

### **Regionalism and Devolution**

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If we consider the principles of regionalism and devolution in the governance apparatus of the state, as it relates to infrastructure provision, we find that, unlike other OECD<sup>1</sup> countries including France, Germany, Italy, Spain, the US, Canada and Australia, they are not synonymous in the UK. Instead, in the period since the 1930s, these principles of governance have been used sequentially. Before this, issues of regionalism were regarded as city provincialism, particularly during the nineteenth century or as major political concerns such as Home Rule for Ireland. Within the territory of the United Kingdom, infrastructure such as for canals, roads and railways, was provided initially by the private sector, using scheme specific Acts of Parliament. The public health crisis in the 1850s onwards<sup>2</sup>, together the understanding of the local state in its role in supporting the economy through a range of infrastructure such as education, housing, health, clean air, waste water and energy provided by local authorities, led by Chamberlain's example in Birmingham<sup>3</sup>. After 1945, this switched to the application of the principle of universalism through central of government as essential features of the welfare state<sup>4</sup>.

The introduction of regionalism as an organising principle for national policy in the United Kingdom emerged in the 1930s as a response to the economic shocks of the 1920s including the fear of bolshevism aroused by the general strike<sup>5</sup>, and the assessment of risks in any forthcoming European conflict. The Royal Commission<sup>6</sup> on the Distribution of the Industrial Population 1937-1940 followed concerns raised in the Third Report of the Commissioner for Special Areas 1936. It recommended the decentralisation the UK's economic capacity from city locations, which was also seen to be a mechanism for distributing employment to regions which were not recovering from these earlier post first world war economic shocks. These policies for economic redistribution were supported after 1945<sup>7</sup> as part of the post-war recovery for construction which lasted until 1976. These programmes included the provision of new towns<sup>8</sup>, schools, roads and health provision and some water provision

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<sup>1</sup> OECD (2019), *Making Decentralisation Work: A Handbook for Policy-Makers*, OECD Multi-level Governance Studies, OECD Publishing, Paris

<sup>2</sup> White, J. (2016). *London in the Nineteenth Century : 'a human awful wonder of God'*. Random House.

<sup>3</sup> Marsh, P. (1994). *Joseph Chamberlain: Entrepreneur in Politics*. Yale University Press.

<sup>4</sup> Timmins, N. (2001) *The Five Giants: A Biography of the Welfare State*. Harper Collins.

<sup>5</sup> Christie, A. (1922). *The Secret Adversary*.

<sup>6</sup> Barlow, M. (1940) *Royal Commission on the Distribution of the Industrial Population (Barlow Commission) 1937-1940*. HMSO.

<sup>7</sup> Brooke, S. (Ed.). (1995). *Reform and reconstruction: Britain after the war, 1945-51 (Vol. 1)*. Manchester University Press.

<sup>8</sup> Forsyth, A., & Peiser, R. (2019). The British new towns: Lessons for the world from the new-town experiment. *Town Planning Review*.

through the creation of new reservoirs<sup>9</sup>. However, there was little investment in rail, local public transport or energy<sup>10</sup>. This post war infrastructure investment was focused on relieving cities of overcrowding and repairing places that had suffered bomb damage. The economic policies for the regions that were increasingly lagging behind others were based on moving jobs from Whitehall and providing investment and employment grants to companies willing to move to these areas through what was known as Selective Assistance<sup>11</sup>. In 1965, the Labour Government proposed a National Plan<sup>12</sup> following the creation of the Department of Economic Affairs<sup>13</sup> in 1964, to act as a counterweight to the Treasury in making decisions about national investment<sup>14</sup>. The DEA set up six regional planning boards chaired by civil servants and separate from what was occurring at the local level<sup>15</sup>. There were concerns expressed by MPs about this separation of decision making in localities as expressed in a debate on this issue in 1985. While the decision-making for regional policies and projects was under the control of central government, these regional advisory bodies were established to inform decisions and provide a sense of regional coherence in the projects selected within these national initiatives. These approaches stretched across the UK. However, none of these regional advisory bodies had any powers and decisions were still made centrally. Below this level, while local authorities had the power to generate income through their local rates schemes and borrow funding to implement infrastructure improvements, they were stripped of their social and physical economic services in the period of nationalisation with a few remaining outliers such as the Kingston upon Hull telephone company<sup>16</sup>. The DEA was short lived and abolished in 1969.

The approaches to 'levelling up' in the United Kingdom shifted after 1976 with the Inner Urban Areas Act 1978 and national initiatives on urban regeneration, still taking a pan-UK approach. Michael Heseltine ran garden festivals in Glasgow and Liverpool<sup>17</sup> and regeneration programmes were designed to replace new towns policies. The UK's membership of the EU from 1972 onwards started to boost these urban regeneration initiatives, but also added a principle of policy and funding intervention for economically lagging regions. This was one of the main 'asks' of the UK government on joining the EU – that selective spatial funding policies should be applied and the UK's first EU Commissioner, Bruce Millan took the role in leading this new policy and programme development. Before this in the EU, the approach had been for a whole territory approach. In the UK, these new EU sub-national economic support initiatives remained still centrally led. Some EU member states, including Spain and Ireland, used these initiatives to support infrastructure development, particularly roads, as a means of improving access to more prosperous markets at the heart of the EU's territory. While there was some disquiet in the use EU funding for roads, the fall of the Berlin Wall and the growth in Accession states from Eastern Europe after 1992, led to a new focus on communication and

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<sup>9</sup> Knights, E. A. (1982). Rutland Water—from conception to operation. *Hydrobiologia*, 88(1), 7-17; McTominey, A. (2020). A Tale of Two Yorkshire Villages: The Local Environmental Impact of British Reservoir Development, c. 1866-1966. *Environment and History*, 26(3), 331-358.

<sup>10</sup> Parker, D. (2009). *The Official History of Privatisation Vol. I: The formative years 1970-1987*. Routledge; Parker, D. (2013). *The official history of privatisation, Vol. II: Popular capitalism, 1987-97*. Routledge.

<sup>11</sup> Glasson, J. (1992). The fall and rise of regional planning in the economically advanced nations. *Urban Studies*, 29(3-4), 505-531; Glasson, J., & Marshall, T. (2007). *Regional planning*. Routledge.

<sup>12</sup> National Archives <https://www.nationalarchives.gov.uk/wp-content/uploads/2014/03/PREM-13-27411.jpg>

<sup>13</sup> Clifford, C. (1997). The rise and fall of the department of economic affairs 1964–69: British government and indicative planning. *Contemporary British History*, 11(2), 94-116.

<sup>14</sup> Huggins, R., & Williams, N. (2009). Enterprise and public policy: a review of Labour government intervention in the United Kingdom. *Environment and Planning C: Government and Policy*, 27(1), 19-41.

<sup>15</sup> Hansard HC Deb 18 February 1965 vol 706 cc1353-5

<sup>16</sup> Trotter, S. (1996). The demand for telephone services. *Applied Economics*, 28(2), 175-184.

<sup>17</sup> Cocks, M. (2013). Conceptualizing the role of key individuals in urban governance: Cases from the economic regeneration of Liverpool, UK. *European Planning Studies*, 21(4), 575-595.

connections within the expanding territory that was brokered by John Major, the UK Prime Minister. By 1996, the EU had developed and adopted a funded policy for strategic transport corridors across the EU that followed an east/west orientation – TEN-T<sup>18</sup>. In the UK, upgrades on roads such as the A14<sup>19</sup> and the Cambridge Guided busway, the Elizabeth Line and the NW rail corridor all benefitted from legal certainty and funding<sup>20</sup> through this approach. Other transport benefits achieved as part of this TEN-T programme included upgrades to public transport access to airports and rail freight transfer stations. Following this a similar Trans European policy for energy was introduced by the EU<sup>21</sup> - TEN-E. These EU policies provided the strategic approach to infrastructure delivery that was incorporated within the 2008 Planning Act in England and Wales and marked by a move away from an adversarial planning inquiry system to one that was inquisitorial and achieved through examination.

A move back to a regional strategic approach emerged through the Blair government in 1997 with government departments expected to contribute to a unified regional spatial strategy. Most government departments ignored this integrated approach and developed their own stand-alone policies with their own spending priorities<sup>22</sup>. These separate regional strategies included proposals for rail, health, universities, water, energy – many of which were now privatised under the provisions of the WTO's Government procurement agreement (GPA) in 1980 and 1994<sup>23</sup>. The governance of these regional strategies remained within Central Government through the Government Offices<sup>24</sup> created in 1993 and with enhanced advisory Regional Assemblies<sup>25</sup>. In comparison, with Scotland, Wales and Northern Ireland where the UK government devolved power in 1999, national plans or whole nation strategies were developed under the governance of their Parliaments and Assemblies, there was no devolution of decision making for infrastructure in England. The apparatus for the regions was dismantled through the Labour Government's Local Democracy, Economic Development and Construction Act 2009 that was confirmed by the incoming Coalition government in 2010 and through the Localism Act 2011. The incoming Coalition Government replaced the Government Offices for the regions and Regional Development Agencies with self-appointed Local Enterprise Partnerships from 2010, which were intended to perform the same role while providing an outward narrative of more regional decision making, including for transport projects<sup>26</sup>. However, the institutional structures remained within the control of central government and the means of selecting projects at the regional or sub-regional level has remained in the hands of Whitehall departments.

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<sup>18</sup> Spiekermann, K., & Wegener, M. (1996). Trans-European networks and unequal accessibility in Europe. *European journal of regional development*, 4(96), 35-42.

<sup>19</sup> Hardy, B., & Fenner, R. A. (2015, July). Towards the sustainability of road transport through the introduction of AV technology. In *Proceedings of the Institution of Civil Engineers-Engineering Sustainability* (Vol. 168, No. 5, pp. 192-203). Thomas Telford Ltd.

<sup>20</sup> Brien, P. (2020) EU funding in the UK. House of Commons Library Briefing Paper 7847

<sup>21</sup> Williams, P. A. (2015). Energy and trans-European networks—energy (TEN-E). In *The Europeanization of Turkish Public Policies* (pp. 46-62). Routledge.

<sup>22</sup> Roberts, P., & Benneworth, P. (2001). Pathways to the future? An initial assessment of RDA strategies and their contribution to integrated regional development. *Local economy*, 16(2), 142-159.

<sup>23</sup> Morphet, J. (2021) Outsourcing. Bristol University Press.

<sup>24</sup> Mawson, J., & Spencer, K. (1997). The government offices for the English regions: towards regional governance?. *Policy & Politics*, 25(1), 71-84; Musson, S., Tickell, A., & John, P. (2005). A decade of decentralisation? Assessing the role of the Government Offices for the English regions. *Environment and Planning A*, 37(8), 1395-1412.

<sup>25</sup> Adams, J., & Tomaney, J. (2002). *Restoring the balance: strengthening the Government's proposals for regional assemblies*. Institute for Public Policy Research.

<sup>26</sup> Morphet, J., & Pemberton, S. (2013). 'Regions out—sub-regions In'—can sub-regional planning break the mould? The view from England. *Planning Practice & Research*, 28(4), 384-399.

After 1999, in the nations with devolved powers and London, competency for decision making over transport projects and investment was included in their powers after 1999. However, since 2014, the UK government has sought to roll back these powers to the centre. While the UK government agreed to increased subsidiarity in the state in 2009<sup>27</sup> and was expected to implement this through the EU Cohesion programme 2014-2020<sup>28</sup>, it had the reverse effect. Rather than providing more local authority power, funding and project selection across the whole of the UK, HM Treasury introduced local authority deals in Scotland, Wales and Northern Ireland that not only reduced local authority decision making, with all project decisions being taken in London but also sought to fetter the budgets of the devolved administrations through commitments to long term infrastructure projects<sup>29</sup>. These deals now cover the territory of all three nations, as demonstrated in the Levelling Up White Paper in 2022, which like its following Levelling Up and Regeneration Bill 2022 applies to the whole of the UK and not only to England. This reduction of devolved powers in Scotland, Wales and Northern Ireland has continued through the removal of devolved competencies through post Brexit legislation including the European Union (Withdrawal) Act 2018, the Internal Market Act 2020<sup>30</sup> and the Subsidy Control Act 2022 and the repeated failure to adhere to the Sewel convention on legislative consent<sup>31</sup>.

Brexit is bringing about other changes in the way in which infrastructure decisions are made in the UK. As the legal basis of the Planning Act 2008 was an EU regulation on TEN-T<sup>32</sup>, which had primacy over UK law, its removal means that the government is having to rethink the legality of the inquisitorial process for Nationally Significant Infrastructure Projects included in this legislation. This implies a move back to the principle of development that was established in the Town and Country Planning Act 1947 when all development land rights were removed from owners and occupiers. This principle requires that the need for the development is established in the planning application and its assessment and that alternatives are considered, in extremis, through a public inquiry. It is noticeable that the smooth process for approving Development Consent Orders using the Planning Act 2008 procedure has faltered since 2020, with both Ministers and the courts refusing consent for reasons including failing to establish the need for the energy proposed to be generated and for examining the alternatives, as in Stonehenge<sup>33</sup>.

Where does all this leave decision-making on infrastructure projects, their selection and funding? HM Treasury has changed the Green Book in 2020, which is the basis of evaluating schemes delivered using public funding, to favour locations with less growth. Other government bodies such as Homes

<sup>27</sup> Arribas, G. V., & Bourdin, D. (2012). What Does the Lisbon Treaty Change Regarding Subsidiarity within the EU Institutional Framework?. *EIPAScope*, 2012(2), 13-17.

<sup>28</sup> Mendez, C., Bachtler, J., & Granqvist, K. (2013). European Commission Perspectives on the 2014-2020 Partnership Agreements & Programmes: A Comparative Review of the Commission's Position Papers.

<sup>29</sup> Morphet, J. (2022) Deals and Devolution: how the UK Government is using local deals to undermine devolved decision making. PSA International Conference York 11-13 April.

<sup>30</sup> Dougan, M., Hunt, J., McEwen, N., & McHarg, A. (2022). Sleeping with an elephant: devolution and the United Kingdom Internal Market Act 2020. *Law Quarterly Review*.

<sup>31</sup> McEwen, N. (2022). Irreconcilable sovereignties? Brexit and Scottish self-government. *Territory, Politics, Governance*, 1-17.

<sup>32</sup> [https://www.google.com/search?q=eu+regulation+TEN-T&rlz=1C1GGRV\\_enGB751GB751&sxsrf=ALiCzsaICKQ5xCm6CqXg3tWW-T6TJwAUIQ%3A1656499533750&ei=TS28YryuLY2OgQbD0JjACg&ved=0ahUKEwj8iJ7SvdL4AhUNR8AKHUMoBqgQ4dUDCA4&og=eu+regulation+TEN-T&gs\\_lcp=Cgdnd3Mtd2l6EAWyBggAEB4QFjoHCAAQRxCwAzoFCAAQgAQ6BQgAEJECsgQIQRgASgQIRhgAUKoKWJQoYMc7aAFwAXgAgAFXiAH0BZIBAjEymAEAoAEByAEIwAEB&scient=gws-wiz](https://www.google.com/search?q=eu+regulation+TEN-T&rlz=1C1GGRV_enGB751GB751&sxsrf=ALiCzsaICKQ5xCm6CqXg3tWW-T6TJwAUIQ%3A1656499533750&ei=TS28YryuLY2OgQbD0JjACg&ved=0ahUKEwj8iJ7SvdL4AhUNR8AKHUMoBqgQ4dUDCA4&og=eu+regulation+TEN-T&gs_lcp=Cgdnd3Mtd2l6EAWyBggAEB4QFjoHCAAQRxCwAzoFCAAQgAQ6BQgAEJECsgQIQRgASgQIRhgAUKoKWJQoYMc7aAFwAXgAgAFXiAH0BZIBAjEymAEAoAEByAEIwAEB&scient=gws-wiz)

<sup>33</sup> <https://www.theguardian.com/uk-news/2021/jul/30/high-court-victory-for-stonehenge-campaigners-as-tunnel-is-ruled-unlawful>

England have also had their investment targets changed to include more projects in locations needing 'levelling up'.<sup>34</sup> The 'levelling up' fund for localities is currently open for bids and will close shortly, but the government has yet to make available the funding application portal where local authorities can submit their bids<sup>35</sup>. Meanwhile other localised funding regimes such as for regenerating town centres have been the subject of charges of pork barrel politics from both Parliamentary Select Committees<sup>36</sup> and other independent commentators. In both the Hartlepool and Tiverton and Honiton by-elections, the Conservative candidates were openly claiming that only votes for their party could guarantee funding for local public investment in services.

There are calls for a change in the way that the UK constitution is conceived. Lord Hennessey<sup>37</sup> has stated that it is time to move away from the 'good chaps' theory of government and move towards a written constitution. Others such as Carwyn Jones, the former first minister in Wales has proposed that the UK should be created as a federal structure<sup>38</sup> whilst the mayor of Greater Manchester, Andy Burnham is calling for the introduction of proportional representation<sup>39</sup> and the reform of the House of Lords into a senate of the regions and nations. Both proportional representation and reform of the House of Lords were included as part of the Liberal Democrats' agenda for the Coalition government 2010-2015. These failed but may be the basis of a new power sharing agenda after the next general election if there is no overall Parliamentary majority.

Where does this leave the UK in respect of national infrastructure planning and investment, including its role in 'levelling up'? In 2015, the UK committed to the UN's Sustainable Development Goals including SDG 11, which includes the requirement to prepare a national land use plan – a commitment that has now been picked up by DEFRA in the National Food Strategy 2022. The UK, unlike any other EU member states, has no national development or infrastructure plan. In Ireland, the government has developed an approach to infrastructure investment through alignment with its national plan, identified spatial scales of decision making and done this within the UN's SDGs<sup>40</sup>. Ireland's growth rate far outstrips that of the UK<sup>41</sup> and this certainty about infrastructure investment, focussed on connections for the whole country, must play some part in its success. Yet in the UK, infrastructure investment is still primarily for schemes that are in London, East and South East, has little transparency in decision making and no formal substate democratic input. The cultural politics of 'levelling up' remains set in a centralised state<sup>42</sup> with no mechanisms for specific interventions to make social, economic and physical differences to localities that are left behind. To reflect James Graham's view

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<sup>34</sup> <https://www.housingtoday.co.uk/news/homes-england-details-new-levelling-up-housing-funds/5115909.article>

<sup>35</sup> <https://www.gov.uk/guidance/levelling-up-fund-round-2-frequently-asked-questions>

<sup>36</sup> <https://committees.parliament.uk/committee/127/public-accounts-committee/news/120657/pac-not-convinced-by-rationale-for-opaque-and-not-impartial-towns-fund-selections/> ; <https://news.sky.com/story/ministers-accused-of-gambling-billions-on-little-more-than-a-slogan-in-levelling-up-funds-report-12629565> ; Hanretty, C. (2021). The pork barrel politics of the Towns Fund. *The Political Quarterly*, 92(1), 7-13; Jennings, W., McKay, L., & Stoker, G. (2021). The politics of levelling up. *The Political Quarterly*, 92(2), 302-311.

<sup>37</sup> Blick, A., & Hennessey, P. (2021). *Good Chaps No More: Safeguarding the Constitution in Stressful Times* (London: Constitution Society, 2019).

<sup>38</sup> <https://gov.wales/first-minister-sets-out-his-vision-post-brexite-wales>

<sup>39</sup> <https://www.theguardian.com/politics/2022/jun/25/andy-burnham-says-labour-must-seize-moment-and-back-proportional-representation>

<sup>40</sup> <https://www.gov.ie/en/press-release/7ac57-government-launches-the-renewed-national-development-plan-2021-2030/>

<sup>41</sup> <https://www.oecd.org/economy/ireland-economic-snapshot/>

<sup>42</sup> Morphet, J. (2021). *The Impact of COVID-19 on Devolution: Recentralising the British State Beyond Brexit?*. Policy Press.

on this issue, as expressed in his recent tv serial 'Sherwood', the provinces of England were forgotten 40 years ago and remain in the same position today<sup>43</sup>. These areas describe themselves in terms of the past and are blamed for the effects of deindustrialisation on their present. They are also divided and this reduces their ability to influence politicians. There is no Government plan for infrastructure investment to address 'levelling up' as seen in recent HS2<sup>44</sup> and Northern Powerhouse transport decisions<sup>45</sup>, and in spite of the red wall constituencies voting Conservative in 2019, the degree of centralisation has increased, whilst devolved decision making and 'levelling up' have not.

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<sup>43</sup> <https://www.theguardian.com/commentisfree/2022/jun/29/sherwood-communities-divided-miners-strike-brexit-rail-dispute>

<sup>44</sup> <https://www.theguardian.com/uk-news/2021/nov/18/hs2-rail-leg-to-leeds-scrapped-grant-shapps-confirms>

<sup>45</sup> <https://transportforthenorth.com/press-release/transport-budget-cuts-threaten-levelling-up-agenda-say-northern-leaders/>