

Monitoring the English Regions

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1 Introduction¹

This report is the first resulting from a study sponsored by the Economic and Social Research Council that began on 1st November 2000. The study will monitor the evolution of English regionalism in its various aspects over the next four and half years. The study is intended to provide a survey and record of political and institutional developments in the English regions, including the relationship of the regions to Westminster and Whitehall. We hope that the reports will complement similar ones being produced in Scotland, Wales and Northern Ireland (see <http://www.ucl.ac.uk/constitution-unit/leverh/index.htm>).

This first report surveys events since June 2000, but is mainly concerned with highlighting issues that will be the subject of more thoroughgoing research in the coming period. For an outline of development before that period see Tomaney (2000). Subsequent reports will appear quarterly and will follow a common template, but will also include more detailed analyses of individual regions. The current report presents a brief outline of recent political and institutional developments in the English regions. This is based primarily on a review of official publications, but is also based on preliminary interviews with a number of Regional Development Agency chairs. Interviews with key actors in the regions will form a major part of the forthcoming reports.

As well as surveying and recording recent events, the current report attempts an initial evaluation of recent trends and attempts to set them in the context of past and future political developments, as a prelude to further research in the coming period. This analysis points to the tensions and contradictions in New Labour's approach to regions — an approach that appears to combine administrative devolution and centralisation at one and the same time. Our analysis also suggests the contradictions, which are emerging in the process, and the way in which they are likely to be the begetters of further change.

For John Prescott, the creation of eight Regional Development Agencies (RDAs) twenty months' ago was meant to herald a brave new world of English devolution. The Deputy Prime Minister saw the agencies as the first building block in a grander design for elected regional government — what he has called Labour's next constitutional leap forward for a second term — subject to approval in a series of referendums. At times, he has appeared a lone voice in the cabinet.

In spite of the Chancellor, Gordon Brown, promising the RDAs more money and greater fiscal freedom in November's pre-budget statement, it is clear that the rhetoric of pro-devolution ministers like Prescott, to date,

¹ In preparing this report we are grateful to Lynne Humphrey for her assistance in bringing together much of the background research upon which it is based and helping us to meet a tight deadline. We are also grateful to the CURDS Research Development Fund for additional financial support, which assisted the production of this report.

has failed to match the reality of Whitehall's complex structures and, perhaps, an instinctive hostility towards moving power to the provinces. Most other ministers remain less enthusiastic about Prescott's regional agenda; in a bitter turf war, the Departments of Trade and Industry (DTI) and Education and Employment (DfEE) successfully fought to retain regional selective assistance and training in their respective departments. Even the Chancellor wants to keep some grip on RDA spending in spite of a commitment to give the agencies 'significantly increased freedom' in allocating a budget which will rise from £1.2 billions this year to £1.7 billions in 2003-4.

The RDAs, in short — shadows of the wider-ranging agencies Prescott had in mind — were born amid acrimony and uncertainty. Senior staff in the agencies and in the Government Offices in the Regions (GORs), established by the last Government in an attempt to join-up a multiplicity of regional programmes, are clearly confused about lines of responsibility; divisions between GORs and RDAs are a mystery to many, although in most regions the two have signed concordats in an attempt to define their respective operational areas. Our initial research reveals that frustration, and occasional disillusionment, among RDA chairmen and chief executives, has yet to be dispelled by Brown's promise of extra resources, first outlined in his three-year spending review last July and reinforced in the pre-budget statement.

2 Regional Structures

Government policy toward the English regions has been centrally concerned with the establishment of Regional Development Agencies (RDAs). Other important recent proposals have been to alter the activities of Government Offices (GOs) in the English regions. A further development on the institutional front has been the formation and expansion of voluntary 'regional chambers'. An account of the background to these developments can be found in Tomaney (2000). Below we outline some of the more recent events in relation to the evolution of these structures in the past few months.

2.1 Government offices

Government Offices are the representatives of central government in the regions. Basic information about GOs and links to individual offices can be found at <http://www.local-regions.detr.gov.uk/go/goindex.htm>.

The Cabinet Office's Performance and Innovation Unit (PIU) undertook a major review of the operation of Government Offices, which was published in early 2000. This was set in the broader context of reviewing the role of central government at the local and regional level (see PIU, 2000 and, for an analysis Tomaney 2000). The implications of the PIU's analysis for GOs are only just being sketched in individual GOs. The

major developments to date have occurred at the centre with the establishment of the Regional Co-ordination Unit (see section 6.1 below).

One issue that has become clearer concerns the funding of GOs. Three Parent Departments currently fund GOs. This arrangement will be replaced at the beginning of the financial year in April 2001, when a new unified financial regime will be introduced. The three departments will commit funds for the next three years to support the new system. A key issue for future research will be to assess what degree of flexibility the new regime will afford to GOs.

Other important developments in the coming period will be the allocation of new departmental representations to GOs. Among the functions transferred into GOs will be representatives from the Ministry of Agriculture, Fisheries and Food (MAFF). MAFF has announced a wide-ranging review of its regional activities. In a written statement to the House of Commons, the Agriculture Secretary, Nick Brown stated:

"I have decided to make a number of important changes to the way MAFF operates in the regions, in order to improve the services we offer to farmers and to strengthen the contribution we make to the wider rural economy. We will participate fully in the Government Offices for the Regions, strengthening MAFF's regional policy capability. We will set up new organisational structures to enhance the delivery of rural development policies. And we will invest up to £130million over the next spending period to modernise the way we administer CAP schemes, taking full advantage of the benefits of electronic service delivery.

A major part of the reform involves the creation of a CAP Payments Agency (CAPP). But Mr Brown also announced changes, with implications for GOs:

I have also been reviewing other aspects of MAFF's organisation in the regions in the light of the Modernising Government initiative and the recent PIU reports "Rural Economies" and "Reaching Out". It is now right to establish greater integration of MAFF's strategic and policy activities in the regions with Government Offices. I am therefore preparing to provide a senior member of MAFF staff, with appropriate support, to join each Government Office. This will help to strengthen the rural capability of the Government Offices and improve their links with my department. And it will foster closer relationships with regional stakeholders, including the agriculture, fisheries and food industries, and their representatives, regional institutions such as the Regional Development Agencies, and representatives of rural and environmental interests.

Parallel to the integration with Government Offices, I have decided to restructure the work currently carried out in the

Farming and Rural Conservation Agency (FRCA) and the non-CAP payment functions of the Regional Service Centres. We will create a single, nationally managed but largely regionally based service to carry out this work. The service will be set up so that it relates effectively to Government Offices. Its staff will be located throughout England and will continue to provide a local service on the England Rural Development Programme (ERDP) schemes.

We will build on the considerable skills of staff in FRCA and the Regional Service Centres to create the new service as a centre of excellence for the delivery of rural development policies and programmes, particularly one of MAFF's flagship policies - the ERDP. It will provide continuing employment opportunities for some staff at the RSCs which are not in CAPPA locations (Bristol, Cambridge, Crewe, Nottingham and Worcester) as well as for FRCA staff (MAFF News Release, 247/00, 24th July 2000).

Additional new functions will include a public health role from 2002. An important question will be the degree to which the changes contribute to 'joined-up government'.

2.2 Regional Development Agencies

Regional Development Agencies (RDAs) were established by the Regional Development Agencies Act 1998. One of the essential difficulties that RDAs have faced is the fact that resources are channelled through a range of separate government programmes, reflecting different departmental priorities (see also PIU, 2000). Numerous commentators (see Tomaney 2000 for a review) have raised this criticism of the modus operandi of the RDAs. At the same time, demands for increased resources for RDAs were made in a number of regions, notably the North East. The North East Regional Assembly in June 2000 produced a £850m 'shopping list' which it wanted to be met in the Government's Spending Review (see *The Economist*, 24th June, 2000). These criticisms appear to have hit home insofar as the government acted to address them in the Spending Review 2000 announced in July 2000. The Spending Review and subsequent Pre-budget Statement (PBS) both raised the profile of RDAs and has implications for their operations.

Basic details about the tasks of RDAs and their contact details can be found at: <http://www.local-regions.detr.gov.uk/rda/info/index.htm>.

2.2.1 Spending Review 2000

The Spending Review both increased the resources available to the RDAs and the flexibility available to them in the deployment of these resources.

A further noteworthy feature of the Spending Review is what it tells us about the role accorded to RDAs in the thinking of the Treasury.

In announcing the Spending Review, the Chancellor of the Exchequer said:

Investment in innovation, infrastructure and skills is essential in every region if there are to be high levels of productivity in Britain and full employment throughout our country. To secure that balanced regional development, regional development agencies will receive additional resources, and their budgets will be increased by £500 million a year by 2003-04.

There will not only be new funds but new flexibilities, so that local people can promote local priorities and meet local needs they have identified. In the north-west, there is the regional plan to promote innovation and research; in the north-east, increasing entrepreneurship; in Yorkshire and Humberside, funds for small business development; in the east midlands, information and communications technology; in the west midlands, modern manufacturing; and in the south-east and south-west, as in Scotland, Wales and Northern Ireland, the promotion of clusters of growth. In every region there is new support for skills, for employment and for schools and colleges to promote enterprise open to all (House of Commons Hansard, 18th July 200, col 225).

The increased resources available to RDAs are indicated in Table 1.

Table 1: Spending allocations for RDAs in 2000 Spending Review (£M)

	<u>2000/01</u>	<u>2001/02</u>	<u>2002/03</u>	<u>2003/04</u>
Total programme before SR2000	1182	1271	-	-
Total programme after SR2000	1242	1445	1550	1700
New single budget of which:				
DETR existing	1114	1183		
DETR additional	60	150		
DfEE existing	49	49		
DfEE additional	0	8.5		
DTI existing	19	39		
DTI additional	0	15		

Source: DETR News Release 489: 21 July 2000

The Spending Review described the new arrangements under which RDAs would operate thus:

As a key contribution to strengthening the work of the RDAs' flexibility — enabling the RDAs to better exploit their potential for innovative business-led working, and evolving decision-making to the regions. The RDAs' funding will be brought together in a single cross departmental funding framework. Departments will be working together with the shared objective of releasing the energies of the RDAs to maximise the impact of their efforts. In return for greater flexibility, the RDAs will be required to deliver challenging outcome targets set collectively by Departments (HM Treasury, Box 5.2).

Prior to the Spending Review John Prescott, Gordon Brown, David Blunkett, Richard Caborn and Hilary Armstrong met with the RDA chairmen to launch a 'national consultation document', entitled 'The RDAs as Strategic Drivers of Economic Development' (DETR News Release: 437, 23 June 2000). The DETR has also issued a set of 'core indicators' for RDAs in order 'to inform the development of their strategies' (DETR, 2000: 1).

2.2.2 *Pre-Budget Statement*

The discussion of RDAs in the Spending Review is included in the chapter on 'Raising Productivity and Sustainable Growth'. In his recent Pre-budget Statement (PBS) the Chancellor expanded on the role of the RDAs in contributing to the Government's objective of raising productivity:

Regional Development Agencies are the heart of the Government's agenda for promoting sustainable regional economic growth, enterprise and regeneration. *They provide a key element in the delivery of the Government's strategy for improving UK productivity* (HM Treasury 2000, para 3.64, emphasis added)

The PBS also fleshes the meaning of 'increased freedom' for RDAs, which means:

more budgetary flexibility: with this RDAs will be able to target resources by doubling their flexibility to switch resources between programmes. RDAs may transfer up to 20 per cent out of any programme, so long as it is consistent with delivery objectives; and

a new Strategic Programme: RDAs will be able to switch resources into the new Strategic Programme for innovative schemes that meet their economic and other strategic aims.

This Strategic Programme will be a test-bed for the Single Budget and new project appraisal processes (*ibid.* para. 3.66).

The PBS reiterates that following consultation, the RDAs will be asked 'to provide stretching outcome and output targets to ensure their activities deliver their strategic goals, matching greater flexibility with greater accountability' (para 3.67). Accountability here is upward to Whitehall.

One NorthEast (ONE), the development agency for the North East of England, recently announced a 20 per cent cut in jobs (23 jobs out of 246 to go before March 2001 and a further 23 thereafter) and have proposed to make greater use of external subcontractors. The proposal was welcomed by business leaders in the North East who alleged that the agency had been 'over-staffed'. A DETR spokeswoman, however, stated that ONE's proposal would need DETR approval (*The Journal*, 1411/00).

In the regions and of the region?

Particularly in light of the enhanced role ascribed to GOs, our initial interviews suggest that the RDAs have tended to feel relegated to the sidelines. On the surface, they seem to have been given a new lease of life. But flexibility for the agencies — the ability to develop specific policies for individual regions outside a template determined by the DETR — is seen by RDA chairs as crucial to the success of the agencies.

So far, they continue to have limited room for manoeuvre; every spending decision above £5 millions has to be referred to the DETR for approval. One agency chairman said this burdensome process, with approvals sometimes taking several months, was considerably hampering their activities. 'The response from the politicians is that we would like to give you as much flexibility as soon as possible', he said. 'The civil service response is that we cannot start determining the level of flexibility until we have the monitoring, and project-tracking systems in place. It is very frustrating'. The problem remains that funding for the agencies are drawn from 11 streams, with three from DETR — principally its Single Regeneration Budget — providing the bulk of the cash. As noted above, by April 2002, they have been promised a single, cross-departmental 'pot' drawn from the DETR, the DfEE and the DTI. It is clear that it will be monitored closely by a strengthened regional unit, probably in the DETR. Significantly, the DETR said it has no plans to relax the £5 millions approval threshold. Even if it does, there will still be a ceiling because, in the words of one civil servant, 'taxpayers' money has to be safeguarded...we need checks and balances'.

Another agency chairman underlined his sense of frustration. 'The Government wants us to be accountable...somehow civil servants assume that people go off and do wild things and are never called to account, which clearly is not the case', he said. 'Boards of directors are just as concerned about the effectiveness of expenditure and propriety as Government departments are and well used to working within that framework of accountability. The issue that Whitehall is finding difficult is that the money that the RDAs are currently spending is being drawn

from a number of different spending programmes, which have been voted by parliament to achieve specific objectives (but) we do not fit within one Government department...we are part of wider programmes'.

Flexibility is one thing, it seems; tight fiscal controls from the centre quite another. But that has not stopped John Prescott, the architect of the agencies — which, after all, are quangos, appointed by the Secretary of State — from proclaiming that the RDAs will be capable of boosting the economic performance of their respective regions. It is a tall order, but the coming months will be crucial to assessing whether this ambition can be met.

Until recently, Prescott had wanted RDAs to have the status of the Welsh Development Agency or Scottish Enterprise; no matter that the English agencies are still a pale shadow of their free-ranging and well-funded celtic counterparts. Prescott, at least, is determined that his diluted RDA initiative, which managed to scrape through against the opposition of cabinet rivals, should break the Whitehall mould. As we noted above, he — and other ministers — promised as yet largely unspecified and certainly untested 'new tools' to tackle the regional economic deficits. One task of this project will be monitor to the evolution of this new regime.

Recent Government announcements suggest that the political importance of the English regions is increasing. In a speech to the Regional Policy Forum, Mr Byers stated

The economic differences between UK regions are clear and indicate that a winners circle is emerging, with some regions keeping up and staying in touch while others slip further behind. These are the underlying causes we need to tackle through a strong, radically reformed regional policy, simply tinkering at the edges will not be enough. Our regions need to be renewed. They were at the heart of the first industrial revolution and we must ensure that they can play their part in the knowledge based economic revolution, which is now taking place. Past policies have failed to resolve the underlying weakness of the least successful regions and have failed to capitalise on their strengths. It is time to reverse what has in some cases been decades of under performance and decline and to put in place policies that will widen the winners circle (DTI Press Release, P/2000/761, 15 November 2000).

This statement was widely interpreted as a reversal of Tony Blair's alleged rejection of the existence of the North/South divide in late 1999 (e.g. *Financial Times*, 15th November, 2000). It remains unclear whether this new found interest in regional problems will translate into support for greater political devolution to the English regions (see section 10 below). The significance of the Byers' speech may also reflect an emerging division of labour (or, at least, an aspiration in this direction) in which the DETR takes responsibility for the more constitutional aspects of the constitutional agenda.

2.3 Regional Chambers

The Regional Development Agencies Act gave Regional Chambers a role as interlocutors of RDAs (for a review see Tomaney 2000). To date, some chambers have focused principally on this RDA role. Others are taking a broader approach, and intend, for example, to consider how the stakeholders can better co-ordinate their activities at the regional level to provide an over-arching vision for the economic, social and environmental well being of the region. Or, more generally, to provide a voice for the region and develop the capacity for further action at the regional level.

Further details on Regional Chambers can be found at: <http://www.local-regions.detr.gov.uk/rda/chambers/index.htm>.

The Government has identified a potential role for Chambers in two areas, in particular in the preparation of Regional Planning Guidance (RPG) and the preparation of Regional Sustainability Frameworks.

The RPG process has recently been revised, both to expand the content of the guidance itself — such as to incorporate a regional transport strategy — and to increase 'regional ownership' of the process, with a greater role for the regional planning bodies that produce the guidance for approval by the Secretary of State. The Government is encouraging Regional Chambers to take-over the role of regional planning bodies, although Ministers have said that the regions themselves are best placed to decide how Chambers might be involved in the preparation of RPG. In some region Chambers are already assuming this role.

The Government's approach is confirmed in the new planning guidance on regional planning (PPG11) published in October 2000, the draft of which had been subject to consultation (see DETR 2000d). In answer to a Parliamentary Question, Lord Whitty outlined the Government's thinking:

The new regional planning arrangements we announced in draft last year have been seen to work well in practice and have been widely welcomed. Our new guidance contrasts with previous practices where Whitehall produced draft regional planning guidance with decisions being taken behind closed doors. Under the new arrangements it is the regions that produce the drafts. There is then open public debate at a public examination, before the Secretary of State approves the guidance. Fundamental to the new arrangements is that these strategies should be produced on an inclusive basis to promote regional ownership. The regional planning bodies need to work with a wide range of stakeholders in accordance with a streamlined and publicly accountable timetable. The new strategies should integrate land-use and transport planning. They will provide a long-term regional planning framework for the preparation of structure plans, unitary development

plans and local transport plans. They will also inform other strategies and programmes, including the RDA regional economic strategies. We are also publishing today new guidance on how to prepare sustainability appraisals of these strategies to help ensure they deliver sustainable development (DETR News Release 651, 17 October 2000).

In its policy framework on sustainable development, *A Better Quality of Life* (DETR, 1999) the Government proposed the development of 'sustainability frameworks' in each English region. In subsequent documents the Government has elaborated this idea. Regional Sustainability Frameworks are described as 'high level documents that set out a vision for sustainable development in each region, and the region's contribution to sustainable development at national level' (DETR 2000c: para 1.2). The regional frameworks will not have a statutory status. The Government, through the Government Offices, will help regions to produce their frameworks, but there will be no formal process of assessment or approval. Government Offices will monitor progress, to help ensure that frameworks are broadly on track for completion by December 2000, and that they cover the range of sustainable development issues contained in the national strategy.

The Government has outlined what it envisages for the production process:

The production of frameworks should involve a wide range of interests. In regions where work is already well-advanced this wide involvement has proved one of the major strengths of the process. The status and credibility of frameworks will depend on ownership by a broad range of bodies across the region. That is why the Government considers it important that frameworks be agreed by Regional Chambers. We are keen that the preparation of frameworks should involve sectors such as health, community safety, education, transport, and housing. These have sometimes been under-represented in 'sustainable development' work as well as environmental and business interests (DETR, 2000: para 4.1)

The Government anticipated that each region would have produced its Sustainability Frameworks by the end of 2000.

3 Regional politics

The pattern of interest in regional government is highly uneven within England (see Section 5 for some recent data on identity and attitudes). The asymmetrical character of regional identity underpins the variable levels of interest in regional government. In general, the geographically peripheral areas of the England, especially the North, display the greatest levels of support for regional government. However, levels of interest are not static. In regions like the North East of England, support for regional

government has grown over recent times, with the vigorous support of the local media.

Several regions are now home to active civic campaigns of one form or another. Table 2 presents a summary of the situation regarding the level of interest in regional government in each of the English regions². One of the tasks of the monitoring exercise will be to chart the development of these campaigns over the coming period.

Table 2: State of the Regions

Region	Notes
North East	Public campaign, with support of stakeholders and strong media interest. Long standing civic campaign (CNA). Constitutional Convention producing case for regional government. Polls typically show relatively high net support, little active opposition.
North West	Convention process underway led by local authorities. Endorsed by stakeholders. No civic campaign. Polls tend toward net support, but reasonable level of opposition.
Yorkshire	Active regional campaign (Campaign for Yorkshire, see: http://www.cfy.org.uk/) Convention process underway. Endorsed by stakeholders. Medium public awareness and increasing media scrutiny. Polls tend toward net support, but reasonable level of opposition.
South West	Campaign for regional assembly just starting. First Convention meeting in 2000. Endorsed by key stakeholders. Low public awareness. Boundary problems (specifically the Cornish question). Polls show net support and some opposition.
West Midlands	Campaign just starting, funded by Cadbury Barrow Trust. Key stakeholders becoming involved. Some public awareness and growing media interest. Polls show net support and some opposition.
East Midlands	Stakeholders showing interest. Some public interest. Polls tend to show low-level of support, and some opposition.
Eastern	Some stakeholders showing interest. Minimal public interest. Polls show relative low levels of support, and reasonable opposition.
South East	Some stakeholders showing interest. Little public interest. Polls tend to show relatively low levels of support and strong opposition.

² Thanks to John Adams of the Campaign for the English Regions for assistance in the preparation of this table.

4 **Media**

In both Scotland and Wales the press and broadcast media played a large role in raising the profile of the devolution issue. There is evidence from some English regions that the press is beginning to play a similar role in promoting both regional identity and the arguments concerning devolution. The North East of England stands out in this respect. Newspapers such as *The Journal* and the *Northern Echo* have been promoting the idea of the region as a distinctive political space and being generally supportive of the arguments for regional government³. Another example of regional media interest in constitutional questions was the front page lead in the *Western Morning News* (18th October 2000) calling for 'home rule for Cornwall'.

Devolution has thrown up new challenges for the BBC, exemplified by the discussion surrounding the 'Scottish Six'. On a modest scale changes have also occurred in the English regions. The new BBC1 '10 o'clock news' slot has been accompanied by a doubling in the length of lunchtime and late evening regional news slots. Although these bulletins still only amount to 7 minutes of broadcast time, they have placed new demands on regional news teams in terms of their coverage of regional affairs. In some regions the attention given to regional government by the broadcast media has already been significant. In the North East, for instance, the BBC has run half hour documentaries on the arguments for and against regional government. Measuring the impact of such coverage on the formation of political attitudes, of course is very difficult, but it is likely to have some bearing on the relatively high levels of support for regional government there.

Further evidence of how recent political developments is altering the content of programming came as a result of a recent initiative by the BBC English regions. In September 2000, the BBC English Regions undertook a week's worth of programming on its local radio and regional TV stations around the theme 'Think of England'. The content of this programming varied between regions. For instance, in the North East the programming focused much more on questions of regional identity than national identity. In other parts of the country, regional identity was given less attention⁴. A flavour of the programming is revealed by some of the programme previews on the BBC web-site. In the East of England the following was offered:

The television documentary, *The Invader Shore*, asks 'just how English are we in the Eastern Counties?' More than any

³ See *The Journal's* 'Case for the North' at: <http://www.the-journal.co.uk/>. For the Northern Echo see <http://www.thisisthenortheast.co.uk/>.

⁴ For details see: <http://www.bbc.co.uk/england/thinkofengland/index.shtml>.

other region, the character of the Eastern Counties has been shaped from abroad. From the Romans onwards, invaders, refugees and economic migrants have arrived at what is called the invader shore. Historian Bryan McNerny discovers that multi-culturalism is not - as some would have it - a 20th Century invention; in the East they have been multicultural for 20 centuries⁵.

These are early days as far as assessing how the media will cover the 'English Question', but interviews with key media figures will form part of the regional case studies referred to in the introduction.

5 Public attitudes and identity

Unlike Scotland and Wales, the English regions have not been subject to the regular measurement of opinion on attitudes to constitutional reform. A notable exception was the MORI poll commissioned by *The Economist* in 1999 (see Tomaney, 2000 for a discussion). Underpinning the 'Think of England' series of programmes, however, was a survey, which explored the attitudes of people in the English regions to British/English/regional identity, devolution and the national flag and anthem⁶. A representative sample of 150 adults within each of the ten English regions, was interviewed by phone during the period 14th—25th September 2000. INRA UK conducted the Survey. The results are not directly comparable to *The Economist* survey, because the BBC's regions are not the same as the official regions, which formed the basis of the former poll (see Figure 1). As well as limiting any comparisons, this factor may also skew the data. For instance, the BBC's North East region includes parts of Cumbria and North Yorkshire, which complicates any findings concerning regional identity and politics.

⁵ See: <http://www.bbc.co.uk/england/thinkofengland/east.shtml>.

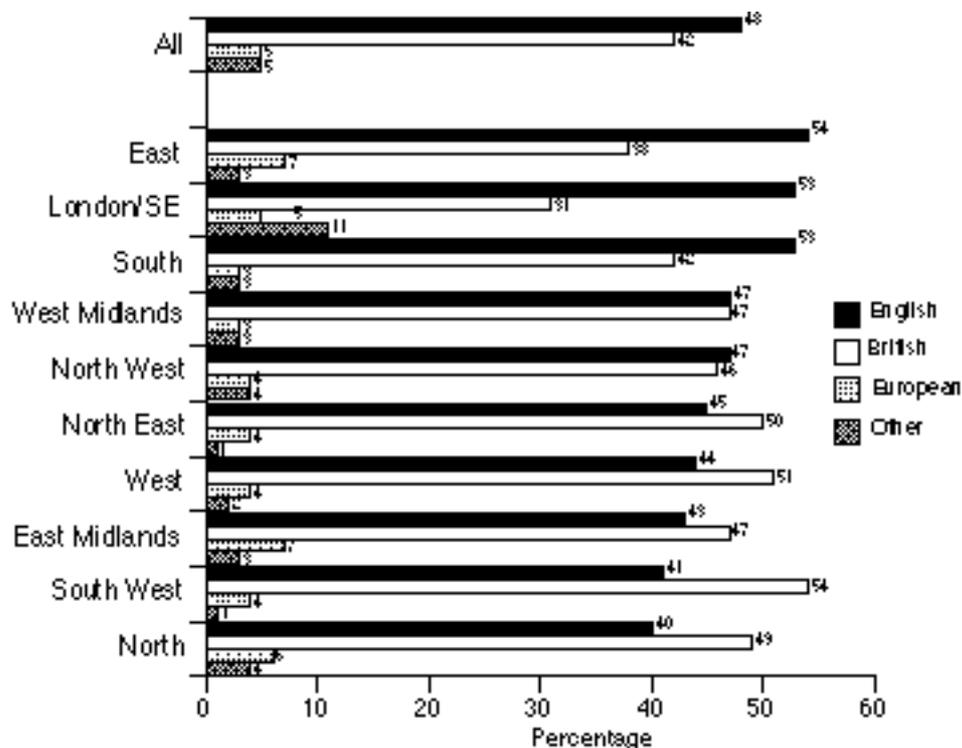
⁶ This discussion draws on *Think of England. Summary charts*. Available from Press Office, BBC, New Broadcasting House, Oxford Road, Manchester, M60 1SJ.

Figure 1: BBC English regions



Despite the caveats just noted, the survey throws up some interesting results concerning questions of regional identity and attitudes to regional government. The respondents were asked whether they regarded themselves as English, British or European (see Table 3). This reveals that almost half of the sample considered themselves to be English, just ahead of the proportion who considered themselves British. But there were notable regional variations. Those in the East, South East and South were most likely to consider themselves English. Those in the South West, West, North East and North were the most likely to consider themselves British.

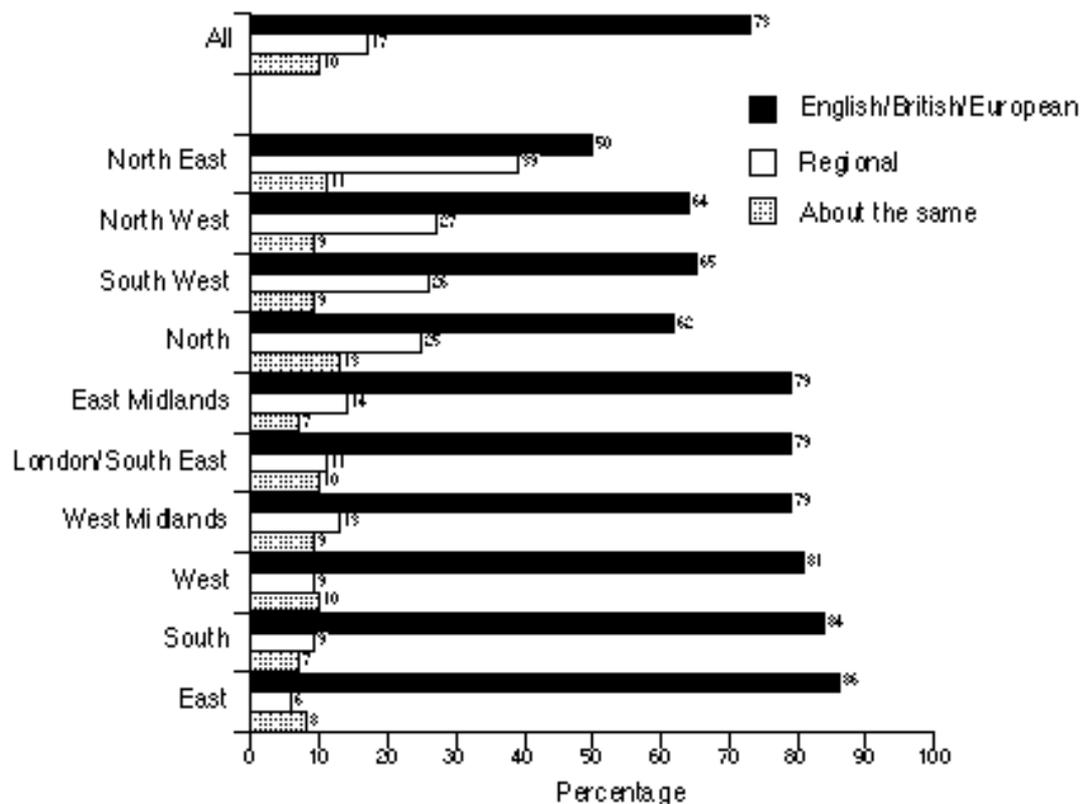
Table 3: More English than British or European?



In general, regional identity was thought to be far less important than being English, British or European. However, the survey again suggested there were large regional variations (see Table 4). There was greater regional identity in the North East than anywhere else. Indeed, of those who had considered themselves more English or European than British, regional identity was the primary source of identity. Regional identity was also relatively strong in the North West, South West and North, the other areas most distant from London.

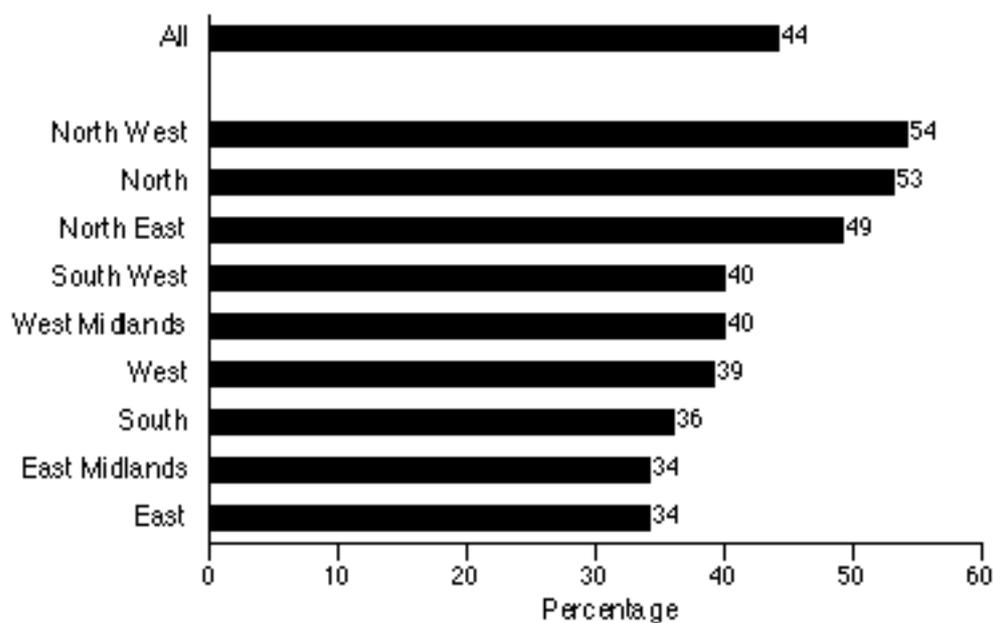
[The survey data also showed that, overall, under-35s had more of a regional identity than older people and the same was true for those who live in the region where they were born. Nevertheless, even these groups placed Englishness/Britishness first.]

Table 4: How important is regional identity?



Respondents were asked their view on an elected regional assembly (see Table 5). Overall, less than half outside London and the South East (44 per cent) wanted an elected regional assembly. In the northern regions the level of support was higher. The East, South and East Midlands were the least enthusiastic.

Table 5: Desire for an elected Assembly



Further recent data on attitudes to devolution within England are provided by the 'State of the Nation Poll', carried out in September 2000 for the Joseph Rowntree Reform Trust (JRRT) by ICM⁷. Just to confuse matters further, the JRRT has adopted slightly different regional boundaries for its survey, which makes direct comparison of the results somewhat difficult. A number of features stand out. The North (including the North East and Cumbria) stands out as the region with the highest levels of support for an elected assembly. In other regions relatively high levels of support are given to appointed business and local government representatives from the region deciding on policy.

⁷ See: <http://www.icmresearch.co.uk/>

Thinking now about [your region], which of the following options do you think is the best way of deciding how to generate new jobs, develop major road and public transport, and other similar issues? (Source: Joseph Rowntree Reform Trust, State of the Nation Poll, October 2000)

Options [% of Respondents]	The North	Yorkshire	East Midlands	West Midlands	East Anglia	South East	South West	North West	England
Government ministers in Whitehall should decide, taking into account the needs of the country as a whole	16	10	6	11	13	13	12	14	12
An elected assembly for this region should decide	43	34	24	32	29	34	31	26	32
Government officials meeting at regional level should decide	9	15	23	15	27	14	18	11	15
Appointed business and local government representatives from this region should decide	15	31	39	28	32	25	34	29	29
Don't Know	17	11	10	14	7	15	8	22	14

6 Relations with Whitehall and Westminster

6.1 Establishment of the Regional Co-ordination Unit

Earlier in 2000, the Government published a report by the Performance and Innovation Unit (PIU) on the subject of the role of central government at the regional level (PIU, 2000; see Tomaney 2000 for a discussion). The report proposed an enhanced role for the Government Offices for the Regions (GOs), especially in 'joining up' area-based initiatives (ABIs). A key proposal of the PIU report was the creation of new mechanisms in Whitehall for co-ordinating Government activities with a regional focus. This proposal led to the creation of the cross-departmental Regional Co-ordination Unit (RCU).

The RCU has announced its *action plan* (RCU 2000). It identifies four areas for action: 1) better co-ordination of area-based initiatives; 2) more involvement of GOs on policy-making; 3) establishing GOs as the key representatives of the Government in the regions; and, 4) the establishment of the RCU as a unified head office for the GOs.

- 1) Area-based initiatives: The original PIU report proposed a twin-track process in which the GOs and RCUs would be involved in assessing proposal for new ABIs. The *action plan* makes it clear that the RCU 'will manage the clearance mechanism'. Under the proposed system the RCU 'will consult the GOs and provide Departments with a single source of authoritative advice' (RCU, 2000: 3).
- 2) Involving Government Offices in the policy-making process: The RCU envisages itself as 'the active link between the Departments and GOs', serving as an 'interface' between Departments working up policy proposals and GOs; and 'co-ordinate GO feedback' on how policies are working in practice (RCU, 2000: p5).
- 3) GOs as key representatives of central government: The RCU will organise the integration of non-GO Government activity into the work of GOs. The report identifies eleven separate areas where this kind of action is required (e.g. rural issues, education, youth work, neighbourhood renewal, etc)
- 4) The RCU head office for GOs: The RCU was established in the first half of 2000. GO directors began reporting to RCU director Rob Smith on 17th July 2000. The RCU is currently taking on staff from parent Departments and by using 'loans and secondments from partner organisations', and establishing new management and information systems. It is noteworthy that the RCU is to be located in Riverwalk House, Millbank (home of the Government Office for London) and not at the DETR's HQ in Bressenden Place as was widely anticipated.

Overall, the establishment of the RCU would appear to present considerable scope for centralisation.

6.2 **DETR research on regional government**

A further development at the centre was the publication by the DETR of a review of the research on regional government (DETR 2000). According to the DETR this comes against a background of growing interest in the possible models of regional government, and is intended to inform and contribute to the debate. The DETR reaffirmed that the Government is committed to move, in time, to directly-elected regional government in England, in those regions where there is clear popular consent, as demonstrated in a referendum, and describes the study being designed to inform public debate.

Hilary Armstrong, Minister for Local Government and the Regions, said:

I welcome the publication of this report. It provides a valuable analysis of some of the key practical issues that will need to be considered in taking forward any proposals for regional government in England. It also offers a useful insight into wider international experience of the regional tier of government.

Importantly, the report makes it clear that there is no one 'right' approach or model for regional government, and that different countries, and different regions within countries, can follow the approach which best suits their particular needs and circumstances.

It also reveals that the research to date has tended to concentrate heavily on the possible arguments for and against a regional tier of government, rather than what it would do and the value it would add at the regional level (DETR News Release 644: 13 October 2000).

The key findings of the report are:

- ? There are four main themes within the literature concerning the rationale for introducing regional government in England but no clear consensus.
- ? Lack of clear regional identity need not necessarily prohibit the creation of regional government.
- ? There is no international precedence or consistency regarding form: regions within and between countries vary significantly in geographic and demographic size.
- ? There is no one international model or blueprint on what regional government would do.
- ? Internationally, regions have responsibility for a wide variety of

- functions, roles and administrative capacities.
- ? Relations between tiers of government vary.
 - ? The structure of regional government takes a variety of forms, including committee structures, cabinet systems or elected Mayors/presidents.
 - ? An evolutionary and incremental approach to the development of regional government is possible.
 - ? Implementation need not be uniform.

None of the report's findings are likely to cause controversy. However, the findings of the report are probably less significant than the fact that it has been published. The report's publication probably signals recognition within the Government that it must, at the very least, be seen to be contributing to a debate about the governance of England. When added, for instance, to recent remarks by Government ministers about the need for a more concerted attack on regional economic deficits, this amounts to evidence that the Government is attaching more seriousness to the regional question.

In Parliamentary terms a major planned development is the resurrection of the Standing Committee on the English Regions, which will provide a focus for MPs to debate matters of concern. In a Parliamentary Answer, the President of the Council, Margaret Beckett, reaffirmed Government support for the establishment of the Committee and expressed a hope that it would meet before the end of the current session of Parliament (House of Commons Hansard, 14.11.00, col 799).

7 EU issues

To date we have not investigated the impact of the EU on English regionalism. However some important issues are likely to arise in the coming months, especially regarding the Structural Funds. One concern that has emerged in at least some regions is the possibility of tension between Single Programming Documents (SPDs) and Regional Economic Strategies. SPDs are the EU Commission's mechanism for the delivery of its regional regeneration funds. SPDs are relatively detailed documents that are tied to the delivery of specific outputs. RESs, on the other hand, are more in the realm of statements of vision, heavily influenced by Statutory Guidance from the DETR. Given the importance of Structural Funds' in some regions as a source regeneration activity, there is an obvious potential for conflict. This potential is likely to greatest in regions such as the North East, where large parts of the region are entitled to support under Objective 2 of the Structural Funds and Yorkshire, where even higher levels of EU support are available in South Yorkshire under Objective 1 of the EU Structural Funds.

A further in South Yorkshire concerns the additionality question. The Spending Review 2000 committed the government to finding the

additional funds required to release EU Funds (50 per cent of approved projects):

The Government will guarantee funding for the European share of Objective 1, 2 and 3 projects within departmental allocations. This is estimated to total £4.2 billion for European Union Structural Funds in the UK over three years, including an estimated total of £600 million for new Objective 1 programmes in English regions and an extra allocation of £80 million in 2001-02, £90 million in 2002-03 and £100 million in 2003-04 to Wales to ensure funding of the European share of its Objective 1 needs, with resources for matching funds provided for within the total spending settlements (HM Treasury, 2000a: para 5.20).

The achievement of additionality has been an endemic problem in the disbursement of EU funds and is an issue worth monitoring in the coming period.

8 Local government

The key issues relating to local government that are likely to emerge in the coming period include the deliberations of the Local Government Association in the aftermath of the publication of the findings of its 'Hearing on the Regions'⁸. The LGA is committed to publishing an agreed policy position on the question of regional government.

A further recent development in October 2000 was the issue by the Government of 'Guidance' on Part II of the Local Government Act 2000. The issue of the Guidance brings closer the prospect of elected mayors in some English cities. Theoretically this development could occur before the next election. Elected mayors have been presented in some quarters as an alternative to elected regional government. The movement toward elected mayors, therefore, will also be monitored in coming months.

9 Finance

See previous sections.

10 Political outlook

The coming period is likely to be a critical one for the proponents of English regional government. For the Deputy Prime Minister, and his closest ally Richard Caborn, former regions minister at the DETR and now a Minister of State at the Department of Trade and Industry, the battle now is to get a manifesto commitment from Tony Blair to move towards English regional devolution where there is demand. Although Prescott's case has been strengthened by a decision at Labour's national policy forum in July to recognise the "legitimate aspirations of the English

²² <http://www.lga.gov.uk/lga/regions/index.htm>.

regions", the manifesto is still virtually the personal preserve of the Prime Minister, who can easily reject recommendations from the party.

Richard Caborn nailed his colours firmly to the mast in a recent speech to a meeting of the Fabian Society in York in which he stated, I believe the radical programme of constitutional change we embarked on in 1997 is incomplete without an answer to the so-called English Question'. The answer he stressed lie in allowing the English regions to move toward regional government:

Regions need effective co-ordination and a clear voice to promote economic development, and that in my view is best achieved through regional assemblies (Caborn, 2000)

Tony Blair's position remains equivocal. Whatever his private reservations, publicly he has remained open-minded. The same cannot be said of some key advisers. They were clearly rattled by the policy forum's decision. Undeterred, the Deputy Prime Minister and his team are working hard behind the scenes to win over Blair. Certainly, a decision by Prescott, in October to publish research by his department into the pros and cons of English regional government, was seen as an attempt to raise the political stakes in the manifesto battle.

But Prescott has had battles closer to home. Without Caborn to push the devolution case in his department, he has had to rely on the more sceptical Local Government Minister of State, Hilary Armstrong, who assumed the regional brief after Caborn's unhappy departure for the DTI in July 1999. Until recently, Armstrong, closer to Downing Street than Caborn, was publicly scornful of elected regional government. Prescott found it hard to hide his contempt for her views. At one DETR press conference earlier in 2000 when she appeared to brush the issue to one side, the Deputy Prime Minister came close to rebuking her. Publicly stating that the case for English devolution should no longer play second fiddle to constitutional change elsewhere in the UK, he fumed: 'Scotland and Wales...you set up administrations that are democratically accountable to people...that is one of the things about democratic accountability — people who are answerable to and acting for the regions. It happened in Scotland and Wales and I see no difference in England'.

His intervention underlined the political fault-line running through Whitehall and the Cabinet: should RDAs, heavily monitored by the DETR, mark the end of an extremely limited decentralising experiment, dressed up as a form of devolution? Or will they, as Prescott wants, become the first step along the road to English regional government? And where do the GORs contribute to this complex administrative equation?

The thoughts of a civil servant in one GOR are instructive. RDAs, he insists, are neither the focus of devolution of power, nor are they 'shadowed' by regional assemblies. 'They are what it says on the tin — development agencies', he insisted. 'Primarily they work on economic

strategy and the disbursement of money for spending programmes. It has never up to now been the intention that they would absorb the GORs, although that is, of course, a possibility'.

He goes on: 'RDAs, GORs, and regional assemblies, in fact, form a triumvirate so far as regional governance is concerned. For example, the GOR is responsible for regional planning guidance — which, however, is produced by the assembly. Regional economic measures have to be subordinate to that, not the other way round'.

The official insisted that a GOR is not an outpost of the unitary state. 'We see our role to be the voice of the region in London (but) it remains possible in my view that the GOR could become the nucleus for a regional civil service, post-devolution. Most of my colleagues are in favour of more regional autonomy'.

The picture, then, is confusing — particularly when the official acknowledges that even ministers 'misunderstand' the role of RDAs. We will have to wait until the next financial year, when the agencies have been promised some operational flexibility, to test the Government's commitment to a regional dimension, if not full-blown devolution.

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