaigns, both eligible for public funding through the Electoral Commission, have been generally low-key and high-profile activity is unlikely until after Mr Prescott lays the parliamentary referendum order, with full-blooded campaigns finally taking off later in the summer.

On one hand, the past three months have been characterised by shadow boxing between both sides in the debate, with the Conservatives railing against a package they label 'Prescott's folly' and few, if any ministers, so far expressing much interest in English devolution apart from John Prescott. But on the other hand, as we report later, there has been considerable movement on the wider regional front in the North with two meetings of a high-level steering group - membership includes Ed Balls, the Chancellor's chief economic adviser - charged with putting flesh on the skeleton of John Prescott's plan for a 'northern way' growth corridor to match four growth areas in the greater South East. The significance of this group should not be underestimated. Embracing the three northern regional development agencies (RDAs), it has been told to report before Gordon Brown's next three year spending review this July, in the hope of re-ordering priorities, if not additional money, to the North. Regardless of the outcome of the three referendums this autumn - and as things stand, a 'yes' in all three regions might be hard to achieve - the northern RDAs, some of which appear privately cool towards the prospect of elected assemblies, are emerging as a stronger lobbying force with the capacity, and increasingly the inclination, to challenge Whitehall where necessary.

The Deputy Prime Minister and his team, Local and Regional Government Minister Nick Raynsford, and his deputy, Phil Hope, have been extremely active in the northern regions over the past three months, holding a series of 'regional hearings' to officially hear the case for proposed assemblies gaining more powers before planned publication of a draft bill before the summer recess. These hearings, under the label 'Your Say', which have attracted little national publicity and only raised a few

ripples in the regional and the local press, are novel events which should be taken seriously because they break new ground for a government which usually only tests public opinion at carefully-choreographed events. As we noted in our last report, Prescott is one of the few senior ministers prepared to throw political caution to the wind and accept questions on a variety of subjects (for these events can stray from the strict regional agenda) from an 'unfiltered', open audience. In an interview outlining the hearings with one of the authors, after a session in Middlesbrough (22nd April), the Deputy Prime Minister repeated the mantra that English devolution represented unfinished constitutional business:

I go round trying to put the case so they can be informed when they vote. I think that's the obligation of politicians and I'm trying to do it night and day and get my case over. People are eager to learn about it. I don't make the decision. The people in the North do. I am sure the North (wants to control its own destiny) and build up a great northern voice to be quite an influence on central government decisions. If the Scots can do it, the Welsh can do it, don't tell me the North East people want to back out.

Significantly, on the evidence of the hearing we monitored (Middlesbrough), it is Prescott himself, rather than the audience, pushing the boundaries of English devolution as far as he can. He has floated the idea of proposed assemblies gaining additional powers over Learning and Skills Councils (LSCs), the quangos coordinating training and vocational education. Significantly, he has accepted the case that, ideally, transport should become a full-blown assembly function, rather than a new elected body merely having an advisory role in this area. In the interview, he acknowledged there was a "very strong case" for regional passenger transport authorities, similar to the Transport for London organisation which is under the wing of the London Mayor. As things stood, Prescott told his audience that assemblies would be "working to improve regional infrastructure with the Department of Transport, the Strategic Rail Authority and the Highways Agency". But he also said that an assembly would "be able to make grants for the railways", although he did not elaborate. To one questioner who railed against the cost of the exercise, the Deputy Prime Minister joked: "It is cheaper to have no democracy if you want - I will run the country for you".

Well away from London and a metropolitan media he clearly dislikes, Prescott can perhaps afford to wax lyrical about his ideal for regional government, with much stronger powers than those envisaged in the White Paper, 'Your Region, Your Choice', which represented the uneven gains he made in hours of negotiations with cabinet colleagues determined to hang onto key functions. At times, it seems as if the Deputy Prime Minister, always loyal to Tony Blair, never privately briefing against colleagues, rarely if ever speaking out of turn on great matters of the day, and an essential link between old and new Labour, has been given a licence to pursue a regional agenda which, at best, has only lukewarm support among a majority of the cabinet. Asked if he was

facing a battle in the cabinet to get stronger powers, Prescott implied that his task was being made easier because Learning and Skills Councils were moving towards a structure with regional directors anyway:

These hearings are showing where (people) want changes...if the bill comes to parliament there might be a very strong load of MPs who say 'hey, we think the balance should be different

He added, "When I pick up the feelings at the hearings...they do want more than what is there and I think that's understandable." He is disarmingly frank, drawing a distinction between his ideal world and the real political one in which he operates. While he might, say, favour the NHS being devolved to a regional level, he acknowledges there is no chance of that. But he is more forthcoming about policing structures. "David Blunkett (the Home Secretary) says some of these police forces are too small," Prescott adds in an interview at the end of the Middlesbrough hearing, and:

He wants to make them bigger. I understand that. Well they're fundamental changes, you know. We haven't proposed police but I'll tell you what - I'll be very surprised if these elected representatives don't...ask for more.

Events will soon be moving fast. All-postal ballots for European and local elections on 10th June in the three northern regions, plus the East Midlands, will provide a template for the regional referendums. Higher turnouts (in an all-postal local election in Newcastle upon Tyne last year, for instance, turnout rising from 31 to 50 per cent) will at least give devolution campaigners some degree of confidence that the referendums will not be defeated by apathy.

The Boundary Committee for England's recommendations on the structure of local government in the two-tier counties of Northumberland, Durham, North Yorkshire, Cumbria, Lancashire and Cheshire - it has to present at least two options so that electors can decide in a second referendum question which framework they want for a single, or unitary tier in these counties - may trigger a wider debate about local government structures around England. Privately, as we have previously noted, people close to the Committee acknowledge that their review has prompted an appetite for reform, regardless of the outcome of the referendums. Officially, a 'no' vote on the substantive 'do you want an elected regional assembly' question in a particular region will mean no local government reform in that region. But after an expensive exercise which has stretched the Committee's capacity and forced it to take on more staff, insiders question whether matters will be allowed to rest. But further moves are afoot. Leaked minutes from a cabinet committee (*Local Government Chronicle*, 7th May) indicate that there is, indeed, a mood for reform. Rightly or wrongly smaller district councils are regarded as having little relevance, capacity and financial clout to influence events. Local and Regional Government Minister Nick Raynsford announced earlier this year (*Local Government Chronicle (LGC)*, 16th January) that he was

aiming to get a consensus across Whitehall for a 10 year vision of local government. The idea of moving to fewer, higher-paid councillors working full-time is, according to the *LGC*, being mooted “as the price to secure the support of Whitehall departments hostile to councils.”

2. Regional Structures

2.1 Government Offices

Nothing to report.

2.2 Regional Development Agencies

2.2.1 A northern way

When John Prescott launched a document called *Making it happen - The Northern Way* three months ago, the front cover incorporated a bold map of the North, with wide growth corridors outlined along the M62 from Liverpool to Hull, and up the M1 and A1 from Sheffield to Newcastle upon Tyne. In the introduction, there was a bold statement from the Deputy Prime Minister that these corridors provided a “framework for growth that can match the growth corridors of the Thames Gateway and the wider south east”¹. People searched in vain for elaboration in the body of the report. There was none, because the document, which was to have been a one-year progress report on his sustainable communities plan, had been hastily revised at the eleventh hour to include the North. The job of putting flesh on the skeleton of *The Northern Way* was given to a steering group organised by Prescott’s Office of the Deputy Prime Minister (ODPM) and three northern regional development agencies (RDAs). Since our last report, a chairman has been appointed - Sir Graham Hall, one-time Chief Executive of Yorkshire Electricity, and former Chairman of the Yorkshire and Humber RDA, Yorkshire Forward. The group includes the three RDA and three regional assembly Chairs, alongside a university Vice Chancellor, two business leaders, the Chair of the regeneration agency, English Partnerships, and Ed Balls, the Chancellor’s Chief Economic Adviser, who has aspirations to be a West Yorkshire MP. Richard McCarthy, Director General of sustainable communities in Prescott’s department, is an observer. The group has been busy. It has met twice, in Newcastle and Manchester (a Leeds meeting will follow shortly) and has already produced an interim statement with 12 initiatives ranging from rail and transport improvements, particularly to serve the ports of Liverpool and Hull, to hidden unemployment (or ‘worklessness’), housing, and the need to market the greater North collectively, rather than as individual regions.

¹ See ODPM. (2004). *Making it Happen – The Northern Way*.

http://www.odpm.gov.uk/stellent/groups/odpm_communities/documents/page/odpm_comm_027362-01.hcsp#P22_438

While the idea is to frame a vision for 2025, the immediate requirement, after the initial statement, is to have a final report with the Treasury and Prescott's department by July so that it can feed into the Chancellor's next three-year spending review, hence the presence of Ed Balls. Privately, officials close to the steering group acknowledge that the task is to act as a counterweight to Prescott's sustainable communities plan after criticism that it concentrated largely on the South, with the North relegated to the sidelines as an afterthought. The criticism hit home, prompting a change of emphasis, if not a U-turn, from the Deputy Prime Minister, who has continued railing against a North-South divide over the past three months. This was evident in his introduction to the *Northern Way* document, when he said that the northern regions "continue to play catch-up with London and the wider south east...we must be more ambitious about tackling regional disparities."² That ambition seems to be infecting the steering group. Some of its research could well challenge assumptions about existing transport links, for instance. The group has discovered that 50 per cent of export traffic going through London and the South East originates north of the Humber. This, according to insiders, begs the simple question, why not utilise the underused Humber ports, and expand Liverpool, rather than add to North-South congestion?

Insiders say that the North economy, already being bolstered in some areas by the turnaround of the fortunes of cities such as Leeds and Manchester, as a result of the expansion in financial, legal and information services, could be further strengthened by simple interventionist measures. Interviewed by one of the authors, Sir Graham Hall highlighted the need to boost the performance of ports, like Hull and Liverpool, by regarding them not just as privately-run, free-market businesses, but as part of the overall transport chain, like road and rail, and, consequently, ripe for intervention. That could mean investing in new port facilities and forcing freight companies and shipping lines to divert traffic away from, for example, Southampton, Tilbury and Felixstowe, to northern ports. If that is emerging as an interim recommendation, expect more contentious proposals as the group continues its deliberations.

2.3 Regional Chambers/Assemblies

Nothing to report.

3 Regional Politics and Policies

3.1 Lyons Report: Civil service relocation to the regions?

In April 2003, Sir Michael Lyons, Director of the Institute of Local Government Studies at Birmingham University, was commissioned by the Chancellor and the Deputy Prime Minister to conduct an independent study into the capacity for relocation of some public sector activity away

² See above.

from London and the South East. The Independent Review of Public Sector Relocation report, *Well Placed to Deliver? – Shaping the Pattern of Government Service*, was published on 15th March 2004³. In the report, Sir Michael confirmed that Government departments had identified 20,000 jobs that could be moved out of London and the South East, with a further 7,000 jobs deemed no longer required under efficiency measures. This, Sir Michael proposed, would save £940 million with a potential £2 billion to be saved over the next 15 years. Sir Michael suggested that Whitehall departments should be radically slimmed down and back-up functions, such as call centres, should be moved away from the capital and South East. This, he said, would help to achieve an improved regional balance in terms of Government activity:

I believe that a new pattern of government service will contribute significantly to the government's policies for the reform of public services, improving regional growth, national competitiveness and devolution. Government needs to take firm action to recast the pattern of its business in a way that better meets the needs of the nation in the new century.⁴

One of the key findings from the report was based on pay flexibility, which, as Sir Michael stressed, is vital to securing savings from relocating civil servants outside of London, where pay rates are 27.5 per cent higher on average than the rest of the country. Regional pay flexibility could mean that savings on pay could increase from 27 per cent to over 35 per cent⁵.

Departments identified the following number of posts which could be relocated⁶:

Chancellor's Departments	3,100 ⁷
Department for Work and Pensions	4,200
Ministry of Defence	3,900
Home Office	2,300
Department for Constitutional Affairs	1,600
Department of Health	1,100

³ See: http://www.hm-treasury.gov.uk/consultations_and_legislation/lyons/consult_lyons_index.cfm

⁴ BBC News. '20,000 civil servants to relocate'. 15th March 2004. http://news.bbc.co.uk/1/hi/uk_politics/3512524.stm

⁵ Andrew Grice. 'Thousands of Civil Service posts to move out of London'. *The Independent*. 16th March 2004.

⁶ HM Treasury. '20,000 civil service jobs should move from London with more to follow'. Press release, 15th March 2004.

⁷ Since the review, the Chancellor has said he expects approximately 5000 posts from his departments to be relocated.

Department for Education and Skills	800
Other departments	2,700

Sir Michael made ten recommendations, including the following⁸:

- Plans for job dispersals should be taken forward urgently as part of the forthcoming Spending Review.
- Considerable costs of relocation will be initially incurred with payback over time – the Government must be prepared to make the necessary investment.
- Departments should implement relocation plans alongside efforts to align pay with local labour market conditions.
- There should be a strongly enforced presumption against London and the South East for new government activities and bodies.
- The civil service needs a more co-ordinated approach to effectively minimise costs and adverse impacts on staff involved in relocation and redundancy.

Sir Michael also suggests that the 20,000 posts identified are more of a ‘first tranche’ and although “Departments have made a promising start”⁹ they have not “exhausted the full scale of the opportunity for dispersing functions out of London and the South East.”¹⁰ Indeed, as stated in *Public Finance* (19th March) Sir Michael believed a further 40,000 posts could later be relocated¹¹.

Although the Lyons report suggests there is scope, in a second phase of relocation, for moving more high level jobs from the capital, he admits that the majority of posts in the initial 20,000 are relatively junior. In the wake of the publication of the Review, core regional cities have said that gaining some of the more high level posts is necessary if public sector relocation is to have a “significant effect on their economic development.”¹² In response to the Lyons Review, the Core Cities group¹³ suggested that:

⁸ See http://www.hm-treasury.gov.uk/media//EBA07/lyons_execsum.pdf for full list of recommendations.

⁹ See above.

¹⁰ See above.

¹¹ ‘Mandarins face jobs threat as posts relocate’. *Public Finance*. 19th March 2004.

¹² Richard Garlick. ‘Few ‘top Whitehall jobs’ to move’. *Regeneration and Renewal*. 19th March 2004.

¹³ The Core Cities Group was established in 1995 by the City Councils of eight major regional cities - Birmingham, Bristol, Leeds, Liverpool, Manchester, Newcastle Nottingham and Sheffield. They work together to set out a vision of the distinctive role that large cities must play in national and regional life. The cities later formalised their association to become “the English Core Cities Group”. See <http://www.corecities.com/coreDEV/coreindex.htm>

Relocation of higher level functions from London would make a significant contribution to (a) the regional economic performance PSA target, (b) the devolution and decentralisation agenda, and (c) the ODPM-led work to raise the performance and profile of the main regional cities.¹⁴

Sir Michael has claimed that he received over 100 bids from local and regional authorities and agencies for relocated jobs (that were not, incidentally, asked for). As *Regeneration and Renewal* (19th March) suggested however, who could blame them when such moves could potentially provide huge local economic boosts. Lyons quoted research showing that “for every 100 jobs moved to a particular new location, another 30-50 could be generated as a knock-on effect.”¹⁵ He stresses however that the job exportation will have to be managed very carefully, firstly, by ensuring that relocated posts are not spread too thinly, so that “public sector career hubs”¹⁶ can be created outside of London, and secondly by scrapping national pay standards, with relocated posts being aligned with local labour market conditions. Failure to achieve this will reduce the cost savings on pay that the Government would make and also risk displacement of local employment¹⁷.

Civil service unions were cautious about the report. Jonathan Baume, Leader of the First Division Association, which represents senior civil servants, stressed that any relocation would have to be carefully managed so as to avoid disruption to employees and their families¹⁸. General Secretary of Prospect (the specialist civil servant’s union), Paul Noon, said:

The Civil Service must be efficient and effective, not just cheap. Joined-up government will take a huge step backwards if staff and functions are dispersed regardless of the consequences.¹⁹

Mark Serwotka, General Secretary of the Public and Commercial Services Union, emphasised that employees should not be forced to relocate:

¹⁴ The Core Cities - Response to review consultation

<http://www.hm-treasury.gov.uk/media//928C1/CoreCitiesresponse.pdf> (for further responses see www.hm-treasury.gov.uk/lyonsreview)

¹⁵ Richard Garlick. ‘Regions ready for service’. *Regeneration and Renewal*. 19th March 2004.

¹⁶ See above.

¹⁷ See above.

¹⁸ BBC News. ‘20,000 civil servants to relocate’. 15th March 2004.
http://news.bbc.co.uk/1/hi/uk_politics/3512524.stm

¹⁹ Andrew Grice. ‘Thousands of Civil Service posts to move out of London’. *The Independent*. 16th March 2004.

We expect the Government to recognise that we are not talking about relocating thousands of faceless bureaucrats, but real people's lives, with families and roots in their local communities.²⁰

3.2 Regional Hearings

Throughout this quarter, the Office of the Deputy Prime Minister held nine 'regional hearings' across the North East, North West and Yorkshire and the Humber. The aim was to stimulate fresh public debate over the proposed powers and functions of elected regional assemblies.

North East

The first hearing in the North East was held on 4th March at Berwick Community High School where Nick Raynsford (Local and Regional Government Minister) attended to listen and respond to questions from around 100 people. Mr. Raynsford said:

This is a chance for the people of the North East to hear the facts and have their say. I want them to have a clear understanding of the issues involved so that they can make an informed decision during the referendum. The future of the region could swing on the referendum and it is only right that people have all the facts in front of them before they vote.²¹

Jonathan Blackie, Director of Government Office North East, chaired the debate and was joined on the platform by Neil Mundy from regional development agency One NorthEast.

Nick Raynsford outlined the powers currently proposed for an elected assembly, underlining that, although it would have its own transport strategy, this would be developed in a national context:

A regional assembly would set out its own strategy and it would argue for the dualling of the A1, which I know has been a major concern in this part of the world for a long time. The assembly will have consider (*sic*) power to influence what happens, but you cannot just have a policy for the north east...it has to tie in with the national one. There is provision for further dualling of the A1 and improvements will take place, irrespective of the elected regional assembly, but it would be a pretty powerful voice in ensuring that the job is finally done.²²

²⁰ See above.

²¹ Office of the Deputy Prime Minister web site.
http://www.odpm.gov.uk/stellent/groups/odpm_regions/documents/page/odpm_regions_027503.hcsp

²² 'Minister in the hot seat over local concerns'. *Berwick Advertiser*. 10th March 2004.

Concern was expressed over the local government reorganisation that will occur in the event of a 'yes' vote. Referring to the current two tier structure in Northumberland, Mr. Raynsford pointed out that there would no longer be a need for seven chief executives. In response, the *Berwick Advertiser* (10th March) suggested that:

the changes could represent a 'genuine opportunity' for parish councils to take on more responsibilities since there was a need for representation close to local communities.²³

The second North East hearing was held at Newcastle University on 25th March with Phil Hope MP (from the Office of the Deputy Prime Minister) in attendance. Mr. Hope was joined on the panel by John Litherland, Director of Delivery at regional development agency One North East and Malcolm Levi, Chief Executive of Home Group. The debate was again chaired by Jonathan Blackie, Regional Director of Government Office North East. The debate was well attended (around 200 people) and a wide range of questions were fielded by Mr. Hope.

In particular, the Minister was questioned about the role of an elected assembly with regards to the emergency services and, whilst announcing that the fire service would come under the control of an assembly, he stated that the police and ambulance services would not.

Audience members also suggested that an assembly should have the power to co-ordinate health issues and be able to deal with them in a strategic way. Mr. Hope responded that, at present, assemblies will have responsibility for promoting public health. A North East NHS Trust Chairwoman further suggested that NHS Trusts in the northern regions should be fully accountable to an elected regional assembly. Mr. Hope reiterated that at present this is not included in the powers of assemblies but that he would take it back to the Office of the Deputy Prime Minister (ODPM) as a suggestion.

A further concern of Newcastle's audience was how an elected assembly would address the current skills shortage in the North, with suggestions that local Learning and Skills Councils should be made regionally accountable, and also that skills funding should be made available to an elected assembly. Mr. Hope stressed that an elected assembly would appoint two members of the Learning and Skills Council board and again stated he would take the suggestion by audience members back to the ODPM.

The issue of a regional equality strategy for the North East was also raised, with suggestions that a future regional assembly could learn lessons from the Welsh model, which places a statutory responsibility for an equality strategy on the Welsh Assembly. Mr. Hope again promised to note this point for further discussion at the ODPM.

²³ See above.

Other points made included the idea of an English parliament, dismissed by Mr. Hope, the need for youth engagement with information on elected regional assemblies, with which Mr. Hope agreed, and the suggestion that the North East does not have sufficient calibre of candidates for an elected assembly, which Mr. Hope wholeheartedly rejected.

The final regional hearing in the North East took place in Middlesbrough on 22nd April, with Deputy Prime Minister John Prescott addressing the audience. Also on the panel at Middlesbrough's Macmillan College were regional development agency One North East's Chief Executive, Alan Clarke, and from Stockton Borough Council, Julie Allport, who spoke on the issue of housing. Mr. Prescott responded to fears that an elected assembly for the North East may become a 'Geordie Parliament', maintaining that:

That should not happen. If you agree to decentralisation, don't do it and centralise in the region. That would be a major mistake. You won't get support for it. It's no different to Manchester and Liverpool, Hull and Grimsby. These kind of rivalries are as strong in the regions as between the regions.²⁴

This is evidence that Teesside is concerned that an assembly could be dominated by Newcastle, a possibility that Mr. Prescott was clearly ready to dispel, claiming that to sideline Teesside would represent a major error. The Minister also made clear that an assembly would be democratic and accountable, taking powers away from existing regional quangos and Whitehall, and not local councils. He also stressed however, that assemblies would be able to take strategic, long-term decisions that local authorities cannot take on their own.

North West

In Blackburn on 4th March, John Prescott addressed an audience of more than 200 people to outline what an elected assembly for the North West would do and how it would affect the region. A prominent concern seemed to be how local government reorganisation would affect the region in the event of a 'yes' vote. The *Lancashire Evening Telegraph* (5th March) stated that, "Mr. Prescott said he had no choice but to ask residents how they would like local councils organised and could not prevent people voting against a regional assembly to halt change."²⁵ He was quoted as saying:

I risk that possibility, but at least people will know what that choice is. They have a difficult decision to make.²⁶

²⁴ Gareth Lightfoot. 'No support for 'Geordie rule'. *Evening Gazette*. 23rd April 2004.

²⁵ 'Prescott grapples with assembly facts'. *Lancashire Evening Telegraph*. 5th March 2004.

²⁶ See above.

In Lancashire, there has been great concern over the prospect of local government reorganisation, as suggested by the *Lancashire Evening Telegraph* (5th March):

Residents from the Ribble Valley, including members of the Back Off Blackburn campaign, said they are unhappy about the prospect of a merger and said after the meeting they were prepared to vote against a regional assembly.²⁷

The same report claims that Blackburn with Darwen Council Leader, Sir Bill Taylor, a supporter of an elected assembly for the North West, was booed as he said, "I believe it will extend democracy across the North West."²⁸

A further issue addressed by Prescott concerned the potential dominance of the urban centres of Manchester and Liverpool over a future elected assembly. He was quoted as arguing:

That is the status quo at the moment but in Liverpool people think Manchester dominates and vice versa. It is important we make policies that are good for the big and for the small, as well as for rural and urban. We shouldn't see them as a threat but we need to make sure areas around them grow with them.²⁹

On 5th April in Liverpool, Nick Raynsford addressed the North West's second hearing, where there were representatives from local business, local public sector organisations, trade union members, politicians and members of the public³⁰. According to Mr. Raynsford "The most important issues for people in Liverpool are jobs and quality of life."³¹ He claimed that:

Liverpool is coming back from a difficult period. A regional assembly will be able to contribute substantially to the Capital of Culture and build on it. Liverpool is already beginning the transformation. This is an historic opportunity to be seized.³²

Maintaining that it is vital that the northern regions have a strong voice, Mr. Raynsford also claimed that it would be disastrous if the other northern regions voted 'yes' in the referendum and the North West did not:

²⁷ See above.

²⁸ See above.

²⁹ See above.

³⁰ Alan Weston. 'Liverpool faces 'nightmare' if it ignores assembly issue'. *Daily Post*. 6th April 2004.

³¹ Mike Hornby. 'Cash and jobs is assembly pledge'. *Liverpool Echo*. 6th April 2004.

³² Alan Weston. 'Liverpool faces 'nightmare' if it ignores assembly issue'. *Daily Post*. 6th April 2004

If we are to close the gap, there has got to be a strong voice in the North West. The nightmare scenario would be if the North East, and Yorkshire and the Humber went ahead, and the North West didn't. That could be a serious disadvantage.³³

There were mixed views on an elected assembly. One audience member, a local businessman, was quoted as saying:

My fear is that this is just going to create more jobs for politicians and fewer jobs for people like me. What we want to see is action to help businesses get off the ground and survive in the long term, not promises.³⁴

Chairman of the Liverpool Culture Company, Sir Bob Scott, however, was quoted as being supportive of the idea:

I'm enthusiastic about the whole concept of devolving powers to the regions, so long as it doesn't mean more bureaucracy. I would like to see more power and fewer politicians.³⁵

On 15th April in Kendal, the third regional hearing in the North West attracted around 200 people and again involved John Prescott. He was joined on the panel of speakers by academic Michael Hulme, who chairs the West Lakes Renaissance regeneration company, and businessman John Dunning, the man behind Rheged and Westmorland Motorway Services and a director of the Northwest Development Agency³⁶. According to the *Cumberland News* (16th April 2004), Mr. Dunning claimed Cumbrians need not worry about an assembly perceived likely to be dominated by Manchester and Liverpool; "When I joined the board of a Northwest Development Agency five years ago, I had grave doubts that I would influence a board largely made up of members from the Mersey basin" he said. "I was completely mistaken. Cumbria receives more money per head than any other part of the region."³⁷

One county councillor raised the concern that Cumbria is likely to have just two representatives in what would be a 25-35 seat assembly and, according to the *Cumberland News* (16th April), Mr. Prescott

promised to "look at measures" to increase Cumbria's representation but would not be drawn on what they might be.³⁸

³³ See above.

³⁴ Mike Hornby. 'Cash and jobs is assembly pledge'. *Liverpool Echo*. 6th April 2004.

³⁵ Alan Weston. 'Liverpool faces 'nightmare' if it ignores assembly issue'. *Daily Post*. 6th April 2004

³⁶ Julian Whittle. 'Hecklers to take a swing at Prescott'. *News and Star*. 15th April 2004.

³⁷ Julian Whittle. 'Pro-hunt protestors hurl boiled egg at Prescott'. *Cumberland News*. 16th April 2004.

³⁸ See above.

Yorkshire and the Humber

The first of three regional hearings in Yorkshire and the Humber was held on the 18th March at Sheffield Hallam University. Nick Raynsford addressed around 120 people, and was joined by a local specialist on planning and housing³⁹. The *Yorkshire Post* (19th March) claimed that the audience was of balanced opinion, stating:

They did not cheer and call for encores but they did not throw fruit either. It was an audience that came prepared to make notes, clear its throats quietly and give Mr. Raynsford a chance.⁴⁰

Although both the ‘Yes4Yorkshire’ and ‘Yorkshire Says No’ campaign groups were represented at the debate, “there were also quite a lot of people who simply wanted to politely clarify a few points.”⁴¹ The transport issue was on the agenda, and whilst maintaining that the congestion charge was one specifically devolved to London Mayor, Ken Livingstone, Mr. Raynsford said “similar powers might be devolved to the Yorkshire Assembly and its leader.”⁴²

Concern was expressed over the potential local government reorganisation which would follow a ‘yes’ vote. As the *Yorkshire Post* (19th March) pondered:

A No vote would save North Yorkshire’s existing councils. But we might then have to watch other regions getting what we had turned down.⁴³

The second hearing for Yorkshire and the Humber was held in Hull on 1st April. Deputy Prime Minister John Prescott was due to address the audience in his own constituency but was replaced at the last minute by his deputy Nick Raynsford. The *Hull Daily Mail* (2nd April), no friend of the DPM, reported:

Instead of trading verbal blows with his opponents at the Quality Royal Hotel in Hull, he [John Prescott] was in Westminster, steering through legislation to pave the way for all-postal ballots in June’s council and European elections.⁴⁴

³⁹ ‘Minister rallies support to elect Yorkshire’s own Assembly’. *Sheffield Star*. 19th March 2004.

⁴⁰ Chris Benfield. ‘The regional roadshow comes to town – and 120 people turn up’. *Yorkshire Post*. 19th March 2004.

⁴¹ See above.

⁴² See above.

⁴³ See above.

⁴⁴ Angus Young. ‘The champion of regional government John Prescott pulls out of meeting but his substitute says ‘Assemblies: It’s up to you’. *Hull Daily Mail*. 2nd April 2004.

Although campaigners were no doubt looking forward to the prospect of challenging Mr. Prescott, Nick Raynsford, “a political welterweight in comparison to Mr. Prescott”⁴⁵ apparently “gave as good as he got.”⁴⁶

In the wake of March’s Lyons report on public sector relocation, Mr. Raynsford claimed that an elected assembly would be advantageous for the region if and when civil service posts are relocated away from London, stating:

It is almost inevitable that regions with an assembly will have a more effective edge when decisions such as public sector job relocations are made.⁴⁷

Mr. Raynsford was joined on the panel in Hull by Julie Kenny, a board member of regional development agency Yorkshire Forward and a businesswoman, pleased that a proper debate was now taking place:

The kind of debate we are having now is long overdue. We need to be encouraging everyone to find out more information and to participate before forming their own views.⁴⁸

Also on the panel was housing expert Lord Richard Best, a self-declared supporter of an assembly for Yorkshire and the Humber:

On balance, I think elected regional assemblies have got a lot going for them. Something that brings housing, planning and transport issues together makes a lot of sense, local councils can’t make some big decisions in isolation of the wider area.⁴⁹

An audience of around 260 people attended the hearing⁵⁰.

The final hearing for Yorkshire and the Humber was held on 22nd April in Halifax, with Nick Raynsford presenting to a 200 member audience. The Minister was joined on the panel by regional development agency Yorkshire Forward’s Chief Executive, Martin Havenhand, and Professor of Planning at Sheffield Hallam University, Ted Kitchen. According to the *Halifax Evening Courier* (23rd April) however, they failed to convince the sceptics⁵¹. Councillor Paul Rogan was concerned about the cost, saying “estimates inevitably go up not down”⁵². Peter Burton of the Mid Yorkshire Chamber of Commerce doubted that “an assembly with so much power could operate on the predicted budget of £30 million.”⁵³

⁴⁵ See above.

⁴⁶ See above.

⁴⁷ See above.

⁴⁸ See above.

⁴⁹ See above.

⁵⁰ See above.

⁵¹ Michael Peel. ‘Raynsford’s rough ride’. *Halifax Evening Courier*. 23rd April 2004.

⁵² See above.

⁵³ See above.

Nick Raynsford acknowledged that there was clear hostility to there being too many tiers of government but stressed that the assembly would take responsibilities from Whitehall, not local authorities.

3.3 Core Cities report

On 19th March, the Office of the Deputy Prime Minister (ODPM) published a report on England's eight Core Cities – Birmingham, Bristol, Leeds, Liverpool, Manchester, Newcastle, Nottingham and Sheffield – entitled *Making it happen: Urban renaissance and prosperity in our Core Cities – A Tale of Eight Cities*. The report has been published concurrently with Sir John Egan's⁵⁴ review of the skills needed to deliver sustainable communities, *The Egan review: Skills for sustainable communities*, in which he points to the importance of “visionary civic leadership and working across established professional boundaries.”⁵⁵ This, John Prescott says in his foreword to the Core Cities report, is being put into practice in all of the Core Cities⁵⁶. The Egan review suggested that strong regional government, which would deal with strategic issues such as transport and locating cultural venues to be accessible to as many people as possible, is essential to prevent past mistakes (regarding planning) being repeated⁵⁷. The issue of regional sustainability is echoed in the Core Cities report, with Mr Prescott stating:

Our core cities are the litmus test of our plans for regional prosperity and sustainable communities. If these cities are successful, then their surrounding towns and regions will also benefit. Equally, if they are failing, then so too, will their regions. This is the lesson from Europe, where successful core cities and successful regions go hand in hand.⁵⁸

The devolution issue is clearly on the Core Cities agenda, as Mr Prescott suggests:

⁵⁴ Sir John Egan is Chairman of Inchcape plc and President of the Confederation of British Industry. He is past president of the Institute of Management, and a trustee of the Cancer Research UK.

⁵⁵ Office of the Deputy Prime Minister. (2004). *Making it happen: Urban renaissance and prosperity in our Core Cities – A Tale of Eight Cities*. Crown Copyright. http://www.odpm.gov.uk/stellent/groups/odpm_urbanpolicy/documents/page/odpm_urb_pol_028315.pdf

⁵⁶ See above.

⁵⁷ Office of the Deputy Prime Minister. (2004). *The Egan review: Skills for sustainable communities*. Crown Copyright. http://www.odpm.gov.uk/stellent/groups/odpm_urbanpolicy/documents/page/odpm_urb_pol_028300.pdf

⁵⁸ Office of the Deputy Prime Minister. (2004). *Making it happen: Urban renaissance and prosperity in our Core Cities – A Tale of Eight Cities*. Crown Copyright. http://www.odpm.gov.uk/stellent/groups/odpm_urbanpolicy/documents/page/odpm_urb_pol_028315.pdf

Government's firm commitment to enhancing regional devolution and responsibilities, including the opportunity to create elected Regional Assemblies in the Northern regions, will enable our Core Cities to strengthen the role they play in their wider regional settings.⁵⁹

The report points to the successes of the Core Cities including improved economic performance, increased levels of employment, improved housing conditions and improved levels of education. It recognises however, that delivering sustainable communities and maintaining the growth and strength of the Core Cities is a long-term project and much still needs to be done to improve performance. As Mr. Prescott states, "although the signs of recovery are clear, few, if any, of our major cities are currently delivering all they could be."⁶⁰

Steps for progression of the sustainable communities project are identified, highlighting the continued partnership of the Government and regional development agencies (RDAs) and the Government's dedication to devolution and delegation of responsibilities. The report reasserts the importance of the role of regional centres, which could indicate that, with or without elected regional assemblies, there is a level of commitment to regionalisation in England.

3.4 'Yes and 'No' campaigns

In the North East, a potential tussle has emerged between a current 'no' campaign group and the Conservatives. Newcastle's *The Journal* (17th March) reported that Bernard Jenkin MP, new Conservative Regions spokesperson, had revealed plans to establish a business-led group to oppose the plans for regional government in the North East. The 'no' campaign has so far been run by 'metric martyr' Neil Herron, who "sought to run a "people's campaign" free of party political interference."⁶¹ It appears however, that Mr. Jenkin's plan may not be welcomed in some quarters, as the report also claimed that two large business organisations in the region, the North East Chamber of Commerce and the Confederation of British Industry, were not interested in joining such a group. Privately senior Conservatives in the region are hostile to working with Mr Herron. Questions are being raised about what divisions among No campaigners might mean for the Electoral Commission's task of designation of official Yes and No campaigns in the North East.

The 'yes' campaign, 'Yes4theNorthEast', visited Teesside in April, to explain the case for a North East Assembly in the south of the region. Campaign supporters were in Middlesbrough and Hartlepool on 21st April

⁵⁹ See above.

⁶⁰ See above.

⁶¹ Paul Linford. ' 'No' campaign split'. *The Journal*. 17th March 2004.

to hand out leaflets and discuss the issues with the public. The campaign group now add a number of recognisable names to their list of supporters, including television's agony aunt, Sunderland-born Denise Robertson and Seaham-born international opera singer Sir Thomas Allen⁶².

In the North West, there was another blow to 'yes' campaigners and Labour, as a new recruit joined the ranks of the 'no' campaign, 'North West Says No'. Gwyneth Dunwoody, Labour MP for Crewe and Nantwich officially joined the group in April, following fellow Labour MPs George Howarth (Knowsley North and Sefton East), Graham Stringer (Manchester Blackley), Geraldine Smith (Morcambe and Lunesdale), Frank Field (Birkenhead) and Ann Coffey (Stockport). Mrs. Dunwoody said:

The Yes Campaign is a campaign too soon and too premature. There is no public demand for these proposed changes and I am very unsure of the possible benefits.⁶³

Labour party leaders are at present playing down the rebellion but concerns have been raised that these emerging divisions are potentially damaging in a referendum likely to take place only six months before a general election.

The North West's 'yes' campaign, 'Yes4theNorthWest', called on Cumbrians to support the case for an elected regional assembly. Citing the recent redundancies at BAE Systems in Barrow, Chair of 'Yes4theNorthWest', Felicity Goodey, said that with an assembly a delegation would not have had to go down to London to ask for regeneration money, but would have approached their own regional assembly⁶⁴.

4 Media

See previous section.

5 Public attitudes and identity

Nothing to report.

6 Relations with Westminster and Whitehall

6.1 Barker Review of housing – regional implications?

On 17th March, Kate Barker, external member of the Bank of England's monetary policy committee and former Confederation of British Industry

⁶² See www.yes4thenortheast.com

⁶³ See www.northwestsaysno.org.uk

⁶⁴ See <http://www.yes4northwest.co.uk>

economist, published the Treasury-commissioned report, *Barker Review of Housing Supply - Delivering stability: securing our future housing needs*⁶⁵, which challenges Government to make big changes in housing supply policy. Recommending that investment in new homes should double to approximately £3 billion, the review pushes for the provision of between 70,000 and 120,000 new homes annually, on top of existing levels. Ms Barker stated that creating a more flexible housing market would require sustained action on behalf of the Government at national, regional and local level. The review suggested a number of areas would need to be reformed, including supply, building incentives, construction industry reform and planning, the latter of which has a strong regional dimension. Recommendations included⁶⁶:

- Each region should set its own target to improve market affordability, through the Regional Planning Body, consistent with the Government target but with scope for individual regions to differ (Recommendation 5).
- The Regional Planning Bodies and Regional Housing Boards (RPHBs) should be merged, creating single bodies responsible for managing regional housing markets, delivering regional affordability targets and advising on the distribution of resources for social housing (Recommendation 6).
- RPHBs would be supported by independent Regional Planning Executives for each region, responsible for advising on numbers and allocation of housing to achieve the region's market affordability target, advising on other aspects of the Regional Spatial Strategy, creating links with key stakeholders, monitoring the regional housing market and local authority performance on completions and responsiveness to the market (Recommendation 6).
- Government should set out guidance on the composition of RPHBs, including specification of organisations/agencies that should be represented.
- Government should allow some deviance of Regional Spatial Strategies from national planning policy guidance (PPG3) where there is clear evidence to support a different approach in that region.

Some observers suggest that the Government is unlikely to respond because of the popular right-to-buy policy. Others have criticised the proposals, claiming that they are unrealistic and naïve. On housing numbers, for example, the South East England Regional Assembly stated:

⁶⁵ See http://www.hm-treasury.gov.uk/consultations_and_legislation/barker/consult_barker_index.cfm

⁶⁶ See above for recommendations.

The notion that the South East should or could increase house building rates by up to 100% is wholly unrealistic, both economically and environmentally⁶⁷.

On policy and decision making arrangements, the South East England Regional Assembly also claimed:

It is naïve to imagine that issues of such vital concern to people can be handled as purely technical problems⁶⁸.

6.2 Tories query costs

This quarter, the Conservatives have focussed attention on the costs and necessity of the ‘regional hearings’ organised by the Office of the Deputy Prime Minister (ODPM). They have also queried costs associated with the ‘Your Say’ leaflets distributed to households across the three northern regions before this autumn’s referendum, and other costs associated with the preparations for the referendum. Shadow Secretary of State for The Regions, **Bernard Jenkin (Conservative, North Essex)**, put query after query to the ODPM, which covered topics including, amongst others:

- Future central government grants to elected assemblies (*Commons written answers*, 24th February 2004, Col 374W)
- Costs of all regional visits, publications and media broadcasts in connection with the information campaign (on elected regional assemblies) (*Commons written answers*, 1st March 2004, Col 754W)
- Which bodies funded by Government would reduce in size in a region where an elected assembly is established (*Commons written answers*, 8th March 2004, Col 1228W)
- How many members of an assembly would be elected via both the first-past-the-post and additional member system in the northern regions (*Commons written answers*, 10th March 2004, Col 1523W)
- Discussions between the Electoral Commission and the Deputy Prime Minister regarding voting methods (*Commons written answers*, 16th March 2004, Col 221W)
- Responsibility for the design of the ‘Your Say’ leaflets and costs incurred (*Commons written answers*, 22nd March 2004, Col 639W)
- At what cost, number of copies and to whom did the Deputy Prime Minister intends to distribute ‘Your Say’ leaflets (*Commons written answers*, 31st March 2004, Col 1506W)

Mr. Jenkin was supported on a number of occasions by fellow Conservative members, notably **Ann Winterton (Conservative,**

⁶⁷ Paul Bevan - Chief Executive, South East England Regional Assembly. ‘Initial response to Kate Barker, Review of Housing Supply’. News release. 17th March 2004.

⁶⁸ See above.

Congleton) and **Anne McIntosh (Conservative, Vale of York)**. The prospect of a referendum on the European constitution may now raise the level of interest in the conduct of the regional referendums which are the first test of the Political Parties, Elections and Referendums Act 2000.

6.3 **Parliamentary ‘ping-pong’ with postal voting pilot bill**

The Government had no easy task earlier this quarter when trying to push through the European Parliamentary and Local Elections (Pilots) Bill, setting out plans to pilot all-postal voting in two extra regions (the North West and Yorkshire and the Humber), for the European and local elections on 10th June. Some observers claim that the two extra regions have been added to test postal voting for the regional assembly referendum later this year. With turnout at the European elections in 1999 amounting to a low of 23 per cent, ministers hope that all-postal voting will boost turnout. The North East and East Midlands are already in line for the pilot, but with the addition of the North West and Yorkshire and the Humber, the number of councils that would be taking part would rise to over 50⁶⁹, which has provoked Tory and Liberal Democrat opposition. Dubbed an astonishing round of “parliamentary ping-pong”⁷⁰, the bill was rejected by the Lords and returned to the House of Commons a total of five times. The timetable was tight for the Government. With elections to be held on 10th June, it was imperative that town hall election officers knew what voting system would be used so that printing of ballot papers and hiring of premises could be arranged. With effectively less than two weeks leeway for town hall staff to finalise arrangements, the bill was finally allowed to go for Royal assent on 1st April.

The Lords returned the bill to the Commons respectively on 23rd February, 1st March and, for the third time, 16th March (see table below). On the latter date, peers voted 135 to 106, a majority of 29, backing a move to refer to the Electoral Commission the choice of a third European parliamentary constituency to be added, **either** the North West **or** Yorkshire and the Humber, to the pilot scheme. The independent Electoral Commission had not given support for the addition of two extra regions, with Chair, Sam Younger, writing to Christopher Leslie (Junior Constitutional Affairs Minister) that the Commission was “surprised to learn that the bill was to be amended to name four regions”, warning “The roll-out of all-postal elections needs to be underpinned by a more robust statutory framework.”⁷¹ The Government proceeded to offer a concession to the Lords, based on the latter’s apparent misgivings over security and declaration of identity, which would force voters to have such

⁶⁹ See Matthew Tempest and agencies. ‘Peers reject extension of postal voting’. *The Guardian*. 18th March 2004.

⁷⁰ See above.

⁷¹ See above.

declarations signed by a witness. Government rejected however, a proposal for electoral staff to issue receipts for the postal ballot forms.

On 25th March, the Government's proposal to include the North West in all-postal voting pilots was blocked by peers for the fourth time. Liberal Democrat peer, **Lord Rennard**, said:

We in this House, and everyone but the Labour Party, have sustained a view that the independent Electoral Commission's opinion on the scale and places for piloting should be pivotal in our considerations. This is not a technical issue on which there could be a variety of opinions worth debating. It is, I think, a very principled one—that no one party should choose different voting mechanisms for different places according to its own interest, based in this case on fears that the electorate will not turn out to support it. (*Lords debates*, 25th March 2004, Col 851).

Conservative peer **Baroness Hanham** suggested:

The Government should now give up their absurd determination to proceed to four regions. . . There is, and should be, no connection between the European pilots and the referendum in October. (*Lords debates*, 25th March, Col 858).

In response, Parliamentary Under-Secretary of State, Department for Constitutional Affairs, **Lord Filkin** urged peers to back the Commons proposals:

I believe that the House is absolutely right, even when it is against the Government, to mark the issues that concern it and to bring them to the attention of the Commons. But we have done that three times on this issue, and three times the Commons have said, "We disagree. This is our view". Therefore, that is why, without making more of it than one should, we should reflect on this issue at this stage over and above the merits of the issue. (*Lords debates*, 25th March 2004, Col 860).

On 30th March, peers voted by 136 to 130 to once again remove the North West from the pilots. This effectively left ministers with just one more chance to try and force the issue through before the Easter recess. Fortunately for the Government, they managed to carry their proposals after peers voted 138 to 108 in favour. **Caroline Spelman (Conservative, Meriden)**, Shadow Local and Devolved Government Secretary, was still not convinced following the Commons vote, claiming that:

It is clear that deputy prime minister John Prescott's insistence on trials in all four regions is more about preparing

voters for the referendums on his unnecessary regional assemblies in October than improving voter turnout in June.⁷²

6.4 Referendums (Thresholds) Bill

On 27th February **Gordon Prentice (Labour, Pendle)**, made a motion that his Referendums (Thresholds) Bill be read a second time, which proposed a 50 per cent threshold on turnout in a referendum. In other words, if less than half of the electorate turned out to vote, referendums would be declared null and void. Minister for Local and Regional Government, **Nick Raynsford (Labour, Greenwich and Woolwich)** has said that the result of the referendum will not be acted upon if turnout is 'derisory'. Referring to this, **Mr. Prentice** stated:

I do not know what the Government mean by derisory, and I suppose that it will mean whatever the Minister for Local and Regional Government wants it to mean. (*Commons debates*, 27th February 2004, Col 578).

Later, **Mr. Prentice** maintained that:

Clearly, if a referendum is decided by a close margin, it raises questions about the legitimacy of the result. (*Commons debates*, 27th February 2004, Col 580).

Further interventions came from **Andrew George (Liberal Democrat, St Ives)**, **Geraldine Smith (Labour, Morcambe and Lunesdale)**, before **John Randall (Conservative, Uxbridge)** stated:

The hon. Gentleman touches on voter apathy, and that is really what we are talking about. If we want a referendum to have a clear result, we must ensure that voters are interested enough to consider the given question and to vote for or against it. (*Commons debates*, 27th February 2004, Col 583).

Later stating:

The hon. Gentleman's Bill would provide politicians on both sides of an argument with an incentive to instil enthusiasm in people and achieve an increased turnout. At the moment, there is no such incentive. (*Commons debates*, 27th February 2004, Col 584).

Andrew George (Liberal Democrat, St Ives) further commented on the possibility of derisory turnouts in the three northern regions referendums, stating:

That would be insufficient and would raise serious questions about the way in which the Government proceed with the policy of devolution. I wish the hon. Member for Pendle well

⁷² Matthew Tempest and agencies. 'Sixth time lucky for postal poll vote'. *The Guardian*. 1st April 2004.

in raising an important issue, although I do not necessarily agree with the figure that he suggests. (*Commons debates*, 27th February 2004, Col 585).

However, turning to other matters, **Andrew Dismore (Labour, Hendon)** raised concerns with the Bill's approach to abstention, commenting that:

Our democratic process does not require people to vote if they do not want to. Under my hon. Friend's Bill, people's decision not to vote would effectively be counted as a vote, whether they liked it or not. That is an infringement of the democratic process. (*Commons debates*, 27th February 2004, Col 586-7).

Finally, **Christopher Leslie (Labour, Shipley)**, Parliamentary Under-Secretary of State for Constitutional Affairs, stated:

after a great deal of consideration, we have concluded that that Government cannot support the 50 per cent threshold for referendums that my hon. Friend the Member for Pendle (Mr. Prentice) proposes. (*Commons debates*, 27th February 2004, Col 588).

6.5 Parliament Table

Source	Date	Column number	Subject	Raised by
Lords Written Statements	12 th February 2004	WS54	Elected Regional Assemblies: Planning Applications	Lord Rooker
Lords Written Answers	12 th February 2004	WA183	Electoral Pilots: All-postal Ballots	Lord Greaves
Lords Debates	23 rd February 2004	13	European Parliamentary and Local Elections (Pilots) Bill	Baroness Hanham
Lords Written Answers	23 rd February 2004	WA10	Devolution and Regional Assemblies: Electors in England	Lord Patten
Written Answers	23 rd February 2004	17W	Civil Servants (Relocation)	Bob Russell (Colchester)
Written Answers	23 rd February 2004	32W	Regional Assemblies	Bernard Jenkin (North Essex)
Written Answers	23 rd February 2004	66W	Regional Development Agencies	Paul Goodman (Wycombe)
Written Answers	23 rd February 2004	68W	Regional Venture Capital Fund	Stephen O'Brien (Eddisbury)
Written Answers	24 th February 2004	374W	Regional Assemblies	Bernard Jenkin (North Essex)
Written Answers	25 th February 2004	454W	Postal Voting	Bernard Jenkin (North Essex)
Written Answers	25 th February 2004	459W	Regional Selective Assistance	Simon Hughes (North Southwark & Bermondsey)

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Commons Debates	27 th February 2004	578	Referendums (Thresholds) Bill	Gordon Prentice (Pendle)
Written Answers	27 th February 2004	615W	Regional Assemblies	Bernard Jenkin (North Essex)
Written Answers	27 th February 2004	616W	Regional Funding	Ann Winterton (Congleton)
Written Answers	1 st March 2004	744W	Elected Assemblies	Bernard Jenkin (North Essex)
Written Answers	1 st March 2004	754W	Regional Assemblies	Bernard Jenkin (North Essex)
Lords Debates	1 st March 2004	443	European Parliamentary and Local Elections (Pilots) Bill	Baroness Hanham
Written Answers	3 rd March 2004	1008W	Regional Assemblies	Bernard Jenkin (North Essex)
Written Ministerial Statements	4 th March 2004	86WS	Regional Fire and Rescue Control Rooms	Nick Raynsford (Greenwich and Woolwich)
Written Answers	4 th March 2004	1038W	Regional Museums	Jim Cunningham (Coventry South)
Written Answers	4 th March 2004	1045W	Civil Servants (Relocation)	John Grogan (Selby)
Written Answers	4 th March 2004	1106W	Regional Assemblies	Bernard Jenkin (North Essex)
Written Answers	4 th March 2004	1106W	Regional Development Agencies	Edward Davey (Kingston and Surbiton)
Commons Debates	8 th March 2004	1239	All-Postal Elections	Philip Hammond (Runnymede and Weybridge)
Written Answers	8 th March 2004	1228W	Regional Assemblies	Ann Winterton (Congleton)
Written Answers	8 th March 2004	1373W	Regional Government	Anne McIntosh (Vale of York)
Commons Debates	10 th March 2004	1508	Regional Government	Joyce Quin (Gateshead, East and Washington, West)
Written Answers	10 th March 2004	1506W	Regional Venture Capital Funds	Stephen O'Brien (Eddisbury)
Written Answers	10 th March 2004	1523W	Regional Assemblies	Bernard Jenkin (North Essex)
Written Answers	10 th March 2004	1524W	South East England Development Agency	Andrew Turner (Isle of Wight)
Written Answers	11 th March 2004	1711W	Regional Assemblies/ Government	Bernard Jenkin (North Essex)
Written Answers	11 th March 2004	1712W	Regional Spatial Strategies	Geoffrey Clifton-Brown (Cotswold)
Written Answers	12 th March 2004	1810W	Regional Government	Ann Winterton (Congleton)
Written Answers	15 th March 2004	61W	Regional Assemblies	Bernard Jenkin (North Essex)
Written Ministerial Statements	16 th March 2004	15WS	Referendum Guidance	Cabinet Office - Douglas Alexander (Paisley South)
Written Answers	16 th March 2004	221W	Regional Assemblies	Bernard Jenkin (North Essex)

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Written Answers	16 th March 2004	222W	Regional Government	Keith Bradley (Manchester, Withington)
Written Answers	16 th March 2004	222W	Regional Housing Boards	Mike Hancock (Portsmouth, South)
Written Answers	22 nd March 2004	520W	Regional Development Agencies	Stephen O'Brien (Eddisbury)
Lords Debates	16 th March 2004	138	European Parliamentary and Local Elections (Pilots) Bill	Lord Filkin
Lords Debates	18 th March 2004	336	European Parliamentary and Local Elections (Pilots) Bill	Lord Filkin
Written Answers	22 nd March 2004	639W	Regional Assemblies	Bernard Jenkin (North Essex)
Written Answers	23 rd March 2004	727W	EU Regional Policy	Ann Winterton (Congleton)
Commons Debates	24 th March 2004	954	European Parliamentary and Local Elections (Pilots) Bill	Christopher Leslie (Shipley)
Written Answers	24 th March 2004	909W	Regional Bodies	Neil Turner (Wigan)
Lords Debates	24 th March 2004	794	European Parliamentary and Local Elections (Pilots) Bill	-
Lords Written Answers	24 th March 2004	WA99	Regional Assemblies	Lord Dixon
Written Answers	25 th March 2004	1043W	Regional Policy	Ann Winterton (Congleton)
Written Answers	25 th March 2004	1043W	South East England Development Agency	Andrew Turner (Isle of Wight)
Lords Debates	25 th March 2004	846	European Parliamentary and Local Elections (Pilots) Bill	Lord Filkin
Written Answers	26 th March 2004	1115W	Regional Funding	Ann Winterton (Congleton)
Commons Debates	29 th March 2004	1292	European Parliamentary and Local Elections (Pilots) Bill	Christopher Leslie (Shipley)
Written Answers	29 th March 2004	1268W	Regional Assemblies	Ann Winterton (Congleton)
Lords Debates	29 th March 2004	1162	European Parliamentary and Local Elections (Pilots) Bill	-
Commons Debates	30 th March 2004	1540	European Parliamentary and Local Elections (Pilots) Bill	Christopher Leslie (Shipley)
Written Answers	31 st March 2004	1411W	Lyons Report	Mark Hoban (Fareham)
Written Answers	31 st March 2004	1458W	Regional Assemblies	Ann Winterton (Congleton)
Written Answers	31 st March 2004	1506W	Regional Assemblies	Bernard Jenkin (North

				Essex)
Lords Debates	1 st April 2004	1439	European Parliamentary and Local Elections (Pilots) Bill	Lord Filkin
Commons Debates	19 th April 2004	14	Postal Voting	Bob Russell (Colchester)
Commons Debates	19 th April 2004	16	Postal Voting	Crispin Blunt (Reigate)
Written Answers	19 th April 2004	72W	Regional Development Agencies	Stephen O'Brien (Eddisbury)
Written Answers	19 th April 2004	365W	Regional Assemblies	Geraldine Smith (Morecambe & Lunesdale)
Written Answers	19 th April 2004	366W	Regional Devolution	Andrew Rosindell (Romford)
Commons Debates	21 st April 2004	277	Regional Government	Claire Curtis-Thomas (Crosby)
Written Answers	21 st April 2004	492W	Regional Assemblies	John Grogan (Selby)
Written Answers	22 nd April 2004	650W	Regional Assemblies	Ann Winterton (Congleton)
Written Answers	23 rd April 2004	694W	Regional Assemblies	David Curry (Skipton and Ripon)
Written Answers	23 rd April 2004	696W	Regional Referendums	Bernard Jenkin (North Essex)
Commons debates	27 th April 2004	746	Civil service (Relocation)	Hugh Bayley (York)
Commons debates	27 th April 2004	861	Bury Metropolitan Borough and Rossendale District Councils	David Chaytor (Bury, North)
Written Answers	4 th May 2004	1414W	Regional Development Agencies (Manchester, Gorton)	Gerlad Kaufman (Manchester, Gorton)
Written Answers	5 th May 2004	1603W	Regional Assemblies	Bernard Jenkin (North Essex)
Written Answers	5 th May 2004	1604W	Regional Government	Geoffrey Clifton-Brown (Costwold)
Written Answers	6 th May 2004	1690W	Regional Assemblies	Bernard Jenkin (North Essex)

Source: Hansard.

7 EU issues

Nothing to report.

8 Local government

8.1 Local backlash?

Local government continues to be divided on the merits of elected assemblies. Some argue that devolution will bring accountability to quangos and government offices (GOs) in the regions, while others caution that the prospect of larger councils, combined with a cull of

councillors as one tier is removed in the counties, will make local government too distant and remote.

In a report (April 2004), *Towards elected assemblies in the English regions*, the County Councils network in the Local Government Association (LGA) complains that “surprisingly little attention has been paid to the implications that...elected regional assemblies may have for local government.”⁷³ The authors acknowledge that the current (non-elected) regional governance structures have serious defects with little policy-making capacity. However, while elected assemblies will inherit this problem, they equally acknowledge that they will have a clear democratic mandate and may be able to use this to strengthen their influence with both local and national government. The report sets out a set of recommendations to Government based on the ‘tradable resources’ at the disposal of local authorities which would hope to cement the local-regional relationship, namely:

delivery experience generally, and more specifically across most of the policy fields for which ERAs [elected regional assemblies] would be responsible; a capacity for innovation and adaptation drawn from two decades and more of change in the operation of local government; and a capacity to represent local community concerns and draw communities into regional agendas⁷⁴

Nevertheless, the opportunities for local government to influence assembly decision making are unspecified and lack guarantees, with the result, it is claimed, that local councils could find themselves more marginal to decision-making than at present. But the report acknowledges that in Scotland and Wales, new devolved administrations have been more accessible to local government than Whitehall:

experience from elsewhere in the UK suggests a more positive scenario. New devolved governments in Scotland, Wales and Northern Ireland have been more accessible to local government and local authorities have had more impact on policy-shaping than in working with Whitehall⁷⁵.

It suggests that now, local government can and must take the opportunity to extrapolate from experience elsewhere in the UK, “most pertinently, London”⁷⁶, to set out its stall on shaping a local-regional relationship in preparation for the outcome of this autumn’s referendum.

⁷³ Local Government Association and County Councils Network. (2004). *Towards elected assemblies in the English regions*. Local Government Association, London. <http://www.lga.gov.uk/Documents/Publication/towards%20elected%20assemblies2.pdf>

⁷⁴ See above.

⁷⁵ See above.

⁷⁶ See above.

In an editorial the *Local Government Chronicle* (8th April) notes LGA fears, reinforced by the experience of the 32 London boroughs with mayor Ken Livingstone and the Greater London Authority, that regional government will mean “the transfer of power upwards from councils rather than downwards from the centre.” But the newspaper comes out broadly in favour of political devolution in England. “There are reasons for local government to become a standard bearer for democratic regional government...(which) is already with us outside London - but in the undemocratic form of the government offices for the regions and a series of quangoes.”

The veteran academics George Jones and John Stewart, and Emeritus Professors of Government at the London School of Economics and Birmingham University respectively, also argued in the *Local Government Chronicle* (23rd April) that regional government will make local government more remote, with a reduction of councillors in a country which already has fewer elected representatives per head of population than other European countries. Jones and Stewart are not convinced that a ‘no’ vote in any region will signal the end of local government reform, as the government has promised:

Even if all the regions vote against elected assemblies, the issue of local government structure may not go away...having raised the issue the government may be tempted to pursue whatever unitary proposals were recommended (by the Boundary Committee of England), pushing councils into the turmoil of unwanted reorganisation.

8.2 Taking the ‘local’ out of government?

The regional press has largely echoed national stories this quarter, including coverage of the ‘ping-pong’ battle over postal voting between the Commons and Lords (see *York Evening Press*, 2nd April⁷⁷), Conservative claims that unnecessary amounts of taxpayers money is being spent on the ‘Your Say’ information campaign (see *Northern Echo*, 22nd April⁷⁸) and the recommendations from the Lyons review, with city-based press putting forward their respective cases for civil service relocation (see for example, *Liverpool Echo*, 17th March 2004⁷⁹). Press in county council areas continue to report on the imminent local government reorganisation, although coverage has not reached the same levels that have been noted in our previous reports. County councils, on the whole, are still maintaining that having a unitary authority for the whole county is the most cost-effective option, North Yorkshire County Council Leader, John Weighell said of this option:

⁷⁷ James Slack. ‘Playing ping-pong with post votes’. *York Evening Press*. 2nd April 2004.

⁷⁸ Robert Merrick. ‘Millions ‘to be wasted’ on leaflets’. *Northern Echo*. 22nd April 2004.

⁷⁹ Petra Mann. ‘City fights old rivals over jobs’. *Liverpool Echo*. 17th March 2004.

As well as being the lowest cost option and giving the county the most clout on the regional and national stage, it would also reinforce the precious identity and heritage of North Yorkshire.⁸⁰

In East Lancashire, there have been calls to vote ‘no’ in this autumn’s referendum. Ribble Valley Borough Council Leader Chris Holtom was to use his leader’s address to urge people to vote ‘no’, with the concern that Ribble Valley BC could be carved up or subsumed into a county-wide unitary (*Lancashire Evening Telegraph*, 1st April⁸¹).

In the North East, Durham County Council maintains its backing of the county-wide option, suggesting it will be the most efficient option. Councillor Michael Davey, Leader of Northumberland County Council, also continues to back a single unitary for the county, arguing that it would be “the most cost effective, least disruptive option, would retain the Northumberland identity and be a powerful voice for the region.”⁸²

8.3 ‘Regions that work’

In March, a joint study by the Campaign for the English Regions (CFER), and independent think tank the Local Government Information Unit (LGIU), was published entitled *Regions that Work*, citing itself as ‘A contribution to the debate on the powers of English regional government’⁸³. The document calls on the Government to devolve greater powers to the proposed elected assemblies without removing local government of its functions. The report suggests that the Government has substantially more work to do to persuade voters of the benefits of elected assemblies. The more powers, the more convincing the argument for assemblies, is the message carried in the report. The authors also advise that the powers currently proposed, and any additional powers granted, should be devolved down from the centre, not drawn up from local authorities. Jo Dungey, LGIU Policy Officer, stated that:

Regional assemblies could play a vital and dynamic role in tackling longstanding regional inequalities, contribute to a more effective regional policy and promote joined up government and the wellbeing of their communities. However, regional government will only work if it brings power down from Whitehall, and from unelected quangos, in order to make a material difference to local communities on issues such as housing, transport and jobs.⁸⁴

⁸⁰ Richard Edwards. ‘Fight to survive’. *York Evening Press*. 21st February 2004.

⁸¹ ‘Council’s leader urges ‘No’ vote’. *Lancashire Evening Telegraph*. 1st April 2004.

⁸² ‘ ‘Mistake’ to link assembly and local authority issues’. *The Berwick Advertiser*. 1st April.

⁸³ Local Government Information Unit and Campaign for the English Regions. (2004). *Regions that work*. Local Information Unit Ltd.

⁸⁴ Local Government Information Unit. ‘Power to the regions’. 23rd March 2004.

Specific suggestions of additional powers include:

- A duty to promote public health, sustainability and equal opportunities
- Direct tax-raising powers
- The power to issue bonds to raise capital
- A role in the distribution of lottery funds
- Ability to deal with planning and spatial strategies
- Transport – roads and public transport (including rail)
- Economic development, job creation and business support
- Determining and implementing the regional skills strategy (including funding of adult learning)
- Rural issues, including agricultural support programmes, land management, forestry⁸⁵

9 Finance

As mentioned previously in this report (see section 6.2), there have been queries over the costs of the preparations for the referendum on regional assemblies. With regards to the ‘regional hearings’ held in the three northern regions, Nick Raynsford (Minister for Local and Regional Government), stated that, although further meetings are to be scheduled and not yet finalised, the following costs had been incurred so far⁸⁶:

Blackburn (4 th March)	£5,400
Berwick (4 th March)	£6,600
Sheffield (18 th March)	£10,300
Newcastle (25 th March)	£9,700
Hull (1 st April)	£6,900
Liverpool (5 th April)	£12, 400
Kendal (15 th April)	£5, 100
Middlesbrough (22 nd April)	£11, 400 (estimated)
Halifax (22 nd April)	£7, 700 (estimated)

⁸⁵ Local Government Information Unit and Campaign for the English Regions. (2004). *Regions that work*. Local Information Unit Ltd.

⁸⁶ *Commons written answers*, 23rd April 2004, Col 696W.

10 The political parties

As reported throughout, the Conservatives appear to be directing their opposition to the issue of costs being incurred in the publicity campaign on elected regional assemblies.

As also mentioned earlier (see section 3.4), the Conservatives appeared to have plans to establish a business-led 'no' campaign group in the North East, but there has been little or no reported interest in this as yet.