

JONATHAN BRAY



Greater devolution is coming. Shift up!

The prospects for devolution in England outside London have been enhanced by the Scottish referendum, but questions remain

► *The North will rise again. Not in ten thousand years ... Shift up!*

So, said Mark E Smith of the peerless and irascible band *The Fall*, in the brooding, relentless, mancabilly epic which is 'The North Will Rise Again'. And post the Scottish referendum it does feel like there is a 'shift up' in the prospects for devolution for England outside London. Coming just after the Scottish vote, going to the three party conferences gave an opportunity to gauge where the devolution debate has got to, and what it means for transport. Here are five observations gleaned whilst on the road in Manchester, Birmingham and Glasgow.

1. Not yet cohered

At the Labour party conference the fringes on local government and devolution were at capacity with some real energy and passion from both speakers and audiences, but perhaps coming so hard on the heels of what was a bruising 'No' campaign for Labour. There was less sense from shadow ministers themselves that they had yet shaped a coherent policy response equal to the moment.

Chancellor George Osborne is leading from the front for the Conservatives in planting some flags around HS3, One North and so on, but there was less of a feel at the conference itself that devolution was a key issue for the membership. Plus there are conflicting strands of thinking within the Conservatives:

pro-cities (though their own voters are largely elsewhere) and a desire to focus on English votes on English issues, rather than devolution within England.

For the Lib Dems, party leader Nick Clegg has put the DPM's imprint behind some fairly radical statements - describing the continuing presence on our rails of the Pacers as "ridiculous" and questioning why bus deregulation is still in place in the big cities outside London.

And yet, overall, there isn't a sense that any of the parties have yet pulled the strands together into a compelling and coherent offer for the voters on what devolution would mean on transport (or any other policy area). Not yet - but it doesn't mean that they won't.

2. A sense of grievance

Nature abhors a vacuum and clearly the city regions are best placed to take advantage as they have the capacity, the economic and geographical logic, and the desire to take on that larger role. Transport being an obvious reason for doing so. Indeed it's hard to see how the multi-national bus operators (and their various spear carriers, and bought and paid for advocates) are ultimately going to

"We need to move on from a debate driven by simplistic identity politics"

find themselves on the right side of history by continuing to argue, in effect, that the great cities of the regions should not have London-style integrated transport.

Although devolution to the city regions is an obvious starting point, there will be the sense of grievance, that featured in Nick Clegg's speech, from other areas of the country if they feel they are being left out. An interesting new paper from Stephen Joseph at Campaign for Better Transport looks at how the wider English appetite for devolution can be assuaged through adopting German-style differential devolution that can work everywhere, so that those areas that don't need a full-on PTE can enter into binding agreements around transport where there are clear overlaps between existing units of local government.

This approach takes into account the varying and overlapping social, economic and transport geography of transport for England outside London and the way in which some areas have particularly complex internal and external inter-relationships. The East Midlands is a prime example of this as it's home to Derby, Nottingham and Leicester and, at the same time, different parts of the East Midlands relate very differently to the South, the East of England and Yorkshire. Or take the example of the doughnut of counties around London. These counties may want to enter into such agreements both with London and with their neighbours.

It's this kind of gritty detail that the devolution debate needs to move onto. For if devolution is going to take hold in England in the same irreversible way that has happened in London, Wales and Scotland then it's time to move beyond the rhetoric, the identity politics and think-tank reports which are driven by hashtag headlines.

In particular, we need to move on from a debate driven by simplistic identity politics with people latching onto one layer of English identity and declaring that they have found the answer. Because I think most of us have overlapping identities. I live in York. I'm Northern. I'm Yorkshire. My background is West Yorkshire. I'm English. I'm British. I'm a European. I have loyalties and ambivalences about all these different layers of identity. That's me. Others will have their own lists.

Not only does simplistic identity politics fail at this emotional level, it also fails at

“It would make no sense for every cul-de-sac in the North to be overseen from a Northern tier”

the rational level because logically it does not make sense for all powers to be focused on one tier. The city region clearly makes overwhelming sense for many transport powers given journey-to-work and economic geographies, but there can also be a strong case for a layer of regional decision-making. Northern Rail is a good example of where regional tiers of decision-making can come in. But it would make no sense for every cul-de-sac in the North to be overseen from a Northern tier. It's time to get into this kind of detail because if devolution is going to happen then necessarily it is about the detail of what powers go where and why.

3. The wicked issues

As more powers are devolved, some of the wicked issues really do come into play. Chiefly finance and taxation; and democratic accountability. On finance and taxation it comes down to who is raising taxes? And at what tier of governance, and to what extent, is there redistribution of spending from wealthy areas to poorer areas? And who decides on the degree of that redistribution? Tricky questions to say the least!

Meanwhile, on democratic accountability, the more decisions are taken at new tiers of governance, the more there becomes a need, and a clamour, for direct democratic accountability at that tier of governance.

4. Calm down children!

There was a sense from some of the platform speakers representing the three parties at various party conference fringes that people need to calm down about devolution and not get too carried away. They weren't slow in pointing out some of the wicked issues around finance and accountability that come with the options at the devo-max end of the spectrum.

Fair points, but a feeling too that we were in danger of playing one of Whitehall's favourite games, which is that it is up to you to prove that there are no possible downsides or risks associated with your approach otherwise the status quo remains (ignoring all the imperfections of the status quo). There's certainly not much in it for the Whitehall machine to devolve either - because it's their jobs at stake. Turkeys don't vote for Christmas, which is one reason why Whitehall loves attaching strings to any

devolutionary initiatives, creating complicated formats that require continual readjustment.

Interesting too to see that the recently published HM Government civil service reform plan progress report forgot to barely even pay lip service to devolution. I predict a fighting retreat by Whitehall on devolution. And Whitehall knows it has time and permanence on its side: already the Scottish referendum seems a long time ago. The only way to avoid this is to widen the debate about devolution to one which encompasses civil service reform.

5. Revenue squeeze

Looming over the devolution debate is the squeeze on local authority revenue funding. Whilst the talk is about building up the capability of the city regions to exercise more responsibility, and capital spend on transport is seen as unlocking growth, the capacity of local government to deliver on these agendas is in danger of being sapped by a steep decline in revenue funding. Worse these reductions are most concentrated in the very places the government says are most important for economic growth - the big cities. Trends in local transport capital and revenue spend outside London are now so out of skew that amber lights are flashing in both Treasury and the Department for Transport as the capacity of local government to deliver capital schemes is denuded. This is another area of gritty detail that the devolution debate needs to encompass.

Having said all of this I have no doubt that greater devolution is coming - with the city regions in the vanguard. What's not yet clear is whether the aftermath of the Scottish referendum will trigger something comprehensive and cohesive which English voters will recognise as something genuinely new and exciting, or whether Whitehall will continue to have its cautious way and that devolution will continue to unfold more slowly than it needs to. ■

ABOUT THE AUTHOR

▶ Jonathan Bray is director of the PTEG Support Unit. Before joining PTEG in 2003, his background was a mix of transport policy and transport campaigning.

YOUR VIEW

The key smartcard

▶ I write in response to Roger French's letter in the last edition of *Passenger Transport* (PT093) in which he talks about our smartcard, the key.

Almost all Southern stations outside the London zones now support the key with a wide variety of products. Adding Travelcards to a smartcard has never been done before. This development is another step that paves the way for other train operator's schemes to follow on behind us, by laying a firm foundation for the South East Flexible Ticketing programme to become a reality.

We've also paved the way for others with a trial of a Flexi-season product currently underway, and we have introduced our own version of pay-as-you-go product called keyGo in a limited area for now - soon to be expanded to other areas.

Mr French comments on some specific issues he has found with the key. I am sorry he has been having difficulty purchasing tickets through our website - we have tried to make ticket purchasing simple and quick when using the key online. I am pleased to say that key holders can now get Railcard discounts and the 10% discount that we are offering online. He is right when he says that the key cannot be used on Thameslink Only tickets, but, plans are in place to introduce the key to Thameslink services as part of the Govia Thameslink Railway franchise specification.

Finally, Mr French comments that One Day Travelcards are not available on the key. He's right, but we launched season ticket Travelcards (only) with Baroness Kramer recently at London Victoria. A Travelcard day ticket is the next planned development and we are working closely with the Department for Transport and Transport for London on this and other initiatives. We are also working with the DfT, TfL and other train operators on delivering Travelcards wholly within London.

We do get feedback on the key from our customers through all our communications channels and, as with anything new, sometimes an opportunity to improve the way we do things emerges from this. We always listen and have an eye out for this, because we want to offer the best possible service we can on the key. ■

Alex Foulds,
Commercial Director, Southern