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The metagovernance of English devolution

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ABSTRACT

Metagovernance refers to a theory of how governments steer decentralised networks by indirectly shaping the rules and norms of those networks. This article develops metagovernance conceptually and empirically by looking at the use of 'hands-off' metagovernance tools in the case of English devolution, which encompass the 'designing' and 'framing' of local governance networks in the process of their reconfiguration. These concepts provide insights into how a Conservative-led Coalition Government subtly centralised power in the process of devolution to city-regions. Our analysis shows how discursive framing, fiscal conditioning and the recomposition of local governance networks produced a reworking of centre-local and intra-local power relations in a way which allowed the Treasury to shape the priorities of a set of 'devolution deals' with regional authorities, emphasising boosting economic growth and improving public services.

KEYWORDS Metagovernance; English devolution; Northern powerhouse; network governance; network design; network framing; decentralisation

Introduction

Studies of governance in West European states have in recent times sought to discern the extent to which such states exercise power within increasingly complex and differentiated networks. Analytical frameworks have emerged that focus on how power is retained, obfuscated or exercised by central government despite apparent decentralisation, including 'asymmetric network governance' (Goodwin and Grix 2011), 'blame-shifting' (Hood 2010) and an 'asymmetric power model' of the state (Marsh, Richards, and Smith 2003). Metagovernance has emerged as a particularly insightful conceptual framework for scholars interested in 'how the institutional and organizational structure of the state affords government the ability to manage networks', even without traditional 'hard' tools of government (Baker and Stoker 2012, 1028). Existing studies have theorised how, once recalibrated,

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central government retains capacity and ‘tools’ to manage governance networks and jurisdictional authorities ‘from a distance’. To date, however, research has not focused on how the preferences of core executives have been institutionalised in the process of reforming central-local and intra-local relations. While much existing work has been of a theoretical nature, and interview-based research has shown how core executives ‘metagovern’ delegated and decentralised bodies, empirical studies of the *processes through which* network relationships are (re)established remain lacking. As Qvist (2017, 2) recently argued, a ‘diversified understanding of network formations ... is ... not yet fully incorporated into governance research’ (see also Temmerman, De Rynck, and Voets 2015). Understanding how such relationships are established through the ‘hands-off’ tools of network framing and network design is crucial in explaining how the central state embeds its preferences in local governance networks that are often reticent to implement central state policy.

In making the above contribution, we examine the reconfiguration of governance networks in England between 2010 and 2015 under the Conservative-Liberal Democrat Coalition government, via a programme of so-called devolution deals. These ‘deals’ gave specific autonomy for city-region authorities over particular budgets, but the UK Treasury shaped substantially the conditions of how these budgets could be used. By attaching particular fiscal conditions to the ‘deals’, designing the form of the networks to empower business actors, and discursively framing this ‘devolution’ agenda, government actors ‘steered’ these networks during their reconfiguration towards capital spending, improving service provision and fiscal consolidation. The specific hands-off tools of metagovernance we identify can be situated within a longer term history of attempts by the state to discipline local governance networks, which, in the UK, have often been resistant to centrally driven plans, despite being highly dependent on centrally distributed budgets. Such attempts are not necessarily nefarious, novel or part of a grandiose or coherent ‘masterplan’. Rather, they are attempts to shape the preferences and practices of local actors to accommodate the priorities of central government in processes of complex, messy political bargaining over the shape and scope of networks as they are reconfigured. The key question this article addresses is therefore:

- What is the logic of governance that informed the reconfiguration of local governance networks in England between 2010 and 2015?

A mixed-method approach was adopted which combines qualitative investigation of the City Deals and broader governance restructuring justified through the so-called Northern powerhouse rhetoric with a quantitative investigation of the discourses of devolution advocacy in which policy

documents and think tank reports were analysed using NVivo software.¹ This methodology builds upon existing interview-based research that provides indicative evidence of devolution as metagovernance, including the empirical investigations of O'Brien and Pike (2015) and Ayres and Pearce (2013). Our approach provides a broad picture of the devolution discourse that complements these studies' focus on the self-reported experiences of local council officials, confirming their findings that these officials feel constrained by central objectives.

This article proceeds in four sections. First, it is argued that the concept of 'metagovernance' provides a useful frame through which to examine how the central state exerts power through framing or designing devolution. Second, the case of English devolution deals is introduced and it is argued that this case provides important insights into what 'hands-off' metagovernance entails. Third, we argue that the UK Coalition Government's designing and framing of the devolution agreements institutionalises and inculcates ideas about what local government *ought to be* doing. These 'hands-off' tools are manifested in (1) the composition of the local governance networks, (2) fiscal conditioning and (3) the discursive construction of the goals of the 'empowered' actors. In conclusion, we set out key implications for future research, conceptually and empirically.

Beyond 'government to governance', towards metagovernance

This article focuses on how governance networks are shaped by metagovernance strategies, which seek to embed central state priorities and objectives of achieving economic growth and enhancing public services. Metagovernance has recently emerged as an important concept for understanding the role of central government in the context of increasingly complex, decentralised governance networks (Marsh 2011). It refers, in Jessop's (2016, 9) words, broadly to 'the governance of governance'. More specifically, we define metagovernance, drawing on insights from Jessop (2003), Meuleman (2008) and Fawcett and Daugbjerg (2012), as the *governance of governance networks conducted by the central state as a privileged (although not uncontested) site of political authority*. It is crucial to further specify two aspects of this definition: governance networks and political authority. We define 'governance networks' following Sørensen and Torfing (2016, 5) as the 'horizontal institutionalisation of the interaction of interdependent but operationally autonomous actors who collaborate in a shared effort to define and create public value through a process of regulated self-regulation'. English devolution, in our case, can be seen as the creation of decentralised arrangements ('institutionalisation of interaction') between local and regional government agencies, councils, private and third sector bodies ('interdependent but operationally autonomous actors') in delivering public services ('defining and creating public value'). Crucially, this

definition corresponds to metagovernance because in order for the state to 'govern', these networks need to 'self-regulate', a 'meta' regulation of conduct. This personal or organisational self-regulation is *governed* by an overarching 'political authority'. In this case, the authority is the central state (defined as national-level ministerial departments) which 'governs governance' and is hence the 'metagovernor'. Political authority is defined as the resources, rule-setting capacities and agenda-setting capabilities enabling an actor (or group of actors) to shape the practices and preferences of other actors in governance networks. As such, political authority provides the conceptual link joining metagovernance with power, namely it is through 'metagoverning' – meaning asserting political authority – that the central state exercises power over governance networks.

The above definition allows for the possibility that metagovernance can be carried out by non-state and private actors (Stark 2015). However, we follow Jessop (2003, 65) in arguing that central states are crucial to analyse in relation to metagovernance, because they 'provide the ground rules for governance and the regulatory order in and through which governance partners can pursue their aims'. Recent empirical research supports this argument that the state continues to be central in shaping governance networks (Bell and Hindmoor 2009; Matthews 2013).

How, specifically, does metagovernance work? Sørensen and Torfing's (2005) framework of metagovernance 'tools' provides a useful analytical framework when disaggregating the different forms that metagovernance takes:

- (1) *Network design* that aims to influence the scope, character, composition and institutional procedures of the networks;
- (2) *Network framing* that seeks to determine the political goals, fiscal conditions, legal basis and discursive storyline of the networks;
- (3) *Network management* that attempts to reduce tensions, resolve conflicts, empower particular actors and lower the transaction costs in networks by providing different kinds of material and immaterial inputs and resources;
- (4) *Network participation* that endeavours to influence the policy agenda, the range of feasible options, the premises for decision-making and the negotiated policy outputs (Sørensen and Torfing 2005, 236–237).

The first two tools can be described as 'hands off' – that is, being utilised during the reformulation of the decentralised governance network. Ministers in central governments can empower network actors when setting informal ground-rules of which actors are involved (or excluded) from networks ('network design'). They can also use 'hard' legal or fiscal instruments to require certain practices be observed, conditions be met or actors be empowered within governance networks, as well as framing the aims and

goals of networks in speeches and policy documents ('network framing'). These tools are of most interest to us. In the reformulation of governance networks, political authorities have the capacity to set particular informal norms, define the aims and goals of the network and include certain actors over others in discussions.

Existing empirical research tends to focus on the latter two of Sørensen and Torfing's strategies. For example, Bell and Park's (2006) study of water governance in Australia and Whitehead's (2003) analysis of urban regeneration in England focus on the implementation phase of networks, where the management of networks and state attempts to participate in them ran up against practical difficulties and political conflicts. Koch and Buser (2006) examine metagovernance in the implementation of public–private partnerships in Denmark (Koch and Buser 2006), while Haveri et al. (2009) again focus on metagovernance in 'practice' of Finnish and Norwegian local governance, emphasising the roles of 'experts' and Parkins (2008) examines how metagovernance worked through state 'coordination' in response to a Pine Beetle epidemic in British Columbia (Parkins 2008). Thus, this literature mainly focuses on 'practical' metagovernance – network participation and management – and its various pitfalls.

Temmerman, De Rynck and Voets (2015) make a contribution which our own article builds upon, discerning all four aspects of Sørensen and Torfing (2005) metagovernance strategies, in the implementation of Flemish local government reform. Their study concludes that 'while the four roles are clearly helpful to discuss metagoverning activities at a general or conceptual level, it becomes much harder to precisely delineate them in an actual case. Most notably, the distinction between framing and designing is not always clear' (Temmerman, De Rynck, and Voets 2015, 239). This article responds to their findings by empirically exploring 'network design' and 'network framing' as modes of metagoverning through 'hands-off' tools. Temmerman, De Rynck and Voets (2015) mainly focus on the functioning of a network once it has been established, while we argue that expanding the analytical time-scale helps to distinguish and substantiate the concepts. Specifically, we

Table 1. 'Hands-on' and 'hands-off' metagovernance.

Stage at which metagovernance occurs	Strategies of metagovernance	
	Formal–legal	Informal–discursive
Network re-formulation (hands off)	Network redesign	Political reframing
Network maintenance (hands on)	Network management	Network participation

show how state authorities structure networks formally and informally through using these two metagovernance strategies (Table 1).

In using the 'network design' tool of metagovernance, ministers are using a 'formalised' aspect of their political power, or what Torfing et al. (2012, 48)

calls 'the ability to shape and secure particular outcomes'. Shaping and securing particular outcomes can involve the creation of rules and procedures that keep certain issues off the agenda, whilst locking others on (*qua* Steven Lukes' 1974 'second' faces of political power, 'agenda setting'). Second, outcomes can be shaped and secured 'indirectly' through discourse, defined as 'the normative premises for formulating and selecting joint solutions' (Torfing et al. 2012, 57). The discursive prevalence of particular ideas shapes the preferences of relevant audiences, embedding the privileging of certain outcomes. This relates to the second tool, 'framing'. The 'metagovernors' at the centre will negotiate the utilisation of the strategies with network members, under conditions of interpretation and contestation. This will certainly be the case in the later stages of network implementation. Our focus here, however, on network *reformulation* foregrounds the need to focus on highlighting the metagovernance tools used by government to shape and steer the creation of 'devolution deals' in the case of the 2010–15 UK Coalition government.

The English devolution deals

In order to demonstrate the presence of 'hands-off' metagovernance tools in the process of network reformulation, this article analyses empirically the development of the UK government's 'devolution deals' in England from 2011 to 2015. In light of the 2014 referendum on Scottish independence, there were renewed calls for the empowerment of English regional governments. Despite the resounding rejection of a devolved parliament in North-East England in 2002 and the creation of Mayors in 2012 across a series of referenda, a coalition of civil society groups and political parties had developed in favour of English devolution by the early 2010s (Kenny 2014). Momentum for English devolution was driven by an increasing number of Conservatives and Liberal Democrats in the midst of a prolonged recession (particularly in the North) and the austerity foisted upon local governments (and the resistance to it). Kenny (2014) identified a growing tide of support for devolution within the Conservative party backbenches, whilst Bentley and Pugalís (2013, 270) observed a 'grammar of localism' permeating the rhetoric of the Coalition Government (even if it did 'mask a contextual history of centralisation'). The Department for Communities and Local Government consequently 'invited' regions to submit 'proposals' for deals that would involve the transfer of resources to regional level authorities, but the resources and governance mechanisms handed to each region have been highly divergent (see Table 2). This case thus presents a particularly noteworthy case of a peculiarly asymmetric arrangement of governance networks, which motivated our study to understand how they came to be constituted in that way.



Table 2. Key characteristics of the English devolution deals (as of 26 November 2016).

	Greater Manchester	Sheffield	Tees Valley	Liverpool	West Midlands	Cambs/Pboro	West of England	Cornwall	Norfolk/Suffolk	Greater Lincolnshire	North-East
Redesign post-16 FE system											
Apprenticeship Grant for Employers											
Adult Skills funding by 2018-19											
Devolved, consolidated transport budget											
Bus franchising											
Joint working with Highways England and Network Rail											
Local roads network											
Smart ticketing											
Growth Hub to align local and national business support services											
Joint working with UKTI											
Devolved approach to business support services from 2017											
Joint commissioning of support for harder to help claimants											
Possible full joint commissioning from 2017											
Public land commission / joint assets board											
Housing Loan Fund											
Compulsory purchase orders											
Mayoral Development Corporations											
Planning call-in powers											
Consultation on strategic planning applications											
Housing grant fund											
Spatial strategy											
Health and social care integration											
Planning for health and social care integration											
Children's services											
Offender management, probation, prison estate											
Troubled Families / Working Well											
Mayor to become Police and Crime Commissioner											
Fire service											
Intermediate body for EU Structural Funds											
Investment fund (per year)	£30m	£30m	£15m	£30m	£36.5m	£20m	£30m		£25m	£15m	£30m
Single funding pot											
Retention of 100% business rates growth											
Pilot retention of 100% business rates revenue											
Mayor business rates supplement											
Community Infrastructure Levy											

The dark grey and grey boxes all relate to Cornwall County Council who hold a number of the powers set out in this table in its capacity as a unitary authority. The light grey boxes denote agreements which were subsequently withdrawn. This includes the three devolution deals with Norfolk/Suffolk, Greater Lincolnshire and the North-East, as well the powers of allocating EU Structural Funds which will be lost in 2019 as a result of Brexit. The black boxes denote preliminary or ongoing negotiations in deals which were subsequently withdrawn.

Our analysis proceeded through assessing the English devolution deals through the analytical lens of ‘hands-off’ metagovernance – network design and network framing – in order to understand how power was reconstituted by these agreements. The design category involved analysis of the structure and terms of all eight concluded devolution ‘deals’ (see [Table 2](#)). Drawing upon parliamentary select committee analysis of the deals, we undertook a systematic assessment of power relations within the structure of the networks and powers retained by central government in each ‘deal’. This investigation complements the extensive interviews undertaken by O’Brien and Pike with the lead actors in 28 ‘City Deals’, and Ayres and Pearce on the perceptions of government officials in the Department of Business, Innovation and Skills on the devolution agenda’s purpose (O’Brien and Pike 2015; Ayres and Pearce 2013). The assessment covers the ‘design’ of the networks in terms of their formal resources allocated, membership and terms. The second analytical phase focused on discursive ‘framing’, with a particular focus upon the discourse of devolution advocacy presented in 91 documents (2011–2015). This allowed us to make an assessment of the discursively framed goals, targets and expectations of devolution (see [Annex](#)).

Network design: What’s the deal?

How, therefore, has the British state maintained, or even expanded, its influence over the devolved (and supposedly empowered) regions of England today as a result of the English devolution deals? How has it reworked the institutional relationships between local areas and Central Government, inter-regional relations and intra-regional relations in a way which allows it to shape and guide the priorities of the reconfigured networks of governance?

England has a long and deep-seated history of centralism (Richards and Smith 2015), and some have claimed that the recent wave of devolution has challenged the relevance of this characterisation (Bogdanor 2004). In these particular devolution packages, the two hands-off tools of metagovernance can both be identified which illustrate how Central Government retain their ability to exert their influence through ‘network governance’. The application of the tools of network design (influencing the ‘scope, character, composition and institutional procedures of the networks’) and network framing (shaping the ‘political goals, fiscal conditions, legal basis and discursive story-line of the networks’) will be rigorously explored in the following analysis.

Evidence of network design is manifest, with Central Government setting the rules of the game in two key ways. First, the character of powers being bequeathed by Whitehall conforms to a ‘local delivery of central objectives’ model of devolution. Second, Central Government has exerted arms-length influence over the devolved regions through curating (with a significant degree of coercion) the composition of these reconfigured networks of local

governance so that they include mayors in certain city-regions and Local Enterprise Partnerships (LEPs), which serve to constrain the actions of the long-mistrusted local authorities.

Remoulding local governance networks

A further 'hands-off' network design tool of exerting influencing over the local governance network is the ability to determine the composition of those networks. In the case of the English City Deals, Metro-Mayors and LEPs have been forcefully inserted into the renewed local governance structures by Central Government. Playing such a domineering role in curating these networks and fixing institutional relationships has allowed the state to set the 'rules of the game' and erected the constraints in which Local Authorities will operate going forward.

The proposal of City Mayors was rejected by a host of cities in 2012, including Manchester, Birmingham, Leeds, Sheffield, Nottingham, Coventry, Newcastle and Bradford. Despite the resounding rejection, the Coalition Government exhibit a fierce determination to assert 'Metro-Mayors' into local politics. As well as constituting a remarkably undemocratic imposition of a democratic institution, the insistence of Metro-Mayors being created demonstrates the enthusiasm Central Government has for the idea of a 'Boris in every town'. This is unsurprising given the remit of the Mayor of London, which the City Deals are attempting to duplicate. The Mayor of London is primarily tasked with presiding over public transport, economic development, policing, fire services and strategic planning in his/her role at the head of the Greater London Authority. The development of the Metro-Mayor role has been an incremental and patchwork process, but the role is ultimately concerned primarily with the economic objectives of the Treasury (Gains 2016), and the Metro-Mayors elected in May 2017 will be tasked with delivering this specific remit.

Given the Mayoral remit and its close relationship with the objectives of Whitehall, it is unsurprising that Whitehall representatives have prompted the creation of this position in other areas of the country. The institutionalisation of this position could effectively embed Whitehall's priorities and logic at the local level. The apparent success story of the Greater London Authority is ostensibly the blueprint of governance underpinning current negotiations. This particular reworking of local economic governance in 1999, with a Mayor as its strategic coordinator, has been lauded for orchestrating London's economic boom. The praise for the GLA has been such that its creation may well turn out to be an important watershed moment in local economic governance within the UK. It is this model which is being replicated today throughout the so-called Northern powerhouse, making the City-Region Mayor a key (and non-negotiable) component of the

reconfigured and empowered local governance networks in the minds of those in Whitehall (Figure 1).

The institutional powers bestowed upon LEPs are equally controversial. In 2010, the Coalition Government abolished Regional Development Agencies and Regional Chambers as the locomotives of economic re-balancing and supplanted them with a style of governance whereby local policymakers would work closely with local businesses, represented by the newly created LEPs, in order to best appropriate their allocation of capital expenditure (Pike et al. 2015). HM Government (2010a, 13) anticipated that the LEPs would provide the 'clear vision and strategic leadership necessary to drive sustainable private sector-led growth in their areas', which speaks to the inclination to shun statist approaches to tackling uneven development and integrate business interests into the policy-making processes (particularly in those areas of the country more predisposed to progressive politics). There are now 39 regional LEPs in England and their influence has steadily grown.

The most egregious development of their power is that, as of November 2015, their permission is needed for a business rate premium to be levied upon them, as George Osborne announced in the 2015 Autumn Budget Statement (HM Treasury 2015a). This is a remarkable amount of power for an unelected body and constitutes a disciplinary mechanism, enforced by Central Government, in order to punish networks which are resistant to cultivating 'business friendly environments'. It is underpinned by a certain idea of what local authorities *should* be doing.

Moreover, LEPs obtain investment capital from Central Government (specifically, the Department of Communities and Local Government (DCLG)) rather than through their local network partners; an idea promoted by Michael Heseltine (2012) in 'No Stone Unturned'. Today, around £2 billion is made available annually to the 'Single Local Growth Fund', from which the 39 LEPs may submit proposals to claim a share of for the purposes of local economic development (Johnstone 2016). As of March 2016, £7.7 billion had been allocated to the LEPs for projects intended to upgrade infrastructure, improve skills and create jobs (Wharton 2016).

Former Communities Secretary Greg Clarke (2015) declared that 'no devolution deal will be signed off unless it is absolutely clear Local Enterprise Partnerships will also be at the heart of arrangements'. LEPs therefore are becoming an increasingly prominent part of local politics, despite their lack of democratic accountability, because of the belief in their ability to spur local growth through empowering them to help determine local business taxes and spending priorities.

The reconfiguration of local governance networks can be seen as a key component of the State's 'hands-off' assertion of influence over devolved polities. Mayors and LEPs are actors which will serve particular roles and

City regions with an elected metro mayor by 2017



Figure 1. City-regions with an elected Metro-Mayor.

Source: Centre for Cities

possess particular remits in these networks which will encourage a certain rationale of governance at the local level. In this way, as noted by O'Brien and Pike (2015), these devolution agreements are not just a reworking of state–local relations but also the imposition of a framework which alters

intra-local relations. This emerging mode of local governance establishes the structures which aligns the local political agenda with Treasury objectives.

This dovetails with the interviews of government officials in BIS conducted by Ayres and Pearce (2013). One senior official particularly explicitly pondered how localities could be encouraged to adopt the priorities of his/her own department:

What is it that would change the culture of localities so that there is a sense that the economy is important and not just a national issue? What would change the culture of local authorities to get them to think that it is their job? That is what I would like to know and that's the direction that we have to go in.

Ayres and Pearce (2013) concluded that the devolution agreements were being interpreted heterogeneously by Central Government departments, producing Police and Crime Commissioners and Academy Schools *inter alia* from the Home Office and the Department of Education, respectively. However, in the areas of economic development, planning and transport local areas are being strategically awarded the most autonomy in order to promote the prioritisation of growth (Ayres and Pearce 2013).

Network framing: What's the point?

The second of Sørensen and Torfing's (2005) 'hands-off' tools of metagovernance, which can be identified and empirically substantiated in the recent wave of English devolution, is network framing. This specifically denotes the shaping of 'political goals, fiscal conditions, legal basis and discursive storyline of the networks'.

The state exerting its influence through network framing is evident here in two ways. The first regards 'fiscal conditions' and concerns the increasing conditionality attached to local government expenditure by central government resulting from the combination of austerity measures and the conferring of selective budgets earmarked for particular purposes (invariably capital investment in order to boost local growth). Second, the goals and discursive storyline of the devolution process are being shaped by the 'devolution revolution' and 'Northern powerhouse' discourses which transmit accountability for growth and public service delivery in the public consciousness.

Fiscal conditioning

Framing local governance is partly orchestrated through fiscal conditioning. Local government budgets have not only been radically reduced since 2010

but central government has increasingly, as part of the City Deals, been earmarking budgets for particular purposes.

Significant 'growth accelerator' or 'growth investment' budgets have undoubtedly been transferred to local hands as a result of the City Deals, designed to help regions address local economic shortcomings. For example, the Liverpool City Council (along with the Liverpool LEP) has been awarded control of the 'Liverpool City Region Single Investment Fund', worth £30 million per annum over 30 years, the Greater Birmingham City Deal included the 'Skills for Growth Compact', and the Bristol City Region was awarded an 'Economic Development Fund' (Ward 2016). However, the transfer of these budgets must be contextualised by austerity and its effects on local government resources. Local Government has taken the brunt of the George Osborne's deficit reduction strategy, with a precipitous real-term reduction of over 40% in funding provision (HM Treasury 2015b, 78). The bequeathing of additional budgets designed to accelerate growth is meritorious when analysed in isolation, but in the context of diminishing local government budgets, it is clear that Central Government is determining an increasing proportion of governmental capital. Put simply, the central British state has been taking with one hand and giving with the other with strings attached.

This reshaping of local government spending is guided by a particular vision of what local governmental networks *should* be prioritising. The conditionality attributed to local government financing can be understood as centralisation by stealth. Of course, it remains preferable for local authorities to be awarded these budgets rather than not. The growth accelerator budgets have been succour to local areas. However, these budgets only partially compensate for the retrenchment of financing, and, worse still, represent the arms-length influence of Central Government over a growing proportion of local government spending.

Powers over immigration, welfare and energy policy have not been within the parameters of negotiation with the representatives of central government during the recent wave of devolution talks. Instead, despite the heterogeneity of the deals, the budgets devolved tend to centre upon skills, transport, 'business support' and strategic planning (see Table 2). They thus correspond to the pre-existing priorities of the Treasury of promoting economic growth and improving public service delivery. In this sense, what we are witnessing is not decentralisation (i.e., an opportunity for local areas to define their own political and socio-economic goals) despite the language of 'autonomy' and 'self-rule' being deployed by its proponents. Instead, this model of devolution is best conceptualised as a way for central objectives to be delivered by local government. They are, thus, being 'empowered' only to the extent of wielding the budgets which will allow

the Treasury's traditional objectives to be optimally met. At best, this is an example of what MacLennan and O'Sullivan (2013) describe as 'policy dumping'; the transfer of formal but not effective policy responsibility. At worst, it constitutes the covert shoring up of 'central control' through the 'co-option' of local elites (Richards and Smith 2016). The specificity of the devolution deals, therefore, denotes the challenge being laid down to local governance networks to transform themselves into the instruments of growth and public service delivery.

The shifting composition of local government financing reflects the transformation in governmental spending in Westminster, with Osborne's budgets typically privileging capital spending on infrastructure designed to stimulate growth, and incrementally restricting the capital available to address the social hardship triggered by the 2007/2008 crash, subsequent recession and austerity measures.

Those unwilling or unable to transform their governance priorities in such a way will face further punitive fiscal costs as a result of the reforms made to business rates. Central Government has allowed local areas to retain 100% of 'their' business rate revenue and the authority to lower rates (although not raise them). This ensures both the concentration of available governmental capital in those areas already experiencing growth and the facilitation and incentivisation of competition between neighbouring areas (Bailey 2017). Such reforms thus make their fiscal capacity predicated upon their success in securing growth.

These covert processes of centralisation through fiscal constraints will be more pronounced in poorer regions. These areas have suffered disproportionately from DCLG cuts (Berry and White 2014) and will anticipate a residualisation in future tax receipts as a result of business rate reforms. Save for an unforeseeable upturn in local economic fortunes (or an equally unforeseeable upturn in generosity from Central Government), it is these local authorities which will incur the steepest increases in the conditionality of its resources, should they be awarded supplementary budgets at all.

Moreover, the ability to rescind devolved responsibilities at a later date ensures a significant mechanism of power retention for Central Government. A largely overlooked insertion into the 'Devo Manc' agreement states that 'the next five year tranche of funding will be unlocked if HMT is satisfied that the independent assessment shows the investment to have met the objectives and contributed to national growth' (HM Treasury 2015c, 5). The budgets which have been bequeathed to supposedly empowered local governance networks could thus also be revoked (to far less fanfare one would imagine) if future 'performance evaluations' deem that they have been used 'inappropriately'. This important but overlooked caveat sets the precedent for subsequent devolution agreements and questions the extent to which this vaunted process of devolution has been embedded.

The discursive framing of political goals

The devolution narrative and the trumpeting of the anticipated outcomes of it represents the second key aspect of networking framing utilised in this instance. Several outcomes pertaining to the devolution narrative are delineated by our research. The most notable of which are the delivery of local economic growth and public service enhancement.

As the above chart illustrates, 41.6% of the arguments made in favour of devolution were supported by promises of improved economic performance (Figure 2). These were arguments which predominantly took the relationship between devolution and growth as an article of faith but confidently claimed that localism would yield an economic dividend or ‘unlock growth’ (to use the common verbiage). The landmark report from Michael Heseltine (2012) entitled *‘No Stone Unturned: In pursuit of growth’* was seminal in postulating this close relationship between devolution and growth. The *Core Cities* group were prominent soon afterwards in acting as – in their own words – a ‘united voice for the importance of our cities in delivering our country’s full economic potential, creating more jobs and improving people’s lives’ (Core Cities 2013a). The conflation of local economic development and devolution has been achieved in large part through their reports: ‘Competitive Cities, Prosperous People: A Core Cities Prospectus for Growth’ (2013a), their series of bulletins outlining a ‘Growth Prospectus’ and ‘Keys to the City: Unlocking Urban Growth through Devolution’ (2013b). *Respublica* were also influential in arguing that a recalibrated model of governance is the key to ‘unlocking’ growth and rebalancing the economy through unleashing infrastructure investment and utilising local skills (Blond and Morrin 2014; Blond and Morrin 2015; Gregory and Dawber 2012). Left-leaning think tank IPPR North was equally keen to herald decentralisation as a ‘plan for economic prosperity, public service transformation and democratic renewal in England’ (IPPR 2014). Economic efficiency constituted a further 6.1% of the discourse.

Our research findings also revealed the prominence in official documentation examined of linking devolution with an improvement in public service delivery, with 23.7% of arguments in this category. The rhetoric again here focused on how devolution would help break the ‘one size fits all’ approach of existing ‘bureaucracies’ and empower local actors to focus resources on ‘front line services’, use resources innovatively, be less ‘dependent’ on central government and collaborate with the private sector, and better channel investment into locally specific transport, housing and infrastructure needs (Heseltine 2012; Cabinet Office 2012; Cabinet Office 2014; Core Cities 2013c; IPPR 2014; Blond and Morrin 2015). Many local government and Core Cities reports also argued that the City Deals would supersede the hodgepodge of existing governance arrangements, and the ‘red tape’ of bureaucracy generated by them, to produce a more ‘integrated’ approach and ‘better outcomes’ (Core Cities 2013c).

These two primary goals – constituting 71.4% of the devolution discourse – are closely aligned to Treasury objectives and serve to transfer responsibility for their attainment to the local level. The other elements of the devolution advocacy, whilst not insignificant, were peripheralised in the discourse at the aggregated national level.

These discourses played to the widespread disaffection with rising regional inequality, stunted regional growth since 2010 and the centralisation of power by Westminster elites. The Northern powerhouse offered the juxta-

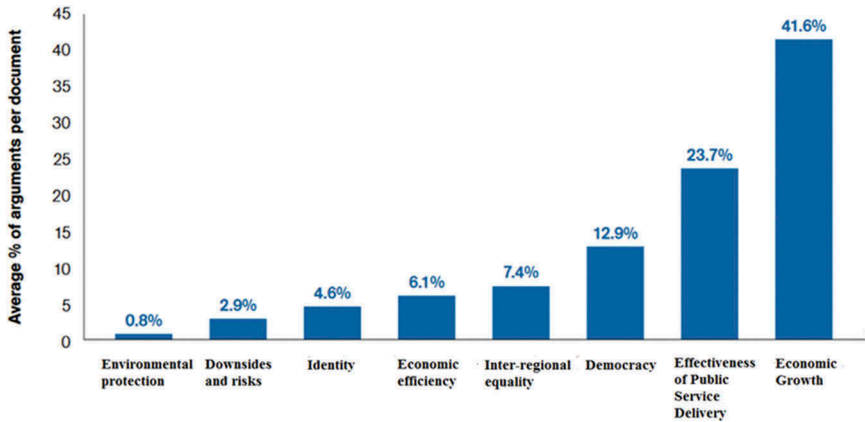


Figure 2. Prominence of outcomes in the devolution debate.

Source: Constructed by authors

position of prosperity, ‘localism’, autonomy, empowerment and rebalancing (Blond and Morrin 2014). Yet, there should be scepticism that the devolution deals are substantial enough to achieve such outcomes, or at least in a way which is as geographically even as the discourse has been. The discourse has taken no heed of the patchwork heterogeneity of the agreements nor explicated presuppositions of improved economic performance. As many in the economic geography field have pointed out, the consistency of the hubris is belied by differentiated capacities of city-regions to compete and grow (Martin et al. 2015; Fothergill and Houston 2016; Hildreth and Bailey 2013). The theory of ‘agglomeration’ or urban clustering as a method of generating growth has ostensibly informed this period of capitalist restructuring in the UK as well as the spatial scale of the city-region itself (Beel, Jones, and Rees-Jones 2016). However, the uniformity of the theory’s applicability has been the source of enormous contention (Lee 2016; Martin et al. 2015; Fothergill and Houston 2016; Hildreth and Bailey 2013), with many believing that the theory is neither based upon an accurate diagnosis of the UK economy’s ills nor a solution to them (Martin 2015; Bailey 2017). Furthermore, the concentration of governmental capital in the major cities

(or 'engines of growth') through business rate reform – again, justified through the Northern powerhouse agenda – has actually blunted the mechanisms of regional redistribution and threatened to exacerbate uneven development (Bailey 2017).

The consensus on the expected outcomes of devolution in our study, therefore, is remarkable. Even in areas which hope to secure the devolution of fairly modest budgets with more modest levels of capacity to actually deliver substantive change, the hyperbolic promises are similarly extant. Actors both inside and outside of Westminster echoed and re-articulated the belief that 'greater prosperity' and 'rebalancing' would be realised through 'local autonomy', and 'empowerment', and in doing so could prove to be the long-awaited formula capable of addressing 'regional inequality', 'uneven development' (Core Cities 2013a, 2013b; Blond and Morrin 2014, 2015; IPPR 2014). This consensus is instructive because it insinuates that the discourse should be taken at face value but instead as part of a broader negotiating process. The discourse of local government actors, and their expectations of results which correspond so closely with Treasury ambitions, reflects a willingness to make the case that they are best positioned to most efficiently deliver Whitehall's objectives through utilising local knowledge to better appropriate resources. This represents another conduit of 'co-opting' local elites through encouraging them to internalise the devolution framing during negotiations. The communicative discourse mapped out here, therefore, should be understood as an attempt to foster goals and expected outcomes for local governance networks, in other words, target-setting through discourse.

Devolution supposedly marks a 'fundamental shift of power from Westminster to people' and an end to 'the era of top-down government by giving new powers to local councils, communities, neighbourhoods and individuals' (HM Government 2010b, 11). But this hyperbole surrounding the 'devolution revolution' and 'Northern powerhouse' disguises a minor technocratic recalibration of delivery and even some notable processes of centralisation. This is partly significant because devolution obfuscates or shifts accountability for the perennially low-growth zones of the North and for the decimation of public services resulting from unpopular austerity measures, in a way which strategically enables future 'blame games' when desired results fail to come to fruition (Hood 2010). The discourse then primarily fosters target setting and seeks to shift responsibility for the economic recovery and the enhancement of public service delivery. This can be understood through the lens of metagovernance as being a crucial aspect of exerting influence over local governance networks through network framing.

Conclusion

The tools of metagovernance we have identified in this article – network design and framing – occur during the recalibration of local delivery networks. Design involves reconfiguring who is involved in the network, and *framing* involves discursively establishing the objectives and fiscal conditions of the network. To date, the literature on metagovernance has not adequately identified their presence, since it has focused primarily on metagovernance during the ‘implementation’ phase of networks (Qvist 2017). By contrast, our analysis of the recalibration of English governance networks helps us to conceptually identify design and framing as key metagovernance tools and shows how a particular logic of governance has informed the 2010–15 English devolution deals. The implications of this article are threefold, covering conceptual precision, empirical evidence and future research agenda.

First, and conceptually, our analysis demonstrates the added value of the metagovernance concept to the governance literature. Some scepticism has been voiced about whether ‘metagovernance’ genuinely offers anything for governance scholars beyond coining a new neologism (6, 2015). Our analysis shows that metagovernance offers added value by providing a framework that explains the subtle means through which asymmetric relations between actors within networks, networks in different regions and central government and regional networks are embedded. In other words, it offers crucial insights into *how* government claims about the desire to ‘decentralise’ power do not come to fruition, because of the subtle framing and design aspects Sørensen and Torfing (2005) identify, and we demonstrate empirically.

Empirically, we show the importance of analysing governance networks as they are reconfigured. Governance researchers have been confounded in recent years why efforts at decentralisation do not deliver the desired plans, primarily because of ‘accountability’ or ‘blame’ demands externally voiced (Flinders and Moon 2011; Hood 2010). Our analysis here shows the mechanisms of metagovernance – the reconfiguration of networks, fiscal conditionality and communicative discourse – that has reworked centre/local relations and intra-local relations in a way which shapes and guides the priorities of those local governance networks. The English devolution deals, despite the rhetoric, did not herald the wave of decentralisation away from Central Government which some of its proponents would have us believe. We do not claim that it forms a novel ‘strategy’ which overtly informs, or explains, all of government behaviour. There are clear inconsistencies and incoherencies within the emerging agreements which establish limitations on the capacity to exert central control and belie any understanding of devolution being part of a nefarious ‘masterplan’. The analysis, however, can help us understand the ostensibly paradoxical phenomena of power being hoarded at the centre in the context of a purported ‘devolution revolution’. International observers

might learn from this analysis that the metagovernance of decentralisation arrangements, beginning as plans for their reformulation are debated, hold crucial clues for how they come to institutionalise and embed social and economic asymmetries between regions.

Lastly, future research should examine how the logic of governance driving devolution we have identified may change under Theresa May's Conservative government. As Davies (2016) argues, May is less predisposed towards the priorities of Whitehall and more concerned with 'Hobbesian' ideas about security and protectionism fostered during her tenure in the Home Office. May has consequently been less enthusiastic about the devolution agenda thus far. Future research might delve into the inner workings of the central state, to examine the extent to which the Treasury continues to drive the devolution agenda, or whether it is transformed or curtailed by May's leadership. However, May will need to navigate the deals already institutionalised and the consequences (both intended and unintended) they will create in the evolving political and economic context of Brexit.

Notes

1. Ninety-one documents were coded in terms of seven categories containing common justifications for devolution: economic growth, democracy, economic efficiency, identity, inter-regional inequality, environmental protection and public service delivery. A category called 'risks and limits' was also included to capture instances where common downsides to devolution were considered (e.g., the potential for a 'postcode lottery' in public services were recognised). Each category contained a pool of subcategories giving more specific guidance to coders on where a particular justification could be coded.

These categories were created from a review of existing devolution literature (both academic literature and practitioner documents were analysed, including government and think tank reports). The coding scheme is included in [Annex](#), and the coded data will be uploaded online upon completion of the project.

Coding using NVivo was first conducted separately by an associated researcher on the project, and one of the co-authors, who then met to compare codes. The other co-author was consulted where there was disagreement between them and a final code was given after discussion and agreement between all three.

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Annex

Documents were categorised as: central government, local government, civil society, and think tanks. The discourse found in each document was coded according to the various outcomes expected from 'devolution', including economic growth, effectiveness of public service delivery, democracy, inter-regional equality, economic effectiveness, identity and environment. We also coded for arguments addressing potential downsides and risks of devolution including failures of local leadership, exacerbation of inter-regional inequalities, increases in bureaucracy and central government control over local governments. The codes were initially developed on the basis of a literature review of academic research on the potential benefits of decentralised governance and subsequently extended inductively as themes emerged during coding.

Before research began, a framework of nodes and sub-nodes was established which was broad enough to encapsulate the heterogeneity of the devolution debate amongst its advocates. The definition of the nodes and the sub-nodes was as follows:

Category	Sub-category	Meaning	Example
Democracy	Democratic control	Increased control by locally elected leaders	'an historic transfer of power, from central to local, from bureaucratic control to democratic deliberation'
	Citizen participation	Greater citizen participation in decisions	'local people will become more involved and interested in local issues and local decisions'
	Transparency	Improved transparency of decision-making	'...legislation creates a degree of clarity and legitimacy about the system of government that was previously lacking, and continues to be absent in non-devolved parts of the UK'
	Accountability	Improved accountability for decisions	'Fiscal devolution presents an opportunity to improve accountability, to hold local politicians to account for their successes and failures and, therefore, to improve democracy'
	Re-invigoration of democracy	Deals with discontent regarding the current political settlement	'British people increasingly feel alienated from our political system; devolution would begin to address this problem'
Economic growth	Inter-regional collaboration	More opportunities for city-regions to collaborate, coordinate and support each other economically	'...cities working with neighbouring areas to commit to cross-boundary working on issues such as transport and skills'
	Local competitiveness	Cities and regions more able to compete	'It is about embracing the role all cities could play in driving innovation, stimulating growth and delivering a better return for the whole country'
	Global competitiveness	UK more able to compete in global markets	'For the UK to face up to the challenge of increasing international competition, we must reverse the long trend to centralism'
	Local solutions	Better local approaches that help grow the economy	'local decisions about functional economic areas, and bringing together business and local authority leaders, provide a clear route forward for driving local growth'
	Investment	Greater freedom to invest funds locally and improved ability to attract investment	'With more freedom to invest in infrastructure, skills, trade and innovation, cities across the UK will boost their nation's economies'
Economic efficiency	Adaptability	Able to adapt to change more quickly and dynamically	'facilitate faster and more robust decision making and avoid the unnecessary administrative expense associated with running a two-tier system'
	Cost savings Reduced burden	Services, policies and governance cost less Reduced burden of responsibility and spending on Westminster	'reduce costs through better local coordination of funding and services' 'fundamental reforms that break national-local dependency'

(Continued)



(Continued).

Category	Sub-category	Meaning	Example
Effectiveness	Integration	Better integration between local partners, public and private, or state and council	'we envisage a far more integrated public service landscape which can deliver efficiencies through horizontal integration with local partners'
	Responsiveness	Policies and services more responsive to local needs	'Cities could get better results if they had the power to make sure that national plans and spending reflected the wants and needs of their cities and their people'
	Availability	Improved availability of services to people	'the crisis in [housing] supply will not abate until local government has a revitalised role in local housing markets'
	Outcomes	Improved outcomes from services, for example due to ability to plan for the long term	'essential to improving our public services and ensuring that they can continue to deliver acceptable outcomes'
	Reduce bureaucracy	Cuts out unnecessary layers of governance	'Many existing and complex bureaucracies in central and local government could be reduced and streamlined'
Identity	Economic independence	Become more economically independent through decreased reliance on central funds	'Cities will be able to create self-sustaining investment funds that will reduce dependence on central government grants'
	Regional distinctiveness	Give recognition to distinctive cultures and traditions	'Most places have a heritage that defines them (positively, negatively or banally). They can play to that heritage, re-interpret it or re-invent it themselves'
	Union	Save the union-state from break-up	'it is preferable to attempt to deal with the problems raised by an un-devolved England before they become a controversy'
Equity	Autonomy	Have more responsibility for own affairs	'People here want the right to determine the quality of local life and, as ordinary citizens, to be proud to stand on their own two feet.'
	Economic equity	Reduced economic inequality between regions	'... rebalancing our economic geography and narrowing the regional divide'
	Equal treatment	More equal treatment of regions by government, including in comparison to the devolved nations	'We welcome devolution to Scotland, Wales and Northern Ireland, but what's good enough for nations is good enough for cities, towns and counties, which should be afforded greater freedom'
Environmental sustainability		De-carbonised public services and local economies	'cities and central government have the potential to work collaboratively to meet national and local climate change and low carbon goals'

Recognition of downsides and the risks of devolution

Category	Sub-category	Meaning	Example
Downside	Weak areas	Some places and regions will lose out, especially those less able to compete	'will [new freedoms and flexibilities] be more beneficial to affluent areas than to less affluent areas?'
	New bureaucracy	Devolution will create more government posts, just at the regional or local level	'will a city region reduce the number of politicians or just add a fresh layer of expensive bureaucracy on top?'
Risk	Local failure	Local leaders may fail to fulfil their responsibilities	'doubt centres on Westminster's confidence in local government competence'
Concern	Disingenuous discourse	Devolution is being used as a cover for other aims of central government such as austerity or greater Westminster control	"'devolution for England' would simply reinforce London's centralising power within England, and Westminster's power within that"