

Political Studies Association Evidence to the House of Lords Constitution Committee Inquiry into the Union and Devolution

Introduction

1. The Political Studies Association (PSA) is the leading organisation in the UK linking academics in political science and current affairs, theorists and practitioners, policy-makers, journalists, researchers and students in higher education.
2. Membership of the PSA is open to anyone interested in the study of politics. It spans academics in political science and current affairs, theorists and practitioners, policy-makers, journalists, researchers, politics teachers and students in Higher Education. Membership has grown steadily and now stands at over 1,900, making it the second largest such national association in the world.
3. In our submission to the Committee we respond to questions 3, 4, 5 and 6.

Summary

On what principles are the UK's devolution settlements based, or on what principles should they be based?

4. Initially devolution was proposed to 'kill nationalism stone dead' in Scotland and Wales, and this reactive response has created the space where political decentralisation in England has become an urgent and pressing matter. We propose that further devolution should be based on principles of utilising identity to help to facilitate stronger democratic engagement; and economic rationality that helps to build strong regional economies through strengthening existing economic governance structures, and creating the space for new ones to emerge.

What is the effect on the Union of the asymmetry of the devolution settlement across the UK? Is the impact of asymmetry an issue that needs to be addressed? If so, how?

5. The effect of the asymmetry of the Union has led to the fragility and instability of the Union that we currently experience, allowing the space for English discontent to fuel and exacerbate tensions already existing between Scotland and England in terms of governance. This needs to be addressed as a matter of urgency, through political and economic decentralisation throughout the regions of the English administrative area. To achieve this, we need a thorough process of consultations incorporating governance, individuals and communities throughout the regions.

What might be the effect of devolving powers over taxation and welfare on the economic and social union within the UK? Are there measures that should be adopted to address the effects of the devolution of tax and welfare powers?

6. Further devolution of taxation and welfare *without* meaningful, properly understood decentralisation settlements through the English regions risk exacerbating existing tensions and deepening rifts. This provides the space for opponents of the Union to make political capital from deepening inequalities of power throughout the Union.

What practical steps, both legislative and non-legislative can be taken to stabilise or reinforce the Union? How should these be implemented?

7. The English administrative area needs an extensive consultation process to consider how best to decentralise power to the English regions. This is already beginning through the Devolution Bill, however in its current form it risks severe intra-regional inequalities that will risk additional rifts within England, not just between England, Scotland, and Wales. Some consultation is ongoing, but this needs to incorporate a national debate that moves beyond governance elites, to include civil society and communities.

On What Principles are the UK's Devolution Settlements Based

8. Many proponents of devolution in the 1990s saw this as a 'strategic policy' aimed at taming nationalist waves (especially in Scotland). The architects thought that the creation of devolved institutions in Scotland and Wales would demonstrate that their distinctive aspirations and identities could be accommodated within the framework of the Union – and that, as a result, devolution would 'kill nationalism stone dead', by denying the oxygen of discontent that was generated by previous territorial governance arrangements (Curtice & Seyd, 2009: 145).

What is the Effect on the Union of the Asymmetry of the Devolution Settlement Across the UK? Is the Impact of Asymmetry an Issue that Needs to be Addressed? If so, how?

9. **The current, asymmetric settlement is not the result of a coherent process with a clear end point – instead, it is piecemeal, ad hoc and, crucially, unstable in that it has weakened, rather than strengthened the Union.** Far from settling turbulences within the Union, devolution has brought in new challenges – as clearly demonstrated by the aftermath of the Scottish independence referendum held in 2014, bringing territorial politics and devolution to the UK nations on top of the political agenda, after a long absence (Willett and Giovannini, 2014). The so-called 'English Question' has also gained new political traction – pushing the government to reflect on the role and place that England, too, should have in the context of an increasingly decentralised Union. Both at political and public level, England is now looking north of the border, and increasingly sees itself as 'the hole in the middle' of the devolution settlement. The devolution process that has been in place in the UK since 1998 has not only been asymmetrical, but it has been accompanied by conflicting and often unequal flows of power if we consider the UK as a whole. Whilst Scotland and Wales have had more powers available to attend to local needs, within England, localities have seen their powers steadily eroded and concentrated in central government (Buser 2013; Lawton and Macaulay 2014). This is creating new, profound fractures within England, which are likely to impact on the future of the union, and can be examined in perspective.
10. Firstly, the paradox of 'centralised decentralisation' that has characterised the English case has its roots in the first round of 'devolution' measures that were implemented from 1990s onwards. These were underpinned by a greater attention to the layer of *regional* governance which acted as a bridge between central government and local authorities (through the Government Offices of the regions), and as a strategic regional planning body (through the Regional Development Agencies). The major criticism of this was that local planning and decision-making was often made at a level which was removed from the immediate concerns of localities. The abolition of RDAs in 2010 meant that over a period of twelve years, much strategic decision-making has shifted from local areas to central government, decimating the capacity of localities to shape their communities. Whilst this can be a valuable resource in terms of national planning and UK PLC as a whole, it risks fundamentally altering, in a negative manner, the relationship between the citizens and the state. The Localism Act in 2011 was intended to help active citizens to be able to better shape their communities and neighbourhoods, providing the powers to implement their ideas for improving their local area. In practice however, it has not yet been successful in decentralising actual powers.
11. On the one hand, centralised strategic political decision-making has the advantage of being able to deal with the UK (and England in particular) as a dedicated whole. This enables central policy to consider what the country needs as a social and economic unit, and develop policy, which is cascaded to the regions (however we might conceive them – either as city regions, county regions, or administrative regions as in the old governance structures). This model, towards which the UK has now moved, represents the local implementation of national policy, with localism and more recent 'devolution' being, allegedly, about communities and devolved English regions having the 'freedoms and flexibilities' to implement national policy in the way that they feel is most

sympathetic to their locality. Whilst this may be an efficient mechanism on a national level, its benefits are less clear on a local basis.

12. The UK is already one of the most unequal nations in the European Union (as well as one of the most highly centralised (Hepburn and Elias 2011), containing both one of the EU's richest regions (London) and some of the poorest (Cornwall and the Isles of Scilly, and West Wales and the Valleys). Policies such as the Northern Powerhouse HS2, HS3 are designed to counter the much talked about North/South divide, whereby national policy is imagined to neglect the North to the benefit of the South. However, according to research from the Federation of Small Businesses (2014) the disparity of investment per capita between London and other parts of the UK – particularly the North and the far South West, is striking, running into often many hundreds of pounds per head. Further, neither Cornwall and the Isles of Scilly, or West Wales and the Valleys, are in the North of England, indicating that the disparity of government attention towards the non-metropolitan core is great.
13. These points shed light on the problem of an over-centralised strategic decision-making process in England – whereby peripheral areas become increasingly peripheralised as their strategic priorities lag behind either high-growth regions, or localities that are assumed to have the potential to lead to high-growth. Whilst there is an economic logic to this with regards to the UK PLC, the entrenched regional deprivation that it facilitates and the lack of popular input to decision-making on devolution becomes a political as well as an economic and democratic problem.
14. In the current context, the asymmetric and piecemeal nature of the devolution settlement across the UK is shedding light with renewed emphasis on the over-centralisation of powers experienced within England. This, in turn, has highlighted the extent to which regional political and economic inequality has become entrenched within England, requiring a system of political decentralisation whereby regions and localities can have a *real* direct impact on policy making in an English strategic context. This begs an urgent reconsideration the way in which territorial governance is conceived by the centre, and also of the relationship between the citizens and the state.
15. This leads us to reflect on the most recent plans for English devolution implemented by the Conservative government since its election in May 2015. In essence, their strategy consists of two elements: English Votes for English Laws (so as to address the West Lothian Question); and the Northern Powerhouse agenda, combined with the City Deals supported through the Cities and Local Government Devolution Bill (aimed, chiefly, at addressing economic disparities across England).
16. Whilst seeing the government trying to address issues of devolution in England could seem in itself to be a positive move, there are a number of idiosyncrasies implicit to this approach. In the first place, neither of the two strategies described above answers the English Question in full. On the one hand, EVEL has the potential to bring in a number of technical and political issues, and could create further frictions within Westminster, and across the UK nations (see Hazel, 2014; Kenny and Gover, 2015). **On the other hand, the Northern Powerhouse and City Deals are ultimately focused more on economic regeneration than on opening a process of real political devolution for England. In the narrative underpinning the government's plans, devolution seems to be portrayed as a sort of 'gift from the centre' that will fix regional economies and create development. However, such claim is far from being necessarily true (Karel, 2015) and, in practice, with very little powers to be devolved, no real fiscal autonomy and more cuts to come, the endgame could be much more problematic, and change very little in practice. Once again, this approach has the potential to further destabilise the already fragile architecture of English governance, creating frictions within English regions, and towards the centre.**

17. In particular, rather than empowering and strengthening localities and local authorities, the current plans implemented by the government have set them to compete against each other in a race for City Deals agreements, following the blueprint of the Manchester deal struck earlier this year. Strikingly, on 4th September 38 local areas across England submitted their proposals for devolution to be examined by the government. In the end, however, only a handful of significant deals will be agreed (with big cities like London, Leeds, Sheffield, Liverpool and Birmingham being the main contenders), and perhaps also a number of county deals will be accepted, following the example of Cornwall. The other runners will get much less – and certainly nothing on the scale of ‘Devo-Manc’ or London. From this perspective, the main issue with this approach is that it is likely to spur further rivalries and to widen the gap between ‘deal haves and have nots’, creating *de facto* a market-type of competition among localities, which may see some rise, but also many others fall – widening, rather than bridging, the divide between English regions (however these are conceived). This is particularly true in the case of Northern regions such as Yorkshire, where City Deals are set to create further divisions and conflicts between big metropolitan areas such as Leeds and Sheffield city-regions, which are expected to get significant deals, and more peripheral and rural areas such as the East Ridings, which will be inevitably excluded, and will continue to ‘lag behind’ and grow a sense of resentment towards other ‘deal haves’ in the region, as well as towards the centre. If we think that the Northern Powerhouse scheme was presented to the public as a joining up of local enterprise in a coordinated economic area across the Pennines and from coast to coast, it is easy to see how its rhetoric does not seem live up to reality. In fact, both the Northern Powerhouse and City Deals seem to be based on a ‘divide and rule’ strategy that, in practice, will do very little to empower and strengthen the North or its cities – further fragmenting, rather than improving, territorial governance.

18. Finally, it should be noted that the *whole* debate on English devolution has been an elite-to-elite one. Whilst making occasional reference to how EVEL, City Deals and the Northern Powerhouse agenda would help improving democracy, in practice so far the government has paid very little attention to *what the people really want from devolution* in England (or if they have any appetite for it at all). Not only was the public given no voice in the discussions; but their views, as expressed in the referendums on elected mayors held in 2012, have also been overtly overturned – as the City Deals will be tightened to directly elected mayors. Furthermore, within the current plans no reference is made to the presence of regional distinctiveness, identity, culture and history that does exist not only in Scotland and Wales, but also within the English borders – e.g. in areas like Cornwall, and the regions of the North of England (Willett and Giovannini, 2014).

19. Overall, in England, the government has embarked on a project of *economic* devolution that is set and driven from the centre, at its own terms and conditions and with no real democratic input or scope. This largely ignores the fact that devolution is not only about reviving economies, but is also about revitalising localities from the bottom, engendering participation in the debate about their future, passing down real powers and bringing political decision-making closer to the people. Such centripetal approach runs the risk of creating a system of governance in England that is piecemeal, economically unsustainable, unaccountable and strongly biased towards London and other big cities. This could have very profound effects on the political economy of England (bringing in more inequalities and widening rather than bridging gaps between regions), but also on the wider UK political system, creating further alienation of the public from politics, and disenchantment towards political institutions at large. In the long term, this approach could engender feeling of detachment from *mainstream* politics not too dissimilar from those we have seen emerging in Scotland over the past few years, that could have strong impacts on the future of the Union.

What practical steps, both legislative and non-legislative can be taken to stabilise or reinforce the Union? How should these be implemented?

20. Reflecting on the case of England helps us both to put into perspective some of the key challenges that the Union is facing, and also to think about the key principles that should be implemented to strengthen the Union. Crucially, for the Union to continue to develop in a stable manner, there needs to be a clear, negotiated strategy for dealing with the political imbalances within England. In practical terms, this requires a profound rethinking on the part of the centre of the way in which it conceives and deals with territorial politics – not only for Scotland, Wales and Northern Ireland, but also for England. In particular, it seems to us that a ***new vision of territorial governance should pay more attention to the fact that England is profoundly diverse, and contains within its border many ‘territorial entities’ with their specific needs, aspirations and capacities – being these ‘small nations’ (i.e. Cornwall), regions with strong sense of distinctiveness (like the North East and Yorkshire), or areas that are more comfortable to remain under an administrative border/banner (e.g. most of the areas in the South East).***

21. Furthermore, this needs to be combined with a clear understanding about the relationship between the citizens, the ‘regions’, and the State. In practical terms, *meaningful, sustainable* and *real* devolution of powers needs to happen within the English regions in a manner tailored around their needs, alongside the devolved governments of Wales and Scotland.

22. This also means that as a country, in the UK we need to have a serious national conversation about what the nature of government is for, and what is the relationship between the citizen and the state. For instance, do we elect local politicians to implement national policy, or do we *think* that we elect local politicians to set the strategic priorities for our region (however it is conceived), and create policy that addresses specific local needs? In an ESRC Festival of Social Science event in November 2015, (the ‘Citizens Takeover of Cornwall Council’), the political activists involved assumed the latter, and this was the source of their frustration. They were expecting to be active citizens developing the policy agenda for their locality, but found that their role was one of delivery and management (See also Griggs and Roberts 2012). This links the question of the relationship between the citizen and the State. Do we conceive of British democracy to be one that is mainly engaged at the ballot box on Parliamentary elections, or do we imagine a democratic relationship whereby active citizens help to shape the UK as a part of their daily lives?

Conclusion

23. In conclusion, there seem to be two key principles that should underlie the existence of and the governance of the Union so as to strengthen it:

- The first one is *sustainable governance*, based on a revision of the way in which territorial politics is envisioned by the centre, which should be based on an open recognition of the UK as a profoundly diverse country, not only across but also within its nations. In this sense, territorial politics and devolution strategies should start to be conceived not as something that is managed univocally by the centre, but as an on-going dialogue with all the levels of governance below the state so as to address *their* needs and create the synergies necessary to develop a sustainable project of asymmetrical devolution that can offer an alternative to the current, over-fragment and unstable one. Imposing devolution agenda(s) from the top down creates divisions, rivalries and disaffection towards politics, and this threatens the union; on the other hand, creating synergies across localities from the bottom helps developing mutual trust, respect and improve the state of politics – strengthening the union.
- The second one is *democracy*, indented as an institution that can give more voice, and hence power, to ordinary citizens in deciding the constitutional future of their localities, regions, nations and, in turn, the whole country – bringing them closer to politics, and making them feel that their views do matter. If we accept that one of the main challenge underpinning the

Union concerns its current status of constitutional flux, and the UK is confronting 'constitutional moment' (Ackerman, 1991), i.e. a period in which the basic questions of how we are ruled are on the table and stand to be resolved, then the capacity to decide how to address these should not be put only in the hands of legislators and politicians – but the people, too, should have their say. In this sense, reviving and improving the relationship between citizens and the state in a more democratic direction should be seen as the bonding agent that can keep the Union together, even in the most turbulent times.

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