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Incomplete devolution

Are there benefits as well as
problems?

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Incomplete devolution: are there benefits as well as problems?

Key takeaways

1. City regional devolution can deepen place-based democracy and deliver for localities. But current policies don't cover all parts of England and have faced many changes in purpose, scale and scope. For decades, the devolution landscape has been littered with reforms and plans that have been shelved, abandoned or replaced. We usually think about this 'incompleteness' as evidence of failure.
2. In this brief, we argue that there are other ways to see 'incompleteness', which can help us deepen our understanding of potential futures for English city regional devolution. We argue that incompleteness may actually be an asset for local policymakers.
3. Incompleteness is a necessary part of the devolution landscape, enabling city regional actors to better recognise their own agency and influence, and design institutions that can adapt to changing circumstances. Incompleteness can also provide opportunities to open up devolution to more diverse voices, and better reflect local insights and lived experience. Flexible rather than fixed futures for city regional devolution may serve to deepen place-based democracy.
4. Thinking about incompleteness is particularly relevant now given the recent rapid churn in local economic development policy, and the uneven impacts of recent crises from the climate emergency to COVID-19 and the cost of living.
5. Incompleteness provides a lens for policymakers to make sense of the sub-national policy landscape and can help inform their activity. This could include working in non-traditional ways, such as co-production, which encourage openness to diverse voices and creative ideas, and embracing what works and is distinctive locally.

1. Introduction

The history of English city regional devolution is full of examples of plans and reforms that have gone awry, or were withdrawn or superseded before they were fully delivered. Abandoning and frequently replacing plans can undermine policy-makers' ability to deliver outcomes. But are these dynamics always evidence of failure? Can we think differently about what we term 'incompleteness' in city regional devolution?

Our interest in 'incompleteness' arose from our recognition of the positives of doing things differently in different places, the importance of both reflecting specific local contexts and legacies, and the value in learning-by-doing and maintaining capacity to respond to changing contexts. We then sought to theorise this, and explore its policy implications.

In this brief, we argue that 'incompleteness' is a significant, inevitable and potentially valuable feature of the institutional landscape of city-regional devolution in England. Rather than a failure, city regional devolution can be understood as unfinished, in flux or open. This allows us to look at city regional devolution from perspectives other than that of central government, and recognises that city regional and local actors are often working in a policy environment not conducive to their needs or ambitions.

Thinking about 'incompleteness' as an inevitable feature of city regional devolution can be a way of recognising and embracing local expertise and lived experience, and designing institutions that are responsive to changing circumstances (Durose and Lowndes 2021). Flexible rather than fixed futures for city regional devolution may actually serve to deepen place-based democracy.

2. English city regional devolution over time

It is clear that, over time, institutions of city regional devolution in England have been initiated, shelved and sometimes re-emerged years later (see Table 1), alongside changes in governments, individual champions and external environments. Initiatives have been launched with great fanfare but often remain as lonely pilots, stumble to a standstill, or are abolished; as demonstrated in the recent announcement to wind down Local Economic Partnerships. Harrison (2012: 1255) pithily compares city regionalism with a fireworks display, noting that each initiative is launched "with a crescendo of noise, only to sparkle for a short time, before appearing to fizzle out and fall slowly back to earth". This is often seen as a negative outcome that indicates city regional devolution has been abandoned, stalled or thwarted (see Table 1 on page 3).

Yet, 'completing' English city regional devolution - rolling out plans, scaling up pilots - requires a policy environment often more conducive than the one that exists. One former local authority chief executive, for example, described the challenges of constructing a combined authority and negotiating a devolution agreement, as being conducted in a "space where hyperbole often clashes with the brutal reality of what needs to happen on the ground" (Reeves, 2016).

So how can we think differently about the challenges of negotiating the future of city regional devolution? How can we better understand this characteristic of 'incompleteness'? How can doing so reveal different futures for English city regional devolution? We argue that incompleteness in English city regional devolution can usefully be understood as 'unfinished', 'in flux' or 'open':

- City regional devolution can be understood as 'unfinished' because a reform is on its way to being completed. In this sense, incompleteness in city regional devolution is temporary.
- City regional devolution can be understood as 'in flux' because it is inevitably a struggle between different interests, which is necessarily contingent and subject to ongoing revision. In this sense, incompleteness in city regional devolution is inevitable.
- City regional devolution can be understood as 'open' as a means to allow it to be shaped by the changing circumstances, the local context and diverse voices. In this sense, incompleteness in city regional devolution is valuable.

How can these different perspectives on incompleteness help us understand the current state of city regional devolution in England, and what do they mean for its future?

3. English city-regional devolution as 'unfinished'

Analysis of English central-local relations often stresses the long-standing imposition of standardising or centralising norms by central government on city regional and local institutions. Growing attention has been given to how the power and interests of central government may be advanced through city regional devolution. For example, the framing of city regional devolution and its fiscal conditioning has been seen as consolidating a focus on central government's priority of economic growth (Bailey and Wood, 2017). Specific governance arrangements, such as elected mayors, which disrupt local power bases have been a requirement, despite clear local disquiet (Lowndes and Lempriere, 2018).

Table 1: Institutional incompleteness of city-regional devolution over time (adapted from Durose and Lowndes, 2021)

Period/ Government	Institutional incompleteness of city-regional devolution: key policy developments
1997 - 2004 Early New Labour	<ul style="list-style-type: none"> • Separate ‘urban’ and ‘regional’ policies initially pursued. • Urban policy focused on revitalization of core cities suffering deindustrialization and disadvantage, alongside wider policies of democratic renewal, citizenship and community involvement. • Constitutional reform agenda promised devolution at regional level, and led to creation of Regional Development Agencies (RDAs) in 1998, and restoration of an elected assembly for Greater London in 2000. • City-regional agenda emerging, promoted by Core Cities Group and New Local Government Network, and reflected in 2003 Sustainable Communities Plan. • Regional devolution for England abandoned, following rejection of an elected assembly for the North East in 2004 referendum.
2004 - 2010 Late New Labour	<ul style="list-style-type: none"> • City regional agenda advanced, with new growth plans, including the 2004 Northern Way, requiring local authorities to work together; and Sub-Regional Partnerships providing a co-ordinating role for the City Region Development Plans. • Limited institutional capacity at city regional level beyond City Development Companies (CDCs) and Multi-Area Agreements (MAAs). • RDAs remained but without elected members or community engagement. • City-regional agenda waned towards the end of New Labour period with departure of key advocates, such as Deputy Prime Minister, John Prescott.
2010 – 2015 Coalition	<ul style="list-style-type: none"> • Abolished regional-level RDAs, creating space for city regional agenda. • Business-led Local Enterprise Partnerships (LEPs) created at city regional level in 2011. • Slow recovery from 2008 financial crisis shifted focus to city regions to re-balance the economy regionally and as potential engines for economic growth. • City Deals introduced in 2012. • Northern Powerhouse and Midlands Engine initiatives. • Institutional capacity set up at city regional level via new Combined Authorities (CAs) - voluntary collaborations of local authorities, subsequently with a directly elected metro mayor as a condition of the devolution agreements from 2015. • Devolution deals devolved powers and resources from central government to CAs in some parts of England (with some upwards shift of local authority functions to CAs). • Bespoke arrangements within each deal, focusing on economic development but also devolution of health budgets in leading CA, Greater Manchester Combined Authority. • Powerful advocates for city regions in government, notably Chancellor of the Exchequer, George Osborne, and in the Conservative party, including Lord Heseltine.
2015 – 2023 Conservative	<ul style="list-style-type: none"> • The 2016 Brexit referendum result prompted departure of Conservative devolution champions and the focus on Brexit reduced interest in city regional devolution. • Existing devolution deals completed with CAs, but with less variety. • Lack of drive to cover more of England, with only 10 deals by 2020 (Sandford, 2020). • Political re-alignment in the 2019 General Election re-focused attention on ‘levelling up’ across English city-regions, followed by a Levelling Up White Paper in 2022. • Pandemic secured public visibility and reputation of metro mayors in Northern England, particularly in fight for resources with Whitehall to compensate businesses affected by shut-downs and other mitigations. • Additional devolution deals to existing CAs were followed by ‘trailblazer’ deeper devolution deals for Greater Manchester and West Midlands in March 2023. • Announcement of the abolition of Local Economic Partnerships (LEPs) by March 2024, alongside refocussing of policy on Investment Zones.

Indeed, Sandford (2017) has compared the devolution deals to a contractual process, whereby central government sets the terms for 'outsourc[ing]' of particular schemes or projects to local government, and makes their response conditional upon specific arrangements for implementation, evaluation and future working. From this perspective, city regional devolution is a plan to be rolled out or scaled up in order to complete the aims of central government actors.

City regional actors may themselves aspire to completeness. This may either be to 'get the best' from each stage or negotiation or because they have a vision of what a devolution 'end state' should look like. Greater Manchester for instance, is often seen as playing a 'long-game' of promoting collaboration between individual local authorities across the city region as a pre-condition towards the realisation of a vision for the city region (Lowndes and Lempriere, 2018). City regional devolution can be seen as 'unfinished' because it is an ongoing process, in which further, more ambitious devolution deals are put in place over time.

4. English city regional devolution as 'in flux'

A parallel theme in recent analysis of English city regional devolution is that different local intentions can shape the implementation and impact of central reforms in diverse ways (Lowndes and Lempriere 2018). For example, in contrast to previous attempts to introduce regional governance in England, city regional devolution 'deals' have been negotiated on a bespoke basis. Not all parts of the country are covered by the new institutional arrangements and, where combined authorities do exist, their governance, powers and responsibility vary significantly.

The uneven and conditional nature of reforms around city regional devolution suggests less of a master plan than an exercise in central-local negotiation. Indeed, the brevity and provisional tone of many of the 'devo deals', as compared for example to lengthy legislation to set up regional assemblies, may be seen as an attempt to balance competing political constituencies and keep open future possibilities for further devolution. This reflects the expectation by policymakers at central, city-regional and local levels to have to work with and around incompleteness.

Political realignment following the 2019 General Election prompted a new phase in this ongoing state of flux, as the Conservative government promised to 'level up' economic opportunity across the country, and Labour re-focused on devolution to capitalise on their mayoralities in key city regions. Central-local negotiation over city regional devolution has also been shaped by wider contextual uncertainty, associated with Brexit, the COVID-19 pandemic and the war in Ukraine.

5. English city regional devolution as 'open'

English city regional devolution may also be understood as being incomplete in a way that allows for greater responsiveness to local needs and aspirations. While some devolution deals have been criticised for excluding wider consultation (Lowndes and Lempriere 2018), cities like Sheffield and Southampton have used deliberative 'mini-publics' to debate the future of city-regional devolution, allowing citizens to bring to the table important and under-recognised issues relating local identities and democratic accountability (Prosser et al. 2017). At the same time, wider movements like the People's Powerhouse seek to ensure a greater diversity of voice and expertise in the devolution process

across the North as a whole. These forms of participation, and more open institutional designs, can offer the means for wider inclusion and promote the legitimacy and effectiveness of city regional devolution. These examples are illustrative of the distinctive capacity of city regions and localities to generate institutional innovation. Indeed, in the UK, many governance reforms have their origins at the urban level – for example, service outsourcing, public-private partnerships and co-production. Keeping city regional devolution ‘open’ can stimulate democratic engagement and creativity.

6. What does ‘incompleteness’ mean for how we understand city regional devolution?

We can see that within English city regional devolution different types of incompleteness are in play at the same time. For example, in adopting ‘metro mayors’ city regions such as Liverpool risked disrupting local power bases when the resources and responsibilities that might be devolved over time to that mayor were left ‘in flux’. Yet in doing so, they may also be interpreted as working towards completing a devolution process that was perceived as ‘unfinished’.

Once the principle of devolution had caught hold, city regions have been able to use this new central-local relationship to ‘open’ up the expansion of devolution in different and locally-specific ways. This illustrates how city regional policy makers can turn frictions into creative tensions, challenging existing power settlements and pursuing local priorities. The announcement of deeper ‘trailblazer’ devolution deals for Greater Manchester and the West Midlands in March 2023 (Institute for Government 2023) may be seen to reflect how the incompleteness of devolution can be turned to their advantage in a context of continued uncertainty.

The limits to the agency of city regional actors may be understood as representing a lack of power, authority or political will. But can also be seen as connoting effective resistance on the part of those actors who see change as challenging their interests. Yet, such incompleteness also opened up space for political contestation, where ‘soft’ power and influence become crucial. Indeed, following the announcement of ‘trailblazer’ deals, Steve Rotherham, Mayor of the Liverpool City Region, asked for “guarantees from the Chancellor that the Liverpool City Region will be top of the list to next receive these additional powers” (Institute for Government 2023).

7. Why does this matter for policymakers?

This brief shows how reflecting on incompleteness can open up alternative ways of thinking about city regional devolution. It argues that incompleteness can be an asset rather than a problem for local policymakers.

Limited attention spans from central government, along with the appeal of the new have tended to shape a continuous and restless search for ‘completeness’ in city regional devolution. Our analysis has highlighted not only the inevitability of incompleteness in city regional devolution but also its potential advantages. The idea is not that plans or outcome specifications for city regional devolution should be abandoned but rather that pre-set or prescribed solutions are not necessarily the most effective or even efficient way to achieve them. A focus on incompleteness acknowledges not only the need to respond to local contexts in city regional devolution, but the value of actively creating and maintaining spaces of incompleteness. Such an approach can encourage new ways of approaching city regional devolution and using it as a means to deepen place-based democracy.

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