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Devolution to the East of England: two steps forward, one step back?

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Local government representatives, academics and other stakeholders from the East of England, as well as participants from Whitehall, convened at Cambridge Central Library on 26 January to discuss devolution initiatives in the region. This was the second in a series of events across the country organised by the British Academy as part of the Governing England programme.

The story so far

The discussion took place two months after seven councils (and the Local Enterprise Partnership) around Cambridge and Peterborough signed up to a devolution deal (covering areas 8 and 9 on the map below). As part of the deal, the local councils involved agreed to form a combined authority led by a directly-elected mayor. In return, the area will receive a new £20-million annual fund for the next 30 years, to support economic growth, developing local infrastructure and jobs. The decision to have a mayor was reached following a consultation of more than 4,000 people. The election takes place on 4 May, alongside five other metro-mayor elections across England.

The Cambridgeshire and Peterborough devolution deal builds on a number of previous initiatives in this area. Moves to transfer some freedom over spending to Greater Anglia began with the Greater Ipswich City Deal (covering Ipswich itself and the rest of Suffolk—area 11) and the Greater Norwich City Deal (areas 10a, 10b and 10d), both agreed in 2013. In 2014, Greater Cambridge – including the city and the surrounding district of

South Cambridgeshire (areas 8a and 8b) – also agreed a city deal, which aimed to provide over £500 million worth of funding over 15 years. These city deals focused on issues of economic growth and infrastructure, and were important building blocks for the larger multi-council devolution deals.

The 2016 devolution deal that is now going ahead emerged from the ashes of the larger [East Anglia Devolution Agreement](#), which began in September 2015 as a proposed deal for Suffolk alone. Central government supported the expansion of this deal, which was intended to cover the counties of Suffolk, Norfolk, Cambridgeshire and Peterborough (areas 8-11), totalling 23 local authorities. However, the deal was rejected by both Cambridge City and Cambridgeshire County councils in March 2016, amid concerns about the mayoral structure and the affordable housing plans in the deal.

Subsequently, the city of Cambridge and surrounding Cambridge local authorities agreed with the unitary Peterborough Council to form a combined authority with a mayor. Meanwhile, the Government sought to create a new devolution deal for Norfolk and Suffolk, but a number of Norfolk councils [voted against](#) the proposal. Suffolk council leaders have continued to seek a devolution deal with government but it is too late for this to go ahead in time for the elections in May.

No devolution deals have been agreed in the rest of the East of England administrative region, which covers Essex, Bedfordshire and Hertfordshire (areas 1 through 11). Following the 2010 abolition of regional development agencies and regional government offices, this larger region now exists primarily just for statistical purposes (as a NUTS 1 region in the standard European Union classification system) as well as forming a constituency for European Parliament elections up until Brexit.

Contested geography

Several speakers raised concerns that central government’s vision of devolution, built upon the clearer economic and geographic reach of city regions (such as London or Greater Manchester), would be an awkward fit for the East of England and its rural areas. A number of two-tier local authorities have had to consider structural reform and unitarisation to make a ‘metropolitan’ model of devolution work. The lack of consensus on reach has proved problematic in the East of England, which can be seen in the failed East Anglia proposals. While there were undoubtedly benefits to the tri-county deal – including giving the region a stronger voice in national discussions – its unravelling was in no small part due to the differences and lack of unity among the 23 councils involved.

Despite the approaching mayoral election, the geographical reach of the Cambridge and Peterborough deal is still a subject of debate. One attendee advocated the wider East Anglia deal, while another referred to the present deal area as the product of a ‘historical accident’, arguing that the Greater Cambridge area made more sense as a coherent single economic area. The deal therefore was considered to stretch across two economic hubs, in the north and south of the county, which to some extent face in different directions in terms of their economic activity. Greater Cambridge was

described as the main powerhouse of growth in the region, and as having a far more international identity – not least due to 9,000 EU citizens living in the area. The Greater Cambridge city deal, it was suggested, has also benefitted from its ‘doughnut’ shape, with South Cambridgeshire surrounding the city. This was contrasted with Oxford, where the city is surrounded by four different district councils, which has complicated negotiations and ultimately contributed to the failure of talks to establish a devolution deal.

Instead of a clearly-defined economic area, the new deal for Cambridge and Peterborough is argued to follow ‘the logic of administrative convenience’, by going back to the old county council boundaries, which also map onto the police and fire authority areas. Peterborough has signed up to the deal, but having gained its ‘independence’ from Cambridgeshire County Council as a new unitary authority in the 1990s, there are apparently some mixed feelings about reverting to the past in this way. There are also some concerns that partnership working arrangements across the region are not yet sufficiently developed. Nonetheless, local and central government participants are committed to overcoming these challenges and to making the deal work in the interests of the whole region.

What is being devolved?

There is a general agreement that the upcoming mayoral election should mark the beginning not the end of the devolution process. This has been the experience in Scotland, Wales and, more comparably, in Greater Manchester, which has a long history of joint-working across local authorities. Once the process of devolution starts, and the new institutions are in place, many think that it will lead on to further transfers of powers from Whitehall over time as greater attention is paid to the distinctive needs of the area. In particular, the mayor is described as being a “gamechanger”, who would have significant “convening power” to create momentum towards further devolution.

A number of attendees distinguished between ‘Devolution I’ and ‘Devolution II’. The former was the term for the agreed deal, which is focused on additional powers and funding to improve infrastructure (especially housing, transport and skills) across the region. Devolution II, it is hoped, will extend the remit of the new regional authorities to enable them to tackle wider social problems and inequality gaps and to get to grips with social policy issues such as health and social care integration. At the same time, there are concerns that government is still insufficiently committed to giving up powers, and that without ongoing ministerial focus on this issue, momentum might stall.

The heart of the Cambridgeshire and Peterborough agreement is significant funding commitments for infrastructure and jobs, which have been powerful incentives in getting all partners to sign up. The benefits include a £600-million fund over 30 years, and a further £170 million over the next five years to develop housing (with £70 million of this specifically to build affordable homes in Cambridge). Other proposed benefits include transport improvements (particularly rail), a jointly designed National Work and Health Programme, and development of the Peterborough Enterprise Zone. This

package of powers is regarded as important but far from sufficient to meet the needs of the region. Nonetheless, the broad consensus appears to be that it is better to take a limited deal and work towards the next phase of devolution rather than to reject any deal at all, as Norfolk has now done.

The view was also expressed that for devolved government to take root and to encourage genuine strategic thinking across the region, there needs to be a move towards greater fiscal responsibility in place of 'pork barrel politics' with each local area engaging in the process primarily to secure spending commitments in its own part of the region. A more adult dialogue between local and central government is needed to enable the region to progress towards a stronger devolution settlement.

The mayoral model

The most contentious aspect of the debate about English devolution revolves around the introduction of mayors. Central government insists that deals should involve the introduction of a mayor in almost all cases, but local resistance to this has delayed and derailed some proposals. The emphasis on mayoral leadership was described at our event as reflecting ministers' desire for a single line of accountability and a single person with whom Whitehall can negotiate, regardless of what the local community deemed most relevant for their needs. The mayoral model is also seen in many places as reflecting central government's focus on metropolitan areas like Greater Manchester, where the model is considered more applicable.

The discussion in Cambridge is an example of this viewpoint. Few participants expressed enthusiasm about the creation of mayors in the East of England; at best there was a feeling that it was a price worth paying in exchange for the powers being offered by central government. In some cases, it was recognised that the right kind of mayor could be an asset for the region, by raising its profile and making the case for further powers in negotiations with Whitehall.

Some felt that mayors posed a risk, for instance, if a 'Trump like' figure emerged who might antagonise existing political relationships and come into conflict with councils. It was also suggested that the local electoral geography could create incentives for candidates to pitch themselves as standing for the interests of northern Cambridgeshire and Peterborough in opposition to the city of Cambridge, potentially leading to policy choices that could harm the overall economic prospects of the region.

Others are concerned that the mayor might prove to be an unambitious figurehead, failing to champion East English interests. For this reason, it was argued that the new mayor needs to demonstrate a willingness to 'pick a fight' with Whitehall and defend the region against bad deals.

The role of the combined authority and its relationship with the mayor is crucial to ensuring effective collaboration between the various partners. The mayor could be significant in encouraging engagement beyond local authorities: in particular, the

involvement of business is important to ensure that new powers over transport, skills, housing and business rates are used in a way that will deliver economic benefits.

The fact that in this region the new mayor will operate at the same geographical scale as the county council was highlighted as a further challenge given the potential for competition between the two entities. Participants wondered whether the creation of this fourth tier of governance should therefore pave the way to a unitary model in place of the two-tier structure that currently exists.

Multiple tiers of governance and accountability could also complicate attempts to improve economic links between regions. Attention was drawn to a recent report by the [National Infrastructure Commission](#) which argues that the economic potential of the corridor connecting Cambridge and Oxford might be lost without a joined-up plan for housing, jobs and infrastructure. But it is not clear which authority at the eastern end of the corridor will be responsible for making a reality of this vision.

What do the public think?

Data presented at the event by Professor John Curtice, Professor of Politics at the University of Strathclyde and member of the British Academy Governing England working group, suggests that public support for devolution in the East of England can be characterised as broad but shallow. In a [2016 Ipsos Mori poll](#) for Cambridgeshire and Peterborough, 55% of people said they support devolution. However, only 17% strongly support devolution while the rest 'tended' towards it. 30% replied that they did not know, suggesting that there was notable public apathy on the subject. This reflects a broader trend in polls on English devolution, which usually find lukewarm enthusiasm at best. Furthermore, the English public tends to reject mayors and regional assemblies – spiritual ancestors to the present devolution deals – when offered the choice in referendums.

Attendees broadly agreed that the legitimacy of devolution is tied to voter turnout for the mayoral election. There are concerns that with months to go, candidates are still being selected and public awareness of the election and the new arrangements is still low. Central and local government have an important job in raising awareness between now and May. Unlike in some metro-mayor areas, voters in the region will already be going to the polls on 4 May, to elect members of Cambridge County Council. This might at least help prevent turnout falling to the embarrassing levels seen in Police and Crime Commissioner elections.

In the longer term, it was argued, public interest and support for the new institutions will develop if devolution appears successful. This led to the point that if success of devolution is evaluated in narrowly economic terms – for instance, through measurement of GDP growth – public engagement might suffer. Strong local narratives about the purpose of devolution might help, and it is also important that the mayor is seen as having delivered some specific positive changes in the region.

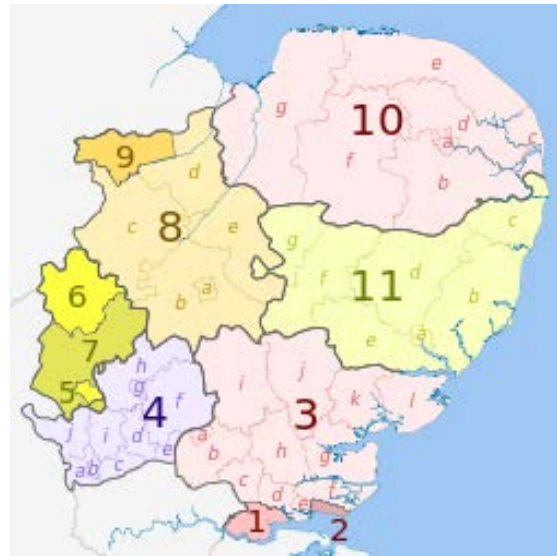
Concluding comments

Devolution in the East of England has been a case of two steps forward, one step back. The original deal for East Anglia collapsed, and the failure to agree a subsequent deal in Norfolk and Suffolk has put both areas on the back-burner of the devolution agenda. It is a real positive that Cambridgeshire and Peterborough have been able to agree a deal, but there are still challenges ahead. These include the contested logic of the agreed area, the extent of powers on offer, the limited enthusiasm about a mayoral model and limited public interest.

However, there is commitment both at a local level and within Whitehall to make devolution work. In particular, local authorities are eager to build the present deal into a more ambitious future settlement, with a greater transition of powers. The real test of this ambition will be on 4 May 2017.

Annex: Map of East of England region

1. Thurrock unitary authority
2. Southend-on-Sea unitary authority
3. Essex County Council, comprising: a) Harlow; b) Epping Forest; c) Brentwood; d) Basildon; e) Castle Point; f) Rochford; g) Maldon; h) Chelmsford; i) Uttlesford; j) Braintree; k) Colchester; l) Tendring
4. Hertfordshire County Council, comprising: a) Three Rivers; b) Watford; c) Hertsmere; d) Welwyn Hatfield; e) Broxbourne; f) East Hertfordshire; g) Stevenage; h) North Hertfordshire; i) St Albans; j) Dacorum
5. Luton unitary authority
6. Bedford unitary authority
7. Central Bedfordshire unitary authority
8. Cambridgeshire County Council, comprising: a) Cambridge; b) South Cambridgeshire; c) Huntingdonshire; d) Fenland; e) East Cambridgeshire
9. Peterborough unitary authority
10. Norfolk County Council, comprising: a) Norwich; b) South Norfolk; c) Great Yarmouth; d) Broadland; e) North Norfolk; f) Breckland; g) King's Lynn and West Norfolk
11. Suffolk County Council, comprising: a) Ipswich; b) Suffolk Coastal; c) Waveney; d) Mid Suffolk; e) Babergh; f) St Edmundsbury; g) Forest Heath



Map source: Dr Greg and Nilfanion. Contains Ordnance Survey data © Crown copyright and database right 2010 [CC BY-SA 3.0, via Wikipedia Commons https://en.wikipedia.org/wiki/East_of_England#/media/File:East_of_England_counties_2009_map.svg,

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