

# ECONOMIC AND SOCIAL RESEARCH COUNCIL END OF AWARD REPORT



## For awards ending on or after 1 November 2009

This End of Award Report should be completed and submitted using the **grant reference** as the email subject, to **reportsofficer@esrc.ac.uk** on or before the due date.

The final instalment of the grant will not be paid until an End of Award Report is completed in full and accepted by ESRC.

Grant holders whose End of Award Report is overdue or incomplete will not be eligible for further ESRC funding until the Report is accepted. ESRC reserves the right to recover a sum of the expenditure incurred on the grant if the End of Award Report is overdue. (Please see Section 5 of the ESRC Research Funding Guide for details.)

Please refer to the Guidance notes when completing this End of Award Report.

<b>Grant Reference</b>	RES-066-23-0033		
<b>Grant Title</b>	English Regionalism: Rhetoric or Substance? Evaluating decision making procedures for Regional Funding Allocations		
<b>Grant Start Date</b>	01/01/2007	<b>Total Amount</b>	£270,678.66
<b>Grant End Date</b>	31/12/2009	<b>Expended:</b>	
<b>Grant holding Institution</b>	University of Bristol		
<b>Grant Holder</b>	Dr Sarah Ayres		
<b>Grant Holder's Contact Details</b>	<b>Address</b>	<b>Email</b>	
	School for Policy Studies	sarah.ayres@bristol.ac.uk	
	8 Priory Road	<b>Telephone</b>	
	Bristol, BS8 1TZ	011795 46762	
<b>Co-Investigators (as per project application):</b>		<b>Institution</b>	

## 1. NON-TECHNICAL SUMMARY

Please provide below a project summary written in non-technical language. The summary may be used by ESRC to publicise your work and should explain the aims and findings of the project. *[Max 250 words]*

In the absence of political devolution in England, the UK Government has adopted a process of administrative decentralisation by extending the role of the regional tier in policy development and delivery. Regional Funding Allocations (RFAs) were introduced in 2005 and are 'intended to enable regions to better align their strategies and provide an enhanced input into Government policy development and public spending decisions that affect the regions' (HMT *et al*, 2005: 3). For the first time major funding streams for economic development, housing, transport and, more recently, skills would be examined jointly by key partners to promote a more cohesive approach to the long-term management of resources. This research has examined the scope and feasibility of RFAs.

Drawing on theories of network management and collaborative governance a *Regional Governance Assessment Framework* has been developed to examine how decisions about RFAs have been made. Findings indicate that significant progress has been made by regional actors in prioritising programmes within the confines of allocated budgets. However, the research has also illustrated the weaknesses in England of the ability to coordinate funding streams at an appropriate spatial scale and underlines the need for future regional strategies to be attached to funds and mechanisms for delivery. Whitehall's tentative step towards establishing regional budgets has failed to deliver the discretion and flexibility required to develop territorially distinct policy solutions. Given the severity of the economic challenges facing the UK, a more robust approach to promoting sustainable economic development and managing England's territories will need to be found.

## 2. PROJECT OVERVIEW

### a) Objectives

Please state the aims and objectives of your project as outlined in your proposal to the ESRC. *[Max 200 words]*

The aim of this research is to evaluate the quality and rigour of decision making procedures for Regional Funding Allocations (RFAs) in light of theories of networked governance. The key objectives are to:

1. Identify a set of theoretical 'criteria for good governance' that can be employed to evaluate regional decision making.
2. Investigate Whitehall's motives and aspirations for RFAs and departmental perceptions on the capacity of English regions to achieve robust and effective decision making.
3. Explore decision making procedures for RFAs for (i) economic development, (ii) housing and (iii) transport policies in all English regions and examine the extent to which they meet government aspirations and the 'criteria for good governance' identified in the literature.
4. Compare and evaluate London's devolved procedures for decision making with arrangements characterised by administrative decentralisation in the rest of England.
5. Investigate the ways in which government policy and regional decision making procedures might be developed to achieve more effective policy making and delivery.
6. Develop the research and management skills of the applicant in a way that will significantly enrich their research capacity and experience, raise their academic profile and enhance their contribution to future research in the social sciences.
7. Assess the effectiveness of innovative research methods through the use of cutting-edge technology for gathering and analysing qualitative field data.

## **b) Project Changes**

Please describe any changes made to the original aims and objectives, and confirm that these were agreed with the ESRC. Please also detail any changes to the grant holder's institutional affiliation, project staffing or funding. *[Max 200 words]*

### **Mentoring Arrangements**

Prior to the start of the award the project mentor, Professor Adam Tickell, moved institutions and it was agreed with ESRC that Professor Wendy Larner (School for Geographical Sciences, University of Bristol) would take over this role.

### **Extensions**

Two six month no-cost extensions have been granted to this project.

(i) This research has sought to explore the RFA process by examining the development of the first round of RFAs (submitted January 2006) and subsequent rounds. However, the announcement of the second round of RFAs was postponed from 2007 until July 2008 due to the:

- Timing of the 2007 Comprehensive Spending Review (CSR), and
- Treasury's Review of Sub-national Economic Development and Regeneration (SNR).

This delayed *Stage 4* of the research. In addition, the publication of the SNR in July 2007 prompted a lengthy debate about the future of regional governance in England. This added an unexpected layer of complexity to the project but was also an opportunity to explore these significant developments in detail. Additional work (see section 2c below) has been undertaken to explore the Government's motives behind the SNR and the impact of the reforms on regional governance arrangements. This work has complemented the project's original aim and objectives.

(ii) Ayres was on maternity leave between March-September 2009.

### c) Methodology

Please describe the methodology that you employed in the project. Please also note any ethical issues that arose during the course of the work, the effects of this and any action taken. [Max. 500 words]

*Stage 1* involved a desk-based review of academic and policy documents and official websites.

*Stage 2.* During Summer 2007 five face-to-face interviews were conducted with Whitehall officials working on RFAs in the Treasury, Government Office (GO) Network and Departments for Business, Enterprise and Regulatory Reform (DBERR), Communities and Local Government (DCLG) and Transport (DfT). Respondents were asked about the driving forces behind RFAs and the SNR and perceptions on regional governance capacity. During Spring 2008 further face-to-face interviews were conducted with officials in the Treasury, DCLG and Departments for Work and Pensions (DWP) and Innovation, Universities and Skills (DIUS). In addition, three telephone interviews were conducted with officials in the Departments for Environment, Food and Rural Affairs (DEFRA), Culture, Media and Sport (DCMS) and Health (DoH).

*Stage 3.* Whitehall and regional officials agreed that transport policy was the area which had secured greatest added value from the first round of RFAs in 2006. In order to explore this nine telephone interviews were conducted during winter 2007 with officials in DfT and regional officials working on RFA transport submissions.

*Stage 4.* During Summer 2008 face-to-face interviews were conducted with regional actors working on RFAs in the South East (20 interviewees) and North East (23 interviewees) regions. These regions were selected on the basis of their distinct characteristics. The North East as a Labour-dominated region with a legacy of joint working aimed at tackling the region's economic weaknesses. The South East as a Conservative-led region, with difficulties in achieving consensus between its 74 local authorities around the challenges associated with economic growth. London (21 interviewees) was selected as a third case study to allow for a comparative analysis of decision making under *devolved* and *decentralised* governance arrangements. The sample frame set out in the original bid was utilised to select respondents for interview.

*Stage 5* involved participant observations of key meetings on RFAs. During 2008 Ayres conducted presentations in each of the eight English regions, outside London (see section 3a below). These presentations were scheduled to coincide with meetings about RFAs, providing an opportunity to observe stakeholder discussions.

*Stage 6* was conducted between September 2008 and March 2009 and involved an online survey of officials working on RFAs in the remaining six regions. The same sample frame as Stage 4 was utilised. 324 requests were sent, 108 responses received, a response rate of 33%.

*Stage 7* During January 2010 six telephone interviews were conducted with Whitehall officials working on RFAs in the Treasury, GO Network and Departments for Business, Innovation and Skills (BIS), DCLG and DfT. Respondents were asked to reflect on the second round of RFAs submitted in February 2009 and the impact of the SNR and economic downturn on this process.

#### *Informed Consent, Data Gathering & Analysis*

All participants were assured of confidentiality and informed consent was secured. Interviews lasted between 30-120 minutes, were digitally recorded, transcribed using voice recognition software and analysed using NVIVO. Survey data was analysed using SPSS. Participant

observation meetings lasted between 90-180 minutes, hand written notes were taken during meetings, typed up and analysed using NVIVO.

#### **d) Project Findings**

Please summarise the findings of the project, referring where appropriate to outputs recorded on *ESRC Society Today*. Any future research plans should also be identified. [Max 500 words]

*Objective 1.* A review of key regional policy documents since 1997 identified eight consistent criteria for good regional governance. These have been combined with Koppenjan and Klijn's (2004) *Actor, Game and Network Analysis* to provide a framework for evaluating regional decision making (2007 conference paper: Evaluating regional decision-making in the UK: Introducing a regional governance assessment framework).

*Objective 2.* The SNR is intended to make regional structures more efficient. Nonetheless, there are distinct differences of opinion across Whitehall departments about what functions regional bodies should acquire (2009 journal article: Deal making in Whitehall: Competing and complementary motives behind the Sub-national Review of Economic Development and Regeneration). Whitehall officials viewed the first round of RFAs as generally positive. In particular, the main beneficiary had been DfT and transport policy (2007 conference paper: Promoting policy coordination through long-term funding allocations. The implications for transport policy in England). However, doubts remain about the capacity of RFAs to promote genuine sub-national discretion (2008 conference paper: The aspirations and limitations of RFAs: A Whitehall perspective).

*Objective 3.* The introduction of budget allocations offered a powerful incentive for regional actors to work together to make consensual and evidence based decisions about prioritisation. There was, however, disappointment amongst many regional actors that the process had not gone far enough in allowing regions to shape their own priorities free from central control. Whilst no region emerged as a model of best (or worst) practice, there were distinct examples of both highly productive and fractious governance arrangements *within* and *between* regions. Such variation undermines the confidence of Whitehall to pursue a more decentralised approach (2009 research paper Evaluating decision making procedures for RFAs: A preliminary analysis of six English regions).

*Objective 4.* Political devolution is often associated with enhanced democracy and transparency. However, while the Mayor's office is democratically accountable, London stakeholders referred to a 'closed system', tokenistic engagement and a lack of transparency about decision making, raising questions about the efficacy of London's *devolved* arrangements (2009 conference paper: Enhancing regional governance capacity in the UK: A comparison of England's decentralised and devolved arrangements).

*Objective 5.* The Government's tentative attempt to introduce regional budgets reflects the lack of an underlying logic in Whitehall about the future of England post devolution in London and the devolved territories. There is a growing awareness in Whitehall of the need to boost the competitiveness of economically weaker regions and improve service delivery through decentralisation and coordinating government tiers. However, a more strategic and committed approach to empowering the sub-national tier is required if this is to be achieved (2010 conference paper: Taking stock and contemplating regional governance in England after the 2010 General Election).

*Objective 6.* See section 2 e below.

*Objective 7.* The use of voice recognition software has been highly successful and has been shown to be more accurate and cost effective than professional transcription services within the context of this project (2009 research paper: Evaluating voice recognition software: An analysis of quality and cost).

**e) Contributions to wider ESRC initiatives (eg Research Programmes or Networks)**

If your project was part of a wider ESRC initiative, please describe your contributions to the initiative's objectives and activities and note any effect on your project resulting from participation. *[Max. 200 words]*

This project was awarded as part of the ESRC's First Grant Scheme. The applicant is grateful to the ESRC for this opportunity and has successfully met the training and development commitments outlined in the original bid. Both Ayres and Stafford (RA) have undertaken numerous training courses that have significantly developed their research skills. Both are significantly more accomplished social scientists as a result and are committed to developing their careers and undertaking future research in the social sciences. In January 2009, Stafford was appointed as Research Associate at the ESRC-funded Wales Institute for Social and Economic Research, Data and Methods (*Objective 6*).

Ayres has presented research findings at two ESRC Research Seminar Series *Regionalism, Public Services and Citizenship* (Cardiff University, December 2008) and *England: Identity and Governance* (Edinburgh University, January 2008).

Ayres has contributed to a series of events organised by ESRC, Advanced Institute of Management (AIM) and British Academy of Management (BAM) organised by Professor Ian Clarke (Newcastle Business School). She shared views on her experience of writing the First Grant application at a series of 'Writing Grant Proposal' workshops in Belfast (August 2006) and Glasgow and London (November 2007).

In March 2010 Ayres was invited to become a member of the ESRC Peer Review College.

### 3. EARLY AND ANTICIPATED IMPACTS

#### a) Summary of Impacts to date

Please summarise any impacts of the project to date, referring where appropriate to associated outputs recorded on *ESRC Society Today*. This should include both scientific impacts (relevant to the academic community) and economic and societal impacts (relevant to broader society). The impact can be relevant to any organisation, community or individual. [Max. 400 words]

##### *Scientific impact:*

- Ayres was involved in a previous ESRC project (L21955113) that has complemented this work.
- Empirical findings have been used to frame three journal articles - *Town Planning Review* (2007); *Urban Studies* (2009); *International Journal of Public Sector Management* (2009).
- Ayres and Stafford are currently developing the following papers for publication:
  - (i) A tentative step towards regional budgets? A Whitehall perspective on Regional Funding Allocations.
  - (ii) An Actor, Game and Network Analysis of decision making in the English regions.
  - (iii) Promoting policy coordination in England: A comparison of devolved and decentralised governance arrangements.
  - (iv) The outstanding 'English Question': Options, Possibilities and Limitations.
- In July 2007 Ayres and Pearce, G. (Aston University) organised the *Policy & Politics* Annual Conference titled 'Transforming Regional Governance in Europe' (2008 journal article: Transforming regional governance in Europe).

##### *Economic & societal impact:*

There has been a strong emphasis on research dissemination and practitioner engagement from the start of this research. Practitioners involved in RFAs have been the direct beneficiaries of timely and in-depth empirical findings. Policy makers have actively sought information emanating from this project with a view to (i) appraising government policy on devolution and decentralisation (ii) developing policy guidance on RFAs in Whitehall (iii) formulating regional submissions on RFAs and (iv) using findings as an evidence base to lobby government departments for policy change.

- During 2008 Ayres delivered presentations to over 100 senior officials in eight English regions (2008 presentations: A Whitehall Perspective on RFAs). Based on these events a report was prepared and disseminated to Whitehall respondents interviewed in *Stage 2* (2008 research paper: A regional response to Whitehall reflections on RFAs).
- A contact list of over 300 Whitehall and regional officials has been produced and is used to disseminate research findings via e mail and the project website at <http://www.bristol.ac.uk/sps/regionalism/>
- Empirical findings have been used to inform evidence submitted to the DBERR/DCLG consultation on *Prosperous places* (2008 technical report) & *House of Commons Justice Committee Inquiry* (2009 book chapter: memorandum a) and *Business & Enterprise Select Committee Inquiry* (2009 book chapter: memorandum b).
- In March 2008: Ayres submitted oral evidence to the *House of Commons Justice Committee Inquiry 'Devolution: A Decade On'* (2009 book chapter: Oral evidence).
- In December 2008 Ayres was invited to act as an academic policy adviser at a meeting to discuss the *The Future of English Regionalism*, chaired by Sir Michael Richard at DCLG.

#### b) Anticipated/Potential Future Impacts

Please outline any anticipated or potential impacts (scientific or economic and societal) that you believe your project might have in the future. [Max. 200 words]



*Scientific impacts:*

- Ayres has met with Professor Eric-Hans Klijn (University of Rotterdam) on a number of occasions since the start of the project. Ayres is to undertake a working visit to the University of Rotterdam in September 2010 to discuss some of the more theoretical aspects of the work with international colleagues.
- One of the panel assessors on the ESRC Grants Board commented that the research needs to think about the implications of the findings *outside* the UK and might undertake a comparative desk-based assessment with other countries. This is something that Ayres and Stafford are currently working on. The themed edition of *Policy & Politics* has contributed to this thinking (2008 journal article: Transforming regional governance in Europe).
- Ayres intends to build upon the research findings to develop a standard grant application to the ESRC examining the future of England's regions post the 2010 general election.

*Economic & societal impacts:*

- Findings will continue to be disseminated to policy makers and practitioners via established contacts. Ayres will also utilise contacts in Whitehall and the regions to develop future ESRC bids. This will identify issues deemed most pertinent to those working in the field and ensure the policy relevance of future research.

You will be asked to complete an ESRC Impact Report 12 months after the end date of your award. The Impact Report will ask for details of any impacts that have arisen since the completion of the End of Award Report.

## DECLARATIONS

Please ensure that sections A, B and C below are completed and signed by the appropriate individuals. The End of Award Report will not be accepted unless all sections are signed.

Please note hard copies are NOT required; electronic signatures are accepted and should be used.

### A: To be completed by Grant Holder

*Please read the following statements. Tick ONE statement under ii) and iii), then sign with an electronic signature at the end of the section.*

#### i) The Project

This Report is an accurate overview of the project, its findings and impacts. All co-investigators named in the proposal to ESRC or appointed subsequently have seen and approved the Report.	<input checked="checked" type="checkbox"/> X
---	--

#### ii) Submissions to *ESRC Society Today*

Output and impact information has been submitted to <i>ESRC Society Today</i> . Details of any future outputs and impacts will be submitted as soon as they become available.	<input checked="checked" type="checkbox"/> X
---	--

**OR**

This grant has not yet produced any outputs or impacts. Details of any future outputs and impacts will be submitted to <i>ESRC Society Today</i> as soon as they become available.	<input type="checkbox"/>
--	--------------------------

**OR**

This grant is not listed on <i>ESRC Society Today</i> .	<input type="checkbox"/>
---	--------------------------

#### iii) Submission of Datasets

Datasets arising from this grant have been offered for deposit with the Economic and Social Data Service.	<input checked="checked" type="checkbox"/> X
---	--

**OR**

Datasets that were anticipated in the grant proposal have not been produced and the Economic and Social Data Service has been notified.	<input type="checkbox"/>
---	--------------------------

**OR**

No datasets were proposed or produced from this grant.	<input type="checkbox"/>
--	--------------------------

<b>SIGNATURE: Sarah Ayres</b>
-------------------------------

<b>NAME: DR S A Ayres</b>
---------------------------

<b>DATE: 31<sup>st</sup> March 2010</b>
---

**B: To be completed by Head of Department, School or Faculty**

*Please read the statement below then sign with an electronic signature to confirm your agreement.*

This Report is an accurate overview of the project, its findings and impacts.

**SIGNATURE:**

**NAME:** Professor Alex Marsh

**POSITION:** Head of School for Policy Studies      **DATE:** 31<sup>st</sup> March 2010

**C: To be completed by Finance Officer of Grant-Holding Institution**

*Please read the statement below then sign with an electronic signature to confirm your agreement.*

This Report is an accurate overview of the project, its findings and impacts. All co-investigators named in the proposal to ESRC or appointed subsequently have seen and approved the Report.

**SIGNATURE:**

**NAME:**

**POSITION:**

**DATE:**