

A photograph showing a person's hand holding a ballot paper over a ballot box. The person is wearing a blue and white striped shirt. The ballot box is black and has a slot for the ballot paper. The word "Devolution" is overlaid in white text on the left side of the image.

Devolution

Challenging local government?

Devolution is a challenge for local government around the UK. Seen from the local level devolution can easily resemble centralisation. Functions may get sucked up to the new devolved institutions. And new targets, new forms of regulation or financial constraints which limit the autonomy of local government may emerge from the new devolved 'centre', whether in Edinburgh, Cardiff, Belfast or in the English regions. UK government policy has aimed to address these challenges for local government in introducing devolution since 1997. The White Papers and subsequent Acts dealing with each part of the UK have all stressed the need for devolution to respect local government and for devolved and local authorities to work in a constructive partnership. This *Foundations*, by Charlie Jeffery, explores how 'partnership' has so far worked out in practice, and what lessons can be learned as the devolution process continues to unfold.

Key points

- The UK's devolution reforms have been carried out against a commitment that the introduction of a new tier of devolved institutions will not undermine the role of local government. The aspiration has been one of 'partnership'. An initial assessment of the practice of partnership is now possible.
- In Scotland and Wales the response of local government to devolution has been positive. The devolved institutions have been more open and accessible than their UK predecessors. In Wales partnership is important in legitimising devolution; in Scotland it rests on a more embedded tradition of local autonomy.
- Scottish and Welsh local government associations have found adapting to devolution difficult. Past roles of opposition to the 'centre' now have to be balanced against the advantages of inclusion in a new, partnership-oriented policy process.
- Devolution in Scotland and Wales has not significantly increased local government autonomy. The devolved 'centres' in Edinburgh and Cardiff seek to deliver common policy standards across their territories. However, local governments do have genuine and greater opportunities now to help define those standards.
- Devolution has not significantly improved the joining-up of public services. Local-devolved policy relationships are still largely organised around departmental 'silos'.
- Experience in Scotland and Wales provides a point of orientation and policy learning as local-regional relationships are reconsidered in Northern Ireland and England, though the context for each is very different. In Northern Ireland the concern is to strengthen local government *vis-à-vis* a strong devolved tier; in England policy is to establish modest regional structures in a situation where local government is stronger.
- Developing local-devolved partnership in Northern Ireland is complicated by the 'involuntary coalition' in Northern Ireland government and by the weaknesses in policy capacity at the local level. Effective partnership will require the devolved level to take local government seriously and the local level to take a lead in policy coordination.
- The Greater London Authority (GLA) provides a model and learning experiences for elected regional assemblies and their relation to local government in England. The GLA has not yet succeeded in evoking a sense of common, London-wide purpose. Tensions with borough government are the result.
- English regional assemblies will only be established if a number of hurdles posed by local government are cleared. Local governments will need to be convinced that their current, recently won roles in regional governance will at least be maintained after devolution.

Local government and the devolution process

Local governments have been some of the most important stakeholders in the UK's devolution reforms. They provided much of the political and material support for the Scottish Constitutional Convention which played a key role in designing the devolved settlement in Scotland. In Wales the (in part reluctant) support of local authorities, especially in the Labour-dominated South, was vital in delivering the wafer-thin majority for devolution in the 1997 referendum.

In London the boroughs endorsed the principle of London-wide policy coordination which led to the establishment of the Greater London Authority (GLA). And the organisations campaigning for the introduction of elected regional assemblies in the rest of England are largely dependent on the resources of English (mainly Labour) local authorities. Only in Northern Ireland, for reasons dealt with below, have local authorities not been drivers of devolution.

The quid pro quo of local government support for devolution has been a commitment in the devolution reforms to respect the role of local government. The UK government did “not expect the Scottish Parliament ... to accumulate a range of new functions at the centre”, but rather that “decisions should be made as close as possible to the citizen” (Scottish Office, 1997, p. 19). The same assurances were given about the National Assembly for Wales, but further strengthened by the vision of a “new partnership ... founded on mutual respect” and by the obligation on the National Assembly to “promote and foster local government in Wales” (Welsh Office, 1997, p. 15).

In London the GLA was to “work closely with London organisations”, including the boroughs, “in a new inclusive style of politics” (DETR, 1998). Similar messages pervaded the terms of reference of the Northern Ireland Executive's Review of Public Administration announced in February 2002, in which the reform of local-devolved relations will be the key issue (OFMDFM, 2002a).

And most recently the May 2002 English regions White Paper, *Your region, your choice*, sets out a regional-local division of labour which would leave (most) local responsibilities untouched and require partnership working between new elected regional assemblies and local authorities (Cabinet Office/DTLR, 2002, p. 59).

The inevitable question is: how have all these commitments worked out? Is the rhetoric about respect, partnership and closeness to the citizen being

transformed into a doable practice of inclusive devolved government? There is no simple answer in a UK devolution process which has been unusually ‘asymmetrical’. The different scope and level of powers devolved to Scotland, Northern Ireland, Wales, London, and the English regions create different sets of relationships between devolved and local government in each part of the UK.

Different timescales are also involved. The Scottish Parliament and National Assembly for Wales have been up and running since 1999. An initial assessment of devolved-local government relationships there can now be made. The same applies to London, though the GLA has been in operation for a shorter period and as a weaker, ‘strategic’ authority has a more ambiguous relationship with the local level. By contrast, policy debates on local government and devolution in Northern Ireland and the English regions are only now beginning to accelerate.

Scotland and Wales: partnership between aspiration and practice

‘Partnership’ between local and regional government was central to the devolution proposals in Scotland and Wales. And broadly speaking local authorities in both Scotland and Wales agree that devolution has brought with it an improvement.

This sense of improvement had in part to do with the end of Conservative UK government, whose legitimacy in Scottish and Welsh local government had steadily weakened since the early 1980s. It also has to do with a new openness of government. The ‘quality of dialogue’ between local and devolved government in Wales is held to be much better than local-central relations before devolution (Laffin et al, 2002, pp. vii-1). Similarly in Scotland the general view is that post-devolution government is “more open and inclusive and Ministers and civil servants had become more accessible” (Bennett et al, 2002, p. v).

The narrowness of the Welsh referendum result in 1997 has underlined the commitment to partnership on the part of the National Assembly. 50.3% : 49.7% was hardly a ringing endorsement of devolution. As a result there is a strong concern to show the ‘value-added’ for Wales that devolution can bring. Since a good proportion of Assembly policies are implemented by local government, local government needs to be brought and kept on board. In addition, the National Assembly inherited a civil service structure from the Welsh Office which was limited both in terms of staff resources and policy development capacity. Again, the National

Assembly as a result *needs* to tap into local government policy experience as it develops its own policy profile.

Scottish devolution did not face the same legitimacy problems as in Wales. It also inherited from the Scottish Office a much stronger policy development capacity. The context for local government was also different. A strong Scottish tradition of local government autonomy, underpinned by a distinctive civil society, extends back to the terms of the English-Scottish Union of 1707.

The combination of a high-capacity civil service machine and a self-confident local government tier has by and large meshed well in the rapid generation of new and overtly ‘Scottish’ policies by the Scottish Parliament. Links between Labour politicians at the local level and in the Scottish Executive have helped, as has also the strong presence of MSPs with local government experience. As a result, local government has a strong sense of shared ownership of Scottish policy.

Some parts of the Executive civil service – especially those that dealt closely with local government before devolution – do seem to be reluctant to concede central control. However, even where this is the case, the new accessibility of government provides a release: local authorities can and do circumvent officials and approach Scottish ministers directly.

The problems of partnership: COSLA and the WLGA

Local government associations have famously been described as ‘contradictions in terms’ needing to balance diversity of membership with collective corporate positions. Devolution has made that balance more difficult to strike. The Convention of Scottish Local Authorities (COSLA) has experienced an identity crisis since devolution: whether to maintain its past role as a critical voice of local government versus the (now Scottish) centre; or whether to identify and pursue common objectives with the Executive.

Uncertainty over COSLA’s role has been made more complex by a number of fault-lines which run through it. The COSLA leadership is keen to take the opportunities of influence and partnership offered by devolution; but grass-roots councillors see a close relationship with the Executive as a compromise of COSLA’s objectivity.

Party politics also plays a role. COSLA is Labour-dominated and other parties tend to see COSLA’s closeness to the Labour-led Scottish Executive as a weakening of its capacity to represent all of Scottish local government. These fault-lines have combined with

other issues surrounding the (only in part related) decision of three councils in 2001 to leave COSLA to plunge the organisation into crisis.

Some of the same problems face the Welsh Local Government Association (WLGA). The WLGA has traditionally been and is still (just) Labour-dominated. Other parties can feel marginalised by the Labour ‘party machine’. Equally there are concerns that ‘partnership’ has brought the WLGA too close to the National Assembly so that “it was increasingly working to an Assembly not a local government agenda” (Laffin et al, 2002, p. 29).

Both COSLA and WLGA have instituted reviews to try to redefine their roles post-devolution. Neither have been conclusive. The sense remains that “local government had lost self-direction as the implications of devolved ... government took root” (Ibid.).

Devolution as a new centralism?

The devolution reforms in Wales and Scotland were carried out amid commitments to respect the role and autonomy of local government. However, the longer-term tendency across the UK has been for local authority discretion to be reduced. Has devolution made a difference? For both Scotland and Wales the answer is a qualified ‘yes’. In Scotland devolution “has not significantly reduced the role of local government in the governance process” (Bennett et al, 2002, p. 42). And in Wales local authorities have retained levels of discretion “at least equivalent to those enjoyed pre-devolution” (Laffin et al, 2002, p. 35).

These are not ringing endorsements. They suggest that the same kind of tensions play out in local-devolved relations as applied on a wider UK scale before devolution: between local democracy and the variations in policy provision this implies; and pressures for ‘one size fits all’ policies. The important difference is though that there have been greater efforts to involve local authorities in the formulation of ‘one-sized’ policies.

The joint ‘Partnership Council’ has proved significant in Wales in institutionalising exchange between the two levels and allowing local government to “communicate its priorities and vision” for Welsh governance (Laffin et al, 2002, p. 27). Also important has been the relish with which the Assembly consults local authorities on policy initiatives, though at times this has led to a sense of ‘consultation fatigue’. New Assembly-local government ‘policy agreements’ are also designed to mesh local and regional priorities better through a mix of target-setting by the Assembly and budgetary

flexibility in delivery across services at the local level.

However, there remain concerns that the Assembly is able to use mechanisms of coordination to impose *direction* on local government. There are complaints at the local level that the practice of policy agreements has veered away from the original (WLGA-inspired) idea to become ‘hypothecation under another name’ by setting uniform targets rather than ones that might vary from authority to authority. The same applies to the various inspection regimes which monitor local services (though Welsh inspectorates are largely seen as less interventionist than their English counterparts).

In Scotland there are similarly mixed messages. Devolution is felt to have transformed the policy context, quickly lending to policy areas like education, housing and economic development a specifically Scottish policy tone. With this though has come increased central – i.e. Scottish – control, again through processes of audit and inspection, Scotland-wide target-setting, and hypothecation of funding (Bennett et al, 2002, pp. 40-42).

Again as in Wales, there has been in part a *quid pro quo* in the form of greater input into policy formulation than before devolution. This input has varied according to sector. Education policy officers have been involved in a range of policy initiatives and report that the Scottish Education Department “is offering real partnership” based on a “shared understanding” which links policy and practice (Bennett et al, 2001, pp. 38-42). In other areas views are more mixed as financial constraints and the role of quangos responsible to the Executive are seen to limit local discretion.

Joining up?

These sector-to-sector differences point to another issue devolution was intended to address: that of ‘joining up’ the work of different government departments in a more coordinated policy process. However, institutional inertia, ministerial ambitions and narrow policy networks linking departmental specialists with counterparts in local government and relevant interest groups all work against coordination. This can present problems.

Different departments of the National Assembly for Wales have issued consultation documents at roughly the same time with overlapping content, yet in apparent ignorance of one another. ‘Siloed’ departmentalism at the devolved level can also stymie attempts to join up related services at the local level (Laffin et al, 2002, p. 20) (though in other cases, “there are those in local government equally wedded to such [departmentalised]

ways of working” – Bennett et al, 2002, p. 44).

In both Scotland and Wales the problem of coordination is being addressed. A revamp of the top level of the Welsh civil service in 2001 gave the civil service Executive Board an explicit role in policy coordination. And in Scotland significant steps have been taken in improving coordination in children’s and family policy and in health care.

Local authorities do though need to be aware that the implications of better joined-up policy can be ambiguous. While on the one hand they might welcome the clarity and predictability of a more encompassing policy vision, joined-up policy could well end up adding further limits to their policy discretion. The 2001 Welsh NHS Plan for example envisaged setting linked objectives for both NHS and social services providers; health policy, into which local authorities have little input, may end up shaping the agenda of social care, one of their core functions (Laffin et al, 2002, p. 10).

Lessons for Scotland and Wales

A mixed picture emerges of how devolution has affected local government in Scotland and Wales. Aspirations to ‘partnership’ have been realised unevenly in practice. The practice of partnership has led to identity crises in COSLA and the WLGA. And partnership has not reduced the level of control exerted from the new devolved centres on what local authorities do, though this has in part been compensated by greater opportunities to shape devolved policies. Finally, there has not been much joining up of government after devolution, but where there has there may be further implications for local authority discretion.

Though mixed, this picture is presented amid a consensus that the situation of local government is better after devolution. Better accessibility comes with the proximity of regional government. Aspirations to openness have been largely realised. Opportunities to shape policies have increased. And the stronger territorial flavour of those policies – made in Scotland/Wales – is seen as an improvement.

A set of lessons can be identified:

- make sure the preconditions for partnership are there by improving understandings of the ‘other’, e.g. through secondments of officers in both directions or joint management training;
- review what local government associations are for in a closer and (generally) more accessible policy environment for local government;
- revisit the balance between central direction and

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local autonomy through a more systematic exchange of local and devolved priorities;

- manage consultation processes better by streamlining them and avoiding consultation fatigue;
- generate a clearer strategic vision at the devolved level both to join up activities better, and to introduce more regularity and predictability in local-regional relations.

Strengthening local government in Northern Ireland

There is clearly scope for reading across from these lessons and the experiences that underpin them into the evolving devolution processes in Northern Ireland and England. The starting point in Northern Ireland is one in which a strong form of devolved government sits alongside an unusually weak form of local government.

The latter consists of twenty-six single-tier district councils which, since 1973, have had only a minor role in service provision (street cleaning, refuse collection, cemeteries and crematoria, recreation and tourism and economic development), in the regulation of building services, environmental health and public entertainments, in providing members of government boards, and in providing views on some aspects of central service provision. Less than three per cent of total public expenditures in Northern Ireland were routed through the districts in 1997-98 (Knox, 1999, p. 320). This highly limited form of local government was ‘frozen’ by cross-community tensions; to avoid sectarian tensions, all major public services came to be administered either directly by the Northern Ireland authorities or by boards.

Devolution has provided a context in which this atypical situation, with its serious accountability deficits, might be addressed. But it has been addressed only very slowly. The first three years of devolution were dominated by the problems of the peace process (which of course had led to the periodic suspension of devolution). Public administration reform was, understandably enough, a low priority in these circumstances.

The Northern Ireland Review of Public Administration

By early 2002 though a period of relative tranquillity provided the opportunity to begin thinking about the future of local government. The terms of reference of a Review of Public Administration were published in February 2002, with the review itself – led by the Northern Ireland Executive with some independent

input – set to start later that year. Local government is to be at the heart of the review:

“The Review will consider what services should be delivered by regional government and which by local government. It will also consider how many councils are needed and address how services should be delivered.”

(OFMDFM, 2002b).

The terms of the review (RPANI, 2002), though shaped in part by the problems of community relations in Northern Ireland and the cross-border relationship with the Republic of Ireland, have a clear resonance with debates about local government in the rest of the UK, including:

- democratic accountability through elected representatives (in other words fewer quangos);
- community responsiveness of services to local needs and variations in those needs;
- subsidiarity: deciding which services are best overseen and delivered at the local level and which at Northern Ireland level;
- coordination and integration of services to deliver cross-cutting policies;
- efficiency and effectiveness of service provision, including consideration of the number of units – including the district councils – delivering services.

Clearly the task of establishing a stronger local tier will involve some issues – not least the probable reorganisation of local government – which did not need to be considered following devolution in Scotland and Wales. (The earlier reorganisation of local government there in 1996 has clearly helped limit local-devolved tensions.) Beyond that, though, the parallels are obvious: a commitment to local autonomy based in the notions of subsidiarity, accountability, and responsiveness to local needs.

Equally there is a commitment to a strong regional role in coordinating services and ensuring efficiency and effectiveness. Linking the two is the notion of partnership. According to Deputy First Minister Mark Durkan: “a key theme of this administration [is] the development of partnerships at local levels and between different levels of government” (OFMDFM, 2002c).

Lessons for Northern Ireland

It remains to be seen whether sufficient political will and energy exist to implement this vision. If there is, then the lessons of devolution and local government in

Scotland and Wales can clearly provide reference points for reform in Northern Ireland.

- Clear mutual understandings will be vital in developing Durkan's vision of partnership. A new division of labour will need to be struck. Unlike in Wales, the policy deficit will be more at the local than the regional level. It will be important to counter perceptions in the Northern Ireland civil service of incapacity at the local level. Secondments and joint training activities will help bridge the gap.
- The substance of partnership will depend on how willing the Executive is to devolve powers or transfer them into local government from boards. The peculiarity of Northern Irish government – an 'involuntary coalition' in which there is little overarching coordination of the work of Executive departments – suggests that the attitude to devolution may well vary from department to department.
- It is therefore unlikely that there will be a clear strategic vision from the Executive about the role of local government and how the Executive should relate to the local level. The Executive's capacity to coordinate and join up services is likely to be limited. There will probably be a greater onus on – or more opportunities for – the local level to set the tone in joining up related public services.
- There may be a role here for the new Northern Ireland Local Government Association. NILGA will need to find a role which avoids the party political conflicts which undermined its predecessors. It will need to be clear on how it relates to the Executive: critical distance or active partnership?

Strengthening regional government in England: building on the London model

In England the issues are in a sense reversed. The aim of policy is to strengthen and democratise a regional tier of government currently administered by regional outposts of Whitehall, flanked by new, appointed bodies: Regional Development Agencies and Regional Chambers of stakeholders, the latter with local government majorities.

If a number of procedural hurdles are cleared, if parliamentary time is found, and if regional electorates cast a majority 'yes' in referendums, directly elected regional assemblies will be introduced (in around 2007 at the earliest). These will bring the current system of regional administration largely under democratic control, though in a 'strategic' sense which will depend

on others – including local authorities – delivering regional assembly strategies (Jeffery/Mawson, 2002).

The model here is one of relatively weak regional government which will need to rely on persuasion and coordination. The possibility of *direction*, as in Scotland and Wales, will be severely limited. The context for local-regional relations is therefore the opposite of that in Northern Ireland. It is close to – and in part modelled on – that of the Greater London Authority (minus the elected mayor).

Early impressions are that relationship between the GLA and the London boroughs is a "potential site of conflict" (Pimlott/Rao, 2002, p. 162). After the abolition of the GLC the London boroughs had developed a growing capacity for cross-borough (and, increasingly, London-wide) working. The establishment of the Association of London Government (ALG) underlined this capacity.

However, the strategy-setting powers of the GLA impose obligations on the boroughs. 'Strategy' is a fluid concept which the GLA has interpreted generously to bring about 'mission creep', a de facto extension of the formal remit of the GLA. This "exploration of the boundaries of his potential influence" (Pimlott/Rao, 2002, p.172) by the inaugural Mayor, Ken Livingstone, has stoked up tensions with the boroughs. On a number of matters – New Year fireworks, Westminster's showcase squares, low-cost housing, the GLA's relationship with the ALG, and ALG opposition to the 2001 GLA budget – open conflicts have emerged.

Some attribute such conflict to mayoral "megalomania" (Pimlott/Rao, 2002, p. 172), others to deeply entrenched, parochial (Travers, 2002), even "bloody-minded" London boroughs eager to protect their role in "running London's main services" (Tomaney, 2000, p. 266). Either way, it is clear that the GLA has not (yet) been able to "give voice to a sense of unity that could transcend [the] diversity" represented by the boroughs (Pimlott/Rao, 2002, p.173).

Lessons for local government and the English regionalisation process

Establishing a sense of regional unity to overarch local diversity will be the major challenge for the English regionalisation process, not least because equally 'entrenched' local governments might in three different ways impede English regional devolution:

- First, regional assemblies will only be established if voters accept a package which includes reorganisation of local government in the region(s)

concerned into a single tier. Already opposition to regional assemblies is mobilising around the threat they propose to existing two-tier council structures, in particular county councils.

- Second, voters will only get to vote in a referendum if ‘soundings’ in the region reveal demand for regional assemblies deemed sufficient to require testing in a referendum. Regional Chambers, dominated by local authorities, will be one of the main sounding boards. Through the current Regional Chambers local authorities have gained a significant foothold in regional-level governance, but Chambers would be superseded by regional assemblies. The local authorities will therefore need to be convinced that their new, regional role will at the least be maintained after devolution. The search for mechanisms to ensure this seems set to dominate the consultation process on stakeholder involvement launched by the May 2002 White Paper.
- Third, if we get that far, the dynamics of ‘partnership’ in English regional government will be very different to those in Scotland and Wales, and closer to those in London. Regional assemblies will

only be able to get things done if they keep local government on board. The strategic assembly model may well give local authorities a veto capability in areas where they deliver regional strategy. This will place a premium on regional government understanding them. Better ‘understanding’ might flow from two-way secondments, but will require a compelling vision of regional unity and – no doubt – funding incentives to overcome the barriers of local autonomy. It will require a careful synchronisation of regional-level strategic vision with the expectations local authorities have of the regional level. And it will give the regional components of the Local Government Association a powerful collective voice.

About this *Foundations*

This *Foundations* was written by Professor Charlie Jeffery, who directs the Economic and Social Research Council’s Programme on Devolution and Constitutional Change. It draws on a range of projects supported by the JRF and the ESRC.

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