



House of Commons
Select Committee on
Modernisation of the House of
Commons

**Regional
Accountability**

Third Report of Session 2007–08

*Report, together with formal minutes, oral and
written evidence*

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The Select Committee on Modernisation of the House of Commons

The Select Committee on Modernisation of the House of Commons is appointed by the House of Commons to consider how the House operates and to make recommendations for modernisation.

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Summary

In July 2007, the Prime Minister put forward proposals for improved democratic accountability and scrutiny of the delivery of public services in the English regions, as part of *The Governance of Britain* Green Paper. The paper followed the appointment of ministers for the English regions for the first time. This Committee's inquiry into Regional Accountability has invited evidence on possible models of accountability; the role of the House in regional accountability; and the level of resources that would be needed to make regional accountability work in the House of Commons.

We have concluded that there is clear evidence of an accountability gap at regional level. Although Regional Development Agencies (RDAs) and other bodies have a central line of accountability to ministers, who are in turn accountable to Parliament, many of their activities in the regions are not subject to regular, robust scrutiny. More should be done to monitor the delivery of services in the regions, to complement national lines of accountability.

We recommend that the most effective way to strengthen regional accountability to Parliament would be to establish a system of regional select committees. The membership of these committees should be constituted in the same way as that of existing select committees and should therefore reflect the political composition of the House. There should be one select committee for each of the administrative regions in England, with the exception of London. As London already has a measure of devolved government and accountability to elected representatives, it is likely to require somewhat different arrangements, which should be considered in the light of experience with the other committees.

However, as select committees can offer only a minority of members in a given region the opportunity to exercise regular and detailed scrutiny, we also recommend that up to two regional grand committee meetings should take place in each session for each of the eight regions, taking place either in Westminster or in the relevant region. This will allow more members to engage in scrutiny. Regional grand committee meetings should take the form of a general debate (or a series of short debates) and questions to the relevant Regional Minister, to ensure his or her accountability to Parliament. Regional Ministers should also take questions on a regular rota basis in Westminster Hall. We expect that both regional grand and regional select committees will hold a large proportion of their meetings outside Westminster, within their regions.

We believe that regional select committees have the potential to bring about a significant improvement in regional accountability. Nevertheless, there are practical challenges in their creation, including the risk of disrupting existing departmental select committee business or distracting agencies working in the regions from their core activities and central lines of accountability. They will also place increased demands on House resources in terms of Members' time and workload, staffing, printing and publication costs, availability of rooms for meetings and office accommodation.

We consider that these risks can be mitigated by a number of sensible precautions.

Regional select committees must meet far less frequently than departmental select committees. We recommend a relatively small membership of up to 10 members, to ensure that regional select committees are functional and do not have an adverse impact on Members' other commitments. Regional select committees should develop positive working relationships and regular liaison with existing departmental select committees as well as local authorities in their region in order to take advantage of local knowledge, to coordinate scrutiny activities and to reduce the prospect of clashing inquiries or duplication of effort. Finally, we do not consider it appropriate for all eight Chairmen of the new regional select committees to sit on the Liaison Committee, which is already a large committee. Instead, we consider that one of their number should be chosen by the House to attend meetings.

We make these recommendations in the interests of establishing proportionate scrutiny and facilitating Members' attendance and involvement. In order for regional committees to operate effectively, the House must take account of these challenges and accept the need for an initial transitional period. We therefore recommend that the arrangements recommended in this Report should be implemented at first on a temporary basis until the end of the present Parliament. After that time, there should be a review of the operation of regional committees to decide their future.

Regional committees require adequate resources to operate properly and to represent a real improvement to regional accountability. We have included an estimate of the required resources with our report. Given the significant budget allocated to RDAs and other agencies working at regional level, for which they are not currently adequately accountable, we do not consider the cost of regional committees to be excessive. This estimate assumes that regional select committees will meet far less frequently than departmental select committees, as we have recommended. If levels of activity were to increase beyond this, a steep rise in costs would be likely.

Our Report has focused on the desirability of establishing new structures within the House of Commons to improve regional accountability and scrutiny in Parliament. It is not our remit to comment on local scrutiny arrangements. Clearly, any new Parliamentary structures would need to complement local scrutiny arrangements and we have borne this in mind when formulating our conclusions and recommendations. It may well be that these local arrangements are themselves in need of reform, but this is a matter for our colleagues on other select committees to consider.

1 Introduction

1. In July 2007, the Prime Minister put forward proposals for improved democratic accountability and scrutiny of the delivery of public services in the English regions, as part of *The Governance of Britain* Green Paper. The paper followed the appointment of ministers for the English regions for the first time. It states, “The Government believes that Regional Ministers should be accountable to Parliament. Both they and the Government’s regional policy should be subject to formal and consistent parliamentary scrutiny”.¹ It goes on to suggest that “one means of achieving this scrutiny could be the establishment of nine regional select committees,”² asking the House, and specifically the Select Committee on Modernisation of the House of Commons, to give further consideration to this proposal.

2. The Committee announced its inquiry into Regional Accountability on 24 October 2007 as part of a series of inquiries into the Governance of Britain agenda. We invited evidence on possible models of accountability; the role of the House in regional accountability; and the level of resources that would be needed to make regional accountability work in the House of Commons. Our call for evidence generated significant interest in the regions and we received a substantial number of written submissions, which are appended to this report. We held five public oral evidence sessions with representatives of local authorities, Regional Assemblies, Regional Development Agencies and other agencies and public bodies active in the regions, select committee chairmen, and government ministers and officials. We are grateful to all those who gave evidence, both in person and in writing.

3. We welcome the interest and engagement in our inquiry from those active in scrutiny in the regions. Their evidence has been extremely valuable in informing the findings of this Report. We do not, however, consider it our place to comment on local scrutiny arrangements. The remit of the Select Committee on Modernisation of the House of Commons is “to consider how the House operates and to make recommendations for modernisation”.³ Our key focus has therefore been the desirability of establishing new structures within the House of Commons to improve regional accountability and scrutiny in Parliament. Clearly, any new Parliamentary structures would need to complement local scrutiny arrangements and we have borne this in mind when formulating our conclusions and recommendations. It may well be that these local arrangements are themselves in need of reform, but this is a matter for our colleagues on other select committees to consider.

Background

4. The current structure of regional accountability dates from 1999, when three ‘pillars’ of regional governance were established. Regional Development Agencies (RDAs) were set up to improve economic performance in the regions and to reduce disparities both between and within regions; Government Offices for the Regions were tasked with carrying out civil service functions; and Regional Assemblies were created with a strategic oversight and

1 *The Governance of Britain*, Cm. 7170, paragraph 119.

2 *Ibid.*

3 Appendix to Standing Orders.

scrutiny function.⁴ This structure was intended to fulfil the Government’s twin aim of raising the economic performance of the English regions and introducing a more devolved form of regional governance. However, a review of this structure was initiated when the Government’s proposal to establish an elected regional assembly in the North East was overwhelmingly rejected in a trial referendum.⁵

New arrangements for regional accountability

5. Since the result of the North East referendum, a number of papers have put forward proposals for taking forward regional government. In March 2007, the Communities and Local Government Select Committee published its Report, *Is there a future for Regional Government?* The Committee concluded that “there should be more thorough and consistent scrutiny of the regions at Westminster”⁶ and its Report is cited in *The Governance of Britain* in support of the proposal to establish a system of regional select committees.⁷ The Committee added that any new Parliamentary arrangements would not act as “a substitute for the scrutiny carried out by the Regional Assemblies, but as an adjunct to it, making use of the different powers which Westminster committees hold for examining central government activity and linking it to the realisation of policy at the regional level”.⁸

6. In July 2007, the Government published its *Review of sub-national economic development and regeneration* (the ‘Sub-National Review’ or SNR).⁹ This consultation paper was the result of a policy review led jointly by HM Treasury, the Department for Communities and Local Government and the Department for Business, Enterprise and Regulatory Reform and their predecessor departments, considering how to strengthen economic performance in regions, cities and localities throughout the country. The Sub-National Review proposes a number of changes to regional scrutiny and accountability arrangements, including abolishing Regional Assemblies and expanding the remit and powers of RDAs by giving them strategic oversight of transport, planning and housing matters currently dealt with by the Assemblies. Local authorities would be encouraged to establish effective scrutiny of regional matters, in particular the work of their RDA, and Parliamentary accountability would be strengthened (the document states that the Government will “work with Parliament” to determine how this might be achieved).¹⁰ The Sub-National Review suggests that these new structures will be in place by 2010. Our

4 For a fuller discussion, see Communities and Local Government Committee, Fourth Report of Session 2006-07, *Is there a future for Regional Government?*, HC 352-I (2006-07).

5 More than three quarters of those who voted in the referendum voted ‘No’.

6 Communities and Local Government Committee, Fourth Report of Session 2006-07, *Is there a future for Regional Government?*, HC 352-I (2006-07), paragraph 112.

7 *The Governance of Britain*, Cm. 7170, paragraph 119.

8 Communities and Local Government Committee, Fourth Report of Session 2006-07, *Is there a future for Regional Government?*, HC 352-I (2006-07), paragraph 113.

9 HM Treasury, Department for Business, Enterprise and Regulatory Reform and Department for Communities and Local Government, *Review of sub-national economic development and regeneration*, July 2007.

10 *Ibid.*, paragraph 6.107.

evidence shows that many regions are already implementing transitional arrangements in the expectation that its proposals will be implemented.¹¹

7. Although the proposals for regional committees contained in *The Governance of Britain* have not yet been implemented, the Prime Minister has created ministerial posts for the regions. The Green Paper defines their role as follows:

Regional Ministers are responsible for providing a clear sense of strategic direction for their region. Regional Ministers also give citizens a voice in central government, ensuring that government policy takes account of the differing needs of the nine English regions. Regional Ministers will make central government more visible in the regions, helping to raise its profile and generate awareness of the political system.¹²

It goes on to give some examples of the functions that Regional Ministers should undertake, including “advising the Secretary of State for Business, Enterprise and Regulatory Reform on the approval of regional strategies and appointment of RDA Chairs and Boards” and “facilitating a joined up approach across government departments and agencies to enable the effective delivery of the single regional strategy”. The Green Paper also notes that Regional Ministers “will be able to take questions in Parliament on the work of regional bodies, and on regional strategies”.¹³ This procedure has not yet been implemented, and written Questions about the work of Regional Ministers are answered on their behalf by other Ministers.

2 The accountability gap

8. The Government’s proposals are intended to address a perceived accountability gap at regional level. In the Sub-National Review, the Government identifies a particular deficit relating to RDAs, concluding that “there needs to be clearer and stronger accountability of the RDAs both to local and central government as, currently, RDAs do not have a clear democratic mandate”.¹⁴ The same document proposes abolishing Regional Assemblies; a move that might be thought to increase the existing perceived “deficit” in oversight and scrutiny of the RDAs. Our inquiry sought to determine the nature of the accountability gap at regional level and to identify those elements most appropriate for Parliamentary scrutiny (which we would expect to be reflected in the remit of any new committees), in contrast to those that should be committed to local scrutiny bodies.

Is there an accountability gap?

9. Claims that there is a lack of accountability at regional level have often focused on RDAs. In 2007-08, RDAs were responsible for a collective budget of £2.3 billion, yet the Sub-

11 For example, Ev 61. As Regional Assemblies are voluntary bodies, Ministers have no formal powers to abolish them. They are, however, recognised as formal representative bodies for two pieces of legislation: the Regional Development Agencies Act 1998, which allows them to be consulted by RDAs and to scrutinise RDAs, and the Planning and Compulsory Purchase Act 2004, which recognises them as official regional planning bodies.

12 *The Governance of Britain*, Cm. 7170, paragraph 118.

13 *Ibid.*

14 HM Treasury, Department for Business, Enterprise and Regulatory Reform and Department for Communities and Local Government, *Review of sub-national economic development and regeneration*, July 2007, paragraph 6.96.

National Review found that they “do not have a clear democratic mandate”. RDAs also have a central role in producing regional strategies. At present, they are responsible for producing the Regional Economic Strategy (RES) for their region, whilst the Regional Spatial Strategy (RSS) is drafted by the Regional Assembly. In addition, there are numerous non-statutory regional strategies and plans produced by key regional bodies. The Sub-National Review proposes that the RES and RSS should be replaced by: “a single regional strategy which sets out each region’s economic, environmental and social objectives [...] Regional Development Agencies should have the executive responsibility for preparing this strategy, working closely with local authorities and other partners including business and the voluntary sector”.¹⁵

10. Our witnesses gave conflicting views of the effectiveness of regional scrutiny with regard to RDAs. Abby Johnson Brennan, Deputy Chief Executive of the East Midlands Development Agency told the Committee that the problem was mainly one of perception, saying “there is scrutiny and accountability. The challenge for us is the perception that perhaps there is not, or the perception that there is not sufficient transparency and scrutiny of the work that the RDAs do”.¹⁶ In contrast, Cllr David Parsons, Leader of Leicestershire County Council, giving evidence on behalf of the Local Government Association (LGA), made a distinction between scrutiny and accountability. He said: “I think the scrutiny works quite well. It certainly does in my own region, which is the East Midlands. I think what we lack is accountability. Scrutiny works well; so what? What do you do with a scrutiny report if you do not have good, sharp accountability?”¹⁷

11. Although RDAs are clearly of prime importance in setting a region’s strategy, their work involves consultation and engagement with a range of other bodies working at regional level. Mr Tom Riordan, Chair of Chief Executives of the RDA Network and Chief Executive of Yorkshire Forward told us of the impact that a number of different agencies had on the economic performance of a region:

If you think about the new integrated strategy and the responsibility we are going to have there of bringing housing, planning, transport, the economy together in one strategy, if we do not have a way of, I suppose, scrutinising national agencies who have square delivery responsibility for those issues such as the new Homes and Communities Agency, the Highways Agency, Network Rail, the Learning and Skills Council, they all have fundamental roles in making sure that strategy is deliverable and that they can help us implement it. I think we would really welcome the opportunity not just for us to be scrutinised by local MPs at a national level but, also, those other agencies. That would make a real difference.¹⁸

This view was echoed by many of those who gave evidence to our inquiry.¹⁹

¹⁵ HM Treasury, Department for Business, Enterprise and Regulatory Reform and Department for Communities and Local Government, *Review of sub-national economic development and regeneration*, July 2007, pp.3–4.

¹⁶ Q 1

¹⁷ Q 44

¹⁸ Q 17

¹⁹ For example, Ev 48, Ev 61, Ev 63.

12. The organisations listed above are national bodies that, in many cases, structure their organisation by means of regional offices mirroring the administrative regions of England. Their regional directors are accountable via a single, central management structure, rather than directly to the regions. Many are subject to a national line of accountability to the Secretary of State and to Parliament (usually through the relevant departmental select committee).

13. In order to determine how regional accountability might apply to such national agencies and ‘quangos’, we held an evidence session with representatives of some of the larger public bodies whose expenditure has a significant impact on the regions, namely, Strategic Health Authorities (which manage the NHS in the regions), the Learning and Skills Council (which spends an annual budget of £10.4 billion), the Highways Agency (£6 billion) and Arts Council England (£1.1 billion). These witnesses agreed that, whilst they had built up good local relationships with RDAs, regional assemblies and local MPs,²⁰ they were not subject to any formal process of regional scrutiny. Mr Michael Eakin, Executive Director, Arts Council England, North West, said:

Whilst we have good relationships regionally with RDA, government office, regional cultural consortiums and so on there has not been for us anyway any kind of formal scrutiny through the assembly structure or anything else. It is stronger at a national and local level rather than a regional level [...] although we are a national organisation we are organised across the nine English regions and all our decisions are made on a regional basis.²¹

Mr Mike Farrar CBE, Chief Executive of NHS North West, added,

We are talking about local accountability, we are continually discussing how we are nationally accountable to provide consistent standards and those debates are being had. The regional aspect of this sub-regional bit is the bit that is least covered but is increasingly important alongside those other things.²²

14. The Committee concludes that there is clear evidence of an accountability gap at regional level. Although RDAs and other agencies have a central line of accountability to Ministers, who are in turn accountable to Parliament, many of their activities in the regions are not subject to regular, robust scrutiny. More should be done to monitor the delivery of services in the regions, to complement national lines of accountability.

15. The accountability gap is twofold, arising from a lack of accountability within the regions as well as to Parliament. The remit of this Committee is to consider the work of the House of Commons. Although changes to accountability structures within the regions may also be desirable, such arrangements are a matter for the Department for Communities and Local Government and the Department for Business, Enterprise and Regulatory Reform, along with the relevant departmental select committees.

20 Qq 70, 73 and 77–78.

21 Q 78

22 Q 86

Remit for Parliamentary scrutiny

16. Having identified an accountability gap at regional level, the next step is to determine the proper remit for scrutiny undertaken in Parliament, as opposed to that overseen by local scrutiny bodies. Given their significant budget and importance to the regions, RDAs are a clear focus for scrutiny, although under the proposals of the Sub-National Review, they will be subject to scrutiny by local authorities as well. Evidence submitted by the RDAs to this inquiry generally welcomes the involvement of Members of Parliament. Written evidence from the RDA for Yorkshire and the Humber states:

Yorkshire Forward supports a strong role for the House on regional accountability [...] Yorkshire Forward feels that reinforced regional accountability will also provide a route for Parliament to better affect regional issues and development. Such scrutiny would also fill, at least in part, the current gap in accountability felt to be faced by the RDAs and other NDPBs in the English regions, a move very much welcomed.²³

17. In addition to the work of the RDAs, it might be desirable for Parliamentary scrutiny to take account of the work of other agencies and bodies working at regional level identified above. The Communities and Local Government Select Committee Report, *Is there a future for Regional Government?* proposed the establishment of a select committee for each region “in order to examine the work of key regional bodies and call Ministers to account for their performance”.²⁴ Since the publication of that report, the Prime Minister has appointed Regional Ministers for each of the nine English regions. We consider how these ministers could best be integrated into any new scrutiny arrangements later in this Report.

18. During our inquiry, we attempted to arrive at an appropriate definition of the “key regional bodies” where Parliamentary scrutiny could add value. In oral evidence, Dr Phyllis Starkey MP, Chairman of the Communities and Local Government Select Committee gave her view that the purpose of Parliamentary accountability would be “to scrutinise a fairly limited number of regional bodies, such as, obviously, the RDAs, also strategic health authorities, learning and skills councils, maybe slightly more”.²⁵ Written evidence from the Northwest Development Agency suggested an even wider remit: “to look at all issues of public expenditure in the Northwest that impact on its economic development. Therefore it would be potentially concerned about expenditure within the NHS, the Homes and Communities Agency, Environment Agency, LSC, Job Centre Plus, Network Rail, Highways Agency as well as RDA expenditure”.²⁶

19. A wide remit for Parliamentary accountability carries with it some risks. Witnesses expressed concerns about a potential confusion of existing lines of accountability. Mr Archie Robertson OBE, Chief Executive of the Highways Agency—a body accountable centrally to the Department for Transport and the Transport Committee, but whose work has a significant impact on regional strategies—stated:

23 Ev 50

24 Communities and Local Government Committee, Fourth Report of Session 2006-07, *Is there a future for Regional Government?*, HC 352-I (2006-07), paragraph 113.

25 Q 108

26 Ev 48

Let me come at it from the word accountability which is something which those of us who are Accounting Officers have to treat very seriously. Currently there is accountability to our ministers and to Parliament. We need to be clear about whether we are talking about changing that fundamental accountability because at the moment it has not changed [...] We need to be clear when we talk about accountability whether there is an intention of government to shift it or not. I am coming at it round the other way, but accountability is a very, very important concept for us.²⁷

20. In addition, it would not be desirable for the House to establish scrutiny arrangements whose work cut across or conflicted with the work of existing select committees. In most cases, the accountability structures of agencies working at regional level involve the relevant departmental select committee. Peter Luff MP, Chairman of the Business and Enterprise Select Committee, said, “It is very important we plug the gap in a way that does not actually undermine the role of mainstream departmental select committees. Their policy oversight role must not be compromised by new committees, whatever form they take, which actually duplicate, overlap and confuse bodies with whom the main departmental select committees relate and scrutinise”.²⁸

21. Other evidence raises the possibility of duplicating the work already being carried out at regional level. A written submission from the Clerk of the House suggests that there is a danger of ‘scrutiny overload’: “in terms of the enhanced role to be vested in local authorities under the SNR which will mean that several sub-regional bodies may well be scrutinising their RDA or the regional work of another body at the same time as the relevant select committee in Westminster”,²⁹ and the memorandum submitted by Mr Tom Riordan, Chair of Chief Executives of the RDA Network and Chief Executive of Yorkshire Forward, agrees that “Clarity over the distinctive roles of parliamentary and regional (local authority-led) accountability arrangements is essential in order to avoid unnecessary duplication and the consequent potential overstretch of RDA resources”.³⁰

22. Despite these difficulties, there is clear agreement that an accountability gap exists in relation to public bodies and agencies that spend significant amounts of public money at regional level. We have been presented with varying views on which particular agencies should fall within the remit of Parliamentary scrutiny and which without. There is no clear agreement on a single list of bodies that should be covered, which would, in any case, need to be regularly reviewed in the light of future administrative changes.

23. Parliamentary scrutiny of the regions could encompass a number of bodies whose work is organised at regional level. RDAs must be the chief focus, in the light of their significant budgets and the central role they play in co-ordinating the economic and strategic activity of each region (set to increase once regional assemblies are abolished), but Members of Parliament will also wish to take account of the activities of other

27 Q 98

28 Q 108

29 Ev 96

30 Ev 60

agencies and bodies working at regional level and their contribution to regional strategies.

24. We do not consider it desirable to constrain the scope of Parliamentary scrutiny by prescribing a list of organisations that fall within or outside the remit of regional accountability to Parliament (e.g. Strategic Health Authorities, Learning and Skills Councils, Arts and Sports Councils, etc.). Parliament should be empowered to decide for itself (through the committee system proposed in the next part of the Report) which bodies are suitable as the subject of an inquiry, although Members will have a duty to ensure that such scrutiny is conducted in a manner that does not interfere with existing lines of accountability to the relevant Secretary of State and departmental select committee at national level.

3 Regional committees

25. In order for Parliamentary scrutiny to be effective and for it to represent a real prospect of improving the democratic accountability of the English regions, appropriate scrutiny structures will be required. The evidence we have taken clearly suggests that the most effective way of achieving this aim would be to establish regional committees within the House of Commons. However, there was no unified view amongst our witnesses on the possible structure of any new parliamentary committees.

26. At present, there are two main types of scrutiny committee within the House (other than those dealing with legislation), namely select committees and grand committees. Select committees consist of a small number of Members (generally 11 or 14) who undertake sustained inquiries on subjects of their choosing, holding oral evidence sessions and producing reports which may be debated either in the Chamber or in Westminster Hall. There is one select committee for each government department, in addition to other committees on specific subjects. Grand committees differ from select committees in operating largely as forums for debate, with a larger membership. They meet on an *ad hoc* basis and their business, which may include questions, short debates and ministerial statements, is referred to them by the House as a whole. The Standing Orders currently provide for Northern Ireland, Scottish and Welsh Grand Committees.³¹

27. The Government's plans for strengthening regional accountability, as set out in *The Governance of Britain*, include the proposal to establish regional select committees, one for each of the nine English regions. In support of its proposals, *The Governance of Britain* cites the Communities and Local Government Select Committee Report, *Is there a future for Regional Government?* in which the Committee called for enhanced Parliamentary scrutiny of regional issues and recommended that "the most effective way of securing such scrutiny would be to appoint a select committee for each region, which might meet a limited number of times each year (perhaps in conjunction with the relevant Assembly)".³²

31 In addition to these grand committees, Standing Order No. 117 provides for the Regional Affairs Committee, which adopts the European Standing Committee model. The Committee consists of 13 Members representing English constituencies (though any Member of the House representing an English constituency may participate without voting rights) and acts as a single forum for the debate of issues relevant to all regions. This Committee has not met since 2004.

32 Communities and Local Government Committee, Fourth Report of Session 2006-07, *Is there a future for Regional Government?*, HC 352-I (2006-07), paragraph 113.

The proposal for new Parliamentary committees is also expressed in the Sub-National Review, although this document suggests that new arrangements could be based upon “either the select or standing [i.e. grand] committee model”.³³ In this section we evaluate the relative advantages and disadvantages of each type of committee in the light of the evidence we have received, before recommending the option that we consider to be best suited to the aim of improving regional accountability.

28. Although there was disagreement amongst our witnesses as to the type of committee that should be established, there was general agreement that regional committees should be active locally, holding meetings within the relevant region rather than only at Westminster. In written evidence, the English Regions Network (the body representing the Regional Assemblies, which currently conduct regional scrutiny but which are expected to be abolished by 2010) suggested that “There should be a presumption in favour of in-region rather than Westminster-based meetings”,³⁴ and Councillor David Sparks OBE, representing the LGA told us in oral evidence that “Meeting in the region would massively increase the profile of the whole activity”.³⁵ Whichever model is chosen by the House, we agree that regional committees should hold the majority of their meetings within their regions. This will enable them to raise the visibility of scrutiny in their area and to engage with the public within the region.

Select committees

29. The existing departmental select committees within the House of Commons have built up a reputation for robust and effective scrutiny of government policy over the years since their creation. Some of the evidence we received in the course of this inquiry suggested that this successful model could also be applied to the issue of regional accountability. This evidence endorsed the proposal in *The Governance of Britain* that regional select committees should be established for each of the administrative regions of England, arguing that a small group, with a consistent membership and the power to call people to give evidence would provide “the strongest and most effective accountability”.³⁶ This view was supported in oral evidence by Rt Hon Hazel Blears MP, Secretary of State for Communities and Local Government, who said:

I do think we have all learned, as I have from my appearances before my own select committee, that the select committee can be an extremely powerful tool in exposing information, in calling people to account. I do not think there is any greater accountability than to come and face people who have the information who are going to put you on the spot, who are going to pursue issues with tenacity and determination, and I have no doubt that regional select committees could do exactly that.³⁷

33 HM Treasury, Department for Business, Enterprise and Regulatory Reform and Department for Communities and Local Government, *Review of sub-national economic development and regeneration*, July 2007, paragraph 6.107.

34 Ev 76

35 Q 62

36 Ev 48 from the North West Development Agency. See also Ev 49 from Yorkshire Forward.

37 Q 150

30. Although many witnesses did not have a firm preference concerning the type of committee that should be established, they saw value in the form of in-depth scrutiny normally undertaken by select committees. Mr Mike Farrar CBE, Chief Executive of NHS North West said:

One of the things for us about the select committee model was to allow for some more in-depth discussions because we think that some of the issues we would want to be talking about and discussing with our politicians are quite complex. One of the issues relating to select committees is that it might allow that [...] we do not have a declared definitive position, but our sense is that some degree of in-depth scrutiny is worthwhile pursuing.³⁸

The English Regions Network agreed that “For any committee to be credible, it needs to have the power to initiate its own inquiries (would need to avoid duplication or repetition with any other regional level scrutiny), require attendance as necessary, produce reports and make recommendations to which the Government and relevant agencies would need to respond”.³⁹

31. Regional select committees might provide the most powerful tool for scrutiny, but their creation would constitute what the Clerk of the House has termed “the greatest single expansion in the select committee activity of the House since the departmental select committee structure was set up in the years following the 1979 General Election”.⁴⁰ As such, some risks would be attached to this option. Foremost amongst these is the possibility of interfering with the existing scrutiny functions of departmental select committees by cutting across or seeking to duplicate their work. Peter Luff MP, Chairman of the Business and Enterprise Select Committee, was concerned that:

It is very important we plug the gap in a way that does not actually undermine the role of mainstream departmental select committees. Their policy oversight role must not be compromised by new committees, whatever form they take, which actually duplicate, overlap and confuse bodies with whom the main departmental select committees relate and scrutinise.⁴¹

Rt Hon Alan Williams MP, gave a similar view as Chairman of the Liaison Committee:

So far as we are concerned, what we are worried about is the problem of overlap, conflict for resources and priority of access to witnesses, and so on. From the Liaison Committee's point of view, it would seem to me [...] that there is a difference in magnitude between the grand committee approach and the select committee approach. The select committee approach will inevitably mean that, for example, on major statements—say the Department for Health makes a major statement—every region will have an interest in it, every MP will want to be finding out about his own particular position. Therefore, there is a danger of a clash for resources. We are concerned that, in whichever system you devise, the existing select committee should

38 Q 92

39 Ev 76

40 Ev 95

41 Q 108

have priority in witnesses and in access to evidence, but of the two principal ones, as I see it (the nine grand committees and the nine select committees), it would seem to me that the nine select committees are, from our point of view, the most dangerous.⁴²

32. In addition to potentially confusing existing lines of accountability to departmental select committees, regional select committees would place increased demands on the resources of the House, in terms of Members' time and workload, staffing and the availability of meeting rooms. Whilst acknowledging that there was a danger of overstretch in the select committee option, some witnesses thought that the risk might be mitigated by placing restrictions on the activity of any new select committees. Ms Trudi Elliott, Regional Director of the Government Office for the West Midlands said:

The traditional select committee model, with no limits to what it could do, would be very difficult for the House's capacity to service but it would also, to be perfectly honest, be quite difficult potentially for ministers and regional ministers. That is why, if you go for a select committee model, I think you would need to think very carefully about the sorts of things you would put in the standing orders, in terms of how regularly it would meet, its resources, its ability to travel, its membership and what its role was. Otherwise I think you would be presenting some quite serious capacity issues not just to the Executive but also to yourselves and your fellow MPs.⁴³

A number of those who gave evidence agreed that the potential impact of new regional select committees on House resources might not be unreasonable if limitations were placed on the amount of activity they could undertake.⁴⁴

Grand committees

33. We also received a significant quantity of evidence in favour of a grand committee model of regional accountability. Some of those who gave evidence, including Members of Parliament, saw regional grand committees as a way of improving regional accountability whilst avoiding the risk of 'overstretch' and overlap represented by the select committee option.⁴⁵ Rt Hon Sir George Young MP commented:

My view is that there simply are not the personnel available to serve on these select committees; that they risk cutting across the work of existing select committees; that the regional ministers whom they might hold to account are not, in many cases, the budget holders for the projects that are being funded—nor will the policies under scrutiny necessarily come from their own Departments. If the House believes it is necessary to monitor regional policies, and they are unable to persuade people to vote for directly elected regional assemblies, I would prefer a more informal system of debates, agreed through the usual channels, on those issues thought to be most

42 Q 109

43 Q 165

44 Q 166

45 For example, Ev 83 from Rt Hon Sir George Young Bt, MP and Ev 92 from Sir Patrick Cormack FSA, MP.

pressing in a particular region. A regional grand committee would seem to me to be a better model to consider.⁴⁶

34. Other witnesses argued that grand committees represent a more proportionate response to the question of regional accountability and that they would reduce the risk of overlap with other committees, both in Parliament and in the regions. In addition, grand committees would permit all Members from a region to question Ministers and to debate issues of relevance to their region. Dr Phyllis Starkey MP, Chairman of the Communities and Local Government Select Committee, summarised the advantages of the grand committee model in her evidence:

[...] on the select committee model, I think there is a danger of overkill. [...] Regional scrutiny is important. It is not that important to have a select committee, which could start to meet as often as main select committees do and travel and all the rest of it. The two other issues about the select committee model are that the oversight of policy overall will be, of course, retained by the parent committees. [...] It does seem to me odd to have a regional committee where the party balance follows that in the House regardless of the party balance within the region. So, for all those reasons, I do not actually favour a straight select committee model. The grand committee model, I think, is quite a good one because it gets over the party balance bit and all the MPs in the region turn up.⁴⁷

Peter Luff MP, Chairman of the Business and Enterprise Select Committee, supported this view, and suggested that sittings could still be held outside Westminster. He proposed:

[...] occasional public forums (Regional Grand Committees?) in the relevant regional centres, such as Birmingham or Manchester, which all the region's Members of Parliament would be invited to attend on a Friday. This proposal would ensure that more time was not taken out of the packed Monday–Thursday Parliamentary schedule, whilst also generating local participation, interest and coverage. Indeed, I believe the idea of conducting this scrutiny away from Westminster would be seen as enhancing the accountability of MPs themselves and demonstrating their interest in issues of direct interest to their constituents.⁴⁸

35. Some witnesses did not have strong views on the type of committee that should be established, but nevertheless expressed support for a grand committees on the grounds that participation would be open to every Member from a given region.⁴⁹ Representatives of agencies working in the regions, including Mr Michael Eakin, Executive Director of Arts Council England, North West and Mr John Korzeniewski, Regional Director for the North West, Learning and Skills Council, thought that this might allow their organisations to engage more successfully with their local MPs.⁵⁰ Written evidence from the South West Regional Assembly and South West Local Government Association agreed that a “Grand

46 Ev 83–84

47 Q 109

48 Ev 83. This view was also expressed in the memorandum from Rt Hon Michael Jack MP, Chairman of the Environment, Food and Rural Affairs Committee (Ev 102).

49 Qq 89–90

50 Q89

Committee would also provide good opportunities to provide information about regional working to a large number of MPs, as well as more opportunities for democratic scrutiny of activities of regional agencies”.⁵¹

36. Grand committees would also be likely to place fewer financial demands on the resources of the House. In his memorandum, the Clerk of the House estimates that the cost of establishing grand committees for each of the nine English regions meeting five times per year would be around a third of the budget needed to establish an equivalent select committee system.⁵²

37. The grand committee model does possess certain potential disadvantages, highlighted in evidence. Sittings of grand committees consist primarily of general debates. There was some concern that these could come to be dominated by political point scoring rather than acting as a focus for scrutiny and accountability. Mr Keith Pearson, Chair of NHS East of England Strategic Health Authority said, “I think in our region the grand committee might lend itself to being overly political whereas I think the select committee that might be used in the east of England might be one that gave us more of an opportunity to work with people over a longer period to build some thoughts around themes that are going on in the eastern regions”.⁵³

38. In addition, grand committees would not directly involve individuals from RDAs or other regional and sub-regional bodies through evidence taking. Nor could they agree and issue reports, recommending policy or other changes to Government. Evidence from Yorkshire Forward suggests that “the level of accountability and scrutiny possible through such a model is potentially more limited than a formal select committee. If Parliament’s aim is to hold regional stakeholders and departments to account, there is a concern that such a General Committee may not be either the most structured or effective method of doing so.”⁵⁴ Rt Hon Hazel Blears MP agreed that “If we were to have a grand committee, I think there are some things in favour of that, but other people feel that that might not have the kind of bite that a select committee would have. Would that just be a general discussion? Is that sufficient to fill the accountability gap that we have already identified?”⁵⁵

Other models

39. The evidence we received in the course of our inquiry demonstrated that both select and grand committee models have inherent advantages and disadvantages. We therefore considered calls to establish a new type of committee, with features drawn from both models, as an alternative solution.

40. One option would be to establish regional grand committees with additional powers compared to the traditional model. Such committees might be permitted to call and question witnesses (a power recently given to Public Bill Committees) and even to prepare

51 Ev 75

52 Ev 100–102

53 Q 96

54 Ev 49

55 Q 166

and agree reports. They might also be given the ability to set their own agendas and choose subjects of inquiry, rather than having business referred to them by the House. If regional grand committees were given these powers, there would need to be a mechanism by which inquiries and witnesses were selected and draft reports proposed. This could be provided by means of a cross-party executive ‘steering group’ of 5 or 6 Members, which could meet in between meetings of the grand committee to decide on a programme of work.

41. The model described above consists of a grand committee comprising all members from a given region with a smaller core group of Members directing its work. An alternative way to implement this structure might be to create *both* regional select committees *and* regional grand committees and to establish a formal relationship between the work of the two. For example, regional select committees might be tasked with gathering evidence throughout the year and producing a single annual report for debate in the relevant regional grand committee.

42. This last suggestion raises the possibility of establishing select committees with explicit limits on their activity (for example, having the power to produce only one report per year). If it is thought that regional select committees have the greatest potential for improving accountability, due to the sustained and close scrutiny this model affords, their potential negative impact on the existing select committee system and on the resources of the House might be lessened by carefully controlling their work. This could be achieved by means of standing orders allowing each committee a limited number of meetings and/or reports in each parliamentary session.

London

43. We have received evidence arguing that, whichever model for regional committees is chosen, special arrangements may need to be made for the committee covering London. Proposals to establish regional committees have usually advocated creating one committee for each of the nine administrative regions in England. However, London is unique in already possessing a measure of devolved government and scrutiny by elected representatives in the office of the Mayor of London and the London Assembly.⁵⁶ It is likely, therefore, that the arrangements for Parliamentary involvement in regional accountability will need to differ in London compared to the other English regions. We note that the London Development Agency was established after the other RDAs and along a somewhat different model.

Effective regional accountability

44. As the evidence we received did not overwhelmingly prefer either the select committee or the grand committee model, or some other structure of accountability, our task has been to evaluate the strengths and weaknesses of each option and to recommend what we consider to be the most appropriate type of committee to be established. Our intention is to propose the model most likely to achieve the aim of improving regional accountability to Parliament, but we would caution that there is no ‘magic bullet’. Whichever model is finally agreed by the House, it will require the good will and commitment of Members of

⁵⁶ Evidence from the Mayor of London and the London Assembly appears at Ev 92–94.

Parliament to operate effectively and also to ensure that new regional committees complement the existing scrutiny structures of the House.

45. We conclude that the most effective way to strengthen regional accountability to Parliament is to establish a system of regional grand and select committees. Select committees provide a focus and a consistency of effort that would not be present if regional accountability were purely dealt with in grand committees, which are primarily forums for debate. There should be one grand and one select committee for each of the administrative regions in England with the exception of London. As London already has a measure of devolved government and accountability to elected representatives, it is likely to require somewhat different arrangements, which should be considered in the light of experience with the other committees.

46. We do not consider that regional accountability would be strengthened by a system of grand committees alone. This is why we have recommended that scrutiny should be conducted by a small group of Members able to pursue inquiries, take evidence and report as in the select committee model. However, as our evidence has demonstrated, there are some disadvantages to conducting regional scrutiny purely through a system of select committees. One of these is the fact that such committees, by nature, have a relatively small membership. Most of the Members of Parliament representing constituencies in a given region will not be members of the relevant select committee.

47. We also consider that regional select committees may not offer the best forum for securing the accountability of Regional Ministers. Whilst we would expect Regional Ministers to be regularly engaged in the activity of the relevant regional select committee, and to attend to give evidence perhaps once per session, Regional Ministers should also answer Questions from Members of Parliament who are not members of the relevant regional select committee.

48. The system of regional select committees we propose can offer only a minority of members in a given region the opportunity to exercise regular and detailed scrutiny. This is why we recommend that up to two regional grand committee meetings should also take place in each session for each of the eight regions. Meetings should be held either in Westminster or in the relevant region. This will allow more members to engage in scrutiny, further enhancing regional accountability.

49. Regional grand committee meetings should take the form of a general debate (or a series of short debates) and questions to the relevant Regional Minister, to ensure his or her accountability to Parliament. The membership of regional grand committees should consist of all Members of Parliament from a given region, as well as any members of the relevant regional select committee who represent seats outside the region. This format would enable Members to question Regional Ministers on a wider range of subjects than those covered by a particular regional select committee inquiry.

Effective regional select committees

50. We have recommended that eight new regional select committees should be established in order to improve regional accountability to Parliament. However, in making this recommendation, we are keenly aware of the evidence of those who argued that such an

expansion in select committee activity risked interfering with existing select committees and overwhelming the capacity of the House to support their work. We take these concerns extremely seriously and do not dispute that there are risks attached to the course of action that we have proposed. However, we do consider that these risks can be mitigated by sensible precautions, which we go on to consider in the remainder of this Report.

Membership and quorum

51. One of the main concerns expressed to us in evidence, particularly that submitted by Members of Parliament, is the availability of Members with enough time to devote to eight new committees. Rt Hon Alan Williams MP, Chairman of the Liaison Committee, told us:

[...] you would need to find an extra 81 members to put on committees, and the whips will tell of the difficulties they are having at the moment.⁵⁷ [...] some of my committees already have trouble getting a quorum [...] Given that these existing select committees remain the same size, and we would actually favour a reduction in the size, we did not support the idea of increasing the membership for this sort of reason, I think that there is a membership problem.⁵⁸

Peter Luff MP gave an example from his experience of chairing the Business and Enterprise Committee:

We, initially, were a committee of 14 in the last Parliament. We have come down to 11, and that has made the committee easier to manage because there is a greater sense of loyalty, contribution and spirit, but we are still having problems with the quorum very often. We have got one place that has not been filled on the Committee, we have recently had two members on bill committees—which takes three out straightaway—and then you have Post Office closures and they have to go out to their constituencies to meet local constituents. Even with the enthusiastic Committee that I have, contributing to the work of the Committee largely, I do struggle to meet a quorum, and I think having additional select committees, particularly regional select committees, where the constituents would have an expectation that members should attend, would actually create an intolerable pressure on members who, inevitably, would have to serve on two or more committees.⁵⁹

52. The English regions have hugely varying populations, as set out in Table A below, which represent percentages of the population of England ranging from 4.3% to 13.6%, as also set out in Table A below. The number of Members of Parliament elected for these regions ranges from 30 in the smallest to 81 in the largest, as set out in Table B below. Every English region has at least one representative from each of three main parties. In addition, the West Midlands and London each have one other Member of Parliament. The number of ministers and PPSs who are MPs in each region ranges from 3 to 17, as set out in Table C below.

57 Q109. The need for 81 Members is based on an assumption that 9 select committees would be established, each with a membership of 9.

58 Q 110

59 Q 110

Table A: Population of the English regions

South East	8,000,550	13.6%
London	7,172,036	12.2%
North West	6,729,800	11.4%
East	5,388,154	9.2%
West Midlands	5,267,337	9.0%
Yorkshire/Humber	4,964,838	8.4%
South West	4,928,458	8.4%
East Midlands	4,172,179	7.1%
North East	2,515,479	4.3%

Table B: Members of Parliament for the English Regions

South East—81
London—73
North West—75
East—55
West Midlands—58
Yorkshire and the Humber—54
South West—50
East Midlands—44
North East—30

Table C: Ministers and PPSs

South East—3
London—16
North West—17
East—6
West Midlands—8
Yorkshire and the Humber—11
South West—6
East Midlands—6
North East—4

53. Regional select committees should have a small membership of up to 10 members (compared to departmental select committees of up to 14) and a quorum of no more than 3, to ensure that they are functional and do not have an adverse impact on Members' other commitments. The expectation that regional committees will hold far fewer meetings than the average departmental select committee (described later in this Report) will also help to ensure that the new committees do not place an excessive burden on Members' resources.

54. At present, select committees of the House have the same Party balance or composition as the House itself. As the Party balance currently stands, with a committee of nine members, five would be Labour members, three Conservatives and one from the third and minority parties. This applies not just to those committees which oversee UK policy, but also the committees for Scotland, Wales and Northern Ireland, although the political make-up of the devolved administrations differs from that of Westminster. We have received representations that regional select committees should not follow the Party balance of the House, but should instead reflect the political composition of MPs in the relevant region. Some witnesses have argued that this is necessary in order for the committees to establish credibility in their regions.⁶⁰

55. A decision to reflect regional party balance in the membership of the new committees would represent a significant departure from the practices of the House, particularly given that the select committees relating to areas where there is devolution still reflect the party balance at Westminster. We do note, however, that the current political balance means that some of these select committees have members who represent seats outside the territory concerned. This is because there are not enough MPs with seats in that territory from a particular party to make up the numbers required. At present, the use of the same template to determine the membership of regional committees would result in a similar situation in some cases. This should not automatically be viewed as a disadvantage. It may sometimes be beneficial to nominate a minority of members from outside the region in order to exploit an outside view.

56. Unlike the membership of select committees, there is no strict formula determining the political distribution of chairmanships, although by convention these are allocated approximately according to the balance of parties in the House. Written evidence from the Clerk of the House observes that "Some weighting of regional select committees towards regional Party representation could [...] be achieved through the allocation of Opposition chairmanships to committees for those regions in which the Opposition was proportionately stronger than in the House as a whole".⁶¹

57. The membership of regional select committees should be constituted in the same way as that of existing select committees and should therefore reflect the political composition of the House. Members could be nominated from outside the relevant region, but we would expect committees always to choose a Chairman representing a constituency from within the region.

60 For example, Ev 49, Ev 70, Ev 76.

61 Ev 96

58. Some regional organisations, including the LGA,⁶² have advocated including representatives of local authorities as members of any new committee, sitting jointly with MPs. The County Councils Network of the LGA argued that “The Committees should be representative of elected democracy in the region and as such would help to strengthen the links between councils and MPs who share a mandate from the same local electorate”.⁶³ In oral evidence, some witnesses suggested that additional members from such categories could be used to ‘make up the numbers’ where the political balance of MPs was not representative of the region.⁶⁴

59. There are a number of practical difficulties in establishing a joint committee of MPs and locally elected representatives, not least the choice of which authority would provide such representatives in a region made up of a number of local authorities. Other witnesses have suggested that a more pragmatic route would be for regional select committees to establish strong, but informal relationships with local government and other regional stakeholders, through which they could be engaged and involved in the work of the committees.⁶⁵

60. We would expect regional committees to establish close working relationships with locally elected representatives. However, we do not consider that membership of regional select committees would be constitutionally appropriate for anyone other than an elected Member of Parliament.

Meetings and travel

61. A number of witnesses have suggested that a limit should be placed on the number of meetings regional committees are permitted to hold in each Parliamentary session.⁶⁶ This would reduce the potential stress on House resources and encourage a narrower focus on issues of real importance to the regions. Indeed, both *The Governance of Britain* and the Communities and Local Government Select Committee Report, *Is there a future for Regional Government?* proposed the establishment of regional select committees that would differ from departmental select committees in having certain limits set upon their powers, specifically in regard to the number of meetings they are able to hold.⁶⁷

62. It is difficult to determine with certainty the appropriate number of meetings to be held in a single session by regional select committees. In evidence, the LGA suggested that public meetings should be held quarterly,⁶⁸ but the demand for meetings may be affected by factors as disparate as the need to hold a number of private meetings at the beginning of a session in order to agree on a programme of work, or the occurrence of unforeseen events (for example, flooding or an outbreak of foot and mouth disease) affecting one or

62 Q 52

63 Ev 79

64 Qq 52 and 56

65 Q 112–13

66 For example, Q109 (Dr Phyllis Starkey MP) and Q 152 (Rt Hon Hazel Blears MP).

67 Communities and Local Government Committee, Fourth Report of Session 2006-07, *Is there a future for Regional Government?*, HC 352-I (2006-07), paragraph 113 and *The Governance of Britain*, Cm. 7170, paragraph 119.

68 Q 62

more regions towards the end of a session when the committee had already exhausted its allotted quota of meetings. In his evidence, the Clerk of the House cautions that placing an explicit limit on the number of meetings a committee may hold “would be an unusual step, and might be seen as robbing such committees of their ability to set their own agendas in the most efficient and effective way. It might also prove to be impractical and have perverse effects on how such committees operate”.⁶⁹

63. We have given serious consideration to the option of limiting the number of meetings regional select committees can hold in each session by means of the standing orders. Although we have concluded that an arbitrary limit would not be appropriate, we expect regional select committees to meet significantly less frequently than departmental select committees. We make these recommendations in the interests of establishing proportionate scrutiny and facilitating Members’ attendance and involvement. We trust that the committees themselves will be capable of planning an appropriate programme of work in the light of these recommendations. This position should be reviewed at the end of the current Parliament.

64. Our evidence indicated a strong desire for regional select committees to meet regularly within their regions. This was supported by representatives of regional bodies and agencies as well as central Government.⁷⁰ Rt Hon Hazel Blears MP, Secretary of State for Communities and Local Government, said:

[...] in the way in which that committee conducts its inquiries I would very much like to see it do some things which are different from the way in which we normally do our business in Parliament. That is perhaps to meet in the regions, to have a different sense of going out. The very first point I made was about visibility for the public. I do think there is a real opportunity here, as well as visibility for Parliament, to surface issues which are going on in the region and, also, for the public to have a sense that its parliamentary representatives are very concerned about the power that is held in the regions and making sure that that power is properly scrutinised and accountable.⁷¹

Evidence from Mr Neil Turner MP supported this view, commenting “The separation of Parliament from the electorate is an issue that damages the democratic process. Regional Select Committees can play an important role in addressing this by taking Parliament out of London and into the regions they serve”.⁷²

65. Although it might be possible to restrict the travelling powers of regional select committees to holding meetings in their own regions, this could be disadvantageous where issues of a cross-border nature are concerned. As Mr Turner goes on to note:

No region is self contained, and it is clear that issues will spill over from one region to neighbouring regions. For example, the North West has borders with the Northern, Yorkshire, East and West Midlands Regions, as well as Scotland and

69 Ev 97

70 Ev 49, Ev 63–66 and elsewhere.

71 Q 166

72 Ev 87

Wales. The ‘Northern Way’, whereby the RDAs of the 3 northern regions work together to enhance their collective ability to improve the GVA of the 3 regions, is just one example of where Regional Select Committees will have to work together to improve Parliamentary scrutiny. The North west will need to work with the National Parliament of Scotland and the Welsh Assembly on issues such as the Airbus at Chester, and the way the Committees are set up should not just allow, but actively encourage this cross border working.⁷³

66. Regional select committees should have power to travel within the UK and we expect that each committee will hold the large majority of its meetings within its region. In this context, we hope that the committees’ meetings will help fulfil the House’s objective of improving engagement with the public. As such, they should be advertised in good time and take place according to a regular programme.

67. Regional select committees may see value in holding joint meetings, not only with neighbouring committees and, where relevant, committees of the National Assembly for Wales and Scottish Parliament (as suggested by Mr Turner), but also with local authority scrutiny bodies or, on occasion, a departmental select committee. If regional select committees were given similar powers to the existing departmental select committees, this would enable them to hold concurrent meetings with other select committees of the House. Whilst regional committees would be able to meet informally with local scrutiny committees and the committees of devolved assemblies, formal meetings would not be possible unless special provision were made in the standing orders enabling them to do so.

68. We hope that regional select committees will wish to develop good relationships and regular liaison with local authorities and other regional bodies. This will help them to take advantage of local knowledge, to co-ordinate scrutiny activities and to reduce the prospect of clashing inquiries or duplication of effort.

Avoiding duplication

69. One of the strongest arguments against establishing regional select committees that has emerged from our evidence is the risk of interfering with the extremely valuable and effective scrutiny undertaken by the existing select committee system. This argument was put to us persuasively by Rt Hon Alan Williams MP, Chairman of the Liaison Committee, who said:

The select committee approach will inevitably mean that, for example, on major statements—say the Department for Health makes a major statement—every region will have an interest in it, every MP will want to be finding out about his own particular position. Therefore, there is a danger of a clash for resources. We are concerned that, in whichever system you devise, the existing select committee should have priority in witnesses and in access to evidence, but of the two principal ones, as I see it (the nine grand committees and the nine select committees), it would seem to me that the nine select committees are, from our point of view, the most dangerous. They will demand resources, [...] you would need to find an extra 81 members to

put on committees, and the whips will tell of the difficulties they are having at the moment. They would have to be staffed [...]. Of course, there is even the problem, although we do not always individually see it but I see it in the Liaison Committee, of a clash in finding rooms for meetings [...] My fears would be about the regional select committee and its impact on the existing select committees.⁷⁴

70. It is to be noted that the existing departmental select committees do engage with the regions in the course of their inquiries, travelling and holding public evidence sessions throughout England. In oral evidence, the Chairmen of the Communities and Local Government Committee and Business and Enterprise Committee described the visits that they had undertaken.⁷⁵ Table 1 provides a summary of committees' travel within England over the past two sessions, as well as visits that have taken place or are planned for the current session so far. These visits provide invaluable experience for committees, as they see at first hand the effects of the policies into which they are inquiring. It would be unacceptable for the existence of additional regional select committees to in any way endanger or prevent such visits.

Committee	Visits within England, 2007-08	No. English visits 2006-07	No. English visits 2005-06 ⁷⁶
Business and Enterprise (formerly Trade and Industry)	2012 Olympic Stadium site, Stratford, Cambridge and the West Midlands.	3	0
Children, Schools and Families (formerly Education and Skills)	Merton and Bristol.	2	4
Communities and Local Government	Peterborough, Burnley and Barking and Dagenham.	7	4
Culture, Media and Sport	Lingfield Park racecourse, Surrey; Olympic Park and Pimlico, London, Torbay and Torquay, Devon.	9	15
Defence	London, Basingbourn (near Royston, Cambridgeshire), Yeovil, Plymouth, Salisbury Plain, Hampshire, North Yorkshire, Devon, Teesside, Bristol and Farnborough.	10	13
Environment, Food and Rural Affairs	Weybridge and Lincoln.	6	4
Environmental Audit	Barking riverside.	0	1
Foreign Affairs	Milton Keynes and London.	6	0
Health	None	2	2
Home Affairs	Croydon, Southall, Newark, Colchester, Wolverhampton and Reading, North Kensington, Stockport and Manchester.	3	6

74 Q 109

75 Q 116

76 Source: Sessional Returns for 2006-07 and 2005-06. Numbers include travel in a representative capacity.

Innovation, Universities, Science and Skills (formerly Science and Technology)	Daresbury (near Runcorn), Cheshire, Didcot (Oxfordshire), Pirbright (Surrey), Porton Down, Salisbury and Leeds.	9	3
International Development	None	0	0
Justice (formerly Constitutional Affairs)	Newcastle, Isle of Sheppey	1	3
Northern Ireland Affairs	Belmarsh Prison, Woolwich (London).	0	0
Public Accounts	Leeds, Aldershot, Homerton Hospital, Whitehall and the Olympic site, London.	5	6
Public Administration	None	3	0
Arms Export Controls (formerly Quadripartite)	Southampton	N/A	N/A ⁷⁷
Scottish Affairs	None	0	0
Transport	Heathrow Terminal 5	2	12
Treasury	Bank of England (London).	3	5
Welsh Affairs	Liverpool	1	1
Work and Pensions	Buxton, Olympic Park (London), Harrogate.	2	3

Source: *Sessional Returns for 2006–07 and 2005–06*. Numbers include travel in a representative capacity and are correct as at 2 June 2008.

71. Mr Williams also discussed the way in which the operation of the Liaison Committee might be affected by the existence of eight or nine new select committee chairmen, who would potentially be eligible for membership. In his words, if this number of members were added to the existing complement of 31, “the Liaison Committee would become almost inoperable”.⁷⁸ We suggested to Mr Williams that regional select committee chairmen could be represented collectively by a single member, chosen amongst them. He responded “It could be accommodated, but that would be the minimalist situation. It would not create insuperable problems, but I am not encouraging it. It is vastly preferable to having all nine represented there”.⁷⁹

72. The members and Chairmen of regional select committees will have a duty to be alert to the activities of departmental select committees and plan their activities accordingly. Regional select committees must not cut across the work of departmental select committees. The new committees should enhance the valuable work of the existing select committee system, and have a responsibility to avoid, as far as possible, any conflict.

77 Visits are included in figures for constituent committees (Business and Enterprise, Defence, Foreign Affairs and International Development).

78 Q 118

79 Q 118

73. We do not consider it appropriate for all eight Chairmen of the new regional committees to sit on the Liaison Committee, which is already a large committee of 31 members. Instead, we consider that one of their number should be chosen by the House to attend meetings, by means of a motion tabled in the names of all the Chairmen of regional select committees. It would be for the Chairmen to consult among themselves between meetings to arrive at common views. This should be reflected in an amendment to the temporary standing order governing Liaison Committee membership.

74. We have recommended that regional select committees should be established because we have identified an accountability gap at regional level. As such, the activities of regional select committees should complement the scrutiny work undertaken nationally by departmental select committees in Parliament and locally by local authority scrutiny bodies. In order to fill the gap we have identified, the members of regional select committees will therefore need to ensure they recognise and respect these existing scrutiny activities, as well as the obligations of regional bodies to their central lines of accountability.

Regional identities

75. This Report has so far considered the creation of regional committees on the assumption that there would be one committee for each of the administrative regions in England. This seems the most practical option, as it mirrors the organisational structure of RDAs, Government Offices and most other agencies. However, it is not an assumption that should be accepted unquestioningly. In reality, regional identities cannot be neatly mapped on to these administrative divisions. Evidence submitted jointly by three MPs from the North West, Ann Coffey, Mr George Howarth and Graham Stringer, gives an example:

We represent three constituencies which are physically quite close together at the end of a compass point: the North West. Yet within the North West, there are two large cities and a whole range of smaller towns and cities as well as large rural areas all with hugely different needs, identities and priorities. Mancunians do not identify as Liverpoolians, nor Lancastrians, etc. However, we do have one thing in common: no one identifies as a North Westerner!⁸⁰

The memorandum goes on to suggest that an alternative structure would be to create committees aligned to the eight “core” city regions of England, namely Birmingham, Bristol, Leeds, Liverpool, Manchester, Newcastle, Nottingham and Sheffield.

76. Although regional committees could be mapped onto city regions, this may not suit the geography of other areas of England. For example, the South West region brings together a strong Cornish identity with the population of the city of Bristol, who may not consider that their interests are in common. Mr Mike Farrar CBE, Chief Executive of NHS North West noted that local geography within a region strongly affected the way in which services were delivered: “In order to understand the performance and for us to account for the way the health service is behaving, the dimension of city regions is an important

element of that because we organise services around those kind of sub-regional footprints. In my case you have some rural footprints and you have some city footprints, so it is not purely about city.”⁸¹

77. Our evidence has demonstrated that many of the English administrative regions do not have nor consider themselves to have a single identity. Whilst we do consider it appropriate to align the new regional select committees initially with the administrative regions, as these serve as an organisational template for many bodies and agencies, we strongly encourage the committees to reflect the diverse local identities that go to make up their region. We hope that committees will evolve practices such as meeting in different places within their regions in order to do this. We propose that the effectiveness of the geographical area represented by regional committees is reviewed at the beginning of the next parliament.

Accountability of Regional Ministers

78. Regional Ministers, created in June 2007, were intended to provide “a clear sense of strategic direction for their regions” and “give citizens a voice in central government”. The Green Paper suggested that Regional Ministers would answer Questions and respond to debates in Parliament, but as yet, no such system of accountability has been established.⁸² Our witnesses thought that this situation was unsustainable. Peter Luff MP, Chairman of the Business and Enterprise Select Committee said “For me the crucial need is actually to make the Regional Minister more accountable than he or she is at present. There is a real failure there. I want to be able to question him in public very much indeed.”⁸³

79. Regional select committees, through their inquiries, will go some way towards securing the accountability of Regional Ministers to Parliament, but our evidence shows that Members of Parliament would also value the opportunity to put oral questions to Regional Ministers. **We recommend that Regional Ministers should answer oral Questions about their activities and the exercise of their responsibilities at sittings of the relevant regional grand committees and on a regular rota basis in Westminster Hall.**

Resource implications

80. The system we have outlined above will require adequate resources to operate properly and to represent a real improvement to regional accountability. Evidence supplied to our inquiry by the Clerk of the House noted that the cost of any new Parliamentary committees would vary, depending which model was adopted. In Annex A and B of his memorandum, the Clerk estimates that a system of nine regional select committees, meeting less frequently than existing departmental select committees, might cost around £2,371,550, whereas regional grand committees could be cheaper at £871,520.⁸⁴

81 Q 86

82 *The Governance of Britain*, Cm. 7170, paragraph 116.

83 Q 126

84 Ev 102

81. We have updated these figures based on the system of regional select committees and occasional grand committees that this Report recommends. Our calculations are included as an Annex to this report. Whilst the exact cost of the new committees will depend on their eventual levels of activity, we estimate that an indicative minimum figure for the supplementary resources needed to implement this system would be in the region of £1.4 million per year. When compared to the collective annual budget of RDAs of £2.3 billion, this represents a tiny proportion of the expenditure that would be scrutinised by the new committees, without even taking into account the sizeable budget of other agencies and quangos whose accountability would be improved through the creation of regional committees. It also compares favourably to the core funding of £19 million provided by the Government to Regional Assemblies in 2006–07.⁸⁵ We hope, therefore, that the House will approve a regional committee system resourced at this level of expenditure.

82. Regional committees require adequate resources to operate properly and to represent a real improvement to regional accountability. We have included an estimate of the required resources with our report. Given the significant budget allocated to RDAs and other agencies working at regional level, for which they are not currently adequately accountable, we do not consider the cost of regional committees to be excessive. This estimate assumes that regional select committees will meet far less frequently than departmental select committees, as we have recommended. If levels of activity were to increase beyond this, a steep rise in costs would be likely.

Experimental period

83. We believe that the recommendations of this Report represent a positive and proportionate response to the challenge of securing effective regional accountability. Nevertheless, we do not underestimate the magnitude of the changes we are proposing, which, if implemented, would result in eight new committees within the House of Commons. Nor do we deny that there are risks attached to their creation. Throughout this report, we have highlighted the sensible steps that can be taken to minimise these risks, but there is the possibility that any new system will not operate as expected. Our experience and that of our predecessor committees over the decade since the establishment of the Select Committee on Modernisation of the House of Commons has been that significant procedural changes benefit from a trial period, after which time the arrangements can be reviewed and modified if necessary.

84. We believe that regional select committees have the potential to bring about a significant improvement in regional accountability. Nevertheless, there are practical challenges in their creation, including:

- **the risk of disrupting existing departmental select committee business;**
- **the potential to distract public bodies and agencies working in the regions from their core activities and central lines of accountability;**
- **the possibility of duplicating scrutiny work already being undertaken in the regions;**

⁸⁵ <http://www.communities.gov.uk/citiesandregions/regional/regionalassemblies/>

- the additional burden on Members' time and workload;
- increased demands on House resources, including staffing, printing and publication costs, availability of rooms for meetings and office accommodation.

In order for regional committees to operate effectively, the House must take account of these challenges and accept the need for an initial transitional period. We therefore recommend that the arrangements recommended in this Report should be implemented at first on a temporary basis until the end of the present Parliament. After that time, there should be a review of the operation of regional committees to decide their future.

4 Conclusion

85. We have identified a clear accountability gap at regional level. Effective scrutiny of RDAs and other agencies operating in the English regions is lacking, both locally and in Parliament. Select committees have proved themselves a good model for conducting effective scrutiny, and we have therefore recommended that a system of regional select committees should be established. We also recommend that a grand committee should be held up to twice a year for each region, in order to allow more Members to participate in scrutiny of the key bodies in the regions they represent, as well as the relevant Regional Minister. We do not expect the activity levels of regional select committees to match those of the existing departmental committees. Indeed, we would emphasise that the new committees have a clear duty not to cut across the work of existing scrutiny bodies, both in Parliament and in the regions. To ensure that the system is operating effectively, we have recommended a review at the end of the present Parliament.

86. The objective of improving regional accountability goes hand in hand with that of improving engagement with the public. If the new committees do not succeed in this objective, they may quickly lose credibility. We hope that Members of Parliament will work positively towards improving regional accountability within the new structures we have proposed.

Conclusions and recommendations

Is there an accountability gap?

1. The Committee concludes that there is clear evidence of an accountability gap at regional level. Although RDAs and other agencies have a central line of accountability to Ministers, who are in turn accountable to Parliament, many of their activities in the regions are not subject to regular, robust scrutiny. More should be done to monitor the delivery of services in the regions, to complement national lines of accountability. (Paragraph 14)
2. The accountability gap is twofold, arising from a lack of accountability within the regions as well as to Parliament. The remit of this Committee is to consider the work of the House of Commons. Although changes to accountability structures within the regions may also be desirable, such arrangements are a matter for the Department for Communities and Local Government and the Department for Business, Enterprise and Regulatory Reform, along with the relevant departmental select committees. (Paragraph 15)

Remit for Parliamentary scrutiny

3. Parliamentary scrutiny of the regions could encompass a number of bodies whose work is organised at regional level. RDAs must be the chief focus, in the light of their significant budgets and the central role they play in co-ordinating the economic and strategic activity of each region (set to increase once regional assemblies are abolished), but Members of Parliament will also wish to take account of the activities of other agencies and bodies working at regional level and their contribution to regional strategies. (Paragraph 23)
4. We do not consider it desirable to constrain the scope of Parliamentary scrutiny by prescribing a list of organisations that fall within or outside the remit of regional accountability to Parliament (e.g. Strategic Health Authorities, Learning and Skills Councils, Arts and Sports Councils, etc.). Parliament should be empowered to decide for itself (through the committee system proposed in the next part of the Report) which bodies are suitable as the subject of an inquiry, although Members will have a duty to ensure that such scrutiny is conducted in a manner that does not interfere with existing lines of accountability to the relevant Secretary of State and departmental select committee at national level. (Paragraph 24)

Effective regional accountability

5. We conclude that the most effective way to strengthen regional accountability to Parliament is to establish a system of regional grand and select committees. Select committees provide a focus and a consistency of effort that would not be present if regional accountability were purely dealt with in grand committees, which are primarily forums for debate. There should be one grand and one select committee for each of the administrative regions in England with the exception of London. As London already has a measure of devolved government and accountability to elected

representatives, it is likely to require somewhat different arrangements, which should be considered in the light of experience with the other committees. (Paragraph 45)

6. The system of regional select committees we propose can offer only a minority of members in a given region the opportunity to exercise regular and detailed scrutiny. This is why we recommend that up to two regional grand committee meetings should also take place in each session for each of the eight regions. Meetings should be held either in Westminster or in the relevant region. This will allow more members to engage in scrutiny, further enhancing regional accountability. (Paragraph 48)
7. Regional grand committee meetings should take the form of a general debate (or a series of short debates) and questions to the relevant Regional Minister, to ensure his or her accountability to Parliament. The membership of regional grand committees should consist of all Members of Parliament from a given region, as well as any members of the relevant regional select committee who represent seats outside the region. This format would enable Members to question Regional Ministers on a wider range of subjects than those covered by a particular regional select committee inquiry. (Paragraph 49)

Membership and quorum

8. Regional select committees should have a small membership of up to 10 members (compared to departmental select committees of up to 14) and a quorum of no more than 3, to ensure that they are functional and do not have an adverse impact on Members' other commitments. The expectation that regional committees will hold far fewer meetings than the average departmental select committee (described later in this Report) will also help to ensure that the new committees do not place an excessive burden on Members' resources. (Paragraph 53)
9. The membership of regional select committees should be constituted in the same way as that of existing select committees and should therefore reflect the political composition of the House. Members could be nominated from outside the relevant region, but we would expect committees always to choose a Chairman representing a constituency from within the region. (Paragraph 57)
10. We would expect regional committees to establish close working relationships with locally elected representatives. However, we do not consider that membership of regional select committees would be constitutionally appropriate for anyone other than an elected Member of Parliament. (Paragraph 60)

Meetings and travel

11. We have given serious consideration to the option of limiting the number of meetings regional select committees can hold in each session by means of the standing orders. Although we have concluded that an arbitrary limit would not be appropriate, we expect regional select committees to meet significantly less frequently than departmental select committees. We make these recommendations in the interests of establishing proportionate scrutiny and facilitating Members'

attendance and involvement. We trust that the committees themselves will be capable of planning an appropriate programme of work in the light of these recommendations. This position should be reviewed at the end of the current Parliament. (Paragraph 63)

12. Regional select committees should have power to travel within the UK and we expect that each committee will hold the large majority of its meetings within its region. In this context, we hope that the committees' meetings will help fulfil the House's objective of improving engagement with the public. As such, they should be advertised in good time and take place according to a regular programme. (Paragraph 66)
13. We hope that regional select committees will wish to develop good relationships and regular liaison with local authorities and other regional bodies. This will help them to take advantage of local knowledge, to co-ordinate scrutiny activities and to reduce the prospect of clashing inquiries or duplication of effort. (Paragraph 68)

Avoiding duplication

14. The members and Chairmen of regional select committees will have a duty to be alert to the activities of departmental select committees and plan their activities accordingly. Regional select committees must not cut across the work of departmental select committees. The new committees should enhance the valuable work of the existing select committee system, and have a responsibility to avoid, as far as possible, any conflict. (Paragraph 72)
15. We do not consider it appropriate for all eight Chairmen of the new regional committees to sit on the Liaison Committee, which is already a large committee of 31 members. Instead, we consider that one of their number should be chosen by the House to attend meetings, by means of a motion tabled in the names of all the Chairmen of regional select committees. It would be for the Chairmen to consult among themselves between meetings to arrive at common views. This should be reflected in an amendment to the temporary standing order governing Liaison Committee membership. (Paragraph 73)
16. We have recommended that regional select committees should be established because we have identified an accountability gap at regional level. As such, the activities of regional select committees should complement the scrutiny work undertaken nationally by departmental select committees in Parliament and locally by local authority scrutiny bodies. In order to fill the gap we have identified, the members of regional select committees will therefore need to ensure they recognise and respect these existing scrutiny activities, as well as the obligations of regional bodies to their central lines of accountability. (Paragraph 74)

Regional identities

17. Our evidence has demonstrated that many of the English administrative regions do not have nor consider themselves to have a single identity. Whilst we do consider it appropriate to align the new regional select committees initially with the

administrative regions, as these serve as an organisational template for many bodies and agencies, we strongly encourage the committees to reflect the diverse local identities that go to make up their region. We hope that committees will evolve practices such as meeting in different places within their regions in order to do this. We propose that the effectiveness of the geographical area represented by regional committees is reviewed at the beginning of the next parliament. (Paragraph 77)

Accountability of Regional Ministers

18. We recommend that Regional Ministers should answer oral Questions about their activities and the exercise of their responsibilities at sittings of the relevant regional grand committees and on a regular rota basis in Westminster Hall. (Paragraph 79)

Resource implications

19. Regional committees require adequate resources to operate properly and to represent a real improvement to regional accountability. We have included an estimate of the required resources with our report. Given the significant budget allocated to RDAs and other agencies working at regional level, for which they are not currently adequately accountable, we do not consider the cost of regional committees to be excessive. This estimate assumes that regional select committees will meet far less frequently than departmental select committees, as we have recommended. If levels of activity were to increase beyond this, a steep rise in costs would be likely. (Paragraph 82)

Experimental period

20. We believe that regional select committees have the potential to bring about a significant improvement in regional accountability. Nevertheless, there are practical challenges in their creation, including:
- the risk of disrupting existing departmental select committee business;
 - the potential to distract public bodies and agencies working in the regions from their core activities and central lines of accountability;
 - the possibility of duplicating scrutiny work already being undertaken in the regions;
 - the additional burden on Members' time and workload;
 - increased demands on House resources, including staffing, printing and publication costs, availability of rooms for meetings and office accommodation.

In order for regional committees to operate effectively, the House must take account of these challenges and accept the need for an initial transitional period. We therefore recommend that the arrangements recommended in this Report should be implemented at first on a temporary basis until the end of the present Parliament. After that time, there should be a review of the operation of regional committees to decide their future. (Paragraph 84)

Conclusion

21. We have identified a clear accountability gap at regional level. Effective scrutiny of RDAs and other agencies operating in the English regions is lacking, both locally and in Parliament. Select committees have proved themselves a good model for conducting effective scrutiny, and we have therefore recommended that a system of regional select committees should be established. We also recommend that a grand committee should be held up to twice a year for each region, in order to allow more Members to participate in scrutiny of the key bodies in the regions they represent, as well as the relevant Regional Minister. We do not expect the activity levels of regional select committees to match those of the existing departmental committees. Indeed, we would emphasise that the new committees have a clear duty not to cut across the work of existing scrutiny bodies, both in Parliament and in the regions. To ensure that the system is operating effectively, we have recommended a review at the end of the present Parliament. (Paragraph 85)
22. The objective of improving regional accountability goes hand in hand with that of improving engagement with the public. If the new committees do not succeed in this objective, they may quickly lose credibility. We hope that Members of Parliament will work positively towards improving regional accountability within the new structures we have proposed. (Paragraph 86)

Annex: Estimated costs

The costs set out in this paper will be annual and recurring.

Regional select committee costs: an estimate

The calculations are based on the following assumptions:

- That there will be eight regional select committees (with a London committee to follow later)
- That regional committees will meet a limited number of times each year (six times has been used as an indicative figure here)
- That the limited number of meetings implies a limited number of inquiries and reports
- That they will generally meet in the region concerned

Staff for committees: The following staffing costs estimate is predicated on provision of a Deputy Principal Clerk, 4 inquiry managers/specialists, 2 Committee Assistants and 2 Secretaries. It assumes that 8 existing clerks will absorb regional committee clerking into their current roles. It assumes one additional media officer.

This amounts to 10 full-time and 8 part-time staff spread between the 8 committees, reflecting the anticipated lower workload (the average departmental select committee employs 6.5 staff) It assumes that administrative support can be shared between committees. The costs include salaries, national insurance contributions and pension contributions at the level of the House mid-point for each pay band for 2007-08:

Estimated additional staffing cost **£452,000**

Staff accommodation costs (Westminster): 9 staff in total (plus media officer) **£50,000** (approx) (includes furniture and running costs)

Transcription and associated costs (Official Report): This is based on each committee holding 6 meetings, of which 5 are held in the region, and 1 at Westminster. All are based upon 2 hour sessions; with one travel attendance fee per regional session.

The following figures represent the **maximum** possible costs for reporting, per committee.

Committees out of London 40 x £576	£23040	
Westminster Committees 8 x £376	£ 3008	
TOTAL		£26,048

Printing reports/evidence: This is based upon an average of 2 reports per committee, plus one or two evidence-only publications

$$2 \times 8 \times (\pounds 5,000 + \pounds 1,000) = \pounds 96,000$$

Travel and accommodation costs (staff): This is based on 3 staff (2 from the Committee Office, and 1 from the Official Report) travelling to the region from Westminster and back again: It includes an £85 accommodation/subsistence cost for half of the meetings. It assumes 40 meetings in total (i.e. 8 committees meeting 5 times each away from Westminster).

Travel:	$3 \times 8 \times 40 \times \pounds 85 =$	£81,600	
Accommodation:	$3 \times 8 \times 20 \times \pounds 85 =$	£40,800	£122,400

Travel and accommodation costs (Members): Costs here are more difficult to estimate, if meetings are to take place close to Members' constituencies. The figures below assume four Members on each committee needing the same expenses as staff for accommodation (at half the 40 meetings) and travel (at all the 40 meetings).

Travel:	$4 \times 8 \times 40 \times \pounds 85 =$	£108,800	
Accommodation:	$4 \times 8 \times 20 \times \pounds 85 =$	£54,400	£163,200

Extra pay for Chairmen: £13,713 per Chairman: for eight Chairmen: **£109,704**

Webcasting: Although this is currently not required for meetings away from Westminster, there is increasing pressure for all select committee meetings, in Westminster or elsewhere, to be webcast as a matter of course. A general cost of £2,000 per session has been given.

$$8 \times 6 \times \pounds 2,000 = \pounds 96,000$$

Other costs: These might include a small entertainment allowance per committee, other visits, costs relating to refreshments and room hire for meetings or briefings

£20,000

Total estimated minimum additional annual cost for 8 regional select committees:
£1,135,352

Regional grand committee costs: an estimate

The following assumptions are based on:

- Up to two regional Grand Committee meetings a year for each of the 8 regions

Staff to run grand committees: It may be possible to run a total of 16 grand committee meetings relying largely on the staff employed by the regional committees, with assistance from other staff in the Department for Chamber and Committee Services. Costs below are for a Senior Clerk and one other member of support staff (B1).

Extra staff costs:	£102,300	
Extra office accommodation and furniture/running costs:	£ 25,000	£127,300

Transcription costs: The Official Report has traditionally provided the transcripts of Grand Committee meetings. For meetings held at Westminster, there would be no marginal staff cost, but printing costs apply for all meetings. The OR believes it needs to send one Sub-Editor to log proceedings held off site. This estimate assumes that one of the two Grand Committee meetings will be held in the region and the other at Westminster, and that overnight stays may be required for only half of them.

Travel:	1 x 8 x £85 =	£ 680	
Accommodation:	1 x 4 x £85 =	£ 340	
			£1,020
Sound equipment and technical support per meeting:		£3,000	
Printing costs of Hansards, &c., per meeting:		£1,300	
Total per meeting:		£4,300 x 16	
meetings:			£68,800

Extra pay for new Chairmen's Panel members: on the basis of 16 extra meetings of grand committees there may be a need for up to 2 more Panel members, who would receive extra pay at the bottom of the current sliding scale, at approx £2,600 each.

£5,200

Webcasting: If Grand Committee meetings are webcast from the outset, this paper estimates about £2,000 per meeting. On the basis of 16 meetings that amounts to:

£32,000

Staff costs for attendance (DCSS): 2 DCSS staff for each of the 8 grand committee meetings away from Westminster, half of which may involve accommodation costs:

2 x 8 x £85 (travel)	= £1,360	
2 x 4 x £85 (accommodation)	= £ 680	Total: £2,040

Members' travel and accommodation costs for grand committee meetings: Costs are very difficult to assess in this area. Previous meetings of the three grand committees appear to have been governed in terms of Members' travel costs by a variety of arrangements which it may or may not be possible to replicate or imitate in some way. The point made above about Members already being in their constituencies on Mondays or Fridays also applies.

However, it seems sensible to allow in any estimate for travel costs for two thirds (40) of the average number of members per region (59) for each meeting, with accommodation costs for one quarter (15) of that number. The figures below, for meetings away from Westminster, are based on these assumptions.

Travel costs: 8 x 40 x £80 =	£25,600	
Accommodation costs: 8 x 15 x £80 =	£ 9,600	Total: £35,200

Estimated minimum additional annual costs for 16 regional grand committee meetings: **£271,560**

ESTIMATED ADDITIONAL ANNUAL COST FOR 8 REGIONAL SELECT COMMITTEES MEETING 6 TIMES A YEAR EACH AND 8 REGIONAL GRAND COMMITTEES MEETING TWICE A YEAR

£1,406,912

Other possible costs

The £1.4 million estimate per annum includes no provision for:

- Venue rental: at present, most Select Committee visits to regional centres are held in co-operation with local authorities, which provide meeting rooms. Most authorities receive only occasional visits. Should regional committees become a permanent fixture, meetings might be held in regional centres approximately once a month during the sitting year. Even if the committees choose to meet in differing locations, the regularity of meetings must eventually imply some form of payment for venues.
- Locally based staff: while a basic inquiry management operation can be mounted from Westminster, it may in the longer run, and if regional committees become permanent fixtures, be necessary or desirable to employ inquiry management and/or administrative staff for the committees in the regions themselves. This implies both staff and accommodation costs.
- Security costs: police officers/doorkeepers.
- One-off, set-up costs (for example, reconnoitring visits to locations to judge security, sound system suitability et cetera).

Formal Minutes

Wednesday 4 June 2008

Members present:

Ms Harriet Harman, in the Chair

Chris Bryant	Mark Lazarowicz
Ms Dawn Butler	Mrs Theresa May
John Hemming	Mr Richard Shepherd
Mr George Howarth	Sir Peter Soulsby
Simon Hughes	Sir Nicholas Winterton
Mr Greg Knight	

Regional Accountability

The Committee considered this matter.

Wednesday 2 July 2008

Members present:

Ms Harriet Harman, in the Chair

Chris Bryant	Mr Greg Knight
Ms Dawn Butler	Mark Lazarowicz
Ann Coffey	Mrs Theresa May
Mr Philip Davies	Mr Richard Shepherd
John Hemming	Sir Peter Soulsby
Mr George Howarth	Dr Howard Stoate
Simon Hughes	Sir Nicholas Winterton

Regional Accountability

Draft Report (*Regional Accountability*), proposed by the Chairman, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 7 read and agreed to.

Paragraph 8 read.

Question put, That the paragraph stand part of the Report.

The Committee divided.

Ayes, 11

Noes, 3

Chris Bryant
Ms Dawn Butler
Ann Coffey
Mr Philip Davies
John Hemming
Mr George Howarth

Mr Greg Knight
Mr Richard Shepherd
Sir Nicholas Winterton

Simon Hughes
 Mark Lazarowicz
 Mrs Theresa May
 Sir Peter Soulsby
 Dr Howard Stoate

Paragraphs 9 to 15 read.

Question put, That the paragraphs stand part of the Report.

The Committee divided.

Ayes, 10

Chris Bryant
 Ms Dawn Butler
 Ann Coffey
 Mr Philip Davies
 John Hemming
 Mr George Howarth
 Simon Hughes
 Mark Lazarowicz
 Sir Peter Soulsby
 Dr Howard Stoate

Noes, 4

Mr Greg Knight
 Mrs Theresa May
 Mr Richard Shepherd
 Sir Nicholas Winterton

Paragraphs 16 to 24 read.

Question put, That the paragraphs stand part of the Report.

The Committee divided.

Ayes, 9

Chris Bryant
 Ms Dawn Butler
 Ann Coffey
 John Hemming
 Mr George Howarth
 Simon Hughes
 Mark Lazarowicz
 Sir Peter Soulsby
 Dr Howard Stoate

Noes, 5

Mr Philip Davies
 Mr Greg Knight
 Mrs Theresa May
 Mr Richard Shepherd
 Sir Nicholas Winterton

Paragraphs 25 to 27 read and agreed to.

Paragraph 28 read, amended and agreed to.

Paragraphs 29 to 44 read and agreed to.

Paragraph 45 read.

Amendment proposed, in line 1, to leave out from 'We conclude that' to the end and insert 'the most effective way to strengthen regional accountability to Parliament is to establish a system of regional grand committees. This represents a proportionate response to the existing accountability gap. Regional grand committees will allow all Members of Parliament to engage in scrutiny and debate without jeopardising the existing select

committee system. The evidence we received from the Chairman of the Liaison Committee, as well as the chairmen of departmental select committees, convinced us that the creation of eight new regional select committees would place an intolerable burden on the resources of the House and would be likely to hamper the work of existing select committees. Regional select committees would also risk duplicating the work of other scrutiny committees, both in the House and at local authority level, leading to what the Clerk of the House has termed ‘scrutiny overload’. In contrast, regional grand committees will complement existing scrutiny structures and will allow Members of Parliament to intervene where there are issues of genuine concern.’—(Mrs Theresa May.)

Question put, That the Amendment be made.

The Committee divided.

Ayes, 5	Noes, 9
Mr Philip Davies	Chris Bryant
Mr Greg Knight	Ms Dawn Butler
Mrs Theresa May	Ann Coffey
Mr Richard Shepherd	John Hemming
Sir Nicholas Winterton	Mr George Howarth
	Simon Hughes
	Mark Lazarowicz
	Sir Peter Soulsby
	Dr Howard Stoaate

Another Amendment proposed, in line 2, after ‘regional’, to insert ‘grand and’.—(Simon Hughes.)

Question put, That the Amendment be made.

The Committee divided.

Ayes, 9	Noes, 5
Chris Bryant	Mr Philip Davies
Ms Dawn Butler	Mr Greg Knight
Ann Coffey	Mrs Theresa May
John Hemming	Mr Richard Shepherd
Mr George Howarth	Sir Nicholas Winterton
Simon Hughes	
Mark Lazarowicz	
Sir Peter Soulsby	
Dr Howard Stoaate	

Another Amendment proposed, in line 5, after ‘one’, to insert ‘grand and one’.—(Simon Hughes.)

Question put, That the Amendment be made.

The Committee divided.

Ayes, 9	Noes, 5
Chris Bryant	Mr Philip Davies
Ms Dawn Butler	Mr Greg Knight
Ann Coffey	Mrs Theresa May
John Hemming	Mr Richard Shepherd
Mr George Howarth	Sir Nicholas Winterton

Simon Hughes
 Mark Lazarowicz
 Sir Peter Soulsby
 Dr Howard Stoate

Another Amendment made.

Question put, That the paragraph, as amended, stand part of the Report.

The Committee divided.

Ayes, 9

Chris Bryant
 Ms Dawn Butler
 Ann Coffey
 John Hemming
 Mr George Howarth
 Simon Hughes
 Mark Lazarowicz
 Sir Peter Soulsby
 Dr Howard Stoate

Noes, 5

Mr Philip Davies
 Mr Greg Knight
 Mrs Theresa May
 Mr Richard Shepherd
 Sir Nicholas Winterton

Paragraphs 46 and 47 read.

Motion made, and Question put, To leave out paragraphs 46 and 47.—(*Mrs Theresa May.*)

The Committee divided.

Ayes, 5

Mr Philip Davies
 Mr Greg Knight
 Mrs Theresa May
 Mr Richard Shepherd
 Sir Nicholas Winterton

Noes, 9

Chris Bryant
 Ms Dawn Butler
 Ann Coffey
 John Hemming
 Mr George Howarth
 Simon Hughes
 Mark Lazarowicz
 Sir Peter Soulsby
 Dr Howard Stoate

Question put, That paragraph 46 stand part of the Report.

The Committee divided.

Ayes, 9

Chris Bryant
 Ms Dawn Butler
 Ann Coffey
 John Hemming
 Mr George Howarth
 Simon Hughes
 Mark Lazarowicz

Noes, 5

Mr Philip Davies
 Mr Greg Knight
 Mrs Theresa May
 Mr Richard Shepherd
 Sir Nicholas Winterton

Sir Peter Soulsby
Dr Howard Stoate

Question put, That paragraph 47 stand part of the Report.

The Committee divided.

Ayes, 9

Chris Bryant
Ms Dawn Butler
Ann Coffey
John Hemming
Mr George Howarth
Simon Hughes
Mark Lazarowicz
Sir Peter Soulsby
Dr Howard Stoate

Noes, 5

Mr Philip Davies
Mr Greg Knight
Mrs Theresa May
Mr Richard Shepherd
Sir Nicholas Winterton

Paragraph 48 read.

Amendment proposed, in line 1, to leave out ‘The system of regional select committees we have proposed can offer only a minority of members in a given region the opportunity to exercise regular and detailed scrutiny’.—(*Mrs Theresa May.*)

Question put, That the Amendment be made.

The Committee divided.

Ayes, 5

Mr Philip Davies
Mr Greg Knight
Mrs Theresa May
Mr Richard Shepherd
Sir Nicholas Winterton

Noes, 9

Chris Bryant
Ms Dawn Butler
Ann Coffey
John Hemming
Mr George Howarth
Simon Hughes
Mark Lazarowicz
Sir Peter Soulsby
Dr Howard Stoate

Another Amendment made.

Question put, That the paragraph, as amended, stand part of the Report.

The Committee divided.

Ayes, 9

Chris Bryant
Ms Dawn Butler
Ann Coffey
John Hemming
Mr George Howarth
Simon Hughes

Noes, 5

Mr Philip Davies
Mr Greg Knight
Mrs Theresa May
Mr Richard Shepherd
Sir Nicholas Winterton

Mark Lazarowicz
 Sir Peter Soulsby
 Dr Howard Stoate

Paragraph 49 read.

Amendment proposed, in line 4, to leave out ‘as well as any members of the relevant regional select committee who represent seats outside the region.’.—(*Mrs Theresa May.*)

Question put, That the Amendment be made.

The Committee divided.

Ayes, 7	Noes, 7
Mr Philip Davies	Chris Bryant
John Hemming	Ms Dawn Butler
Simon Hughes	Ann Coffey
Mr Greg Knight	Mr George Howarth
Mrs Theresa May	Mark Lazarowicz
Mr Richard Shepherd	Sir Peter Soulsby
Sir Nicholas Winterton	Dr Howard Stoate

Whereupon the Chairman declared herself with the Noes.

Paragraph amended in line 7 at end, by leaving out “and might offer an alternative to establishing oral questions to Regional Ministers elsewhere, for example in the Chamber or Westminster Hall, as originally suggested in *The Governance of Britain.*”—(*Mrs Theresa May.*)

Question put, That the paragraph, as amended, stand part of the Report.

The Committee divided.

Ayes, 9	Noes, 5
Chris Bryant	Mr Philip Davies
Ms Dawn Butler	Mr Greg Knight
Ann Coffey	Mrs Theresa May
John Hemming	Mr Richard Shepherd
Mr George Howarth	Sir Nicholas Winterton
Simon Hughes	
Mark Lazarowicz	
Sir Peter Soulsby	
Dr Howard Stoate	

Paragraphs 50 and 51 read.

Question put, That the paragraphs stand part of the Report.

The Committee divided.

Ayes, 9	Noes, 5
Chris Bryant	Mr Philip Davies
Ms Dawn Butler	Mr Greg Knight

Ann Coffey
John Hemming
Mr George Howarth
Simon Hughes
Mark Lazarowicz
Sir Peter Soulsby
Dr Howard Stoate

Mrs Theresa May
Mr Richard Shepherd
Sir Nicholas Winterton

A paragraph—(*Simon Hughes*)—brought up, read the first and second time and inserted (now paragraph 52).

Paragraph 52 read and amended (now paragraph 53).

Question put, That the paragraph, as amended, stand part of the Report.

The Committee divided.

Ayes, 10

Noes, 4

Chris Bryant
Ms Dawn Butler
Ann Coffey
John Hemming
Mr George Howarth
Simon Hughes
Mr Greg Knight
Mark Lazarowicz
Sir Peter Soulsby
Dr Howard Stoate

Mr Philip Davies
Mrs Theresa May
Mr Richard Shepherd
Sir Nicholas Winterton

Paragraph 53 read (now paragraph 54).

Question put, That the paragraph stand part of the Report.

The Committee divided.

Ayes, 9

Noes, 5

Chris Bryant
Ms Dawn Butler
Ann Coffey
John Hemming
Mr George Howarth
Simon Hughes
Mark Lazarowicz
Sir Peter Soulsby
Dr Howard Stoate

Mr Philip Davies
Mr Greg Knight
Mrs Theresa May
Mr Richard Shepherd
Sir Nicholas Winterton

Paragraph 54 read (now paragraph 55).

Amendment proposed, in line 11, at end to add ‘However, on balance, we believe that it is important that regional select committees reflect regional party balance as far as possible, subject to the requirement that each of the three main parties will always have at least one seat on each committee.’—(*Simon Hughes*.)

Question put, That the Amendment be made.

The Committee divided.

Ayes, 3

John Hemming
Simon Hughes
Mr Richard Shepherd

Noes, 11

Chris Bryant
Ms Dawn Butler
Ann Coffey
Mr Philip Davies
Mr George Howarth
Mr Greg Knight
Mark Lazarowicz
Mrs Theresa May
Sir Peter Soulsby
Dr Howard Stoate
Sir Nicholas Winterton

Question put, That the paragraph stand part of the Report.

The Committee divided.

Ayes, 7

Chris Bryant
Ms Dawn Butler
Ann Coffey
Mr George Howarth
Mark Lazarowicz
Sir Peter Soulsby
Dr Howard Stoate

Noes, 7

Mr Philip Davies
John Hemming
Simon Hughes
Mr Greg Knight
Mrs Theresa May
Mr Richard Shepherd
Sir Nicholas Winterton

Whereupon the Chairman declared herself with the Ayes.

Paragraph 55 read (now paragraph 56).

Question put, That the paragraph stand part of the Report.

The Committee divided.

Ayes, 9

Chris Bryant
Ms Dawn Butler
Ann Coffey
John Hemming
Mr George Howarth
Simon Hughes
Mark Lazarowicz
Sir Peter Soulsby
Dr Howard Stoate

Noes, 5

Mr Philip Davies
Mr Greg Knight
Mrs Theresa May
Mr Richard Shepherd
Sir Nicholas Winterton

Paragraph 56 read (now paragraph 57).

Amendment proposed, in line 1, after 'should', to insert 'not'.—(*Simon Hughes.*)

Question put, That the Amendment be made.

The Committee divided.

Ayes, 3

John Hemming
Simon Hughes
Mr Richard Shepherd

Noes, 11

Chris Bryant
Ms Dawn Butler
Ann Coffey
Mr Philip Davies
Mr George Howarth
Mr Greg Knight
Mark Lazarowicz
Mrs Theresa May
Sir Peter Soulsby
Dr Howard Stoaate
Sir Nicholas Winterton

Paragraph amended, in line 3, after “House.”, by leaving out “This means that some members may be nominated from outside the relevant region, although we would expect the committees to choose a chairman representing a constituency from within the region”, and inserting “Members could be nominated from outside the relevant region, but we would expect committees always to choose a chairman representing a constituency from within the region”.—(*Simon Hughes.*)

Question put, That the paragraph, as amended, stand part of the Report.

The Committee divided.

Ayes, 7

Chris Bryant
Ms Dawn Butler
Ann Coffey
Mr George Howarth
Mark Lazarowicz
Sir Peter Soulsby
Dr Howard Stoaate

Noes, 7

Mr Philip Davies
John Hemming
Simon Hughes
Mr Greg Knight
Mrs Theresa May
Mr Richard Shepherd
Sir Nicholas Winterton

Whereupon the Chairman declared herself with the Ayes.

Paragraphs 57 to 75 read (now paragraphs 58 to 76).

Question put, That the paragraphs stand part of the Report.

The Committee divided.

Ayes, 9

Chris Bryant
Ms Dawn Butler
Ann Coffey
John Hemming
Mr George Howarth
Simon Hughes
Mark Lazarowicz
Sir Peter Soulsby
Dr Howard Stoaate

Noes, 5

Mr Philip Davies
Mr Greg Knight
Mrs Theresa May
Mr Richard Shepherd
Sir Nicholas Winterton

Paragraph 76 read and amended (now paragraph 77).

Question put, That the paragraph, as amended, stand part of the Report.

The Committee divided.

Ayes, 9

Chris Bryant
Ms Dawn Butler
Ann Coffey
John Hemming
Mr George Howarth
Simon Hughes
Mark Lazarowicz
Sir Peter Soulsby
Dr Howard Stoate

Noes, 5

Mr Philip Davies
Mr Greg Knight
Mrs Theresa May
Mr Richard Shepherd
Sir Nicholas Winterton

Paragraph 77 read and agreed to (now paragraph 78).

Paragraph 78 read, amended and agreed to (now paragraph 79).

Paragraphs 79 to 81 read and agreed to (now paragraphs 80 to 82).

Paragraph 82 read (now paragraph 83).

Question put, That the paragraph stand part of the Report.

The Committee divided.

Ayes, 9

Chris Bryant
Ms Dawn Butler
Ann Coffey
John Hemming
Mr George Howarth
Simon Hughes
Mark Lazarowicz
Sir Peter Soulsby
Dr Howard Stoate

Noes, 5

Mr Philip Davies
Mr Greg Knight
Mrs Theresa May
Mr Richard Shepherd
Sir Nicholas Winterton

Paragraph 83 read (now paragraph 84).

Question put, That the paragraph stand part of the Report.

The Committee divided.

Ayes, 9

Chris Bryant
Ms Dawn Butler
Ann Coffey
John Hemming

Noes, 4

Mr Philip Davies
Mrs Theresa May
Mr Richard Shepherd
Sir Nicholas Winterton

Mr George Howarth
Simon Hughes
Mark Lazarowicz
Sir Peter Soulsby
Dr Howard Stoate

Paragraphs 84 and 85 read (now paragraphs 85 and 86).

Question put, That the paragraphs stand part of the Report.

The Committee divided.

Ayes, 9

Chris Bryant
Ms Dawn Butler
Ann Coffey
John Hemming
Mr George Howarth
Simon Hughes
Mark Lazarowicz
Sir Peter Soulsby
Dr Howard Stoate

Noes, 5

Mr Philip Davies
Mr Greg Knight
Mrs Theresa May
Mr Richard Shepherd
Sir Nicholas Winterton

A Summary—(*The Chairman*)—brought up, read and amended.

Question put, That the Summary, as amended, be added to the Report.

The Committee divided.

Ayes, 7

Chris Bryant
Ms Dawn Butler
Ann Coffey
Mr George Howarth
Mark Lazarowicz
Sir Peter Soulsby
Dr Howard Stoate

Noes, 7

Mr Philip Davies
John Hemming
Simon Hughes
Mr Greg Knight
Mrs Theresa May
Mr Richard Shepherd
Sir Nicholas Winterton

Whereupon the Chairman declared herself with the Ayes.

Annex agreed to.

Motion made, and Question put, That the Report, as amended, be the Third Report of the Committee to the House.

The Committee divided.

Ayes, 7

Chris Bryant
Ms Dawn Butler
Ann Coffey
Mr George Howarth

Noes, 7

Mr Philip Davies
John Hemming
Simon Hughes
Mr Greg Knight

Mark Lazarowicz
Sir Peter Soulsby
Dr Howard Stoate

Mrs Theresa May
Mr Richard Shepherd
Sir Nicholas Winterton

Whereupon the Chairman declared herself with the Ayes.

Ordered, That the Chairman make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

Written evidence was ordered to be reported to the House for printing with the Report, together with written evidence reported and ordered to be published on 16 and 30 January and 27 February.

[Adjourned till Wednesday 16 July at 9.30am

List of witnesses

Wednesday 30 January 2008

Page

Mr Tom Riordan, **Chair of Chief Executives of the RDA Network and Chief Executive, Yorkshire Forward**, Ms Abby Johnson Brennan, **Deputy Chief Executive, East Midlands Development Agency** and Mr Jamie Merrick, **Head of Strategy, East of England Development Agency**

Ev 1

Wednesday 6 February 2008

Councillor Keith Mitchell, **Chairman, English Regions Network and South East Regional Assembly**, Councillor Alan Dean, **Chairman, East of England Regional Assembly Liaison Panel**, Ms Bryony Houlden, **Chief Executive, South West Regional Assembly**, Mr Gary Topp, **Yorkshire and Humber Regional Assembly SEEP and Chief Executive of Yorkshire Culture and Mr Nigel Rudd, Chief Executive, East Midlands Regional Assembly**

Ev 11

Mr Paul Raynes, **Programme Director, LGA**, Councillor David Sparks OBE, **Chair of the LGA Regeneration and Transport Board** and Councillor David Parsons, **Leader of Leicestershire County Council**

Ev 17

Wednesday 20 February 2008

Mr Keith Pearson, **Chair of NHS East of England**, Mr Mike Farrar CBE, **Chief Executive of NHS North West, Strategic Health Authorities**, Mr John Korzeniewski, **Regional Director for the North West, Learning and Skills Council**, Mr Michael Eakin, **Executive Director, Arts Council England, North West** and Mr Archie Robertson OBE, **Chief Executive, Highways Agency**

Ev 21

Wednesday 27 February 2008

Rt Hon Alan Williams MP, **Chairman, Liaison Committee**, Peter Luff MP, **Chairman, Business, Enterprise and Regulatory Reform Committee**, Dr Phyllis Starkey MP, **Chairman, Communities and Local Government Committee** and Mr Robert Wilson, **Clerk of the Liaison Committee, House of Commons**

Ev 31

Wednesday 5 March 2008

Rt Hon Hazel Blears MP, **Secretary of State for Communities and Local Government**, Mr Ben Bradshaw MP, **Regional Minister for the South West** and Ms Trudi Elliott, **Regional Director, Government Office for the West Midlands**

Ev 41

List of written evidence

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2	Yorkshire Forward (M20)	Ev 49
3	East of England Development Agency (M21)	Ev 50
4	England's Regional Development Agencies (M23)	Ev 59
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12	South East England Regional Assembly (M40)	Ev 78
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14	Local Government Association (M50)	Ev 80
15	Local Government Association witnesses (M55)	Ev 82
16	Peter Luff MP, Chairman, Business, Enterprise and Regulatory Reform Committee (M39 and M51)	Ev 83
17	Rt Hon Sir George Young Bt, MP (M2)	Ev 83
18	Ann Coffey MP, Mr George Howarth MP and Graham Stringer MP (M5)	Ev 84
19	Association of North East Councils (M10)	Ev 86
20	Mr Neil Turner MP (M13)	Ev 87
21	Linda Gilroy MP (M15)	Ev 89
22	West Midlands Business Council (M19)	Ev 89
23	Hansard Society (M24)	Ev 91
24	Sir Patrick Cormack F.S.A. MP (M27)	Ev 92
25	Mayor of London (M30)	Ev 92
26	Chair, London Assembly (M31)	Ev 94
27	Derek Wyatt MP (M35)	Ev 94
28	Clerk of the House of Commons (M38)	Ev 95
29	Rt Hon Michael Jack MP (M41)	Ev 102
30	Robert Key MP (M54)	Ev 103
31	Alliance (M56)	Ev 103
32	Mike Farrar CBE, Chief Executive, NHS North West and Keith Pearson, Chair, NHS East of England (M60)	Ev 104

List of Reports from the Committee during the current Parliament

The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

Session 2007–08

First Report	Scrutiny of the Draft Legislative Programme	HC 81 (<i>Reply: HC 597</i>)
Second Report	Debating departmental objectives and annual reports	HC 530
First Special Report	Scrutiny of the Draft Legislative Programme: Government response to the Committee's First Report	HC 597 (<i>Report: HC 81</i>)

Session 2006–07

First Report	Revitalising the Chamber: the role of the back bench Member	HC 337 (<i>Reply: Cm 7231</i>)
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Session 2005–06

First Report	The Legislative Process	HC 1097
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Oral evidence

Taken before the Select Committee on Modernisation of the House of Commons on Wednesday 30 January 2008

Members present:

Ms Harriet Harman, in the Chair

Chris Bryant
Philip Davies
Mr George Howarth
Simon Hughes

Mr Greg Knight
Mrs Theresa May
Sir Peter Soulsby
Sir Nicholas Winterton

Memoranda

North West Development Agency (M11) Ev 48

Yorkshire Forward (M20) Ev 49

East of England Development Agency (M21) Ev 50

Tom Riordan for England's Regional Development Agencies (M23) Ev 59

Witnesses: **Mr Tom Riordan**, Chair of Chief Executives of the RDA Network and Chief Executive, Yorkshire Forward, **Ms Abby Johnson Brennan**, Deputy Chief Executive, East Midlands Development Agency and **Mr Jamie Merrick**, Head of Strategy, East of England Development Agency, gave evidence.

Chairman: I would like to welcome all of you this morning, the people who have come to listen, to hear about what is happening this morning, and, also, our witnesses, Tom, Abby and Jamie. We are looking forward to hearing from you. Just to let you know—this is the Modernisation Committee, of course—we are very modern, in that we are now all on a webcam as well as broadcast. This is the first time it has been done like that. All the different members of the Committee will ask questions and I would like to start off by asking Sir Nicholas Winterton to ask the first question of you.

Q1 Sir Nicholas Winterton: I too welcome you to this meeting, which is important to us, on regional accountability. Can I put a direct question to all three of you, the same question: is there currently a lack of scrutiny and accountability at regional level? In fact, I will put it even more directly: is there any accountability at regional level? If so, what is it and to whom? Perhaps Mr Riordan should start the answer.

Mr Riordan: Thank you, and thank you for the opportunity to give evidence today. My answer to that question is that yes there is but probably not enough. We welcome the proposals that have been announced about trying to strengthen the scrutiny that exists. The way I would describe what exists is that, as accounting officers to secretaries of state at the centre of government, there is financial accountability for the taxpayers' money that the RDAs spend and that is a national accountability. In terms of how that accountability fits into the way that Parliament works, because we are regional and there is a difference between the regions it makes it sometimes difficult for the current select committees to pick up individual regional issues that may well be different from the East Midlands to Yorkshire to the

East of England. The national accountability that is in place probably does need to be strengthened. It is sometimes difficult, for example, in Yorkshire, for my MPs to hold the RDA to account for certain things it is doing and to call somebody in to explain them, and I think anything that can improve that would be helpful. In terms of the region, there are arrangements in place for regional assemblies to scrutinise what the RDAs do. They are local authority led, voluntary partnerships; they include other stakeholders, such as unions, business, universities, the voluntary and community sector. There are arrangements in place for that and that has worked with differing degrees of success in the regions. Sometimes it has been extremely helpful; other times it probably has not been as fruitful as everybody would have liked.

Ms Johnson Brennan: I would agree with Tom, there is scrutiny and accountability. The challenge for us is the perception that perhaps there is not, or the perception that there is not sufficient transparency and scrutiny of the work that the RDAs do. And I do not think it is only the RDAs: there are other agencies in the region as well about whom that assertion can be made. I think it would help us a great deal to do our jobs better if we could address that perception. That perception is around, particularly, the role of MPs and political accountability for our work and scrutiny of our work, rather than the sort of financial propriety and accounting role, for which there are a number of other procedures and mechanisms in place to hold us to account.

Mr Merrick: I do not think I can add anything in terms of the accountability to Members of Parliament. All I would say is that in the East of England there is a fairly extensive form of scrutiny from the regional assembly and it takes a number of

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forms, including direct scrutiny by the executive of the assembly itself, a special liaison panel that looks particularly at RDA programmes and at the ability of the RDA to mobilise partners to deliver the regional economic strategy. That is particularly important in the context that, whilst important as strategic leaders in the region, our budget only accounts for 0.4% of public expenditure in the region, so much of our work is done in a partnership-based approach that requires us to mobilise and work with partners. Within the East of England we also have a whole series of accountability meetings where we hold open meetings around the region in the nine sub-regions, where our chair, chief executive and deputy chairs openly take questions about the performance of the RDA, and that occurs every year alongside the scrutiny functions at regional level by the assembly.

Q2 Mr Howarth: Mr Riordan referred to differences between regions but there are also increasingly differences within regions. Given that there is a move more and more towards city regions, which are different geographically from statistical regions that you are representing, what implications does that have for scrutiny?

Mr Riordan: The thinking around the city regions has been broadly welcomed by those RDAs to which that economic geography is appropriate, particularly in the North, where we have large cities, Newcastle, Manchester, Leeds, Sheffield, which have wanted to reflect the local economy better in the way that they organise themselves to take strategic decisions. We see that as positive and we see it not necessarily cutting across what we are trying to do but we want it to strengthen what we do. In terms of how all that works, there is a danger that you end up trying to do everything at every level, so you are trying to do everything at a national level, then a regional level, then a city regional level and then a local level. I think the important thing for us is the principle, as it would be called, of subsidiarity, where things are done at the right level and done as close to the local level as possible. The Government's sub-national review of economic development tries to push more delivery down to the local level. The challenge for us and for our partners at a city regional level is to make sure we do that and then, as well as that, we come up with strategic ways of working, scrutiny processes and, if you like, a way of setting priorities that does not duplicate but dovetails the whole thing together—a bit like a Russian doll—where the local, the city regional and the regional are the same thing. The problem we have at the moment is that too many of us go to too many meetings where you are talking about a pretty similar issue with a pretty similar group of people but you have been talking about it the week before at a regional meeting or a city regional meeting. It is getting through that duplication that I think is the key challenge for us all.

Q3 Mrs May: I have to say, Mr Riordan, I thought your initial response to Sir Nicholas's question was rather mechanistic, although, to give him his due,

Mr Merrick gave a slightly fuller response. It may simply be that the East of England does this rather better than anybody else, but I leave you to argue that among yourselves. Your response was immediately about being an accounting officer and accounting for the expenditure of public money. We are all agreed that you should be accountable for the expenditure of public money. We should be able to make sure that is being spent properly. However, it did not really address the issue of scrutiny as to what you are doing. Are you raising the right issues? Are you addressing the right issues? I am interested in your ability to be scrutinised by local authorities and by citizens. You have mentioned the regional assemblies. Of course, the ability for any individual local authority to scrutinise what you are doing and comment on it through the regional assembly is fairly limited, given the structure of the regional assemblies, and, in any case, we are looking ahead to a situation in which they are not going to exist and you are going to take on a lot more of the powers and responsibilities that regional assemblies have had. How should you be accountable? How should you be scrutinised for the local authorities and by the people?

Mr Riordan: I apologise if my answer was mechanistic. I would say, first, that there is a proposal for the local authorities to take over the role of the regional assemblies, in terms of the scrutiny that takes place in the region; so there are still going to be proposals in place and we are working with leaders in our regions, in all our regions of all political parties, to try to come up with a way of working that is better than what has gone before. We could take a mechanistic approach to the next stage and come up with a minimalist approach, where we have to do just what is required of us, but a lot of us do not want to do that. I would be delighted if I could give a better account of what we do to citizens in the region, to local authorities in the region, but there is also an issue of efficiency and effectiveness and a balance that you have to strike between getting on and delivering things and doing things on the ground and making a difference but also being able to account for what you have done. In some regions there are 76 local authorities, so to expect a single agency amongst many others who are non departmental public bodies to account to every single one of those on separate issues, I do not think is an efficient solution. I think we can come up with better ways of accounting to local authorities about what we are doing on their patch. We are working in different regions to try to achieve that. I do not see any reason why we cannot work into those new scrutiny arrangements proposals for citizens to have a way in to look at what the RDA is doing and to hold people like me and others to account for that. I do not have the exact solution to that but I think there are interesting proposals around citizens juries, around some of the things that are happening at a local democratic level anyway, with which we would want to try to get involved, but it has to be appropriate to the job that we are doing and the amount of resources that are available to put into that sort of activity.

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Ms Johnson Brennan: Latterly, East Midlands Development Agency's scrutiny relationship with the regional assembly has been an extremely positive and constructive one and there is a lot we can bring forward into whatever new arrangements are put in place to learn positively from that experience. Like the East of England, they hold committees, they hold us to account, they work with us to develop initiatives and policy from the outset as well and that is a very constructive part of the process. They do not simply come in at the end of the process; they come in at the start, questioning and challenging what we do as we do it, as we go along. I think we can bring that forward into those new arrangements through whatever form. The challenge for us is that we do not have a number of bodies scrutinising a number of other bodies—either duplicating the same areas that they are examining or coming out with conflicting or contradictory recommendations or views on that. We need to bring that together into some form of coherent scrutiny of a range of bodies in the region which involves, possibly, citizens but certainly MPs—who in their role bring the citizens' view, I guess, along to that scrutiny process—and certainly the strategic local authorities. One of the key issues about the assemblies in our region has been the extent to which our key major local authorities have not engaged with the regional assembly scrutiny process. That has always been something that we have felt was necessary, in order for us to be satisfied and them to be satisfied that we are transparent in what we are doing. If we can find a mechanism for bringing those local authorities, the counties and unitary authorities, particularly, along with the MPs to examine that policy development process and make sure we are doing what we said we were going to do, that at the end of the day it has been effective, I think that would be an efficient but very challenging way of holding us to account.

Q4 Sir Peter Soulsby: I am aware of how many local authorities, how many MPs, how many other stakeholders there are in any of the regions there are at the moment. With such a diverse and such a large number of stakeholders, how can there ever be effective accountability to them at a local and regional level?

Mr Riordan: It is a real challenge. I suppose the RDAs have been put in the spotlight because of the North East vote and the decision not to go for directly elected regional government. There are over 500 quangos, as I understand it, in the country. All are delivering in different parts of the country, and, as you say, there are many levels of accountability in a lot of people as well. We and local authority leaders as well—at least in Yorkshire—certainly want to come up with the best way possible of looking at those issues which are critical to the economy of Yorkshire and make sure that agencies are playing their rightful role in doing that and have this way of questioning people. There are ways that we can do it. In Yorkshire we have something called “town teams”. In every major bit of regeneration we do, we set up a town team, to guide the process, to come up with a local vision, very much working in

partnership with the local authority but not completely the same as the local authority. That has included citizens and local stakeholders as well as others, and it has been very, very successful in getting buy-in and ownership at a local level for the regeneration that is happening. But it is very difficult and problematic because of the number of the different stakeholders, and, again, if there is a way of thinking about that at the regional level and at the national level to make that dovetail better, not with everybody involved but with representatives of each of the different levels, that can only be good.

Q5 Sir Peter Soulsby: With the demise of the regional assemblies and the uncertainty about where the sub-national review might lead us, I wonder whether we have a clear enough picture about what the future is going to look like at a regional level to be able to adopt a model now that will be relevant when we get those new structures in place.

Mr Riordan: I do not think we necessarily need to rush to judgment on it. I think you are right that there is some work to go through to understand the fall-out from the sub-national review and the structures that that is going to produce in each region—and they may well be different because the regions are different, and conversations are taking place with local authorities in a different way. In Yorkshire we only have 22 local authorities. It is very different from a region that has 76 or more. I think it will be clearer later this year; it is not necessarily a huge amount of time that we have to wait. Already many regions are clear that they want to have a local authority “leaders forum”, that they want the RDA to work with that leaders forum in a partnership oriented way to produce this new integrated regional strategy. They want it to be part of the decisions about priorities that are set. Things are happening. I do not think there is a huge need to delay a long time, but taking the decision now is something upon which you are obviously reflecting.

Mrs May: Do you consider it is your job to deliver government agenda in the regions or is it your job to deliver in the regions what the locally elected representatives and people want in the regions?

Q6 Chairman: Be careful how you answer that!

Mr Riordan: Obviously we are set up by national government and we are directed by national government under the Act to pursue certain activities. The straight answer to your question is that we are delivering the agenda that we have agreed and been directed by national government to deliver. However, I feel very strongly that an RDA, if it is going to play the role that it has been set up to play, has to “bat” for the region: it has to be prepared to say to national government at times that it is in the regions' interests to do things differently. We have a role to challenge back to government and to Whitehall to say that we want to do things differently and we want to do things more effectively. We take very much our lead from local authority leaders, locally elected politicians to do that, because we do not have a democratic mandate. We do not have a direct democratic mandate. We are very

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aware of that and we have to strike this balance. We are in this national framework but within that framework we have to put the region first.

Q7 Simon Hughes: Just share with us how open and accountable things are at the moment in practice, if you will. Are regional assemblies always open to the public? Do any members of the public come? Do many journalists come? Do you regularly have sessions when any councillor from your region can come and question you? Do you have regular sessions when any MP can come and question you? In all those, if any of them happen, or any other meetings, which are the meetings that give you most cause for being concerned you are going to be held to account in a most difficult way? The trouble with the present system is that it is quite a cosy club: you are paid; councillors are paid expenses to come to some meetings with you; you want to get on as partners, because they want you to deliver so they will get a bit of the cake for their council this year in return for something else. It is a very cosy, local arrangement in my perception. I want to know whether there is any real questioning of you at the moment by anybody and if at the moment you feel any pressure at any stage in the year from anybody about what you do.

Mr Riordan: Today certainly concentrates the mind. It feels like we are being held to account and made to think pretty hard about what we do. National select committees do that, they play that role, and I would love for some of the national agencies who deal with transport, skills, to have to come and talk to people like you about what they are doing for Yorkshire. As a chief executive making those decisions, it certainly does change the way you think about making decisions and it makes you make, in my view, better decisions if you know that further down the line you are going to have to come to something like this and give an account for why you made that decision. Even if people will not like what you say, it means you have to have gone through that thought process. In this country we are sometimes not very good at thinking geographically about the impact. London is so different now from the rest of the country. The North has developed in a different way from the way people maybe perceive it. I think we do need something that is different. In terms of the way that it works in Yorkshire, the assembly meetings are open to the public. There is not a huge stampede of people to come to regional assembly and RDA meetings. The things that really excite people are very local controversial issues, usually about a building that is going to be knocked down. There is one for me at the moment in Bradford, where there is a really strong view, as Philip will know, about the Odeon cinema. There are local meetings that take place around that; there are very strong views. It is those sorts of issues rather than what is the future of the regional economy that excites people, I think. In terms of whether we have open sessions as RDAs, we have one a year, the public meeting that we hold under the Act, where people can come along and question us. It tends to be what you might call a charmed circle—just

building on what you have said—of people who understand the regional agenda. They understand what is happening, they are very knowledgeable about it. Our challenge—one which we are frustrated by regularly—is how do we get outside that? How do we engage businesses and how do we engage the voluntary and community sector to get interested in what we are doing? That is the only way we are really going to change our regions and that is what we are passionate about. We are not wanting to cut those people out but it is hard to get at those people a lot of the time. We should probably do more open sessions. MPs and councillors can come to that one session a year. Others, I think, will hold more than that. The one thing I would say is we are business-led organisations. We have had debates within our board about whether we should open up much more and about whether we should have meetings open to the public. The business culture and mentality is quite different from the local authority and public sector culture, which is more aware of that need to have open meetings. Whatever we come up with in the future needs to recognise the need for that balance.

Ms Johnson Brennan: It does not feel very cosy to me when I am sitting across the table from some of my assembly colleagues. It is not comfortable a lot of the time, albeit, arguably, in some cases it could be more challenging. It is not the cosy club, as far as working with the regional assemblies are concerned. They are elected members, they hold strong views and they are not afraid to make those views known. I do not feel it is always a comfortable process. We have many open sessions with a whole range of stakeholders. Our annual public meeting regularly attracts over 400 people—which is quite exceptional for any agency in the region in terms of open meetings, and a lot of them do not hold them. RDAs hold many more open sessions, on a whole range of issues, through consultation on their regional economic strategies, on a range of other sub-strategies, and through their annual public meeting process. In the East Midlands we are struggling to find venues large enough—perhaps we should be building some—to host our annual public meeting, which is an open question and answer session and is most definitely not comfortable. Fortunately, it is my chief executive rather than me on the other side of the table on most occasions but it is not a comfortable experience. Anybody can come, and they do, and they ask questions. That is quite open. I am sure we could do more of that. Over half of the people who attend are businesses, so we do engage with the business sector directly—it is not just the usual suspects—and business people are quite happy to express their views in an unbridled fashion if they feel that they so wish to do. I do not think that is always comfortable, and that certainly focuses our minds. When we report back on our performance and we demonstrate the things we have been doing over the preceding year, that is a very challenging audience. It is also the audience from whom we gain quite a bit of our legitimacy in terms of it being private sector stakeholder. If they are not happy, they will be telling you they are not happy very quickly. It is something that concentrates our minds.

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Mr Merrick: To bring in another perspective and to amplify the answer I gave earlier: the assembly meetings and, particularly, the EEDA area liaison panel which discharges the formal scrutiny function are open public meetings, and other people do attend, including journalists, although not in great number. In terms of EEDA itself and the meetings we hold in terms of formal accountability, the annual general meeting, as in the East Midlands, is a well attended open meeting—there are MPs, there is a wide range of stakeholders, including local authorities there—of the order of 200 to 300 people annually. We then have the nine sub-regional meetings, recognising it is a very large region and involving more people in that process. All of those are open, and the agenda is set by the people wanting to set questions, it is not a controlled agenda. Alongside the formal forms of accountability, all of the RDAs, as I have said earlier, are very much part of a partnership-based approach to effecting change and that involves involving many partners and citizens in terms of the decision making/investment planning process at all sorts of levels. So there is formal accountability, and there is doing things and having an impact in the regions, which are very open forms of doing things generally because we require the support of partners who often have much greater resources and mandates than us to effect change locally.

Chairman: Philip Davies. It is not about the Odeon in Bradford, I hope.

Q8 Philip Davies: No, it is certainly not about the Odeon in Bradford. I do not want to get involved in that one. I must say that I am finding much of this very unconvincing. There seems to be a lot of thrashing around to try to pretend that there is some accountability where quite clearly none really exists as far as most people are concerned. I am sure if you were to do a straw poll in Shipley and find out how accountable they felt the regional development agency was to them, you would probably get a rather disappointing answer. We have the regional assemblies, which in themselves are unaccountable and unelected, so there is hardly great accountability there. Following on from Simon's point: when you make decisions in certain areas, would you always or do you ever consult with the local Member of Parliament about what your plans are, what they think should be done in their area? Where does the local MP fit into your plans? Tom, you said you would welcome more scrutiny but you do not have to wait until something is set in stone for you to do it, you can proactively do it if you so wish. Where does the local MP fit into the scrutiny that you would like to see?

Mr Riordan: My brother lives in Shipley, so I feel accountable for what we are doing there! The difficulty we have on this one is that we are geared very much and directed very much towards local government as the locally elected politicians, if you like, with the local democratic mandate. We tend to put a lot of our effort into making sure we are consulting local government, and not just consulting them but agreeing a way forward with them. There

was a time in the early days of the RDAs when I think they did not do that very well and there was quite a difference between what a local authority wanted to do and what an RDA wanted to do in regeneration terms. Certainly in Yorkshire now, we would not take forward a local regeneration programme if the local authority was not onside. Local government is so important to delivery that if you think you can bypass it you have no chance of delivering in the long term. We always try to consult very closely. We try to engage and have a relationship with local Members of Parliament. In Yorkshire, as you know, we have six-monthly meetings with them that we invite them all to. Where there is a particular issue that is of interest to them, we will try to engage with them. Again there is a sort of logistical issue of the number of MPs in the region and the number of local authorities in the region, in terms of doing that in a very systematic way and in a way which will probably make people like yourselves feel as involved as you maybe want to. It also varies from MP to MP. Some will not want to be involved; they will want us to get on with it and let them know if there is a major issue happening. There is probably room for us to improve on that. Again, I just think it is coming up with ways that can be practical and not lead to huge delay, and also recognising that often, dare I say it, the local MP and the local authority will have different views. We have then quite a dilemma to decide about what we are going to do and which way we are going to go.

Q9 Philip Davies: It would be helpful, if you would not mind, to tell everybody how much public money you have spent each year. I think it would be quite interesting to have that on the record.

Mr Riordan: Our budget is £330 million a year. When I came in and took the job as chief executive two years ago, I wanted to try to be more open. I wanted to engage more with people outside. I invited the BBC to follow me around on my first day, so I could try to get that message across. It was a big risk, but one of the messages that I gave them was that we invest £2.50 a week on behalf of every taxpayer in Yorkshire and my job is to convince them that they get more than that back. That is Yorkshire.

Ms Johnson Brennan: Our budget is £187 million this year.

Mr Merrick: Ours is around £140 million this year.

Q10 Philip Davies: It is a lot of money for very little scrutiny, is it not? Would you not accept that?

Mr Riordan: As Abby just said, it does not feel like very little scrutiny. When you add together the National Audit Office (our external auditors), national select committees such as this, the regular meetings we have with ministers who are responsible for our money, the regular meetings we have with civil servants in over six different departments who have an influence on our money, local media, regional assembly, local authorities, it does not feel like we do not have enough scrutiny. We agree with you that the scrutiny could be better focused, it could be better at reaching out to citizens, it could

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link in local and national politicians better, and we would really like to improve it and work with local authorities to improve it.

Ms Johnson Brennan: I think this scrutiny itch needs to be scratched and we would welcome that. If we can do more, we will gladly do more. If you think that is going to make the difference and that is going to satisfy the gap that people perceive exists, we would welcome that. If we can bring that together into something that has more visibility to the people in the regions as well as nationally, that would be good for us and we would welcome that.

Q11 Mr Howarth: We have covered local government and Members of Parliament. The one thing we have not mentioned yet is new regional ministers. I realise it is early days and they have not been in place very long, but what is the experience that you each have of working so far with regional ministers? Do you think their role could be integrated in any new arrangements for regional accountability?

Ms Johnson Brennan: Obviously regional ministers are very new, as you say. Ours is very new—I think two days—because ours has just changed very recently. Phil Hope. EMDA and the RDAs have long advocated for some form of increased visibility in terms of parliamentary accountability in the role that ministers play. We have advocated for regional ministers, our view being that for the East Midlands—and people will have different perspectives—a strong voice and advocate for the region as a whole, working with our MPs and advocating the needs and priorities of the region in Westminster, would be something we would really welcome. We are very excited about the prospect of having regional ministers. I think there needs to be some means by which the regional ministers and other MPs within the region work on the scrutiny agenda together. It would seem strange to me to have some form of parliamentary committee looking at the region—if that is the conclusion that is reached at the end of this process—that the regional minister themselves did not have some kind of relationship with. No doubt the regional ministers will have views on this that are more relevant than mine, but it would seem strange to the outsider if that relationship were one of holding to account a minister, if that minister has no buttons to press to make things different, no department directly in the region and no levers to pull. That would seem a difficult tension to reconcile. There clearly has to be some relationship and some advocacy, hopefully, of the region to that regional minister's peers in terms of communicating back the issues of the regions. We very much welcome it and we are looking forward to building on the good work we did with Gillian Merron, who was our previous regional minister, with Phil Hope.

Q12 Mr Howarth: Do you see the organisation as accountable to those regional ministers? What do you see that relationship as being?

Ms Johnson Brennan: These are some of the things that have not been resolved. The regional ministers have their own interpretations of how they would like to see that role. Certainly we would expect it to be a challenging role and not cosy (to use your colleague's word). I think it would be peculiar if the regional minister did not see fit to challenge us and to ask questions about what we were doing and to satisfy himself that he felt that we were delivering what we were supposed to be delivering.

Mr Riordan: We are in a similar position, where we have had a very good relationship with Caroline Flint, Caroline has moved on and we have Rosie Winterton coming in. I am meeting Rosie later today. We are really pleased with this and for the reason I said before, that it is often difficult for Whitehall to think about the impact a policy is going to have differentially across England. Anything that can help redress that is good news. I totally agree with Abby: I think it is a bit of challenge and a bit of advocacy. In terms of how the regional minister fits into any arrangements that come out of this process, I personally think it would be slightly harsh to hold one minister with no leverage over a whole range of other departments to account for everything that went on in a region. I wonder whether the role might be more that, if a committee like this has advocated something that needs to change, either from the RDA or from government, then the regional minister has some sort of role in taking that away and making sure that it is followed up, even if it is followed up with people saying they are going to stick with what is happening at the moment. There is clearly some work to go through that.

Mr Merrick: I have nothing extensive to add to that, other than that our regional minister, Barbara Follett, has very clearly enhanced the advocacy role for the region and is challenging back to EEDA but also other agencies within the region and some of the much bigger agencies—and Tom will know more about this, having been involved—but is also involved in the strategic review meeting that happens between the RDA chair, chief executive and BERR ministers, so is now involved in that process in terms of really understanding the effectiveness of the performance of the RDAs. In terms of their relationship to the broader parliamentary scrutiny role, our view would be the same as the view of EMDA and Yorkshire Forward.

Q13 Simon Hughes: Chairman, I am encouraged by the answers. I want to pursue the question of the different tensions between accountability to local government and to central parliamentarians. It seems to me there are two or three models that might be developed. Somebody is going to go, so there is an opportunity to get some new models in place. I also think regional ministers are a good addition. Would it be better, in the view of our colleagues, that there would be an occasion for accountability by people elected in local government, similar to this, a tighter, more focused representative select committee of the local government partners in your areas, and, separately, a select committee of your region, of MPs across the parties? Or would it be better to put

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those together in the same place? The implicit question is: Are the issues separate where you feel you have to give accountability to local government, from accountability to Members of Parliament who might take, clearly, a constituency focus but also a county and broader regional focus?

Mr Riordan: To be honest, there are different views around the network, I think, about the answer to this question. I will give my answer and then I will let others come in. I personally think there is something to be looked at about bringing the two together because it is easier for people to understand, for a start. Going back to citizens, if we have two separate processes where we are doing two separate things and possibly coming up with two separate answers on the same question, that is not good for us in our, I think, collective desire to streamline and to become more effective and to account for what we are doing more effectively, so I personally would favour the bringing together. I think there is a big issue about what you are scrutinising. Going back to Theresa's point, are you scrutinising me in terms of my financial accountability responsibilities or are you scrutinising the performance of a region and the performance of a whole range of agencies, where the RDA will be a very important one of those but there will be others as well? There are not many places where the two levels of democratic accountability come together in our country and maybe this is a good way of doing that and having a common desire to hold people like us to account. I am sure there will be an equal appetite to do that. Maybe that is a really good way to try to improve on what happens at the moment. It is back to this thing that it is difficult to think about geography in the current structures, as the way they are put together.

Ms Johnson Brennan: I would endorse that. I think something very interesting could come out of it in terms of new ways of doing things. If you could make a clear distinction between what role local government scrutiny was designed to play and what role parliamentary scrutiny was designed to play, you might be able to conceive of both processes complementing each other. I suspect the nature of the beast is that they could go anywhere. You can ask what you like, you can take us down all kinds of routes, and the ability to keep those lines of questioning separate is probably very difficult and then the confusion and so on that Tom has described is likely to come into play. There is another set of stakeholders as well which is not addressed in either of those models, which is the group of stakeholders that currently engage through regional assemblies, which is the business voice in the region and some of the voluntary and community sector organisations in the region who have benefited from an opportunity to engage early on in regional policy making and to scrutinise and bring their views to bear on that process. In either of those two models, I am not sure where that voice—which we think is very important and has added huge value to our thinking as an RDA—is going to come into play, unless we are going to have another series of forums for those bodies too, in which case it is likely that the effect will be dissipated, the impact and effectiveness

of scrutiny will get lost and we are in that morass of groups. I am interested in bringing those things together. I think that would be very exciting, but I would also be very concerned if we lost, particularly as an RDA, the voice of the business community and business stakeholders in defining what they think is right for the region and ensuring that we have delivered on it.

Q14 Chairman: To whom do you feel more accountable? Do you feel that you account more and are held to account more by local authority, democratically elected representatives or Members of Parliament within your whole region?

Mr Riordan: I would say local authority democratically elected leaders in our region. Although my colleagues who are local MPs are very good at holding us to account as well, I think there are structures in place that make it easier for local authority leaders to do that.

Ms Johnson Brennan: We contract with BERR on behalf of government, and so the BERR Secretary of State is quite clearly very interested in what we do, so there is a clear direct accountability for delivery in that respect. On a day-to-day level, I think, without doubt, our local authorities are very much at the forefront of our mind, and, as Tom said earlier, we cannot deliver what the BERR Minister or government collectively want us to deliver if we do not have local authorities on side. I think it operates in different ways, but, on an immediate day-to-day level, it is our local politicians who are very keen, our local councillor politicians who are very keen to make their views known on what we do.

Mr Merrick: I agree. In real terms it is local authorities, very clearly. Could I return to the question before, because, as Tom said, there is variability within the network about the particular models that individual RDAs favour. The principles that Tom and Abby set out are absolutely right: however they emerge, they need to be complementary, integrated and there needs to be coherence across them. It does come down to Tom's issue of what the focus of scrutiny is. Is it about discharging financial accountabilities? Or—where we see particular value at the parliamentary level—how effective are institutions collectively in delivering government policy, public service agreements and, particularly in future, the single integrated regional strategy? We will be but one player in doing that, and so, for us, we see the real benefit in enhancing accountability around the collective delivery of government policy at the regional level.

Q15 Chris Bryant: What you say about the balance between MPs and councillors is interesting. I think one of the worrying trends in one sense in what has happened to MPs is that when Stafford Cripps was an MP back in the 1930s and 1940s he used to visit his constituency four times a year and people put out the bunting and the brass band played when he arrived. Nowadays—

Chairman: They do that for you now, Chris.

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Q16 Chris Bryant:—we have several brass bands, and I will have you know that the Cory band is the most successful band in Europe—but thanks very much for giving me an opportunity to blow their trumpet! The point I was going to make was that I think sometimes MPs try to do councillors' jobs too much—and that is not a good idea, because it is confusing for the public. You have talked about your budget comes from government, your basic outline of what you are meant to do comes from government. Surely then, not just the individual MPs ringing you up and saying, “You’ve made a very stupid decision here” or “I think you should be putting money into this business” or whatever, but on a coherent basis, the people who scrutinise government should be the people who are scrutinising you.

Mr Riordan: I agree. I think that is the bit that has to be improved. The current structure of departmental select committees makes it very difficult for MPs to almost grab hold of an individual RDA and hold them to account and scrutinise them for certain things. We need to find a mechanism to do that and that is why I think the proposals are welcomed by us because it provides that opportunity. I would agree with what you have just said.

Q17 Chris Bryant: Presumably, some of the partnerships that you have locally may be more significant than others. For instance, with a local authority it might be about a tract of land or developing a business park or whatever, or it might be with regional transport bodies because if there is not the regional infrastructure to get to that industrial site then nobody is going to be basing themselves there, but even organisations like the police will be of significance to you if in a particular area there are significant problems. Some kind of accountability through Parliament which can bring all of those together and where they all have a line into government presumably would be a significant advantage.

Mr Riordan: Definitely. If you think about the new integrated strategy and the responsibility we are going to have there of bringing housing, planning, transport, the economy together in one strategy, if we do not have a way of, I suppose, scrutinising national agencies who have square delivery responsibility for those issues such as the new Homes and Communities Agency, the Highways Agency, Network Rail, the Learning and Skills Council, they all have fundamental roles in making sure that strategy is deliverable and that they can help us implement it. I think we would really welcome the opportunity not just for us to be scrutinised by local MPs at a national level but, also, those other agencies. That would make a real difference.

Q18 Chris Bryant: I can see there is a value in scrutinising the co-ordination between those as well because it might be that you are going on one track and all the other agencies are going on a different track and you are actually being counterproductive. It was interesting you said

“scrutinised by local MPs” there, because we have a conundrum here, which is that select committees are based on party political allocations in the same proportion as the party political allocations in Parliament. That has been our standing practice ever since select committees were created, and any Committee of the House is always based on that. However, in some regions that will be difficult to achieve without bringing in Members from other regions. There is an argument for that, which is that we are a single United Kingdom, we have a single Parliament and, therefore, it should be in proportion to that Parliament. However, there is another argument, which seemed to be where you were going, which was that it should be local MPs. In which direction do you think we should go?

Mr Riordan: I can see the problem. Maybe there are two solutions I would put forward, which are a sort of personal view, I suppose. One would be the way of bringing together the different sets of politicians, so the MPs together with local authorities. I would guess there is a way of getting a better political balance in each region if you were to widen it to local authorities as well as MPs. The other way you could do it (in some ways it is quite a complex set of issues) is I could see some value in some of the MPs, almost, having a core who were on several, but, also, having local MPs as well as that. So you would have some who would be a sort of core who would understand the issues around the country. Maybe you could do it from the North, for example; you would have a certain set of MPs who would sit on all three but then it would be augmented by local MPs as well. I can see the issue and the problem.

Ms Johnson Brennan: I think that also extends to the point I referred to earlier about other stakeholders who might have a legitimate interest in taking part in scrutiny, and whether there are other models—I know there are a number that have been explored—which would enable you to co-opt members or be more flexible in terms of the constitution you require in order to constitute the kind of committee that you want to constitute. Therefore, it would also, perhaps, enable some of those stakeholders as voices currently to be brought into any committee that you yourselves generate as well. So we could broaden that membership out. You might also broaden out the regional coverage, as I think Tom was implying; so you might look at drawing in other regions—a Midlands committee, for example—that might help in terms of the balance. However, I think it is really important that it is seen to be of the region as well as of national Parliament; I think the impact of bringing national Parliament accountability to the region—maybe physically but certainly visibly—is, I think, very exciting and is something that would go quite a considerable way to challenging not only the reality of the scrutiny issue but, also, the perception that people have about our accountability, and others. If I may just say the other point about other agencies: our expenditure, at less than 1% of public expenditure in the East Midlands, is actually very small compared to the expenditure of the health service, the police and many other agencies, and we cannot deliver on our objectives without their money coming alongside ours.

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Mr Merrick: Just one final comment to say I agree with everything that has been said. The other thing is the regions do not stop at the borders, in terms of the effects on them. The classic case in the East of England is that we are, of course, heavily influenced as a region by London, as an example, and by Milton Keynes; 250,000 people every day commute from the East of England into London and there is major out-commute. So there may be tensions, particularly looking at some of the relationships between regions, in terms of the way you constitute some of the Parliamentary scrutiny, because the effects are felt across more than one region.

Q19 Simon Hughes: It was interesting to hear you muse over options for structures. In fact, has your network actually considered this at all formally? Has there been any consideration as to what structures would work? Secondly, is your experience of those people who have been giving some scrutiny of local government that you get better scrutiny from people who have been doing that job for ages, who are well-established—the 20-year leader of a local council who comes to every meeting—or, actually, you get better scrutiny from people who are fairly fresh at it? You can work out what I am trying to discover: whether we want a permanent group of people who are going to be there all the time or, actually, whether we want to refresh our system so that people do not serve on such committees indefinitely and some people have a go and then you get a new, fresh set.

Mr Riordan: We have considered this and we came up with different answers. We do not always try and dogmatically come to agreement, because the whole reason of having RDAs is that there is difference. I think there are different views about whether a grand committee or a set of regional select committees are the right option and whether you would want to co-opt or not. There are different views. We have reflected that in some of the written evidence that has been put in. In terms of the answer to your other question, I think a mixture, actually, because there is a need for continuity and for people not to have to go up the learning curve every time just to understand what we do and how things fit together. It is a very complex picture how you affect the economy, the different agencies and their responsibilities, but a refreshing, as well, I think would be good.

Q20 Mrs May: To an extent you are working towards the answer to my question, but I was concerned earlier when, Jamie Merrick, in response to an earlier question from Simon, talked about the value of Parliamentary scrutiny—a model which gave Parliamentary scrutiny—but then immediately talked about Parliamentary scrutiny in terms of scrutinising whether the Government's agenda was being delivered. Parliament is different from the Government. I want to clarify your understanding of what Parliamentary scrutiny would be about and what the purpose of Parliamentary scrutiny would be.

Mr Merrick: I am sorry, just to be clear, I said the effect of government policy and public service agreements but, also, how they get played out within regions. I talked particularly about the Single Integrated Regional Strategy. This is a point about the broader role of RDAs. We lead, at the moment, the creation of Regional Economic Strategies that are participative processes that tailor a national framework to meet the particular needs of regions. My emphasis was meant to be on the collective delivery by institutions of the Single Integrated Regional Strategy in future, and the outcomes we have agreed to deliver.

Mr Riordan: If I could just add, I think the point is understood, and with the extra responsibilities that we are getting for things like housing in this new strategy it becomes even more important to have that cross-party scrutiny of what we do, not just in terms of delivering government policy but in terms of looking at the whole policy and seeing if it is working or not. We appreciate that distinction, and I think that is another reason why we need to strengthen what exists at the moment, because when I said before there has been a bit of a charmed circle and people have not been particularly interested, they are very interested in housing numbers, for example, and they would want that sort of scrutiny to be in place. It would undermine our task in playing that role if we did not have stronger scrutiny in place.

Q21 Philip Davies: I just want to follow on from what George mentioned about regional ministers, and I wondered if any of you had done anything different in terms of how you did things, or if any decision you made had been different as a result of the introduction of regional ministers, given particularly that in the *Governance of Britain* document it defines the role of regional ministers as “to advise the Secretary of State on the approval of regional strategies and the appointment of RDA Chairs” (Chairmen, I suppose, that must mean) “and Boards”. Given that your job might be dependent on their advice to the Secretary of State, have you done anything different as a result of a regional minister being introduced, or would you do something different, based on their feedback?

Mr Riordan: Yes, and yes. It is early days, and I think different regional ministers are operating in different ways and spending a different amount of time on these issues, depending on their portfolios. I know that in certain parts of the country there have been new approaches to skills and how the region is delivering skills, produced as a direct result of the regional minister coming in. Caroline Flint was very interested in women's enterprise, and we had another look at what we were doing on women's enterprise. We have a major conference happening in a couple of months' time as a result of that, and we are looking at how we are dealing with that throughout the business support network. So there are things that have changed, but it is a balance as well. I do not think it is the regional minister coming in and telling us to do things completely different, I think it is just striking that balance that is important.

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Q22 Chairman: Can I ask one final question, if I may? If there is not a consensus of views as to how it, perhaps, should work, do you think it would be inappropriate and confusing to have different models of Parliamentary accountability for different regions—i.e. some doing all MPs, some a select committee and some doing a hybrid of Parliamentarians and local councillors?

Mr Riordan: I do not see a problem with it being different. The different parts of the country might want to come up with different models. You could test which ones are more appropriate and are working. In Spain, as I understand it, you have different types of governance across the country and they seem to make that work. I, personally, would not think there is any reason why it needs to be identical right across the country.

Mr Howarth: I am not quite sure that the Basque region bears that out.

Chairman: Just in case we end up, then, thinking we have all got to go to Spain to look at all their different models, perhaps I can draw this to a close. Thank you very, very much indeed. You have given us very useful evidence on this inquiry into regional accountability, and clearly you have obviously given it a great deal of thought. I would be grateful if you could thank all the people you have worked with to produce your written evidence and who have been

helping the thought processes that you have brought here today that have helped us with ours. It has been an extremely useful session. You have reminded us that we have got to think that, actually, there are contradictory views amongst democratically elected representatives within a region, not just between local government representatives and Parliamentary representatives but, also, sometimes—perish the thought—between Parliamentary representatives within a region. You have focused on the fact that you have to be doing things as well as accounting for what you do, and that the accountability must not engulf you so you cannot get on with what is the key part of your job. You have identified that accountability must not create delay, because it is about moving things forward, and there must not be duplication. You have raised some very important issues about the different relationships you have, some of which are about partnership in delivery, some of which are about scrutiny, and some of which appear to be a bit of both. So I think we have had a real constitutional fest this morning. We like doing this sort of thing and find it all very interesting. Thank you very much for coming along, everybody here, and I hope that we can find an outcome which is really useful and gives back credibility and legitimacy for the very important work that you are doing in your regions. Thank you very much indeed.

Wednesday 6 February 2008

Members present:

Ms Harriet Harman, in the Chair

Chris Bryant
Ms Dawn Butler
Simon Hughes
Mr Greg Knight

Mrs Theresa May
Sir Peter Soulsby
Sir Nicholas Winterton

Memoranda

North West Regional Assembly Executive Board (M3) Ev 61

North East Assembly (M12) Ev 63

West Midlands Regional Assembly (M16) Ev 64

East of England Regional Assembly (M17) Ev 66

East Midlands Regional Assembly (M22) Ev 70

South West Regional Assembly and South West Local Government Association (M25) Ev 75

English Regions Network (M29) Ev 76

South East England Regional Assembly (M40) Ev 78

Witnesses: **Councillor Keith Mitchell**, Chairman, English Regions Network and South East Regional Assembly, **Councillor Alan Dean**, Chairman, East of England Regional Assembly Liaison Panel, **Ms Bryony Houlden**, Chief Executive, South West Regional Assembly, **Mr Gary Topp**, Yorkshire and Humber Regional Assembly SEEP and Chief Executive of Yorkshire Culture and **Mr Nigel Rudd**, Chief Executive, East Midlands Regional Assembly, gave evidence.

Chairman: Welcome to the Modernisation Committee and thank you very much for agreeing to participate in our inquiry into regional accountability. I guess some of you are veterans of select committee appearances, so you will know that we ask you questions and you answer to help us deliberate and form a report at the end of this inquiry. Could I start by asking Simon Hughes to ask the first set of questions?

Q23 Simon Hughes: Good morning everybody. Thank you for coming. The first set of questions is really to get your assessment on where accountability is now in the regions and, therefore, Keith, might you be kind enough to kick off? Who do you hold to account now, in your assessment how effective is it, is it less effective in larger and more diverse regions and what is your current judgment about the future of accountability once regional assemblies disappear?

Councillor Mitchell: You have asked me to start, so I will, Chairman. We will each have something to say on this. I should say, we are the nine English regions, we are diverse, we do not come as a single group this morning and we argue for flexibility in whatever comes next. I think that is an important precursor. If I can give you my perception of this accountability, the scrutiny role carried out by regional assemblies in the regions of the regional development agencies, what I have seen appears strong in my own region and what I have heard from colleagues in other regions is strong and taken seriously and considerable resource put into it. I think the development agencies sit, perhaps as we do, in some fear and trepidation at being questioned

closely on their delivery in their own role. So, I think the accountability of the development agency through the regional scrutiny process is strong, I would say that the regional landscape is very complicated, it extends well beyond regional development agencies, and apart from financial accountability back-up to appointing ministers and all the other quangos, I am not aware of significant regional accountability elsewhere. We have started in my region again on health and on meetings with health colleagues around strategic planning, and that is to us the beginning of an accountability exercise and we have done it with the Learning and Skills Council and, again, I know other regions have done the same. Let me get some colleagues to come in now and perhaps we will come back on where it goes in the future, because I think they would want to add their own flavour to what I have started.

Mr Rudd: I think if you adopt a "form follows function" argument in relation to your question, the key focus of regional assemblies has been trying to ensure accountability for the regional economic strategy primarily through the Regional Development Agency. Therefore, the scrutiny work undertaken by regional assemblies, whether it is looking at business support, foreign direct investment, energy, are all scrutinies surrounding the delivery of the regional economic strategy. They will vary region to region; the volume of recommendations will vary region to region. Over time that scrutiny process has improved as assemblies have gained experience and worked with the RDAs in a "critical friend" relationship, not in too cosy a relationship, in order to ensure the delivery of change where change needs to happen. I

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think that the effectiveness of that has been measured by the change in regional economic strategies that RDAs have delivered as a result of scrutiny. The issues that vary region to region, as to whether you are a substantially urban city region or whether you have substantial rural areas, will affect, in part, the nature of the scrutiny and the process, but the actual methodology which has been underpinned, for example, by a memorandum of scrutiny which was signed by the regional assemblies through the ERN with the regional development agencies and the government offices and is included as an appendix to the CLG report on regions published last year, sets out the protocol that has been applied in relation to those scrutinies nationally, and regionally there is a series of protocols as well that underpin that work. The future for accountability, I think, is an interesting question I am sure we will come back to later this morning. I think there are a number of models and options that present themselves, particularly now with the greater opportunity of looking at parliamentary accountability coming in at regional level. We may wish to come back to that.

Councillor Dean: Perhaps I could pick up the accountability aspect. Chairing the panel that scrutinises the Regional Development Agency in the East of England, we actually hold during the year a series of nine accountability meetings out and across the region. One of the issues that I have heard mentioned by development agencies is difficulty in engaging with the grassroots, so in order to facilitate that the Regional Assembly organises these meetings which probably get round about 400 people attending each year during the summer. They have been running for several years now. We are in the process of refreshing them, in other words making them slightly more interesting, and getting along keynote speakers to get more people to come beyond the 400. That is one of the mechanisms to get away from the centralised approach in the region. In terms of the process that the Regional Assembly carries, we have followed a number of approaches. In particular, we have carried out several detailed reviews, one of which was of the Investing in Communities Programme which the EEDA runs which certainly two years ago was felt not to be having enough impact out at the grassroots across the region. We put together a panel, a small group of members and officers, who actually went out meeting people at local authority level to understand why it was not working, and the end result has been a report and a programme now which is deemed to be much more successful, which is much more recognised at grassroots as having some impact in terms of regeneration of social aspects of communities. Those are just two points to mention at this stage.

Mr Topp: Good morning. Just to build on a couple of colleagues, if I may, Social, Economic and Environment Partners' perspective. It is quite clear that the majority of the scrutiny that we have done to date through the assemblies has been of the regional economic strategies and regional development

agencies. In a way that goes without saying, but it is perhaps important to recognise that if you scrutinise the Regional Development Agency and the economic strategy, almost by default you are picking up a lot of other regional issues because none of these strategies can exist in isolation. I think that is of particular importance for the role of the social economic and environment partners in this, because you will immediately understand that they are part of both the delivery chain and the understanding and the policy forming of those strategies. If you have got a regional economic strategy, then your economic partners, your business partners, are clearly central to the understanding of it, the development of it and, indeed, the delivery of it; so that scrutiny "critical friend" function is very important and has actually quite far reaching implications for the engagement of the SEE Partners.

Ms Houlden: Good morning. I think a number of points have been covered from a South West perspective. I think scrutiny has strengthened over the existence of the assemblies as we have become more experienced, and we have gone from an adversarial to a more constructive and orderly base scrutiny, so we engage much more out in the region—we hold workshops with our partners with the Youth Parliament, with the qualities groups—so that members are very well informed when they come to scrutinise the RDA, as are the colleagues. But many of the recommendations that are coming out cover other agencies, learning and skills councils and, indeed, even recommendations in our most recent scrutiny on local area agreements to the local authorities within the region as well, and I think that has been helpful in broadening the base and making accountability wider across the region. We have been much more effective in following up recommendations. The recommendations from scrutiny go to ministers as well as going to the RDA, and then we follow them up six months later and a year later just to see that they have not just fallen into non-action within the region. So I think there has been a strengthening of accountability.

Councillor Mitchell: Something I am not sure was picked up was how effective they are in a larger region.

Q24 Simon Hughes: I thought Bryony might answer that, because the South West is where lots of colleagues say there is really no South West region at all and it is nonsense to think you can look at it as one, and the South East is the same.

Councillor Mitchell: Exactly.

Ms Houlden: The point I was making about the broader base that we have developed, I think, has helped address that. When we started doing scrutiny it was just 12 members of a panel from the Assembly round the table. Now we make sure we send out questionnaires to every local authority, to MPs, to regional partners and make sure we hold workshops, sometimes in different parts of the region, before we go into a debate like this with the RDA so that we bring in all the elements across the region.

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Councillor Mitchell: But there is a history in Parliament here of giving local government impossible tasks and we get on and do them well. The South East is a strange region and the missing bit of the South East is London. I would argue in some respects that the East England Region, London and the South East England Region are part of a global city economy, and if we have a diYculty, it is that our region is so impacted on and by London, but I do not know if I would argue for a region as big as I have just described.

Q25 Mrs May: First of all, could I apologise to our witnesses that I will have to leave before the end of your session, but just to give a little bit more bite: we have heard lots about process, and partnership, and strategies, and meetings and all this sort of stuV, which is all going very well. I wonder if we could have perhaps one or more of our witnesses give some specific examples of how the process of scrutiny has led to a change that people would recognise as something that was good and valuable and that they would have supported?

Mr Rudd: If we could take the process of scrutiny of business start-up and success, in the East Midlands EMDA have been undertaking work in relation to the sustaining and issue of start-up businesses. We undertook a scrutiny of that process with the Regional Development Agency and identified a number of areas of support, streamlining a process that was going to lead to a bigger survival rate amongst start-up businesses than had been the case prior to this scrutiny process. That, in turn, leads to an increase in the number of jobs that will, in turn, lead to a boost to the economy, and you can measure back in relation to specific areas of activity where scrutiny has had a direct bite in relation to areas looking from the outside into that process.

Q26 Mrs May: Are there any examples where you have said to the Regional Development Agency, "No, you have got that absolutely wrong. That is not needed for our region. You need to change it"?

Councillor Dean: Four years ago, or thereabouts, the regional economic strategy that was issued by EEDA was not approved by the Regional Assembly and we had a major issue with them over how they presented the benefits of aviation to the regional economy, a very contentious area in many ways. The process was not satisfactory and certainly the Regional Assembly never agreed to the way in which it was seen as almost key to the survival of the regional economy. We are currently dealing with a draft regional economic strategy at the moment. This time round the Assembly has been engaged from the very beginning of the process through joint meetings, through policy formulation, to the extent that on that particular point the emphasis is diVerent, and the new draft very much looks more holistically in terms of balancing economic growth against the environmental impact, carbon emissions, et cetera. So we are seeing something which will be, I think, hopefully by the time we finish, much more acceptable than the last one was, purely by proper

engagement and continual engagement rather than just at the end of the process saying we do not like it and throwing the toys out of the pram.

Councillor Mitchell: We could go on, but is that enough?

Q27 Sir Nicholas Winterton: My two questions really follow on very much from what Simon Hughes and Theresa May have said. The first relates specifically to scrutiny and the second, which I shall put after I have put the first one, deals more with the institutions or the people that would be involved in that scrutiny. Firstly, what can parliamentary scrutiny achieve that cannot be done locally or regionally even after assemblies are abolished, and is it possible, in your view, to draw a clear dividing line between policies that are devolved to the regions and could therefore be scrutinised locally, perhaps by local authorities, and, on the other hand, central government functions which might be more suitable for parliamentary scrutiny? Is Councillor Mitchell going to start again?

Councillor Mitchell: Yes, I will kick oV on that one.

Q28 Sir Nicholas Winterton: By the way, I liked what Bryony Houlden said about the way that regional assemblies have developed. Rather than being confrontational, they are now more involved in genuine debate, considered and rational debate, that I think is a very good thing.

Councillor Mitchell: I think that is typical. That is not unique to the South West. I think there are probably two issues, in answer to your question, to focus on. I repeat what I said earlier, the regional landscape is full of regional institutions. It is not just the Regional Development Agency, you have got a great long list: the Learning and Skills Council, health, culture, sport, and it goes on. I think you would be wrong to focus exclusively on the RDAs even though they are coming out of the changes that are proposed. The second issue: I think there are three levels at which Parliament could consider scrutiny, and this might help you think about your question about local and national. I think parliamentary scrutiny could look at the institutions in a region, it could see how well the Development Agency or the Learning and Skills Council is meeting the needs of the region, it could look holistically at the region and how well it is being served by the regional structures and institutions it has got and the policies and strategies that are coming out, and then, I think most important, it could turn the telescope 180-degrees and look at how central government is supporting that region and how strongly the joined-upness of central government, or the lack of it, is helping or hindering the region to develop its vision; and I would suggest that the third one could be the most interesting and important one. I will leave other colleagues to pick up on perhaps that theme or others.

Mr Rudd: Can I pick up on, "What can parliamentary scrutiny do that local cannot?", which is quite an interesting angle on the debate? I think there is a missing chunk of this picture that

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needs referencing, and that is that the select committee or the accountability body is holding something to account. What is it that it is holding to account? I think what is missing at the moment is the concept of regional leadership or executive within the region that is responsible for the delivery and the implementation of plans, programmes, resources within the region that the select committee or a committee of accountability is holding to account. The parliamentary engagement of MPs in regional working will be a top-down national engagement. They will bring a national perspective to accountability work within the region. What that would do would be complementary to what local government councillors, for example, would bring on a bottom-up approach to regional accountability and, between the two, you would arrive at a perfect balance in relation to what sits at a regional level. I think if you are then saying, "What is the function of that grouping?", it is, in my view, to hold to account the regional leadership responsible for delivery of the vision, priorities and programmes of that region, for that region, within that region, and that then defines the nature and area of work that should be looked at in that regional accountability as opposed to what is held nationally. So, holding regionally accountable, for example, you would look at regional housing issues, you would look at regional transport issues, you would look at skills and the economy within the region. What you would not do potentially for that region is to look at national issues like defence, where you would have clearly quite a different approach in relation to accountability for how effective government policy was being rolled out or what the issues were that were coming up from the bottom in relation to that regional perspective, and I think between the two you would end up with a model of what is appropriate at one level as opposed to the other. That is still a developing area. The opportunity now is to explore what models are going to work and how they might fit. Coming back to my earlier argument about form following function, if we are clear about the function the form will follow.

Q29 Sir Nicholas Winterton: Can we have our mountain bike rider now, Mr Gary Topp?

Mr Topp: It is a great sport, by the way! I think that one of the very interesting things about the national landscape is that you have got many players in it. Some of those are wholly owned by government and set up, like the RDA, by a department of government, some of them are partially owned and some of them do all sorts of contractual and other relationship work with those bodies, and it seems to me that one of the biggest opportunities and, therefore, challenges that we have with regional development working is bringing all of those parties together in such a way that they work effectively. It seems to me that, therefore, the parliamentary scrutiny role could be to address that kind of across the piece issue or across Whitehall approach to how regions are working and, therefore, move it away from simply scrutinising one or other agency and

look more distinctly across the whole piece, because that is where we are going to get the most value. Obviously from a social, economic and environment partner's point of view, you will find our partners across all of those areas of work involved and trying to make it all work better. There seems to be something quite important that could be done there at parliamentary level.

Q30 Chris Bryant: MPs are two-faced—you are not meant to nod at that—in the sense that, on the one hand, they are very parochial, interested in their own constituencies, but, on the other hand, as parliamentarians they seek to vote for and argue for and do what is in the interests, not just of their own constituency, but the whole of the region and the country, et cetera. I just wonder whether there is a danger that you might fall between those two temptations for an individual MP, or how you think you could structure it so that the accountability played in the way you just described, which was in terms of providing a vision from the top rather than just return to a parochial set of considerations?

Councillor Dean: Perhaps I could come at it from my direction, and I am a District Councillor, so I can be extremely parochial if I want to be; but through the Regional Assembly one gains, first of all, an understanding of a wider area and the fact that, yes, there are things in common but, equally well, there are differences across the region which need to be balanced. So I pose the question whether the same applies to a Member of Parliament who happens to have a slightly bigger constituency but, nevertheless, can, if so inclined, play both roles, and just in the same way as many councillors are not interested beyond their boundary, there are those who are happy to do that too. I think that is still an important thing to identify people who want to take that bigger perspective, and I think all of us can do it if we are so inclined.

Q31 Chris Bryant: For instance, therefore, the people providing that accountability from Parliament to your region could either be MPs from the region or they could be MPs drawn from anywhere in the House. Which do you think makes more sense?

Councillor Dean: My own view is that they should be drawn from the region and that, just in the same way as regional assemblies are currently politically balanced based on the way the region is composed, MPs, clearly, obviously, within the region are politically balanced and I think need to be from the region to have that ownership. It is about ownership of your patch, whether it is this big or that big.

Q32 Sir Nicholas Winterton: Could Bryony deal with the question that I put, and then there will be one quick question which each of you can answer perhaps in a sentence. Bryony, the question that I put right at the beginning.

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Ms Houlden: I am sorry, can you just remind me?

Q33 Sir Nicholas Winterton: First of all, can parliamentary scrutiny achieve what cannot be done locally and, secondly, can there be a dividing line between policies that are devolved to the regions and scrutinised locally and central government functions which might inevitably be more suitable for scrutiny in Parliament?

Ms Houlden: My colleagues have picked some of those points. I think parliamentary scrutiny can add a dimension that at a regional level it may be difficult to get, which is partly about engagement with departments—that cross departmental working that I think Keith Mitchell described, turning the lens back into how departments join up and work together. I think regionally the expertise is not around that area; so I think that parliamentary expertise can be useful there and add value. I think one of the important things, whatever model emerges, is ensuring that if there are two separate types of scrutiny they are complementary to each other and perhaps build on each other. So Parliamentary scrutiny might produce some findings which then the regional level could be tasked to go away and look at policy development and delivery behind that, looking at how their regional institutions interplay with each other.

Q34 Chairman: This is a question for all of you, but do answer it briefly. Which individuals or bodies should be the focus of parliamentary scrutiny and, allied to that, is there a danger that parliamentary scrutiny or regional agencies would duplicate the excellent work (and I am showing a certain bias) that is undertaken—perhaps Councillor Dean will be very pleased, and also Councillor Mitchell—by local authorities?

Mr Rudd: Parliamentary scrutiny and the bodies to be scrutinised: clearly, any public body that operates regionally needs to be scrutinised regionally, because that is its remit and that is where the accountability is and that is where the ownership of the outcomes and the work of that body ought to rest. Nationally, national bodies need scrutiny or are held to account nationally. I think so long as that simple dividing line works, then it should be possible to allocate appropriate bodies. That, therefore, does not interfere with the very important task at the public facing level of local authorities in making sure that place matters are dealt with at a local level and that individual PCTs or activities of other organisations working within the remit of local authority administrative areas are held to account locally by the community locally. So you have got three separate tiers, depending on the issue.

Q35 Chairman: What about Councillor Dean? As a District Councillor, I am challenging you. Do you think there is duplication and could duplication occur and would that be a good thing?

Councillor Dean: There could be duplication. I think duplication should be avoided and my own preference, or my own recommendation would be

that some form of hybrid or joint form of scrutiny between ourselves and yourselves ought to be thought through.

Q36 Chairman: Councillor Mitchell, do you want to comment on what Councillor Dean has said?

Councillor Mitchell: I think that is an option. We have learned to do this. We have learned to look at the whole region. It is not easy. Parliamentarians are very fierce about their boundaries, and their view is either inside their constituency or around the world. I am not here to be liked. I think some of them would struggle to take that middle perspective of a whole region, and I think local government might help them because we have been doing it for a while.

Q37 Chairman: And culture?

Mr Topp: From SEEP's perspective, I think it is all the agencies across the region and I think that you cannot avoid but relate to what is in or out of the integrated regional strategy.

Chairman: Can we in this final bit move on to the question of what sort of structures there might be for parliamentary regional accountability?

Q38 Sir Peter Soulsby: This is probably relevant actually. I just wanted to take up the suggestion that you made, and I think the LGA also made, about some form of hybrid committee and to comment as to whether that really would be compatible with what you described earlier as the complementary roles of parliamentary scrutiny and local government scrutiny, and actually what it might be would be something that was pretty confusing in terms of those roles rather than helpful in the way you suggest. I would just like you to comment on that.

Councillor Mitchell: This is an evolving agenda. This is a difficult one for me in the South East, where we hope to have a strong input into the development of a single strategy as local government. We do not think it can be done by the RDA without local government having a strong input. So our role should be throughout the process, not a sort of scrutinising one, but we are a little bit on our own on that; other regions take a different view.

Q39 Sir Peter Soulsby: Is it not the case that if you had some form of parliamentary scrutiny that had local government involvement, you might get a confusion of roles rather than the complementary role that you described earlier?

Councillor Mitchell: We are good at wearing different hats in the jobs we do, and some people in local government do scrutiny and executive, some do executive functions. I suspect we are capable of dividing those, using Chinese walls, and hopefully making the public realise how that is working. It is something we have to do all the time. I would not rule it out.

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Q40 Mr Knight: What you are saying is you want to see a new model of regional scrutiny and would not favour us recommending an existing model like a parliamentary select committee or grand committee? Is that what you are saying?

Mr Rudd: I think there are options on the table. What we are suggesting with a hybrid model is that you get the best of both. There is clear recognition that parliamentary select committees and the value that MPs would bring to a regional focus is there. There is clear value and evidence to suggest that assemblies and local authority leaders, supported by stakeholders in the region, have brought added value to the scrutiny and accountability process from the bottom up and to blend that model at a regional level would play to the strengths. It would not cause confusion. In my view, it would lead to a complementary, constructive engagement, for the first time really, in regions between national and local politicians in a way that does not exist at the moment, despite the best endeavours of both sides to form it. It would actually give a real, true focus and the public would look at that and say, "That is making a difference. For the first time I can see some real seamless golden thread working between national and local that leads to results within my region."

Chairman: What about size?

Q41 Mr Knight: I was going to come on to that. Firstly, Sir Nicholas Winterton mentioned duplication, but actually does duplication matter? Does it matter that an exclusively parliamentary committee is looking at the same area that a local government committee might be looking at? Secondly, if you were to have a scrutiny model with parliamentarians and local councillors, would it not be so large to be unwieldy and would you not accept the premise that the larger a committee is the less effective it usually is?

Councillor Mitchell: Can we not argue from flexibility here? Can we not argue that there might be circumstances where joint scrutiny would be a very useful idea, and, if you said to local government, "We would like you to provide a third or a half of the membership", and the membership is eight local government, we will be able to find you the three, the four, the five, or whatever our share was that made

that work, I am quite sure, and would, I think, add value to the process. I do not think there is a single model that would fit our regions. I was going to suggest you might think about piloting joint scrutiny rather than, being very brave. Ask for a region to volunteer to do it and see how it works and move the thing on slowly.

Councillor Dean: Briefly, I would be happy to invite you to come to sit in on one of our panels or join one of our panels to see how it works and whether it is bearable.

Q42 Mr Knight: We have a practice here which I am not entirely happy with but it is there, and that is that our committees reflect the political make-up of the House as a whole. Do you think it could create a problem if that rule was applied to a region where the political balance was totally different to the political balance in the House of Commons?

Councillor Mitchell: You will not be able to do it in the North East and you will not be able to do it in the South East; you will not have enough people who are not in ministerial jobs to sit on your select committees, unless you import them from other regions. We feel strongly the regional select process should be made up of regional members, and I think you should accept regional proportionality and not national proportionality. We have accepted proportionality would make it work. I think you should accept it on a regional basis.

Mr Rudd: We did suggest a mechanism that allowed you to overcome this use of proportionality by ensuring the Chairs of these particular committees were appointed by government so that you had an inclusive membership that still allowed some steerage from a national level recognising those issues.

Q43 Chairman: Thank you very much indeed for your participation in this inquiry. I know there has been written evidence and discussion is on-going, so I am grateful to you for coming along. We are left with a very big question hanging in the air in response to Greg's last question and your last answer and we will have further discussions on this before we produce our report. Thank you very much indeed.

Councillor Mitchell: Thank you for your courtesy.

Memoranda

County Councils Network (M18) Ev 78

Local Government Association (M50) Ev 80

Witnesses: Mr Paul Raynes, Programme Director, LGA, Councillor David Sparks OBE, Chair of the LGA Regeneration and Transport Board and Councillor David Parsons, Leader of Leicestershire County Council, gave evidence.

Chairman: I would like to welcome you to our Committee's deliberations this morning and we look forward to your participation. I know you have already been engaged with working with us on regional accountability. Could I start by inviting Peter Soulsby to put the first set of questions.

Q44 Sir Peter Soulsby: I think you may have heard at least part of the evidence that we have just had, and we have got a fairly positive impression of the way in which the scrutiny works at the moment. I wonder how you feel it works at the moment and whether you share the views that have been expressed to us?

Councillor Sparks: Our view is that scrutiny does work but there is a big difference between scrutiny and accountability, and accountability is going to be particularly important given the proposed extra powers for RDAs, especially in relation to planning and the traditional role of local authorities providing a democratic input into that process.

Councillor Parsons: I think the scrutiny works quite well. It certainly does in my own region, which is the East Midlands. I think what we lack is accountability. Scrutiny works well; so what? What do you do with a scrutiny report if you do not have good, sharp accountability? Funnily enough, I think that in relation to the proposals which are before us for regional select committees, I would like to see a hybrid select committee actually sharpen that up.

Q45 Sir Nicholas Winterton: What do you mean by accountability though, Councillor Parsons? Define it?

Councillor Parsons: DiYcult. The ability to do something once you know there is a problem or something to be addressed. At the moment I think that that is lacking.

Q46 Chairman: Do you feel that the accountability gap is a gap within the region and that actually the regional activity is accountable nationally but not to the region, or do you just feel that it is a law unto itself and accountable, effectively, to nobody?

Councillor Parsons: One model of accountability, and it is controversial, is, of course, to have regional, to have direct—

Q47 Chairman: In terms of a critique at the moment. In that you have identified a gap of accountability, do you feel that that is because these regional actions are accountable to nobody or they are accountable nationally but they by-pass the region in terms of their accountability?

Councillor Parsons: They are accountable nationally, clearly. There is a sponsoring minister. What I am saying is that it is a long way between a regional development agency and that accountable minister out of Parliament.

Q48 Sir Peter Soulsby: We did get examples given to us in the last set of evidence of occasions when scrutiny had made a difference and change had followed. Do you think that is an exception rather than common practice?

Councillor Parsons: I think scrutiny can make a difference. The trouble is development agencies are not democratic bodies; so if you suggest to them a change, they can either say, yes, no, or I will think about it. I want them to say yes.

Councillor Sparks: I think the important point, though, that we address in the future is that scrutiny as is currently practised is usually a very grand, mammoth task that everybody focuses on over a year or two years. That will be completely inadequate when you are dealing with planning law and other aspects in terms of RDAs. That is not a model which will be appropriate.

Mr Raynes: Just to clear up the importance of that point, I think the original suggestion of regional select committees appears in the context of policy change around devolution to the regions, and I think this whole debate does need to be seen in the context of very significant transfers of responsibility to an NDPB, the RDA, and it is the Government's policy to make that happen in the next couple of years.

Q49 Sir Peter Soulsby: How are local authorities looking forward to 2010 and the abolition of regional assemblies? Are you expecting increasing accountability of the bodies we are talking about here?

Councillor Parsons: They are viewing it with great glee, of course. They see this as a way of being directly responsible, whereas at present they are indirectly responsible. So, I suggest, they are looking forward to that.

Councillor Sparks: I think it is worth making the point that both David and myself are members of our appropriate regional assemblies, and we are, certainly in the West Midlands, looking to it as an opportunity, but the opportunity is a challenging opportunity because we in local government will need to raise money to have a look at how we arrange ourselves on a regional basis so that we can be most effective in the new arrangements. My view is that no matter what is agreed, in no matter which region, it has to plug into the *real politik* of that region. We have got to plug into organisations where people do deals.

Q50 Chairman: So, is your view that the current scrutiny is heavy on process but light on outcomes? There are lots of people doing things but it does not actually amount to anything in terms of making the regional organisations respond to the democratic view in that region?

Councillor Sparks: It is not really a cost-effective use of a politician's time.

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Q51 Sir Nicholas Winterton: On this business of regions and local government (and you represent local Government, which has been around a long time, regional assemblies and development agencies are relatively new), do you find there are particular areas of conflict and that unelected organisations can take a major role in, shall I say, planning decisions which could have a dramatic impact upon a local authority area but, in the event, because it is of perhaps regional strategic importance, that planning matter might be decided outside a local authority area which is actually directly involved in that planning application?

Councillor Sparks: The actual situation at the moment is twofold. First of all, there is the conflict in relation to the planning process itself, with the role of inspectors in terms of making decisions from outside of a particular area. We do not want to see that unsatisfactory situation increase with the unelected RDA having more powers. The second point is that at the moment there is an inevitable tendency for an organisation that is administrative, not elected, dealing with other regional partners to come to agreements that may be rational but might not necessarily be the best thing politically. Our view is that, whatever happens, whatever the arrangement, we need to try and avoid that happening, and that is why we are very concerned about accountability and duplication.

Councillor Parsons: I think you are making the point for regional democratic involvement in those decisions, and we are proposing to take a reasonably democratic body out of planning, housing, transport functions and put them into a completely unelected body. You need some sort of democratic accountability there, and that is why, firstly, I think that was done reasonably well by regional assemblies—I am the Chairman of my own regional assembly—and there are other arrangements which can be adopted to actually get over that democratic deficit, but I think it is important we do get over that democratic deficit.

Q52 Sir Nicholas Winterton: Could I ask you to be a little more specific about your view on regional select committees. There is considerable debate here in Parliament about the usefulness, the cost, the relevance, et cetera. If there were regional select committees established (and it is very much “if” they are established), how do you think they should be organised? How should their membership be decided? Should every member of a particular region be a member of that select committee? With a foot in both camps, as it were, what is your view as to how a regional select committee could do a good job representing both a region of the country and local government?

Councillor Parsons: I think there should be hybrid select committees. If you do not mind me saying so, this is a real chance for the House of Commons to modernise itself. It could actually sit with local authority members, local authority members could make up the Government’s majority in every region and, actually, I heard what was said before and I am not worried about the governing party having a

majority in each region. You could make that up, if you do not have MPs. The governing party does not have many Members of Parliament now in the south-east outside of London. I would be more than happy to see that made up by local politicians from the Labour Party, although they are few and far between, Chairman, now in the South East as well, but I am sure that we could make up the numbers.

Q53 Sir Nicholas Winterton: I am interested in your philosophy here. Do you believe, as Bryony was saying, and I thought very constructively, there should be more consensus involved in the debate rather than political point scoring?

Councillor Parsons: Total consensus. If you have to take a vote in these committees, you have failed, in my view. That is the way regions work now. They do work on consensus. In my regional cabinet I have never had a single vote, and I have been Chairman of my regional assembly since 2002.

Q54 Sir Nicholas Winterton: Does Councillor David Sparks agree with that?

Councillor Sparks: We always have votes in Dudley’s Labour group! There are two points that I would like to make on this that have not been made so far. When I was Director of the West Midlands RDA I was acutely aware that there was a huge gap within the region between Members of Parliament within the region and the RDA itself, a gap that was much greater than would happen on a council between a councillor and an agency that the council was involved with, and I would think that a regional select committee will be a good thing in terms of getting over quite a lot of problems with Members of Parliament and RDAs. The second point, going back to what I said at the beginning, no matter which arrangement is decided on in different regions (and they will have different arrangements), the most important thing is that the people who matter politically are involved and they sign up for it, and a regional select committee made up of Members of Parliament and leading leaders of councils or leading members of councils could give added value politically to the region. If it does not, then people will not turn up and it will die on the vine, just like regional assemblies have done.

Q55 Chairman: Does the notion of getting MPs from outside the region to be part of holding the regional bodies to account feel uncomfortable for you?

Councillor Parsons: I think that would be awful. We would have to tell them about the region first, would we not? I would not support that. The thought of somebody from Cornwall trying to sort out the problems of Mansfield does not appeal to me, Chairman.

Q56 Chairman: I think there is only one Conservative MP in the northern region. So would your view be that if we were going to have the same balance as Parliament (i.e. a government majority) the way to make that up would be with councillors?

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Councillor Parsons: Yes, I think that is one way of doing it. It is not a deal-breaker for me. I would be more than happy to talk about how that could be done, but that is certainly one way, and one way in which the House of Commons could recognise the work of local authority members as well.

Q57 Chairman: David implied that you would be happy with the idea of different models in different regions.

Councillor Parsons: Yes, I am more than happy with that. I could live with that.

Councillor Sparks: I think that what needs to be said, which may have been unspoken, is that we have to hold up our hands, and this is why I am really keen that you get the right people there, that it has not been the case in relation to regional assemblies, like in the West Midlands when you have 100 people, that you are necessarily, as a leader of a council, going to send along all the time your best people and we should provide a balance by just putting anybody on to make up the numbers. The key factor has to be people who make decisions.

Q58 Mr Knight: Presumably you would want to see in any committee composed of Members of Parliament and councillors, councillors to have the same rights as MPs. In other words, presumably you are not arguing for two tiers of membership with only the MPs being able to vote?

Councillor Sparks: No, we would prefer that everybody had a vote, but, as David has already said, we would assume that a vote would not be necessary. Our number one priority would be to have a hybrid committee.

Councillor Parsons: I do not want to serve on a committee where I do not have a vote, because a vote means power and surely we are talking about power.

Q59 Sir Nicholas Winterton: Or responsibility.

Councillor Parsons: I am happy to take responsibility as well, Sir Nicholas, as I do every day for various aspects. Power and responsibility certainly, but I do think that we need equal voting rights if we are to have this hybrid committee.

Councillor Sparks: Or, alternatively, you have a system whereby whoever has the vote, you make a concerted and agreed decision. The important thing is that you are able to go along to a body that can make a meaningful decision or meaningful intervention so it is not a waste of time.

Q60 Mr Knight: What would you do about size? You mentioned a regional assembly of over 100. It is too big, is it not?

Councillor Sparks: I think size is particularly important, and having been involved at the time, representing the LGA, when regional development agencies and regional assemblies were set up, I think a big mistake was made when the size ceased to be a factor, because originally it was a small number, deliberately intended to be a small number. I think that one of the big problems that we have had in UK politics over the last ten or 15 years is we have tried to get too many people involved and we have not

recognised of that that the reality of politics is usually a small number of people making key decisions. It is how that small number of people involve other people in making the decision.

Q61 Sir Peter Soulsby: That was going to be my question. Have you given any thought as to the frequency of meetings and the scale of activity that might be necessary to provide effective scrutiny at a regional level?

Councillor Sparks: We have assumed that the big difference between scrutiny and accountability is that there would be an increased frequency, but not to a ridiculous extent. We look upon it as an ongoing operation.

Mr Raynes: There is a question here about clarity of remit as well. Clearly, this is one of the other advantages of the hybrid model. One of the things we are going to be seeking to avoid would be for regional select committees actually subverting the devolutionary attention of regional governments by sucking up scrutiny of decisions that are properly being made now within the regions. So, one of the ways in which you would manage the workload of committee members is by being clear about its focus on the genuinely region up to national issues rather than region down to local issues.

Q62 Sir Peter Soulsby: One model could be to have Standing Orders that required the regional select committee to meet in the region. Are you assuming that it would meet in Westminster, any regional model that we established, and, if so, what do you think about that, about actually requiring it to meet in the region?

Councillor Parsons: I think it is a good sign that it should meet in the region actually. I think if regional committees meet in Westminster that sends out the wrong sign. However, if that is what is decided, I am sure that we can all meet in Westminster, but I think it is better that you would actually meet in the regions. Could I just comment on frequency of meetings? You could adopt a model whereby the regional select committee would be the sort of regional—I do not wish to make it the regional assembly, but would have the regional assembly frequency of meetings. Ours meets four times a year. The scrutiny would actually be done in detail by either local authority members or by members of the regional select committee. The regional select committee, I would not advocate, would actually be involved in the nuts and bolts of every damn scrutiny issue that there was in the region.

Councillor Sparks: Meeting in the region would massively increase the profile of the whole activity. It would command attention in the regional media.

Q63 Sir Nicholas Winterton: Where would the administration be located? Would it be located here, or would it be located in the region?

Councillor Parsons: We would be happy to help. We already have a regional administration, so we would be happy to help, but that is the sort of stuff I would take advice on.

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Q64 Sir Nicholas Winterton: How do you think that scrutiny and accountability would operate in what clearly, if you take the South West at the moment, is a very large region where there may be conflicting demands from various parts of that region or, for that matter, across regional boundaries? How do you think that could be dealt with, or do you believe it would be dealt with by having much smaller regional authorities?

Councillor Parsons: Presumably the same as it is now. What we have got is a development agency and one sort of scrutiny now. Presumably we would have some sort of similar arrangement. If you mean would you divide the thing up into sub-regions, the answer is I do not know, but in the spirit of being open and modernising, I too would be happy to think about issues like that.

Q65 Sir Nicholas Winterton: I am concerned as to how scrutiny and accountability would operate when there are clearly conflicting demands from one part of the region to another.

Mr Raynes: I think the Committee has already had evidence from, is it the Executive Committee of North West Regional Assembly, which is moving very much towards the sub-regional model. Clearly, if you are talking about economic issues, that sub-regional focus, I think, is going to be a lot of people's direction of travel over the next few years.

Q66 Sir Nicholas Winterton: I asked this of the first set of witnesses. Do you feel there could be costly duplication between local authorities and any form of regional activity, or do you think that this is a good thing?

Councillor Parsons: No, I do not think that duplication is a good thing. I believe in slim, mean government, so I would like to see no duplication, and I would like to see co-operation. I do actually think that that is possible and I would be happy to talk further about that.

Councillor Sparks: I think that there is a good opportunity here to improve things, but that, equally, if we do have duplication it would be a catastrophe.

Q67 Sir Nicholas Winterton: Can I ask whether you feel there is anything that you would like to write to us and submit a further paper to us on in respect of some of the matters we have discussed? Councillor Parsons has indicated that he would be prepared to talk, and sometimes putting matters on paper concentrates the mind more than discussion, on such matters as those that have been discussed today?

Councillor Parsons: I would be more than happy, and if I could further persuade you of the merits of hybrid select committees, I would be more than happy to do so, yes.

Sir Nicholas Winterton: I do not know whether, Chairman, you would be happy to receive another paper?

Chairman: Absolutely. At that point, can I thank you very much for your evidence, which has brought a sharp focus on the purpose for all of this and actually the outcome that we want out of any process, not process for its own sake, raises the challenge of can we modernise ourself by having a Parliamentary committee with non parliamentarians voting on it, which is a very big challenge, but clearly answers some of the problems that otherwise, if we do not face up to it, we are left with. I think your points about location, frequency of meetings and size, bearing in mind all the experience that you bring to the answers you have given, have been incredibly helpful for us, so thank you very much indeed. Nick said, "if" we go ahead with regional accountability. Can I just tell you that the Government's determination is "when" we go ahead with regional accountability. We are simply just deciding on the absolutely very best structure, but there is an absolute government commitment to go ahead with it. Thank you.

Memorandum

Local Government Association witnesses (M55) Ev 82

Wednesday 20 February 2008

Members present:

Ms Harriet Harman, in the Chair

Chris Bryant
Philip Davies
John Hemming
Mr George Howarth

Simon Hughes
Mark Lazarowicz
Sir Peter Soulsby
Sir Nicholas Winterton

Witnesses: Mr Keith Pearson, Chair of NHS East of England, Mr Mike Farrar CBE, Chief Executive of NHS North West, Strategic Health Authorities, Mr John Korzeniewski, Regional Director for the North West, Learning and Skills Council, Mr Michael Eakin, Executive Director, Arts Council England, North West and Mr Archie Robertson OBE, Chief Executive, Highways Agency, gave evidence.

Chairman: I would like to warmly welcome all of you who have come along today to be prepared to answer our questions for our inquiry into regional accountability. I know that there has been a contribution to the written evidence that we have had already, but it is very helpful for us to be able to ask specific questions. As you know we are doing an inquiry into how we tackle what we regard as a deficit of accountability and the question is what is the shape of that deficit and what is the best way to tackle it. I would like to invite the Members of the Select Committee to start the questioning.

Q68 Sir Nicholas Winterton: Obviously my questions, coming from the North West are going to be directed at John Korzeniewski and Mike Farrar from the Strategic Health Authority. Could you tell the Committee, relating to your structures in the North West and your organisations, how do you link in with all interested partners: the primary care trusts in respect of Mike Farrar and the health trusts such as the East Cheshire NHS Trust and obviously Mr Korzeniewski how do you link in with the colleges? Also, both of you, how do you link in currently with the county council and, in my case, the Macclesfield Borough Council? Do you think that the current accountability structure is adequate?

Mr Farrar: In respect of the basic structure the Strategic Health Authority has a direct line management relationship with our primary care trust predominantly because of the expenditure route where something like 90% of resources now spent by the NHS is spent by primary care trusts at the front line. We have a route of holding them to account for the way in which they spend money. Our relationship with trusts varies depending on whether or not they are now foundation trusts or whether they are NHS trusts. Whilst they are NHS trusts they are effectively within our jurisdiction and so we are interested in their performance and we support them. Our main way of dealing with them is to make sure that our commissioners are contracting with them for a range of services to provide high quality services. When they become foundation trusts they have a line of accountability through an independent regulator, through Monitor. Effectively our relationship with them comes in some conversations that we occasionally have to have with Monitor

about where there are issues of difficulty for an individual trust that might be related to things that the health service has a broader interest in rather than the economic performance of the trust. We have to work with Monitor to try to make sure that those organisations get a consistent message about what we expect from them. It is slightly confusing in respect of NHS trusts and foundation trusts in that we have a different relationship. Our brief and our role are to make sure that the dynamics between our commissioners and our providers is starting to provide the right care for the people of the North West in my case and so we have an overarching kind of system management view to try to keep things in the right way and we would intervene directly through our commissioners or informally through our NHS trusts if we thought that was going badly. We are accountable upwards through the secretary of state and although we have a formally constituted board I very much see our line of accountability to demonstrate that the North West is performing in line with the government's mandate for the way in which we perform. We would be accountable through David Nicholson in my case, the Chief Executive of the NHS, and through the secretary of state ultimately and we would be accountable nationally. At the moment there is no vehicle for us to account for the way in which we undertake our role at a regional level and that is significant because much of what we do has an impact on the North West in quite a significant way. We are probably the largest employer with 210,000 people. The figure is raised depending on whose estimate you take about our contribution to the GDP of the region but about 13 to 15% of the North West GDP is focussed on our health spend of £11.7 billion of expenditure. Our relationship with our regional colleagues is largely informal but has a significant impact in terms of the economic performance of the North West and others. One of our key messages this morning to the Committee is that we very much welcome a strengthening of accountability at regional level and we think that that would enable people to scrutinise, support, confirm and challenge some of the things we do at regional level that have an impact on the people that we serve.

Q69 Sir Nicholas Winterton: Could you tell the Committee—before I go across to John dealing his area of activities—how do you link in with local

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government currently? Clearly the elderly are almost split between the health service and local government who provide social care. What accountability do you have there? What are the structures that you have to link in currently with the present system of local government?

Mr Farrar: The main relationship that the health service has with local government is through our primary care trusts. As you know, the last re-organisation of trusts put them onto a broadly coterminous footing. We very much see those relationships as the key relationships with our local government spending resource in terms of its community, aligned with the way in which we spend the health service resources. Rarely, as you know, an individual's case is purely health; there are obviously some social elements to most people's care, particularly when they are elderly or young. That is the key relationship. Our relationship at regional level really probably follows a couple of important dynamics. The first is through the government's appointment of our directors of public health. My regional director of public health is also a member of the government's management team, so structurally we have a team of people there who are working on things like local area agreements and assessments of performance at local authority level and we join up to that extent there. We also network quite significantly at regional level with our chief executives of local government about a broader strategic agenda and where that is going. We try not to undermine those local relationships in terms of big picture issues, for example around the Greater Manchester conurbation where we need to have more than one relationship with local government; where there is multiple local government we would try to have informal relationships where we could share the strategic view, but that is informal, there is not a formal process, we do that by volition because all parties think it is sensible to take a more strategic view than you would get with an individual local government with an individual primary care trust. So for things like configuration of cancer services, for configuration of stroke services Greater Manchester, for example, have just set up collectively through their association of local government organisations a health commission to look at health inequalities and clearly we are very encouraging of that and we would play in when it came to multiple primary care trust relationships.

Q70 Mr Howarth: On the NHS in the North West there is an increasing tendency for health and social care to be joined together. For example, in Knowsley as you will be aware there are a number of key joint appointments between the NHS and the local authority, so is the focus increasingly moving towards local authorities and away from the regions?

Mr Farrar: I think that there are two aspects where I have seen local government and the health service come close together. One is probably since the early

1990s looking at integrated care and there have been a variety of legislative measures like pooled budgets and children's care trusts and care trusts—there have been mechanisms to try to bring that together—and I think we continue to make progress in that way. There is still more progress we could make but actually the integration of health and social care is much, much better now, there are much better working relationships at the coal face than we have had previously. The other dimension is around the health and well-being agenda and I think that is where we have seen enormous strides. In fact, chief executives of local government are now prominent players alongside health and health service chief executives in thinking about health and well-being. Of course when you think about the challenges ahead for the health services rather than the challenges of delivering care, many of our challenges are lifestyle issues—obesity, alcohol related problems—and really you have to have that partnership in place. My sense is that it is not always helpful to describe it as a shifting of responsibility; I think it is a collective responsibility on the parts of the players involved to work hard at it, bringing together local government commitments and spending with the health service spending.

Q71 Mr Howarth: There is a ready line of accountability, certainly in Knowsley, where you have the director of social services who is also the chief executive of the PCT. The obvious line of accountability is through the local authority although I accept that in the present arrangements there has to be accountability on a regional basis as well, but is that going to be necessary for all time?

Mr Farrar: Anita Marsden who is the individual involved is an exceptionally gifted woman. She is very, very good. She is the primary care trust chief executive but she is also a member of the senior management team and has the brief for adult services. She discharges that separately so in a sense she is able to do both with our current arrangements and actually we get enormous benefit from that arrangement. Structurally it seems to me that she is able to deliver the outcomes that both local government and the health service want within our current arrangements. What is really interesting is that Anita's position, whilst it is one of two chief executives to have a formal position, when you go down to the layers below that in our structures we have many, many, many joint appointments, so they might be joint commissioning managers, they might be joint service delivery managers and actually the proliferation of joint appointments between local government and health is much greater I think than the centre sometimes realises because it is more invisible. That is what I mean when I say that we have made a lot of progress around integrated care.

Q72 Sir Nicholas Winterton: Mr Korzeniewski, how do you see the current structure? Are you accountable? Are the links good? Do they work?

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Mr Korzeniewski: I would echo a lot of what has been said by colleagues in the health service actually. Formally the accountabilities of the LSC are national from the chief executive to the secretary of state and then to Parliament and so on. Clearly we are driven by national targets and national priorities set out through PSA and so on. In the region we are also driven by the regional economic strategy out of which come regional skills priorities which are not set by us, although we help in their drawing up. That then determines the regional plan. We very plainly play in the regional needs and we have a very close relationship therefore with the regional development agency. Locally, however, we are going through a period of change. When we were set up of course we had local councils and we had to then convert that regional message into local plans which were recommended by our local councils and local government sat on our local councils. Local councils will be abolished I think this week and the new regional council will be established from September. I would expect there to be a local government input there but of course it will be different from having a local council. In terms of scrutiny at regional level, last year we were scrutinised by the regional assembly when we went to do work around the RDA. It picked as a focus employment and skills and we found that a very valuable dialogue. It challenged us but it gave us a chance also to share messages and so on so; it was a sort of two way process.

Q73 Sir Nicholas Winterton: Could you just expand that to your relationship, for instance, with federations of commerce and enterprise locally? Clearly they are almost more in touch with what is required than you at a regional level.

Mr Korzeniewski: Yes, and historically that was done formally through the local councils and informally through the fact that we have good dialogue with those bodies. What we are trying to do in the North West, following the abolition of the local councils, is work with the sub-regional arms of the development agencies, so bodies like the Cheshire and Warrington Economic Alliance are at the forefront of this, they have set up an employment and skills board and that will be able to advise us and challenge us. Even though there is no formal legal relationship between us we would be silly to ignore that advice I think because, as you say, they know things that we could not know about the needs of employers in particular. That is how we are trying to fill that gap. In terms of working with local government then I guess we have two kinds of relationships. There is the formal thing I have described through local councils but also we have, following the Children's Act, a duty to cooperate with children's services in terms of the well-being of young people on the ground. Our partnership teams work very, very closely with local authorities. Clearly we also work very, very closely with colleges—which were the other bodies you mentioned—because of course we have to be in dialogue with them in terms of the funding and also

in terms of their performance. We have regular communication with them which is in some cases formal because we are talking about funding and performance, but also informally talking about future plans and not just the specifics. We also have a relationship with most governing bodies. In the last year I guess we will have spoken with all governing bodies and we go to their meetings. I have done some of that myself. Where we are less well-connected I think would be with second tier authorities, the authorities that do not have children's services. We have less reason to talk to them formally, although we may talk to them about things like capital business as they are coming through. You will be familiar with the Macclesfield Learning Zone; I was actually there on Monday.

Q74 Sir Nicholas Winterton: It is an excellent facility.

Mr Korzeniewski: The conversation there would be more with the county council than with the district council in the nature of things because, of course, there is a school on the site as well. So that is a potential gap. The other things that are in play in terms of our relationship with local government are local strategic partnerships where we will be members and we have the emerging local area agreements. Very interestingly in some places in the conurbations there is the potential for the multi-area agreement coming through and we will be engaged in those processes and I guess in some sense called to account for our contribution to the needs of people and the economy in that place.

Q75 Chairman: What relationship do you have with the regions' MPs?

Mr Korzeniewski: We have area teams and I would expect my area directors to relate to their local MPs, to know them and to visit them.

Q76 Chairman: How many areas are there?

Mr Korzeniewski: We have Cumbria, Lancashire (which includes Blackburn and Blackpool), Greater Manchester, Greater Merseyside and Cheshire and Warrington and within that there are partnership teams.

Q77 Chairman: So you relate at area level but you do not relate at regional level.

Mr Korzeniewski: At regional level I have met with the new regional minister who of course also, as an MP, means we are now a lead for TraVord. I think we agreed that twice a year was a good kind of regularity in terms of my meeting to discuss regional matters as opposed to specifically local matters.

Q78 Chairman: Does anybody else have a structure of trying to engage with the Members of Parliament of that region?

Mr Pearson: PCTs and trusts have a very regular contact with local MPs. At a regional level we tend to have more contact with MPs when we are undertaking consultations on any changes in structure or changes in planning for health or,

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indeed, as we have just recently done in the east of England, rolling out our strategic plans. We would have consultation meetings with them either individually or bringing groups together from a particular area. We have less regular contact with MPs than the local PCTs and trusts would do.

Mr Farrar: One of the things in our situation is that we regularly invite MPs to meet us or we come down here collectively and to discuss issues more proactively because a lot of the correspondence tends to be reactive around particular issues or in times of change, but what we have been trying to instigate is actually to have a more proactive dialogue with our MPs. They are variably attended and we try to get material out in a written form beyond that. Actually there is a proactive set of relationships as well, but the key relationship that we would encourage is for our primary care trusts and our trusts to have an active, on-going relationship with our MPs.

Mr Robertson: At the Highways Agency we have a local structure but engagement with MPs does tend to be on specific issues rather than on general ones. As others have said, the emergence of regional ministers is very helpful and is an opportunity for a very positive engagement, which we are taking.

Mr Eakin: Some individuals from the Arts Council will deal with MPs on an individual level and consult them when making significant funding decisions for example, but we do not have a formal grouping. If I could just echo what has been said because there feels like there is a bit of a theme here generally, as a national organisation we are accountable to the secretary of state; we have very strong relationships locally with local authorities, with elected members and officers and with local strategic partnerships. Whilst we have good relationships regionally with RDA, government officer, regional cultural consortiums and so on there has not been for us anyway any kind of formal scrutiny through the assembly structure or anything else. It is stronger at a national and local level rather than a regional level. The one addition I would say is that although we are a national organisation we are organised across the nine English regions and all our decisions are made on a regional basis. To help us with that our governance structure includes a regional council which is made up of a mix of people from the arts and cultural sector, from the business sector but also a third local authority elected members so that adds a particular dimension within our governance structure.

Q79 Chris Bryant: I would like to ask about the arts in particular because the Arms Length Principle is a very important one. The other thing is that MPs have this terrible habit of banging on about political correctness gone mad. I just worry about the arts being accountable regionally to regional select committees, that there might be a danger of them jumping on that bandwagon and making it actually impossible for you ever to make courageous decisions.

Mr Eakin: There is always a risk of that and that is why the Arms Length Principle exists to try to ensure that specific funding decisions are kept away from direct political interference. However, I think it is important for us to work in parallel with wider regional strategies and policies and indeed government policies as well. I think one of the difficulties regionally at the moment and one of the things we are keen to see developed is to build beyond the regional economic strategy to adapt wider integrated regional strategy and to include culture within that. In the North West we have a very strong cultural consortium which includes ourselves supporting Sport England and English Heritage and so on; we have a very strong relationship with the Development Agency and that has enabled us to build a regional cultural strategy that we all sign up to, that the Development Agency recognises as well and that is terribly important. I think it is about the strategic framework rather than individual decisions. That said, we need to be accountable for those individual decisions and we need to be able to explain them. People may well be aware that our Arts Council was in the news a few months ago because of a number of funding decisions that we made where those were called to account by a number of individual MPs and local authorities with whom we consulted in arriving at those decisions. I think it is terribly important that we can do that but it is equally critical that we have the freedom to make those decisions ultimately.

Q80 Chris Bryant: You raised the issue of some of the theatre companies that lost their funding. I think one of them was a lesbian and gay group in Manchester and I cannot remember whether it is getting its money again now or it is not. MPs might want to get awfully excited on either side of that argument in a committee in a way that is more about grabbing headlines than is really about enhancing accountability. Do you have concerns about that?

Mr Eakin: In practice as things work at the moment I can honestly say that I have not had direct political interference of that kind. If there was regional accountability at a political level would that be a risk? Potentially yes, but you build in safeguards as we do at national level. I think within the recent furore the secretary of state and the minister were very careful to be clear that this was an Arts Council decision and not a decision for politicians. I think that is manageable. Local authorities to some extent face this issue themselves because they are also funders of the arts, albeit political bodies. In the case of the organisation you mentioned, we took that decision, we had some political representation on behalf of the organisation but in the end we stuck by our decision, but what we have built in is a year for them to demonstrate that they are improving as they say they are. We made that decision independently.

Q81 Philip Davies: Just following on from that, I am slightly confused because we seem to be going from having the freedom to make the decisions that you think are right but also you did say that you should

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be accountable. You did say earlier that the Arts Council does consult with MPs on funding decisions. I have an organisation in my constituency which had its funding cut and I just got a letter to tell me that its funding was going to be cut. I am not sure if that is what you class as consultation; I class it as a fait accompli and I was being informed what the decision was. So I am slightly confused as to how widespread this consultation is and how accountable you actually feel you should be and to whom.

Mr Eakin: There are a range of funding decisions that we make, some of which are lottery of course, which are separate. The decisions that you are talking about and that I mentioned earlier were our decisions for three year funding for particular arts organisations, what we call our regularly funded organisations. We did write to all MPs and to local authorities advising of what our proposals were for those organisations but, where we were proposing reducing or cutting an organisation, allowing a period of five weeks for representation for alternative use to be put forward before our regional council came to its final decisions at the end of January.

Q82 Philip Davies: How many decisions were changed as a result of that?

Mr Eakin: I think the number nationally was 17 or 18; in my region it was two.

Q83 Chairman: Presumably those are implemented decisions which flow out of the regional strategy and the question is whether or not the regional strategy within each region of the Arts Council has got any expression of regional accountability. I guess the answer is that it has not.

Mr Eakin: Regional accountability in a formal sense no, it does not. We would similarly talk to regional agencies and sub-regional agencies, for example in Greater Manchester the AGMA grouping of the ten authorities who, in the case of the arts, provide those local authorities' principal funding collectively—I think it is a unique model in the country—so we would certainly consult with them. I think there is a gap in terms of overall regional scrutiny.

Q84 Mr Howarth: The focus increasingly is towards city region. Michael will know that the key event on Merseyside at the moment is the Capital of Culture which is very much being driven on a city region basis rather than on a North West basis. Is the whole focus of accountability being shifted to city regions and away from the compass point that we happen to live in called the North West?

Mr Eakin: I am glad you mentioned European Capital of Culture 2008; I will take the opportunity to mention it again and invite everyone to come to Liverpool this year. Where you have powerful city regions like Greater Manchester and Merseyside that is true, but our locus—I am sure colleagues would say the same—would include areas like Cheshire, like Cumbria and so on where there is not quite the same kind of force and where, in terms of the arts, the issues are more to do with lack of

infrastructure and the need for development and where the local authorities for example do not necessarily have the kind of collective clout that they have in the city regions. Yes, I agree with you where you have those two cities; certainly in my organisation we work very closely with both those city regions and particularly with Liverpool and Manchester as authorities. You need different arrangements in more rural areas.

Q85 Sir Nicholas Winterton: Have you visited the Macclesfield Silk Museum.

Mr Eakin: No, Sir Nicholas; we do not fund historic museums such as that.

Q86 Chairman: When we have heard from Mike I think we will move onto the questions from Peter about what the structure could be to create the regional accountability. I think we have a very good sense of where we are at the moment from what you have said so far.

Mr Farrar: I want to comment on the city region issues; I think it is quite an important dynamic in the health service context really. What we have in the health service is a whole set of sub-systems even at our level; on our footprint there are probably five or six important sub-systems which operate largely around flows into our specialist centres, so we start at primary care and build up into that. In order to understand the performance and for us to account for the way the health service is behaving, the dimension of city regions is an important element of that because we organise services around those kind of sub-regional footprints. In my case you have some rural footprints and you have some city footprints, so it is not purely about city. We are balancing three dynamics here. One is the national and this country is unique in terms of people being prepared to pay through taxation for a publicly funded system. We are out on a limb about wanting to put money into the health service through taxation for a national health system and we are very proud of the National Health Service. We believe the dream; we like equity; we like consistency; we hate postcode prescribing because it feels unfair; we like the fact that we have universal coverage. The national dimension is a really important dimension to keep hold of about consistent standards and about access to care. However, at the same time we are also trying to increase local accountability because our primary care trusts are spending a lot of money on behalf of their local populations and we need to get locally sensitive services. The third dimension is this dimension of city region because actually cancer services and stroke services all need to be planned and organised at that kind of level. I do not think these are replacing each other; these are important aspects that we have to balance off. The bit that is in issue and why this Committee is so important is because that element of the regional—whether it is sub-regional or regional—is the bit that is least covered, but actually it is increasingly significant for the way in which we provide specialist services and services for people in crisis. That is a really

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important dynamic. We are talking about local accountability, we are continually discussing how we are nationally accountable to provide consistent standards and those debates are being had. The regional aspect of this sub-regional bit is the bit that is least covered but is increasingly important alongside those other things. It is not an either/or; it is building those three dimensions sensibly into the structure.

Q87 Mr Howarth: There is no accountability, is there?

Mr Eakin: No, there is not.

Chairman: At that point perhaps it would be a good idea to invite Peter to ask the question about how we might go forward and what you think about the different models.

Q88 Sir Peter Soulsby: You have all talked in different ways about gaps in accountability at a regional level. There is a range of different views about the shape of that gap, whether it is government office, regions or some other model. It is really the models for parliamentary scrutiny that I want to pursue with you. As you may be aware there have been a number of different models discussed by witnesses here with us: select committees, select committees with or without a majority for the governing party, grand committees, committees with all members in a particular area or a particular region, or some hybrid with local authority members perhaps sitting alongside Members of Parliament. Thinking about the sorts of gaps in your own areas do you have any thoughts as to how they might be plugged?

Mr Korzeniewski: Obviously I am not an expert on Parliament but the issue for me is what is the right level to do whatever scrutiny is required. I can see with the city region developments coming through an added question. At the moment we have to be mindful of the regional economic strategy and that is determined by the secretary of state. In London the region is the place, if that makes sense; in the North West of England we have a region but we then have two emerging city regions so the geography is not the same. We could be in the position where we have to be mindful of the regional economic strategy and also, working through the multi-area agreement in our development with AGMA and with colleagues in Merseyside, we might also have to have regard for their priorities.

Q89 Chairman: Moving on from what the city or regional boundaries are, what do you think about how the accountability deficit which we have been discussing would be best met by all the regions' MPs into what we described as a grand committee of that region, i.e. every MP of that region holding you to account, or a select committee which is a small group of MPs within the region? I do not know whether you have thought about that. Or, thirdly, whether or not it could be a regional select committee which is a small group of MPs from that region augmented

by local councillors from that region. We are trying to move on to what the model of the accountability would be.

Mr Korzeniewski: My preference would be for all to be involved rather than a small number. That would allow us to triangulate a lot of the things we have been talking about today, about places like Macclesfield or Greater Manchester.

Q90 Chairman: Mr Eakin, do you have any views on that?

Mr Eakin: I am not sure I have a definitive view on this, to be honest. Like John I am attracted by the notion of all regional MPs being engaged. I think I read from earlier meetings discussions about MPs from elsewhere coming in in some way, if only to make the political balance, which seems to me odd. I suppose the key question is: what is the role, how is it exercised and how does it add value? One of the difficulties is that in a region there are so many organisations. We are relatively small in this overall context; there are clearly much bigger concerns like the health authority and so on. For all of those bodies to be accountable in a uniformed way to a committee made up of all the MPs of a region, the risks of a labyrinthine and expensive process strike me as very large. I am attracted by a model involving all MPs but if there is a feeling that there needs to be some political balance then that third option that you mention around a mix of MPs and other elected members strikes me as another model to pursue.

Mr Robertson: Likewise I am not sure I am in a position to offer a model as such, but just picking up on what Michael says, the things that need to be understood in terms of roles and responsibilities, although I am responsible for transport of the strategic network in England, the big thing for us in regions is of course development and the enablement of development by the provision of transport. We work very closely with the RDA on that but so do many other agencies and operators ensuring that flood defences are provided, that water and other utilities are provided and everything is there. We are working very much within the framework of development, supporting that and not delivering an objective in itself. Whatever you recommend needs to take account of the fact that there are different objectives being sought in the region, development is one I happen to be particularly closely involved in; health, not so much other than trying to prevent people from having accidents in the first place.

Q91 Chairman: Does that mean that you do not have a view about whether it should be all the MPs of the region or a small group of MPs, i.e. a select committee?

Mr Robertson: I am afraid it does mean that I do not have a view.

Q92 John Hemming: That does raise an interesting point which is that this city region point, which is a developing issue all over the place. We have this debate obviously. The government office, the region of West Midlands has clearly two divisions, the

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Marches and the rest. In fact there are three divisions because Coventry is a bit semi-detached from everybody else and really should do its own thing with Warwickshire. If you have all the Members of Parliament involved in the accountability process it also facilitates the option, I suppose, of having city region groups of members. Has anyone got any comments about city region groups of members as an element?

Mr Farrar: We have had a lot of debate about this; it is a really important development for us. As I say, we are very supportive of trying to fill the gap. One of the things for us about the select committee model was to allow for some more in-depth discussions because we think that some of the issues we would want to be talking about and discussing with our politicians are quite complex. One of the issues relating to select committees is that it might allow that and of course what we have seen with the scrutiny model at local government—which I should have mentioned before in respect of how we work with local government—has been that local government has developed some thematic studies and it seems to me entirely reasonable that even if you went for one of those models it could actually decide that it wanted to have an in-depth look at a particular city, region or sub-section of the region. It is perfectly possible for them to pick up on a particular dynamic or a geographic element of the patch. We see pros and cons in all of that because we like to keep everybody involved so we do not have a declared definitive position, but our sense is that some degree of in-depth scrutiny is worthwhile pursuing really.

Q93 Mark Lazarowicz: I represent a Scottish constituency so I have very direct experience of regional and national accountability. One of the issues which is sometimes raised by non-governmental organisations and bodies similar to yourselves in Scotland is that actually keeping up with opportunities to be consulted with and to be scrutinised by the Scottish Parliament can involve quite a major effort in the time and resources required. How far do you think that organisations other than the largest ones like yourselves will actually be able to provide the necessary type of resource to make this kind of scrutiny and accountability meaningful? In relation to the issue of the type of body that we might want to set up, is one of your arguments for a smaller group of MPs being involved is that it could actually meet in Manchester, Newcastle or wherever which might make some problems about resourcing and servicing such a committee from your point of view easier to solve, whereas if you wanted to get all 75 MPs from the north west of England you would have to have them down here to get them together and that would put extra pressures upon yourselves to make this a meaningful type of exercise. I would appreciate your comments on these issues.

Mr Eakin: I think there is potentially a resource issue which comes back to what it is for and how it works. Getting to London every now and then is not in itself

a problem. Thinking about how this could practically be of most benefit and coming back to the city region point, I have to say, certainly speaking for ourselves as an organisation, being able to engage with MPs on a sub-regional basis—so being able to get all the Cheshire MPs together in one place to talk about what we are doing in Cheshire, how we are doing it, how that ties into other strategies—would be of most practical benefit to us in the way we discharge our duties. A wider grouping of all the regions' MPs, particularly in a diverse region like the North West, I think would clearly have a strong scrutiny role in terms of accountability and that could be valuable, but in terms of furthering our work I question whether it would be as effective, leaving aside those practical considerations that you mentioned.

Q94 Philip Davies: One thing I struggle with is that you all say there should be more regional accountability and part of this is in your hands; you do not have to wait for us to recommend something for you to get a sub-committee of Cheshire MPs together. Am I right in thinking that you are actually quite resistant to accountability and that you are going to have to be forced kicking and screaming into it? Why are you not doing all these things now? Why do you actually need somebody to set something up specifically for you to do all these things?

Mr Pearson: I can give you an example from the East of England. Through the regional assembly we made a suggestion that the overview and scrutiny committees that make up the scrutinisation of the PCTs should come together at a regional level and hold the health authority to account. There was some resistance from the local authorities who hold the responsibility for local accountability of PCTs. I think their view was that it might reduce the impact of their role. We would be very keen and were it to be left to us to become involved in setting up some form of regional accountability we would be very happy to do it. I think what we are saying is that having gone through the process of becoming coterminous now with the regional ones—that took place about 18 months ago—now is the time and it is opportune for there to be a good long look at how we become more accountable regionally. We are supportive and if it were left without a decision I think we would probably move towards your suggestion fairly quickly.

Mr Farrar: I do not think you should take that impression from what we are saying. In fact I think we are continually trying to build those key relationships and partnerships and to set out the narrative to be seen to have something on which to assess our performance. There are some structural issues in place. If I take the recent very successful consultation in the whole of the Manchester region about maternity and children's services where all the local authorities came together, all our PCTs came together and we effectively had an agreement where eight primary care trusts voted in favour of what we were trying to do. There was a collective view of

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what we were trying to do but legislatively, when that went back to the individual local authorities, their scrutiny committees were still unable, even though there had been a collective majority, to refer that up the line. It is not just a case of why can we not get on; there are actually some structural things that need to be put into place. My final point is that I think it would be a mistake if all that we come out with on the back of this is a body which is holding us reactively to account for decisions. My sense is that we should be getting things proactively in place so that we are having the discussions futuristically about some of these issues that face the Arts Council, the Learning and Skills, the Health Service and that is far, far better as a model. It is not just about reactive scrutiny; we are actively pursuing those now. We do not have to have a committee structure; we are actively pursuing that now.

Q95 Chairman: If what you are thinking about is a proactive scrutiny which is about shaping policy at the regional level then presumably that implies a smaller group of continuous people rather than a shifting sands with a different 30 of the regions' MPs coming each time. Is that your sense of how it would be, that you would have a few people who would be dedicated to this task rather than everybody popping in from time to time?

Mr Farrar: I think that is right because some of these issues have a degree of complexity and some familiarisation with that is important. Over familiarisation becomes a weakness but you have to make that balance. I do agree with you that that would help and I think evidence of things like citizens juries where people become familiar with the issues and are able to give informed judgments in a way that if you are coming new to an issue every time and only look that deep into it it is often harder to give an informed opinion about something.

Chairman: In the North West you have more of a match in the political balance of your MPs than what there is in the United Kingdom, than there is, say, in the eastern region; if there was a regional select committee you are in a region which is mostly Conservative MPs.

Sir Nicholas Winterton: Not in the North West.

Q96 Chairman: No, I am talking about the East. The East is not like the national picture so would it impact on you? How would you feel about a situation where it was reflecting the national balance of parties rather than your regional balance to have regional accountability on that basis of a select committee?

Mr Pearson: If I could perhaps dodge the political context of that and try to come down to the difference between the grand committee and perhaps the select committee, I think in our region the grand committee might lend itself to being overly political whereas I think the select committee that might be used in the east of England might be one that gave us more of an opportunity to work with people over a longer period to build some thoughts around themes that are going on in the eastern regions.

Q97 Chairman: You think the grand committee would be more like what goes on over there rather than what goes on here.

Mr Pearson: Yes.

Q98 Philip Davies: Can I ask you about regional ministers and where they fit into all this? Do you consider yourselves accountable to the regional minister? Do you think, if we do have some kind of regional structure, you should be held accountable directly to that regional structure or do you think that you should be held to account through the regional minister or even through your government department ministers? Where do regional ministers fit in with all this?

Mr Robertson: Let me come at it from the word accountability which is something which those of us who are Accounting Officers have to treat very seriously. Currently there is accountability to our ministers and to Parliament. We need to be clear about whether we are talking about changing that fundamental accountability because at the moment it has not changed and therefore I am looking at how I can support and indeed how I can get support from a regional minister as he champions what he does. I expect to be asked questions of that minister but nothing has fundamentally changed. The accountability is to ministers and to Parliament. We need to be clear when we talk about accountability whether there is an intention of government to shift it or not. I am coming at it round the other way, but accountability is a very, very important concept for us.

Q99 Philip Davies: Where do the regional ministers fit in?

Mr Robertson: At the moment they are getting to grips with their new role and they are all taking it in different ways. I have met personally with one or two of them and my colleagues have met with others in the regional ministers' forums. So I would say that all are getting engaged, taking on very enthusiastically to a man or woman the champion role for the region.

Mr Farrar: We have a regional distribution of responsibilities amongst the health ministers' team as well so we have a regional minister and we have a health minister with a brief for our region. That means that there are additional dynamics.

Q100 Chairman: Is it not the same person?

Mr Farrar: No, it is not the same person. My sense of this is that for all the reasons I have said before about people in this country wanting a national health service, the route of accountability through national government is a really important dynamic to remain committed to. We do not have tax raising powers in the regions and actually our resources are distributed through Parliament. Where I think the regional minister aspect comes in is that to have somebody who is looking across all aspects of government in respect of how it impacts on the

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region is incredibly important. Asking this question about the join between the guys you have here and about what we are joining up actually contributes to, say, the regional economic strategy, I see that as being a complementary force, asking questions about whether we are doing our jobs to join up the resources spent in health, through local government, through the development agencies. That dynamic has not been there in the past and it is an important additional dynamic. I do not think it is an either/or again; I think it is useful that we are seeking with our ministers in the health team to get some clarity around this relationship that they have with the regional ministers with their regional briefs. That is certainly something that is actually in conversation at the moment.

Q101 John Hemming: One of the issues with regard to accountability is that it means a wide range of things depending on the circumstances. It can involve control, hire and fire; it can involve say for a regional strategy that you need to get the agreement of the regional select committee to the regional strategy as a sign off. What sort of level of accountability would you think is reasonable? Is it the lower level of just answering questions and potentially being influenced or should you be looking for a regional sign off for regional strategies or should we say that actually we should give the regional select committee the power to sack your board?

Mr Korzeniewski: I am not the accounting officer for the LSC, that is the chief executive, but I would expect as things develop that there would be an opportunity for the regional strategy to be in some sense signed off and the focus for me there would be around the joining up and it would be around the impact of national policies in different places. There is a job to be done which would make our work better around the joining up. I am employed by a national body and I am not sure I would want to be at risk regionally.

Mr Eakin: I am not sure I have anything to add to that. It is the same challenge for us, as a relatively small national body working on a regional basis, how you get that balance right. That goes back to your question about accountability to regional minister or to the secretary of state. I think, given the bulk of our decisions are made on a regional basis within the national strategic context, we would be keen to see as much accountability as possible for that to the appropriate regional body. I do think that is important and I agree with John that that needs to be linked into wider regional strategies.

Q102 John Hemming: So potentially a sign off for those regional strategies.

Mr Eakin: Potentially, yes.

Q103 Sir Peter Soulsby: I wonder if it might be helpful, if you were able, to summarise what you think might be some of the pitfalls we ought to avoid in whatever model we adopt. What do you think we ought to be sure not to do?

Mr Korzeniewski: We work nationally, regionally and locally and that is fine, but occasionally there are conflicts within that. I think my worry is setting up too much tension between those levels.

Mr Eakin: As I said earlier, at sub-regional level there is a real focus; at the regional level in a big region like the North West that can get dissipated and if we create a body which is not really relating to the work on the ground, that would be my worry. It creates another level. We are still going to work locally, we are still going to work sub-regionally and we are still going to work nationally and linked to that, as I mentioned earlier, there is a huge amount of time, bureaucracy and all of that. Maybe something that is effective but relatively light on its feet.

Q104 Sir Nicholas Winterton: My question really goes to Archie Robertson representing the Highways Agency. Do you feel that your organisation is the least accountable of all the organisations represented here today because really the infrastructure of this country is critical to economic performance? How would you wish to improve not only the scrutiny of what you do but, in the widest sense, the accountability of what you do to the people that are affected by what you do?

Mr Robertson: The point about the national network is that it is used by people to pop down the road to the grocers, it is used by people to work in the next region, it is used to move components around and it is used to support international trade. The part of our work that is new for us is the way in which we are now engaging I hope positively, in the regional development agenda, in helping to form a regional spatial strategy in taking ownership of our bit of the regional transport strategy and moving that forward. For the most part we are acting in a supportive role to the leadership of the RDA and I would hope that the scrutiny and the accountability that come with that is proportionate to the way in which the issue of spatial development is being executed.

Q105 Sir Nicholas Winterton: Would I make representations in respect of Highways Agency matters to the regional development agency or would I do it to Mr Archie Robertson OBE?

Mr Robertson: Because I am accountable for the Highways Agency wherever it operates you would do it to me.

Chairman: Thank you very much indeed for taking the time to come and answer our questions and also for the willingness that you have shown to be open about the gaps that there are in the accountability and also your willingness to be prepared to see those gaps filled. I think that you have given us a clear sense of your lines of accountability nationally and your lines of accountability down to the local issues within your region and you have given us an idea about your working between your partners at

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regional level. I think you have been helpful in clarifying in terms of your different agencies the regional accountability gap. We have explored a bit what the issues would be around the model that much of that is left for us to do. Perhaps you could just watch this space and find out what your evidence has contributed to helping us to propose to make sure that you have proper accountability for your very, very important work which is at regional level.

Mr Howarth: I think that last question was quite a searching question and I do not think people had an opportunity to answer properly. If anybody has any further thoughts on what Peter said I would certainly be interested; perhaps you could submit a note on that.

Chairman: That is a very good point. Anything that we should not be doing, fear that we might do it and write to us to suggest that we do not do it. Thank you very much.

Memorandum

NHS North West and NHS East of England witnesses (M60) Ev 104

Wednesday 27 February 2008

Members present:

Ms Harriet Harman, in the Chair

John Hemming
Mr George Howarth
Simon Hughes
Mrs Theresa May

Mr Richard Shepherd
Sir Peter Soulsby
Sir Nicholas Winterton

Witnesses: **Rt Hon Alan Williams MP**, Chairman, Liaison Committee, **Peter LuV MP**, Chairman, Business, Enterprise and Regulatory Reform Committee, **Dr Phyllis Starkey MP**, Chairman, Communities and Local Government Committee and **Mr Robert Wilson**, Clerk of the Liaison Committee, House of Commons, gave evidence.

Chairman: Thank you very much indeed. I know that all of you have actually given some thought to this before this Committee started looking at it, so we are very much looking forward to your help with our deliberations. Could I ask George Howarth to kick off the questions?

Q106 Mr Howarth: Certainly in England we have strategic health authorities on a regional basis, we have regional development agencies and now we have ministers and many more such organisations. Is there an accountability gap at that level?

Mr Williams: Personally, as a Welshman, and as one who has raised what is called “the English Question” on the floor of the House and with the Prime Minister at the Liaison Committee, I think there is a very serious gap as far as the English regions are concerned. This is my personal view. I look at it from my own perspective and my Celtic colleagues. We have our Assembly, or Parliament, or whatever you care to call it, we have our Grand Committee, we have a Select Committee, we have Question Time on the floor of the House. We have all of these things. It does seem to me that there is something that needs to be addressed. It is not a matter of whether it should be addressed; it is a matter of how it is addressed; so, yes, I think there is a deficit.

Q107 Mr Howarth: Before you all answer, can I add something to that? The thing about Wales is that it is a principality. Scotland is a nation in its own right. The North West of England, where I am sort of located, is a point on the compass. Would the others care to add that dimension into their answers?

Dr Starkey: It was the CLG Committee, obviously, which first made the suggestion that there was a lack of democratic accountability of the English regions at the Westminster level and suggested a regional select committee. I think I want to add a couple of caveats before I answer Mr Howarth’s question. At the point when the CLG Committee made that suggestion it was before the Government had announced the changes in the sub-national review and we were talking about the regional architecture as it existed at the time, including the regional assemblies, and at that point we suggested that whatever happened at a parliamentary level should co-operate with the regional assemblies to make sure that the accountability to local authorities and to

Parliament was co-ordinated. Whilst I accept that Wales is a principality and Scotland a nation and that the English regions are regions and, indeed, administrative regions at that, I think there are, nevertheless, issues that are common to individual regions and which are different from those of other regions. Clearly the economic issues of the tend to be the issues of economic success—overcrowding, congestion and some communities being left behind in a generally aZuent region—whereas in some other parts of the country there are quite different issues relating to the decline of traditional industries and the need to replace with new industries. Certainly, now that the Government is getting rid of regional assemblies and has appointed regional ministers, it seems to me that the arguments that were made by the CLG Select Committee for some regional committees at a parliamentary level are stronger now than when we made them, not weaker.

Mr Williams: Can I add something there in a longer-term perspective? Way back in geriatric history when I came into the House I was appointed Minister for DEA (Department of Economic Affairs) in the 1960s and, not within the House but externally, we set up regional bodies which drew up strategic plans for their regions, and so on, which they submitted to the DEA and got approval or non-approval. Therefore, for a long time it had been accepted that, while there is not the national base that you have in Scotland, Wales and Northern Ireland, there are regional differences and problems that need to be addressed at a regional level but to my mind as a Member of Parliament for a short time ahead, should also be addressed by Members of Parliament as well as by local councillors, and I am not deriding that—do not misunderstand me—I am not saying they are not trying to do a decent job or anything of that sort, but it seems to me that it is time we had some sort of reflection of this at a parliamentary level because there is this gross distortion between what we have and what you have not.

Peter Luff: I am here as a pragmatist, because I do not accept the Government’s regional agenda. I think it is inappropriate for a variety of reasons, some of them based on my own constituency. My constituency borders the South West, in fact parts of the South West to the north of my constituency, and actually the co-ordination that I need is more

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between Gloucestershire and Worcestershire, which is made more different by the Regional Agenda, but I put that on one side as we are not here to debate the merits of the Regional Assembly. I am here as a pragmatist. How do we make what we have got work? To that extent, yes, I think there is a problem, particularly since the Government's decision announcing the abolition of regional assemblies, which has made it worse. It may be the right decision, but we have got to find another way of finding accountability. It must not always be assumed that Parliament should be the body that does the scrutinising. I can think of some of the issues that are regional issues that may be better done by local authorities, but I do accept Mr Howarth's proposition: there is a problem that needs to be addressed. I do not think the initial attempt by the Government was the right way forward, and I have got some suggestions to make later on, but I must make clear, I do not actually embrace the regional agenda.

Q108 Mr Howarth: How do we plug the gap then?

Dr Starkey: I think we need some sort of committee structure at a parliamentary level to hold to account regional ministers and also to scrutinise a fairly limited number of regional bodies, such as, obviously, the RDAs, also strategic health authorities, learning and skills councils, maybe slightly more. I do not think the CLG Committee ever thought that these regional select committees would be quite as other select committees, to get that out of the way, and, indeed, are not particularly wedded to the select committee model because we did not, in our inquiry, have the time to look at the various different options, nor was it appropriate for us, for the form which these parliamentary regional committees would take.

Peter Luff: It is very important we plug the gap in a way that does not actually undermine the role of mainstream departmental select committees. Their policy oversight role must not be compromised by new committees, whatever form they take, which actually duplicate, overlap and confuse bodies with whom the main departmental select committees relate and scrutinise.

Chairman: Hopefully we will be able to explore that in further questions. On the point about what model there might be, could I ask Simon to ask the next question.

Q109 Simon Hughes: Literally following on from Peter's last answer, let us assume for a minute that departmental select committees continue to do that job, namely hold the ministers in the department and the spending of the department to account. Below that there are, as Phyllis and others have made clear, other spending agencies, quangos, in effect, regional development agencies, the ones Phyllis listed, the Sports Council, which has a regional structure, the Arts Council, which has a regional structure. Can I ask each of our colleagues: of the various models that are now being floated around because things have moved on again, as Phyllis rightly said, which at the moment have any attraction and which do

not? To list what I think are on the agenda: we have a form of select committee of MPs, we have a form of grand committee of all the MPs from that region (which seems to me to be a different beast, a mini-Parliament, in effect), we have the idea that they might sit here or they might sit out in the region, or both, and then there are further suggestions which colleagues want to pursue that they might be hybrid species that have separate accountability, locally and nationally. I wonder where each of you feel the logic is going post 2010 when there are not regional assemblies and now that there are regional ministers who do not do any spending, do not have any budget but have a sort of presentational and listening role in each of the regions in England?

Mr Williams: Can I, on behalf of the Liaison Committee and myself, make this point? So far as we are concerned, what we are worried about is the problem of overlap, conflict for resources and priority of access to witnesses, and so on. From the Liaison Committee's point of view, it would seem to me—because the Welsh have questions on the floor of the House but they also have a question session within their Grand Committee—that there is a difference in magnitude between the grand committee approach and the select committee approach. The select committee approach will inevitably mean that, for example, on major statements—say the Department for Health makes a major statement—every region will have an interest in it, every MP will want to be finding out about his own particular position. Therefore, there is a danger of a clash for resources. We are concerned that, in whichever system you devise, the existing select committee should have priority in witnesses and in access to evidence, but of the two principal ones, as I see it (the nine grand committees and the nine select committees), it would seem to me that the nine select committees are, from our point of view, the most dangerous. They will demand resources, and I know you have had a paper on this, but it would mean you would need to find an extra 81 Members to put on committees, and the whips will tell of the difficulties they are having at the moment. They would have to be staffed, having a committee clerk each and about a dozen back-up staff over the whole lot. So we are talking 20 or so members of staff, and that would cost about 2.3 million a year. Of course, there is even the problem, although we do not always individually see it but I see it in the Liaison Committee, of a clash in finding rooms for meetings, particularly if everyone is trying to get a meeting soon after a ministerial statement. The choice, from my perspective, would be between those two. My fears would be about the regional select committee and its impact on the existing select committees.

Dr Starkey: If I can go down the four issues as Simon laid them out, on the select committee model, I think there is a danger of overkill. I agree with the practical points that Alan has made, but I think it is also a policy issue. Regional scrutiny is important. It is not that important to have a select committee, which could start to meet as often as main select committees do and travel and all the rest of it. The two other issues about the select committee model

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are that the oversight of policy overall will be, of course, retained by the parent committees. The CLG Committee retains regional policy as one of its remits, but we would not want to get involved in the individual policy relating to each individual region; similarly Health, BERR and the rest of it. Finally, there is the issue of party balance, which I think is an issue that is crucial. In my own region, obviously the governing party is in a minority. It does seem to me odd to have a regional committee where the party balance follows that in the House regardless of the party balance within the region. So, for all those reasons, I do not actually favour a straight select committee model. The grand committee model, I think, is quite a good one because it gets over the party balance bit and all the MPs in the region turn up. Supposing it is a health authority that is being questioned, I think you would get a different set of regional MPs turning up than if it were the regional Arts Council, and that seems to me perfectly reasonable. You would then get MPs who were genuinely interested, who had issues, not a load of MPs who had to be there to make up the quorum but really were not interested. The place of the meeting, I think, should be up to the committees, but I think there is great merit in a regional committee meeting within its region if it wishes to. Finally, the hybrid committee, and this is my personal view: I think a hybrid committee is very interesting. I do think there could be problems if you continue to have scrutiny at a local government level and at parliamentary level competing one with another. It would be much more effective, it seems to me, to have some sort of hybrid model which brought together MPs and leaders of councils, or however councils chose to represent themselves, and, of course, there are precedents—I believe that the Welsh Affairs Committee can meet with Welsh Assembly Members—and I think that there would be huge merits in trying out a completely different model, combining parliamentary and local authority scrutiny. Apart from anything else, it would get over all the problems that have been outlined by Alan of these committees creeping ever upwards to try and be the same as a select committee. It would make it clear from outset that they were a completely different body and it would provide a link between local authorities and Parliament.

Mr Williams: Could I supplement on the point, again, to put it in the context of what is happening at the moment: importing Members. On the Welsh Committee we find it a rarity to see a Conservative, so we invite Conservatives from outside Wales to join us to make up the opposition; so it is going on at the moment, it is just that “the opposition” are coming into Wales. As a matter of principle and practice, it is part of the existing practice of the House.

Peter Luff: I will not repeat everything that my colleagues have said because we have not prepared for today particularly, but I actually agree with virtually everything that has been said. The practical considerations of the select committee model are not inconsequential, they are very serious indeed, and the pressure on MPs’ time here at Westminster is

also a factor we have to bear in mind. I have a vacancy on my Committee at present, one of the most popular committees, I thought, in the House, but the party in question cannot find anyone to fill that vacancy. There are real problems in meeting the current number of select committees. I would actually argue to reduce the current number rather than start creating new select committees, so I strongly favour either the grand or the hybrid model, and I think there is another reason for that also. Select committees, if we are honest, quite often struggle to get media attention for quite important reports. Our real power, often, is the attention the press give to what we say, and that is an issue here. That is why I strongly favour the new regional committees, whatever form they take, meeting outside London. I think if they were to meet in the regions, they would attract a lot more attention from the regional media that are based there who increasingly do not have people who lobby here because of the cost of doing that and the pressures on the media industry. I think, therefore, Parliament would be seen to reach out beyond Westminster and become more relevant to the people who elect us to serve them. I think not only would you solve the problem of the party balance, the pressure on MPs’ time, the room availability, the staff, all those issues, but you would actually see Parliament becoming more relevant to people as it reached out beyond the narrow confines of the Westminster village. I just want to address the question of hybrids and local authorities. There is a real issue here. My local authority is in Worcester, who often feel aggrieved at the way they are marginalised by a Birmingham-dominated region, desperately want to be involved with the scrutiny process, and rightly so, but how you actually marry this up with parliamentary objective scrutiny I am not clear in my own mind; I cannot work this one out. There is an added dimension, of course, because we have a mixture of unitaries and two-tier authorities and so, naturally, the senior authorities, the county councils and unitaries, think it should just be their job or the districts; whereas the districts that exist think, “No, no, no, we do not trust the county to represent our interests properly. We want to be part of this process as well.” So there is also an added complexity about bringing the local authorities in, but I do think it is an issue we have to grapple with. I have not got a solution.

Q110 Mrs May: I have a question that directly follows on from this issue of resources that has been mentioned, and Peter also has given some written evidence on this issue. I want to look at the other side of the coin. You have been talking about the difficulty, if you had a regional select committee structure, of getting a sufficient number of MPs to sit on it, and there are obviously resource implications, financial implications, for the House in staffing such committees, and so forth. Do you think there would be an impact on the quality of the work that the departmental select committees were able to do as a result of this? Could we end up with nominally regional accountability through regional select

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committees but actually just a lot of select committees that were not able to have sufficient members attending meetings to do the sort of quality of work that has been done previously?

Mr Williams: I do not want to hog this, it is unfair, but some of my committees already have trouble getting a quorum, and it is very embarrassing for them sometimes having to cancel meetings when they have got witnesses and so on. Given that these existing select committees remain the same size, and we would actually favour a reduction in the size, we did not support the idea of increasing the membership for this sort of reason, I think that there is a membership problem.

Peter Luff: We, initially, were a committee of 14 in the last Parliament. We have come down to 11, and that has made the committee easier to manage because there is a greater sense of loyalty, contribution and spirit, but we are still having problems with the quorum very often. We have got one place that has not been filled on the Committee, we have recently had two members on bill committees—which takes three out straightaway—and then you have Post Office closures and they have to go out to their constituencies to meet local constituents. Even with the enthusiastic Committee that I have, contributing to the work of the Committee largely, I do struggle to meet a quorum, and I think having additional select committees, particularly regional select committees, where the constituents would have an expectation that members should attend, would actually create an intolerable pressure on members who, inevitably, would have to serve on two or more committees.

Q111 Mrs May: Would it affect the quality of the work?

Peter Luff: Yes; inevitably; fundamentally. I think it would be very damaging to the work of the committee further to reduce the opportunity to achieve a quorum.

Dr Starkey: It obviously depends how often these regional committees meet. The original suggestion was that they should only meet a relatively small number of times in the year. If that is the case, whatever the model, the effect on other select committees would be much less.

Q112 Sir Peter Soulsby: Can I return to the question of hybrids as an option? One suggestion that has been put forward is the possibility of having people from local authorities there, but there has also been the suggestion that you might extend it more widely in some way, that you might have MEPs or Members of the House of Lords, or some other regional stakeholders. Is there any merit at all in that?

Dr Starkey: Personally I do not think so, no. Members of the House of Lords are quite different. They have no direct mandate from the public. I do not really see how they could represent a region except insofar as they live in it, and then they do not seem to me to have any merit beyond that of an

ordinary member of the public, so you might just as well have a place for a member of the public and allocate it by ballot.

Q113 Sir Peter Soulsby: What about MEPs?

Dr Starkey: There might be some merit, but I think you are then starting to get a body which is hugely complex. Given that at present, albeit through indirectly elected bodies (the regional assemblies), there is some democratic accountability of RDAs and others down to local government, and given that the regional bodies sit between local government and Parliament, I think there is logic in saying that it should be Parliament and local authorities who do the scrutiny, and then you have to decide whether they do it separately or together.

Mr Williams: I think we have to keep an eye on the objective. The objective is parliamentary accountability, and we are in danger of creeping hybridity. I do not like hybridity because I think it dilutes the concept of parliamentary accountability singly and, therefore—and this is purely personal, we do not have a Committee view on it that I am aware of—I would regard it as a retrogressive step.

Q114 Sir Nicholas Winterton: So you would not have the President or Chairman of a Chamber of Commerce and Enterprise or the Chairman of the corporation of a college of further education, or the Principal, i.e. to bring in people who have major stakes in a region or an area, because this is what Peter Soulsby is talking about, really widening the scope of the debate relating to regional affairs?

Mr Williams: My case Q.E.D. Where do you stop? This is the trouble. Once you have started, how do you keep limits from moving further and other groups wanting, quite legitimately, to say—

Dr Starkey: But this is supposed to be democratic accountability. How is the principal of an FE college in a democratic structure? The other people should be scrutinised, not doing the scrutiny.

Peter Luff: Of course, what Nick is trying to do here is recreate the regional assemblies! There is an issue here about the voice of business in the region that can probably be addressed by governance issues within the RDA to make sure that the voice of business is properly listened to by the RDA without coming into the actual formal scrutiny process.

Q115 Sir Peter Soulsby: Can I return to the other model, the grand committee model, really to follow on from Phyllis's answer earlier on about the possibility of different members turning up to different meetings depending on the issue? Is there not a difficulty with that model in actually achieving a degree of focus and continuity in the meetings if that is the way forward and, thereby, perhaps undermining the possibility of any real scrutiny?

Dr Starkey: It depends what you think the role of these regional committees is? Given that their role is to scrutinise regional bodies, then one assumes that, if they were scrutinising the Strategic Health Authority, if they could not achieve it in a single meeting because the problems were so extreme, then they would have more than one meeting on the

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Strategic Health Authority and you would get roughly the same members; but they are not, I suggest, going to undertake the kind of long, detailed and broad-ranging inquiries that a select committee would do, so I do not think you get quite the same issue about needing to maintain continuity over a period.

Peter Luff: I think the issue of loyalty to the body is an important one though, and I think that is what probably lies behind your question. Partly, it will be how it sets its business and its agenda, and that is an issue which I think we have to give some consideration to. Who would determine what it does on any one day: because if the Government of the day was seeking to avoid trouble, it would choose the least contentious subjects and avoid the ones that members wanted to debate. There would have to be some kind of arrangement to determine the agenda, then loyalty. If people felt it was debating the relevant things at the relevant times, they would come and the problems you are raising would not occur in practice.

Mr Williams: It depends on whether you want a regional committee that meets at the House of Commons or whether you want a House of Commons Regional Committee. I want the latter, not the former.

Q116 Sir Nicholas Winterton: Can I ask our distinguished witnesses, and I speak as somebody who has chaired select committees and been on the Liaison Committee over a number of years, is it your view that the existing departmental select committees could do a great deal more to engage with the regions, particularly in England, where there is this deficit?

Peter Luff: I think that is right actually. We have not been able to travel as much as I would like to as a committee to the regions of the United Kingdom, because we have Scottish and Welsh responsibility as well. We will be making our first visit to Scotland as part of our current inquiry, we will be going to the West Midlands and taking oral evidence in the West Midlands as part of that same inquiry. The last time we tried it, of course, it was as a rogue group and we had a very important evidence session lined up and the whips wanted us back here for a vote. There is a problem about engaging with the regions in the regions, though we could take evidence here from regional players; that is certainly true and more systematic when you do.

Dr Starkey: Our Committee engages with the regions a great deal. Indeed, in our current inquiry on community cohesion and migration we have already had one very helpful visit to Peterborough, we are about to go to Burnley and then we have a visit to Barking and Dagenham; and on previous inquiries, Coastal Towns, for example, we visited both the South West and the South East—I am trying to think if there are any other examples. Obviously, we are responsible for regional policy, so we try to ensure that we either go to the regions or, when we are getting witnesses, we ask for witnesses from particular regions so that we can make sure

that we get a proper regional input into our inquiries even though, obviously, those inquiries usually cover the whole of England.

Mr Williams: I think it is important that the committees retain the freedom to decide what they need to do in each and every inquiry, and I would not want to trammel them in any way by pre-empting and saying, “You have to do this every time you sit.” As you know from sitting on so many committees, Nick, that really would work out to be ridiculous and, therefore, I think we have to trust the discretion of the committees. I have not been conscious of much criticism directed on this issue, but you may have other viewpoints. My colleagues are the operational members and they are better able to tell you what the practical problems are.

Peter Luff: I think it is a slightly different question that is being asked: how we could do our work as select committees better and make Parliament appear relevant? The point I made in connection with the grand committee model: I do not think it addresses the accountability of RDAs and strategic health authorities.

Mr Wilson: Could I add, Chairman, select committees have either met formally or informally, in the regions or outside Westminster, steadily since their creation. We found that the number of visits out of Westminster has remained actually relatively steady over the period. Partly the problem is, as the Chairman has mentioned, because of the difficulties of getting away here with current business and also just the sheer logistical problem of setting up meetings. Just this week, yesterday the Justice Committee was in Edinburgh taking evidence on devolution, on Monday the Home Affairs Committee was in Newark meeting police, and so on, so it is a regular thing that goes on. It perhaps is not targeted specifically as a regional visit. It will be a visit out of Westminster to meet informally or to take evidence formally.

Q117 Sir Nicholas Winterton: As an official of the select committee system, do you feel that select committees, that is the existing departmental select committees, are able to engage “adequately” with regional matters?

Mr Wilson: If they can fit it into their programme, certainly they can. There are two other little aspects I might just mention. We mentioned media. When committees have gone now into the regions, we now have media officers, as you know, for the committees and we have found that immensely effective, engaging with the local and regional media, which helps us, if you like, to have a multiplier effect on the visit and its recognition. That is one thing. The other thing I think the Committee is aware of is there is a pilot going on for outreach of Parliament to enhance our contact outside Westminster. Our committee teams have been in touch with the official doing that pilot, because we can see a benefit of connecting with organisations outside Westminster when select committees go on a visit so that we bring more awareness of what they are doing.

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Dr Starkey: I think it is important to distinguish the importance, when select committees are looking at a national issue, of making sure that that inquiry is informed by experience around the country. That is quite different from what we are talking about here, which is scrutiny of regional bodies.

Sir Nicholas Winterton: Could I ask particularly Alan Williams, as Chairman of the Liaison Committee, how do you think that any new regional committee—whether it was a regional select committee, a grand committee, or some form or other of a hybrid committee—might relate to the existing select committee system, (and I put this to you particularly) would the chairman of this committee or these committees automatically sit on the Liaison Committee and add to what is already a very substantial committee and how would clashing inquiries in this situation be avoided?

Q118 Chairman: Can I ask a supplementary, Alan? Could you give your view on, not only the point that Nick has asked about, all nine being on the Liaison Committee, but also what would you think of the model of having one of the regional committee chairs being on the Liaison Committee, having been chosen by the group of nine, or doing it on a rota? You have got the choice: all of them, none of them, or one chosen by them?

Mr Williams: You have cheated, again, Nick. I was going to put this question to you and say: you tell us what you are planning? I was going to ask you on the Liaison Committee. I have to tell you, and as committee members you will well understand this predicament, 31 people is a lot on the Committee already. An infusion of another nine would make it more like a general meeting. We are 31 current members. We certainly would not welcome the entirety of nine new select committees. It would also present you with problems about: can they travel and this sort of thing? I did not realise you had looked at this possibility. One of the things I jotted in the margin with a question mark is: in the last resort could one, with a rotating membership, be accommodated? It could be accommodated, but that would be the minimalist situation. It would not create insuperable problems, but I am not encouraging it. It is vastly preferable to having all nine represented there. I think the Liaison Committee would become almost inoperable, frankly.

Peter Luff: Can I step back a moment from the question? The question is what form of scrutiny this committee will do. If it is more select committee-like—the writing of reports—then the role of the Chairman is very different and it is more grand committee-like—chairs debates, voting on motions, questioning regional ministers or civil servants. If it is the grand committee model, there is no reason why the Chairman should not come to the Chairmen's Panel and not be represented on the Liaison Committee at all, but if it is going to be more of a select committee model of writing reports, then probably this issue that is being raised now does arise. I favour the grand committee model; I think the Chairman should come to the Chairmen's Panel.

Q119 Sir Nicholas Winterton: How would this committee or these new committees relate to the existing select committees, which was the second part of my question?

Mr Williams: It really depends which format you are going for. The select committees, obviously, will clash, they are bound to clash, and there will be clashes regularly, as I said at the outset, on access to witnesses, obtaining data, getting immediacy of opportunity to deal with issues. In addition to the policy statement, if there are incidents, like the massive flooding across the country in the last year; you would have a whole series of committees all wanting the same witnesses at the same time. We regard that the scrutiny committees are made clear at the outset as the least desirable and least operable system.

Q120 Simon Hughes: Can I pursue Alan's point. If you had really strict rules, Alan, which said that the regional select committees could only quiz regional bodies, they could not call national government departments, they could not quiz ministers—say it was a flooding issue—they could only quiz those agencies which were relevant for delivering relevant services in that region, would that not give a division that would be manageable?

Mr Williams: That would certainly make life massively easier, quite inevitably, and it also might preclude the question of membership of the Liaison Committee.

Dr Starkey: They would have to be able to question the regional minister.

Q121 Simon Hughes: Yes, of course, with that exception?

Dr Starkey: But not the others.

Q122 Mrs May: Can I follow up on that specifically. I think there is a danger in the debate we have about regional accountability that we do get all sorts of aspects of regional accountability confused, and both Alan and Phyllis have helpfully, I think, focused this Committee's mind by saying that it is about parliamentary scrutiny of regional bodies. There is actually a minimalist approach, it seems to me, to this. Phyllis has made the point that the CLG Committee already has responsibility for looking at regional policy, and the minimalist approach would be to say to the CLG Committee that they should also look at the RDAs and have a specific responsibility for scrutinising the regional development agencies, that the Health Select Committee should have a specific responsibility for scrutinising the strategic health authorities but actually we fit the parliamentary scrutiny of regional bodies into the existing select committee structure. That was slightly, I think, what Nick was getting at in the first part of his question. I wonder what the reaction to that would be?

Mr Williams: Before you answer, can I apologise. I am due to Chair the Public Accounts Committee at 10.30 in Room 7, at the far end of the building. I do

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not mean any insult to my colleagues, but I am afraid, with your permission, Chairman, I would like to leave at this point.

Q123 Chairman: Thank you, Alan, very much for coming. Now Phyllis can let rip!

Dr Starkey: I think it is a difference between generic issues and specific issues, and actually RDAs are the responsibility of Peter's Committee because they are answerable to the department that his Committee monitors. The generic policy on regional matters should remain with whichever of the existing select committees is responsible for that generic policy, because that is the link to the government department that is responsible for those bodies. What the regional committees would do is specific to their region. To use an example, and I am just plucking this out of the air, so this does not suggest I know anything untoward about the south-east RDA, if there were an issue within the south-east about the operation in some aspect of the South East RDA, that would seem to me to be an issue that the regional committee would focus on with their much greater knowledge, and Peter's Committee would only be interested if it seemed to be throwing up issues which were relevant to other RDAs, and then I am sure it could be accommodated between committees. The fact of the matter is that there is already potential overlap between committees and there are already issues which move up the political agenda and suddenly interest lots of committees. At the moment there are about four different inquiries going on in relation to migration. We are looking at the community cohesion aspect; the Treasury Select Committee is looking at the issue of the ONS and how it counts migrant numbers in different areas; there is a joint House of Lords/Commons committee looking at economic aspects of migration and Home Affairs Committee is also doing one about the points based migration system.

Peter Luff: And we have done it on economic issues.

Dr Starkey: Exactly. There is a potential for overlap, and the way in which we have tried to avoid that is so that we all know we are doing these inquiries, and we have made it clear to witnesses, because there are some witnesses who have given evidence to several different committees, the clerks of the committees will share papers where they are required to and, when we come to the writing of the reports, the clerks will also liaise so that we are not tripping over each other but we are also not allowing holes to occur between the committees. I think that with goodwill exactly the same thing could happen. In my hypothetical example, I would have thought that Peter's Committee would probably be content to wait until a South East regional committee had scrutinised the South East RDA and then would retain its right thereafter to follow it up if there appeared to be wider national issues.

Peter Luff: Chairman, I have already made it clear at the beginning, I am giving this evidence within the constraint of a regional agenda I do not actually support. The other issue is the Government has said it wants Parliamentary scrutiny, so I am also operating within that framework too. I think, if I am

honest, the model I would really prefer is for this scrutiny to be done by local authorities at local level, of the RDAs, of the health body. That is probably my preference. That would simplify all this and we would stay at policy level for the region, but that is not what the Government's agenda is. The Government says, and it has a right to say this, it wants parliamentary accountability, so I am operating within that framework. My Committee could not possibly scrutinise each individual RDA, it would be a mammoth undertaking, and nor should we. Three of us come from the West Midlands, we could do Advantage West Midlands rather well, but the other members of the Committee would not be interested in what Advantage West Midlands was doing, so I do not think we can do that.

Q124 Mrs May: This Committee's role is not to deliver whatever the Government wants, it is to deliver whatever we believe the House wants and needs?

Peter Luff: My preferred model was to make these bodies more accountable to local government. That is how I prefer it.

Q125 Mrs May: There are two ways of looking at this, it seems to me. The RDAs, when they gave evidence to us, made it absolutely clear they are there to deliver government policy, so there is an issue about: are they effectively delivering the policy that they are being required to deliver? There is that aspect of parliamentary scrutiny. There is then an issue on accountability: are the decisions they are making right for their region? In that sense it is not just MPs who have an interest, it is actually local authorities and others who have an interest as well. We may be in danger of trying to marry those in a structure; whereas actually it may be better to have two different structures. Peter is nodding.

Dr Starkey: My feeling is that we should have a single structure.

Q126 John Hemming: One of the great difficulties is working out what parliamentary regional accountability is: because we have the weird beast of a regional minister who has no power but is supposed to be accountable for something—maybe they are a regional fixer and we should ask them how well they fix things—and then we have things like the Regional Spatial Strategy, which is actually a very important regional policy but actually is a creature of the Regional Assembly, and then we have the regional bodies themselves, the RDAs, the Arts Council, which have a very strange pattern of accountability. The real question is: if we put aside the issue for the moment of either the regional committee or of the regional grand committee, what other procedures, be they adjournment type debates in Westminster Hall, or questions of the poor old regional minister without power, could be used to introduce parliamentary accountability of regional bodies?

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Dr Starkey: I do not think that adjournment debates or Q and A sessions in Westminster Hall would be an adequate substitute for a committee, in whatever format, where you can actually have a prolonged period of scrutiny and where the balance of power between MPs and the minister or the witnesses is different and more to the advantage of MPs.

Peter Luff: For me the crucial need is actually to make the regional minister more accountable than he or she is at present. There is a real failure there. I want to be able to question him in public very much indeed. The rest of the agenda I am relaxed to leave to local authorities.

Q127 John Hemming: The interesting question is a question mark: him on what?

Peter Luff: Exactly.

Q128 Chairman: What do you want to ask the regional minister?

Peter Luff: What it is he does!

Q129 Chairman: For example?

Dr Starkey: He or she is the person responsible within the government structure for—

Q130 Simon Hughes: PR.

Dr Starkey:—joining up government policy at a regional level or ensuring that joining up occurs and, therefore, what they should be held accountable for by regional MPs is whether that joining up is occurring or not. They may not have power—one could argue whether any ministers have power but they certainly have influence and they certainly are, in my view, the person within government that should be held to account for whether there is a joining up at a ministerial level.

Q131 Simon Hughes: They do not have civil servants who are responsible to them in that way and they make their own time to do it. It is literally an opportunity that they might take, but their power to deliver even that would be difficult. I am not criticising whether there might be a role for that, but it seems to me at the moment it is an icing-on-a-cake job?

Dr Starkey: They are not responsible for delivery, no, but they are responsible for ensuring that there is proper co-ordination across departments so that regional policies are taken forward.

Q132 Simon Hughes: Do they have civil servants to help them do that?

Dr Starkey: I am not sure you actually need civil servants to co-ordinate—

Peter Luff: My answer to Mr Hemming about what he does is what I want to know. Either they are very important, these people, in helping deliver government services, in which case they must be held accountable to Members of Parliament, or they are just, I use the word, PR. I have had no reply to a

letter I wrote to mine four months ago. I cannot get anything. I do not understand the role. We need to define the role of these regional ministers and we need to find out how they should be accountable and to whom.

Q133 John Hemming: That brings in the alternative route of questioning on things they are not making decisions on. It is futile really. One of the things that was said to us by some of the regional bodies of the Health Authority is they would quite like a regional parliamentary body to sign off, effectively, the regional strategy so that before the regional strategy goes towards implementation, it has been looked at at a political level, but what other ways can we do it using Parliament? Obviously the regional LGA has a role, potentially, separately, which is perhaps Peter's point that the regional LGA can operate a regional scrutiny process at local government level, but what other ways are there of doing that. I think the answer from you is none. There are not any.

Dr Starkey: Which body are you suggesting can scrutinise?

Q134 John Hemming: You have a situation at the moment where the Regional Spatial Strategy is actually a creature. It is controlled by the Regional Assembly. So, if you abolish that, it is going to have to end up with the regional LGA, or where else is it going to go?

Dr Starkey: No, it goes to the RDA.

Q135 John Hemming: It goes to the RDA.

Dr Starkey: That is the proposal, that it goes to the RDA.

Q136 John Hemming: Who scrutinises that then?

Dr Starkey: But the local authority input will come before that. It is from the local authority input that the RDA then will set the Regional Spatial Strategy, just as at the moment it is the Regional Assembly which does it after input from the local authorities.

Peter Luff: The Regional Spatial Strategy probably provides the sharpest illustration of how difficult this challenge is to grapple with. Phyllis has given the theoretical example of how regional spatial strategies work. In practice they are being dictated by government, because the original spatial strategy has been developed by our region and has been rejected by the Government and the Government has said we must have greater numbers. That may be a legitimate thing for the Government to say, but there is no-one actually holding the Government to account for that decision. So, this is an argument for parliamentary scrutiny of the Government's involvement in regional policy.

Dr Starkey: Hang on. That is a misunderstanding of the way the planning process works and has always worked. The planning process works by a process of iteration, where one layer of government will put forward a suggestion, it is then acted upon by another layer and then it all goes back and comes round again, including public consultation. The

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Regional Spatial Strategy reflects a number of different issues, one of which is housing, for example. It is perfectly proper and reasonable that at a national level governments should have a view about the total number of housing and then feed it down.

Peter Luff: I do not recognise this description of the process, but I think it illustrates the problem. There is a parliamentary dimension to scrutiny in the Regional Spatial Strategy because the Government has a view. However, I think it is expressed in a draconian fashion, Phyllis has a different view, but there is an issue here about holding the Government to account for regional policy.

Q137 Sir Nicholas Winterton: On this very matter of regional responsibility and regional ministers and whatever form of committee might be set up, how would you respond to views expressed to us by Sir George Young, who says that the regional ministers, whichever committee it is, whom they might hold to account are not, in many cases, the budget holders for the projects that are being funded, nor will the policies under scrutiny necessarily come from their own departments. So, really, what is the relevance? How would Phyllis Starkey and Peter Luff, as chairmen of important select committees, respond to that opinion expressed by a senior Member of this House?

Dr Starkey: I am trying to think of examples where we have questioned ministers who are not the budget holders. This may not be a terribly good example, but it is the one that comes to mind at the moment. In our inquiry on waste collection the budget holders are local authorities, but we were questioning Defra ministers because they are responsible for overall national waste policy, although they do not have any responsibility for waste collection, and DCLG ministers because they have responsibility for oversight of local governance, and there may be other examples. So, you are not always questioning a minister because they are the budget holder; you are questioning them because they are the holder of the policy, if I can put it that way; I am not sure that Sir George Young's point was a particularly pertinent one.

Q138 Sir Nicholas Winterton: He used both, the budget holding and also the policies within the department that that regional minister might be in?

Dr Starkey: Yes, but that is imposing a model which may be relevant, where you have a very clear link between budget and policy being held by the same minister, to a regional minister, where the issue, as I have said, is about joining things up. It is not about the holding of the individual budget.

Peter Luff: My particular regional minister I happen to hold in high regard personally (he is a very intelligent and a very charming man; I like him a lot), but I do not see how he can do the job, and that is why I want to ask this question. I think Nick is on to something very important here. He is an immigration minister, which is one of the busiest

jobs in government, he has been given an extra ministerial job in the last reshuffle in the Treasury relating to Revenue and Customs, he has got a busy constituency as well, with no machinery to support him beneath. I do not understand the role of regional ministers, and I think Parliament needs to understand more clearly what it is they are actually delivering for our constituents.

Mr Shepherd: The more I listen to this, the more it sounds like a dog's breakfast. It is incoherent. We did not formulate the policy, this has come from somewhere else, and we do not know what it amounts to, and this very real point: what is a regional minister? Where does it fit into this pattern? Has the Liaison Committee not suggested amongst itself that it needs a better worked out formula from the Government about what it wants to achieve than this breakfast that we do not know?

Chairman: Richard, we have got a regional minister coming to give evidence, hopefully, to answer some of those questions.

Mr Shepherd: We met a regional minister in our very first session, which you were a member of the interviewees, if you remember, Mr Brown from the North East.

Q139 Chairman: That was about scrutiny of the draft legislative programme in relation to the question about regional accountability of regional ministers. We are going to be questioning Ben Bradshaw on precisely that point, but I do not want to cut you off if you want to answer that point about how you would be considering that.

Dr Starkey: The Chairman of the Liaison Committee has gone, but the short answer is the Liaison Committee has not, and I think, given that we are responsible for scrutinising regional policy, we might be a bit wary about the Liaison Committee trampling all over our remit.

Mr Wilson: The Chairman did write to the Chairman of this Committee saying that there needed to be clarity about what regional ministers were. That letter is on record. That was the view of the Liaison Committee.¹

Q140 Simon Hughes: Can I come back to one question that has bubbled around regional ministers. Take two examples, take the Strategic Health Authority and the Regional Committee of the Arts Council, just by way of example. Could Phyllis and Peter tell us which they think would be most effectively held to account?

Peter Luff: The first one?

Q141 Simon Hughes: The Strategic Health Authority—I am choosing two different species of regional body—and the Regional Committee of the Arts Council. Would they be more effectively held to account and be able to be influenced and really, as it were, scrutinised effectively by MPs from that

¹ Letter to the Leader of the House of Commons (not printed).

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region, reflecting the region, or by a grand committee of all the MPs meeting quarterly or three times a year? Which do you think, in the end, would deliver the better answers for the public about how they exercise their functions and better accountability to elected representatives?

Peter Luff: There is a difficulty here, because when we go as members of a region to one of these bodies we go as constituency MPs too, and I am worried about the extent to which we would actually end up arguing with each other about our patch getting a fair share of the resource, whether it is the Arts Council or Strategic Health Authority. It may just become a Dutch auction in trying to out bid each other and claim one's own area rather than a scrutiny job. There is a danger there, I think. I am not sure I can answer your question. I need to think about that.

Q142 Simon Hughes: It is no good us having a structure at all if it is not actually going to deliver something. We have lovely talking shops, but that is much more about going out and doing Parliament in the regions better, which is a separate issue.

Dr Starkey: I think any of those structures could be made to give effective scrutiny. The key is, whatever model is set up, for it to be very clear what its purpose is and then the detail of that structure to reinforce that purpose. I can see that there might be a difficulty with the grand committee model if it did degenerate into every MP in the region saying, "It is my bit that needs more money", but if it is chaired properly and the ground rules are made clear, then I see no reason why a grand committee should not

achieve effective scrutiny, or a hybrid committee, but the ground rules need to be made very clear at the outset.

Q143 John Hemming: I wanted to come back on the RSS issue, because it is quite an indefinable problem. The Regional Spatial Strategy, everyone knows, is a really big problem because the numbers do not add up for the houses across the country and it is a big issue locally. How do we best achieve parliamentary scrutiny about it?

Peter Luff: There is a question as to whether we should. The point I made is that the Government has a view on the Regional Spatial Strategy and that view should probably be subject to parliamentary scrutiny, but the impact of the RSS on individual local authority areas in the region is probably more a matter for local authorities to be worried about. That is probably something that needs to be scrutinised by them.

Chairman: Thank you very much indeed for your thoughtful and obviously expert responses. I think that what is clearly at issue is not just what the democratic deficit might be and a desire for extra accountability, but what the different problems are of different models. I appreciate you have been answering in relation to a number of different models which are floating out there and, obviously, we will need to draw this all to a conclusion and report back, but I think everybody on the Committee is very well aware of the importance of not undermining the very important scrutiny that goes on from select committees and, indeed, the work of the Liaison Committee as a body. Please rest assured on that point, and thank you very much indeed for your evidence.

Wednesday 5 March 2008

Members present:

Ms Harriet Harman, in the Chair

Chris Bryant
John Hemming
Mrs Theresa May

Sir Peter Soulsby
Sir Nicholas Winterton

Witnesses: Rt Hon Hazel Blears MP, Secretary of State for Communities and Local Government, Mr Ben Bradshaw MP, Regional Minister for the South West and Ms Trudi Elliott, Regional Director, Government OYce for the West Midlands, gave evidence.

Chairman: Welcome to our final evidence session of our important inquiry into regional accountability. I am very grateful to you, Trudi and to Hazel and Ben for coming along this morning to answer our questions about regional accountability. Peter is going to kick oV the questioning with a group of three questions.

Q144 Sir Peter Soulsby: The fundamental question first: Is there an accountability gap? Is there something that has been identified by the Government as needing accountability at a regional level? If there is a gap, is it just about RDAs or is there something more than that?

Hazel Blears: Yes, I think there is. If you look at the history of the last few years around activity in the regions you will see that we originally started with regional assemblies, then moving towards the possibility of some elected regional government, and that did not quite come to fruition, as it turned out, and we were left with a fairly significant gap at regional level in terms of accountability, but also scrutiny, and the ability to make what was happening at regional level more visible to the public. That is where these ideas around regional accountability are really important. At every level of government, local, regional and national, there is now more of a demand from the public to be able to see what is going on, who is making decisions, how public money is being spent, and then to see the eVectiveness of that decision-making process. Therefore I do think it is necessary at the regional level to have some structure whereby there is more visible accountability, but also that Parliament can have a clearer role in holding to account the range of regional organisations that are now exercising quite significant decision-making roles in our constitution. I think there is a gap. I think we need to fill the gap. My concern is to fill the gap in the most eVective way, clearly very mindful of resources and making sure that both individuals and Government OYces and the system are not overstretched because the best kind of scrutiny and accountability is where we do some things very well rather than simply trying to spread ourselves too thinly. I think there is a gap. I think organisations like the RDA are absolutely at the centre of this, particularly as they are going to have a significantly increased role in drawing up the integrated regional strategies together with local authorities in the regions. This is a significant shift in the architecture around regional

economic performance, in particular, but I also think there are other bodies in addition to the RDA which it would be useful for select committees to be able to scrutinise. If you think about strategic health authorities, for example, with the best of intentions they are really not the most visible organisations in our regional landscape, so it would be a very good move to have some regional accountability, bearing in mind the need to keep it relatively constrained, focused, targeted, and not too much of a strain on resources.

Q145 Sir Peter Soulsby: It has been suggested, also, that there is a gap in terms of regional scrutiny by regional bodies, by local authorities particularly. Do you think there is a clear dividing run line between the scrutiny role of those local authorities of the regional bodies and what is appropriate for parliamentary scrutiny or is it something that can be done together in the form of some sort of hybrid committee, which is one of the suggestions that has been put to us?

Hazel Blears: I think the role of local authorities has varied from region to region. Some of the regional assemblies that were established really did have a connection with the local authorities in their region and for others perhaps the connection was a bit looser and not as direct. Therefore, the new phase that they want to create under the sub-national review of economic development and regeneration, is to have a more prominent role for local authorities in scrutinising the work of the regional development agencies as they develop the single integrated strategy which will bring together housing and planning and spatial strategies. In the new landscape there will be a more significant role for local authorities to contribute to that policy-making and tougher scrutiny. I do not think that obviates the need for Parliament also to feel satisfied that the range of regional bodies are carrying out their duties. I think we should grasp the opportunity of looking at new ways of working, maybe to bring the local government voice together with the parliamentary voice, possibly to have some local government representatives, maybe not as members of select committees but certainly giving us a view from what is it like on the ground in their region about how well it is working.

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Q146 Chairman: How would local authorities be giving a view of how it is working on the ground which would be different from the region's MPs. Since the MPs are obviously here but they are also on the ground, what is the distinctive role?

Hazel Blears: The local authorities would probably be more focused on particular functions. I am thinking, particularly, around economic development and spatial planning. I think Members of Parliament would be able to give perhaps an overall view, taking, if you like, a corporate view of the way in which the organisations are functioning.

Q147 Chairman: It is where they have a matching delivery role.

Hazel Blears: Are they doing their job? I think MPs would take an overall view of that. I think local authorities would be able to drill into some of the areas they are involved with, whether it is developing the plans for housing, for new jobs, for enterprise. I think the local authority view would help Parliament maybe to follow up scrutiny in perhaps a little bit more of a direct way.

Q148 Mrs May: I may be asking slightly the same question, but what is the fundamental role of Parliament in the scrutiny of regional bodies? Is it to make sure that government policy is being put into place effectively or is it to make sure that what is right for the regions is being done?

Hazel Blears: I do not think it is simply about making sure that government policy is implemented. That is part of it because, clearly, for example, the Government Offices, in carrying out their function are to some extent branches of what we do at the centre for each department and they bring that together. That is part of the role but if the role were only simply to scrutinise whether or not government's written in the regions then I think that would be quite a narrow role and I think there would also be a wider interest for Parliament about what is working on the ground. I would also hope that these different select committees would share some experience, so that if things in a particular region were working extremely well there would then be an opportunity for Parliament to draw on some of that work that is going on, and vice versa, to have more of an overall view. As our constitution develops, as we move towards more devolution—and that is something the Government wants to do, to give more power to the people closest to the people who are making decisions—I think you need a different architecture and a different framework to make sure that you are properly holding those people to account. I do not think it is just simply an arm of government making sure that that delivers; it is also looking at some wider things too.

Q149 Mrs May: Are the people who are closest to the people on the ground not the local authorities? The structure you are talking about is one where a view comes up to this medium and middle rank of regional development agencies and strategic health authorities and so forth.

Hazel Blears: Obviously the local authorities are a very, very important part of holding people to account but I do not think they are the exclusive people in any system who have that role. I do think it is important for Parliament to have a clearer view, a clearer sight of what is happening on the ground. One of the things that perhaps has been missing in the way we organise ourselves is that Parliament exclusively concentrates on national issues, and, as I said in my answer to Peter, I do think there is a gap because we have not over the last few years been able to come up with a system that really does give us some accountability at the local level. The work the Modernisation Committee are doing is an excellent opportunity to try to fill that gap in an efficient and effective way but one that is visible to the public as well—which I think is an important part of your considerations.

Q150 John Hemming: There are always questions over definitions of accountability and scrutiny—perhaps one encompasses the other. Do you think Parliamentary accountability should, in a way, enable people to hire and fire or sack the board from a strategic health authority for instance or are you not talking about accountability that goes that far?

Hazel Blears: I do not think we are talking about accountability that goes that far, if the House decides to adopt regional select committees, to be able to carry out this function. I am not aware that our traditional select committees have that power in Parliament so that would be a complete departure from the way in which we conduct our scrutiny. I do think we have all learned, as I have from my appearances before my own select committee, that the select committee can be an extremely powerful tool in exposing information, in calling people to account. I do not think there is any greater accountability than to come and face people who have the information who are going to put you on the spot, who are going to pursue issues with tenacity and determination, and I have no doubt that regional select committees could do exactly that.

Q151 Chairman: And, indeed, when it comes to this Committee, sheer brilliance!

Hazel Blears: Indeed.

Q152 Sir Peter Soulsby: One of the arguments that has been put to us is that regional select committees might conflict or overlap with departmental select committees in some way. Do you think that is a risk? How would you define the boundaries between the two?

Hazel Blears: Yes, I do think it is a risk, and something which we should all put our minds to quite seriously. If the select committees at a regional level are to be well supported and Members want to be part of them, then clearly they have to have a substantial role. At the same time, we have to avoid completely confusing the accountability lines; for example, if it is a regional health issue, making sure that does not cross the boundaries of responsibility to the Health Select Committee. This is new territory, we are exploring. We will have to be quite

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clear about what we want to do in the first place in terms of the House. I personally am quite concerned to try to make sure, if we do go down the route of regional select committees, that there are clear terms of reference, that that is thought through very carefully about the scrutiny that should be carried out, that there are fairly clear boundaries about what is going to happen—and these are matters for the House, so I do not want to trespass on them, but in terms of numbers of meetings, annual reports—in trying to get some proper structure and a framework that fits with the rest of the select committees. Otherwise—and I know you have heard evidence from certainly the chair of my select committee in one of your previous evidence sessions—there will be a danger of confusion and I think that would be the worst place for us to be. There is an absolutely real role for regional scrutiny here and I welcome it enormously. In terms of what it does and, I have to say, the pressures it places on resources, not just in monetary terms—and Trudi may well say a word about Government OYce resources—but also in terms of Members of Parliament, ministers and having to get on with the job as well as doing eVective scrutiny, it is going to be careful balance, I think.

Q153 Sir Nicholas Winterton: My questions are directed at Trudi Elliott and Ben Bradshaw. While I come from the North West, I say to Trudi Elliott, I lived in the West Midlands for very many years and worked there as well, and I was born there. Perhaps I could ask Trudi Elliott, the first question, and then come on to Ben Bradshaw. How is the work of Government OYces for the regions currently scrutinised? Do you believe that in fact local authorities, down to district and borough, should have increasing contact with the regional oYces?—because this of course gives them an input to central government.

Ms Elliott: I think accountability is two ways. As you know, we are the branch oYce of 11 government departments, so we have direct lines of accountability up to each of those departments for their particular policy delivery and, therefore, through to ministers and, also, as a collective, to the CLG Select Committee which is our parent department. That is how there is accountability. There is not visible accountability in the region, but then we have government in the region. I think you are absolutely right that local authorities need to have an increasing relationship with local Government OYces, and that is happening. It is happening for two reasons: first, because, increasingly, with cross-cutting delivery, both at local level and nationally with PSAs, we none of us can work without doing it in partnership, but, also, through the local area agreement process, the leadership that local authorities are showing within local strategic partnerships, and the work we are doing with them in relation to negotiating those local area agreements, we think one of our most valuable roles is a channel up to our parent departments in terms of how policy is panning out on the ground—what is working, what is not

working, how it shapes up in a diVerent localities—because, even within the same region, policy pans out in diVerent ways in diVerent localities. We think we have a very constructive relationship with local authorities. That is one of the reasons, as well, that the new local authority role in the sub-national review, their critical role in helping develop the new integrated regional strategy, is another reason why parliamentary scrutiny will be beneficial because they will be intrinsically partners with and very influential in the shape of the new integrated regional strategies under the sub-national review.

Q154 Sir Nicholas Winterton: Do you think it is important that local authorities can go direct to the government regional oYces rather than through the regional development agency, and that really the regional development agency should be more involved in strategic planning, strategic thinking, but that local authorities feel they have a real input to government and can make their influence felt, and their needs understood, by going direct to the regional government oYces, which of course, as you have said, report directly back to the departments of state here in London?

Ms Elliott: There is no question in my mind: local government feels absolutely that they have the right to go—and do regularly, on a daily basis—to Government OYces.

Q155 Sir Nicholas Winterton: You are not trying to cut that out?

Ms Elliott: No.

Q156 Sir Nicholas Winterton: Thank you. Ben, you are the Regional Minister for the South West, where I shall be spending a very important birthday at the end of this month. Bearing in mind that many of the matters with which you will become involved do not include the department in which you are a minister and you have no control over because you do not control the budget, how do you believe you can be scrutinised and eVectively do your job as Regional Minister for the South West?

Mr Bradshaw: First of all, let me thank you Sir Nicholas for what I know is your regular support of the tourism industry in the South West and we look forward to receiving you for your birthday. This will vary from region to region, depending partly on what the main ministerial role of that minister is in his or her main department and the nature of the region itself. I will really just speak for myself, if I may. For example, in the few months that I have been doing this job, some of the big issues that aVect the South West—the floods that we had back last summer, the performance of First Great Western, the decision over the Stonehenge tunnel—are the sorts of things where I think regional ministers can make a diVerence by bringing ministers and other departments together to help thrash out problems and bring the organisations, local authorities and the RDA from the regions together too to help do that. The basic job spec, if you like, was written down in *The Governance of Britain* Green Paper back in the summer, which said, to paraphrase it,

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that we were to be advocates of the region in government and advocates of the government in the regions, but I think that will depend on how it works on the ground from region to region and it will also depend on the constraints that we are under in terms of our main ministerial responsibilities.

Q157 Sir Nicholas Winterton: Do you feel that as a regional minister you must transcend party politics? It could well be that the Exeter City Council, or the Somerset County Council or the Devon County Council or the Cornwall County Council would wish to have a minister from a particular department down to discuss a critical issue. Would you facilitate a visit by a minister to an area, irrespective of the political complexion of that local authority or area?

Mr Bradshaw: Yes. I would like to think that I have always enjoyed good relations in my region with fellow MPs, in my own county, for example, from all political parties, and we have come together to campaign as constituency MPs on that. Certainly if there were a major issue affecting the region or a major issue in a local area where a local Member of Parliament felt that I might be able to facilitate a visit or a meeting, first of all, I would be quite surprised if the relevant minister were not prepared to meet a Member or groups of MPs anyway, but, certainly, if they were finding that was problematic I would be happy to nudge things along.

Q158 Sir Nicholas Winterton: The final question from me is really to Trudi and if the Secretary of State wants to come in she can. What particular relationship should Government OYces have with any new regional committees in this House? It might be a select committee, it might be a hybrid committee, it might be a grand committee—let us not, as it were, pre-empt what this particular select committee may recommend. What sort of relationship should Government OYces have with the committees in this House?

Ms Elliott: We think the likely role for us is the production of evidence to present to that committee and to support regional ministers when they are appearing before that committee.

Hazel Blears: It always best for ministers, if you have the right answer, not to seek to embroider. I am entirely content with that.

Sir Nicholas Winterton: That is an amazing answer from you! Thank you.

Q159 John Hemming: I would like to come back to Ben as the Regional Minister. Are there any regional bodies that are accountable or are there any staff specifically working for you as regional minister who would not be working for you otherwise?

Mr Bradshaw: Yes. Most, if not all, ministers have some sort of support. I think it is mainly in their private offices. I have a civil servant who works in my private office in the Department of Health whose full-time job is to manage the regional role that I have. When these rules were established, it was very much “Let’s suck it and see” in relation to how much support we needed. I have found that has worked pretty well. We have managed to do the job with that

level of support. We can also, of course, call on support from the Government OYces. Most of my visits are coordinated and organised through the Government OYces and if we need information on a particular issue then they are helping us out with that.

Q160 John Hemming: Would you say there are any regional bodies that are accountable to you?

Mr Bradshaw: One of the proposals in the Green Paper was for us to be consulted over appointments to RDA boards. I have certainly detected a sudden interest on the part of the RDA in me and my activities and what I might be interested in doing. I have to say that what has been quite helpful and interesting is that for the first time the Government OYces having regular contact with a particular minister who is working across different policy areas in their region. In a way, I am in a position where I might pick up something where I can make a difference where government departments are not working in a joined-up way, which perhaps would not have come to light as soon as it does now that you have that person in that role who can have a broad oversight. I notice that there are government bodies, in anticipation of the setting up of these committees at the regional level, who are suddenly realising, “We may be about to come under some more regional scrutiny,” and I do not think that is a bad thing.

Q161 John Hemming: *The Governance of Britain* says that the regional ministers will be able to take questions in Parliament on the work of regional bodies and regional strategies. Do you think that is a good idea?

Mr Bradshaw: Yes, I do. Going back to something Hazel said earlier, I think the House will come to a view about the balance here, as to whether it should be the strategic health authority or the RDA answering for what they do or government ministers. I think, probably, the former, if you are talking about those sorts of regional bodies.

Q162 John Hemming: That would be in a committee though. Question Time in the House has to be a minister.

Mr Bradshaw: Clearly, a general Question Time about the impact of government policies on a particular region or the operation of different government departments in a particular region and whether they are joined-up, or on major issues that affect that particular region, it may be appropriate to call the regional minister. It may be more appropriate, in some instances, to call the departmental minister if it is a particular issue that is more relevant to that department than it is to the role of the regional minister.

Q163 John Hemming: Given the three potential models for a regional committee: the hybrid, the select committee or the grand committee, what relationship should a regional minister have with those? Would it differ in the nature of the committee?

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Mr Bradshaw: That is very much for the House to decide. One of the interesting things here is that you have a blank sheet of paper, more or less. We have had some interesting discussions about the various merits of a select committee versus a grand committee versus a hybrid model. I do not think it is really for me to suggest to you—the Government will make a formal response itself to your inquiry when I think the Government's view will be made clearer, but that has not been decided yet—but I think there are arguments in favour of each model—which are very well outlined in the memorandum your Clerk has provided.¹

Q164 Chairman: If we were to have regional select committees with a permanent chair rather than a grand committee with a chair from the Speaker's Panel which rotates, how would you see the role of the regional minister and the chair of that region's select committee?

Mr Bradshaw: Obviously that relationship would be more like the relationship that exists already between departmental select committees and the relevant ministers. It would be up to the select committee itself to decide, within the remit laid down in the standing order, as to what it wanted to have an inquiry or do a report on and who best to call before it. I would simply appeal to the Modernisation Committee to bear in mind not only the existing pressures that there are on Members of Parliament in terms of their time and the ability to sit on select committees but, also, on our government ministers who are not only regional ministers but also quite busy ministers in terms of their own portfolios.

Q165 Sir Nicholas Winterton: I deduce from what you have just said that you might have some reservation about establishing nine separate regional committees and that you might favour a little bit more a grand committee.

Ms Elliott: The traditional select committee model, with no limits to what it could do, would be very difficult for the House's capacity to service but it would also, to be perfectly honest, be quite difficult potentially for ministers and regional ministers. That is why, if you go for a select committee model, I think you would need to think very carefully about the sorts of things you would put in the standing orders, in terms of how regularly it would meet, its resources, its ability to travel, its membership and what its role was. Otherwise I think you would be presenting some quite serious capacity issues not just to the Executive but also to yourselves and your fellow MPs.

Q166 Sir Nicholas Winterton: Secretary of State, would you care to answer the same question?

Hazel Blears: I absolutely accept that this is a matter for the House to decide. If we were to have select committees, there is an established way of working, and therefore it would not mean creating a whole new set of completely novel arrangements. That is

probably a point in favour of a select committee model, because we are used to scrutiny, we are used to inquiries, but I absolutely support what Ben has said, that if we are going to do that, as I said originally in my first answer, it has to be focused, constrained, targeted and not confused in the lines of accountability with departments—which I think is important. If we were to have a grand committee, I think there are some things in favour of that, but other people feel that that might not have the kind of bite that a select committee would have. Would that just be a general discussion? Is that sufficient to fill the accountability gap that we have already identified? I do not think it is beyond Parliament to be innovative and to have some kind of hybrid that is a select committee with constraints. That might well be the right way forward. The other point I would make—and this is a personal view really—is that in the way in which that committee conducts its inquiries I would very much like to see it do some things which are different from the way in which we normally do our business in Parliament. That is perhaps to meet in the regions, to have a different sense of going out. The very first point I made was about visibility for the public. I do think there is a real opportunity here, as well as visibility for Parliament, to surface issues which are going on in the region and, also, for the public to have a sense that its parliamentary representatives are very concerned about the power that is held in the regions and making sure that that power is properly scrutinised and accountable.

Q167 Chris Bryant: As a Welsh MP, I merely reflect that we have a Welsh Grand Committee and a Welsh Affairs Committee and a Welsh Assembly; thank goodness we have unitary authorities, even if John Redwood put them together in a very foolish way! Maybe there is an element about improving the accountability of English politics. I wonder whether you think that is a significant part of what we might be doing here.

Hazel Blears: Certainly there is a need, as I have just said, to be more visible for the public. We do now have a range of different kinds of architecture for both Scotland and Wales and there is always ongoing political debate about how much regional identity people have in different parts of the country. Some people say the North East has a great regional identity; perhaps the East Midlands has less of a regional identity. Nevertheless, there are organisations, whether it is strategic health authorities, regional development agencies, who are out there exercising significant power in all the regions of England, and therefore I think it is right that this Committee and Parliament are considering how there can be greater accountability for what goes on in England, particularly now that we have pretty good mechanisms, both Scotland and Wales, in terms of the structure that is there.

Q168 Chris Bryant: Could I tease out with you whether one model or other is more Unionist. For instance, a select committee, which draws its membership from across the whole of Parliament

¹ M38 Ev 95

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potentially, not just necessarily Members from the region itself—as, for instance, the Northern Ireland Committee has always had to do and, likewise, the Welsh Affairs Committee and sometimes the Scottish Committee too—and is based on the political proportions of Parliament, is a pretty Unionist concept it seems to me. It says, “This is about the accountability to the whole of Parliament” and does not divide up into the nations and the regions and so on. A regional grand committee, however, is basically the collection of all those Members of Parliament from that region. I wonder whether you would like to comment.

Hazel Blears: As I said before, we have an established system of select committees. That is accepted and embedded as part of our constitution, and it does reflect the balance of Parliament as a whole. Having said that, I can see why the Committee are looking at hybrid solutions because I do think it is important that the people scrutinising have a connection to the region. I think it would be quite difficult to have people from the other end of the country scrutinising things that happen in a particular region. From my perspective in Communities and Local Government, I would like to see whatever comes out of this debate enhancing accountability at local level, regional level, national level, across our constitution and, therefore, I think it is quite important that the people doing this work are the people who have a relationship with that region, who have a relationship with the local authorities, as Sir Nicholas has talked about as well. Getting that joined-up view is quite important, so I would have something that reflects the political balance in Parliament as a whole. But I would very much like to see us maximising the knowledge that those regional Members of Parliament have, because you can get a lot harder scrutiny from Members based in the region who know whether somebody is giving an accurate reflection of reality out there.

Mr Bradshaw: In your Clerk’s excellent memorandum I think there was the possibility highlighted of the difficulty of creating that proportionality in one or two regions and the South West was mentioned. I do not think that is the case in the South West—and I have done my arithmetic. It would be possible to have a select committee model in the South West with the normal government majority. There would be a problem in the North East, where I think there is only one Liberal Democrat and one Conservative MP, but, again, those are matters which your Committee can consider.

Q169 Chairman: What do you think about having different models in different regions? I suppose, theoretically, you could have hybridity in the North East, in terms of participation in local government, or do you think that would create confusion? Do you think we have to have the same model in every region?

Hazel Blears: I think we should try to aim for having the same model in every region. I am a bit concerned about the fact that we were going to have regional committees, select committees, different lines of

accountability, and if we then went to a third step and had different models in different places the dangers of fragmentation are really quite high. The one exception I think is London, because there are different arrangements in London; for example, the London Development Agency is responsible to the Mayor and not to ministers, so there is a difference there. I do think that people in London still want some regional scrutiny beyond what happens with the GLA but I think that is probably the only exception that I would see where perhaps we do need different models. Otherwise I would have a real fear of fragmentation. If the Government Office in each region is going to get together the evidence and provide backup and support for this, we have to have a little bit of consistency across everything.

Q170 Chris Bryant: I have one further question, in honour of a member who is not here, which I know he would ask, and it is about city regions. Some people would argue that the regions we have are not the real identities. The same could be said in Wales, where many people in Wales do not particularly identify with Cardiff; they would identify more with the North West of England. I wonder whether you would comment on that.

Hazel Blears: Increasingly that will be the case. Through the sub-national review, we have taken quite an innovative approach and said, “We are not going to dictate the structure you should have.” We have said to local authorities, “You come together at a sub-regional level, you find out which is the right footprint in economic terms for your area”—which very often is completely different from administrative boundaries, and Sir Nicholas will know this very well—and, therefore, together, you come forward to us—with proposals for what we are calling a “multiple area agreement”, for example. “What kind of freedoms and flexibility do you want for that sub-regional area, around transport, housing, planning, skills, to really drive your area forward?” Then we want to look at, in the future: Is there a case for some statutory establishment once we have got the really good working arrangements? It may well be that different sub-regions will want to go along that path. We have 13 areas already which want to take up those opportunities, but I do not think we can dictate to those local authorities artificial boundaries within which they will operate because we will not achieve what we want. But, again, that will be a bit more complexity in the system because those sub-regions will have a very clear relationship with the Government Office and with the other regional bodies that are already out there.

Q171 Chris Bryant: Is there a need, therefore, for us to wait until that has finished or will that be unnecessary?

Hazel Blears: That is a developing scenario. We have 13 areas, they will go at different rates—some are already well advanced with government’s agreements; some are less well advanced. Obviously

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the work of this Committee is hugely important to scrutinise the existing regional organisations that are out there, let alone any more that might come along.

Q172 Sir Nicholas Winterton: Do you think that a hybrid committee, perhaps not dissimilar to a grand committee, might provide the most exciting developments, in so far as it could meet in the regions and it could involve local authorities? You could extend it beyond local authorities but then I think it would get unmanageable. You yourself have referred to hybrid committees. Do you think this might be the most radical and exciting way of proceeding? Rather than, as it were, basing it on the standard select committee that we have here, which basically represents the strength of the parties in the House, or the grand committee, which of course again can involve everybody from that region, do you think that a hybrid committee might provide the most exciting development?

Hazel Blears: As you know, Sir Nicolas, I am always keen to push the frontiers and to do things differently. I think this is an opportunity for the Committee to be creative and to think about trying to make whatever arrangements we put in place meaningful to the public. That is why I would like to see business done in a different way, to be done locally in some cases—it does not have to be exclusively—and that is why I do not think you need

a traditional select committee bound in a very traditional hierarchy or, indeed, a traditional grand committee which has its own make up. You could very well have a select committee based on the current ways in which we do our business, but there is no reason why, in carrying out its functions, it cannot be innovative and really seek to connect with local authorities and with the public in the regions. I have to say, there was once a suggestion from Lord Adonis I think that the House of Lords should move to Salford Quays, which obviously was a very novel suggestion. I am not suggesting that select committees should have a permanent basis in the regions, but I do feel quite strongly about this and getting local authorities to be able to play a role—not necessarily as members of the select committee, but having a genuine input into the work that goes on. I would urge you not to be particularly bound by precedent, but to use this as an opportunity, particularly in light of *The Governance of Britain* Green Paper. The Prime Minister said that we want to have a reinvention of the way we govern in this country, to involve many more people than the traditional people we have done, and I think this is an opportunity to fulfil some of that ambition.

Chairman: On that point, that is a very good point to close all of our sessions of evidence. Thank you very much indeed for your attendance today and your answers to our questions.

Written evidence

North West Development Agency (M11)

The Modernisation Committee has asked for input on a number of specific questions as below:

What models of accountability might work?

The *Governance of Britain* Green Paper and the *Sub National Review* both referred to the proposal to set up regional select committees and the creation of regional ministers. The idea of a regional select committee is welcomed within the region and we believe that its remit should be to look at all issues of public expenditure in the Northwest that impact on its economic development. Therefore it would be potentially concerned about expenditure within the NHS, the Homes and Communities Agency, Environment Agency, LSC, Jobcentre Plus, Network Rail, Highways Agency as well as RDA expenditure.

We believe that the focus should be on strategy and performance issues, not on the progress of individual schemes and should seek to help the region answer the question of whether all appropriate public expenditure is being used as effectively as possible in support of its sustainable economic growth.

We do not have one particular model in mind, however a formal select committee of the house, able to call people to give evidence, would provide the strongest and most effective accountability.

We recognise the difficulty in the select committee only containing regional MPs and also maintaining political balance, although we believe that it should be as a-political as possible. We do not think it ideal to include non members of the house on any committee for the reasons given above. We are concerned that the real regional accountability and debate that should flow from such a select committee should not be abandoned due to difficulties in membership.

Obviously any select committee should seek evidence from the public, private and voluntary/community sector and must add value rather than duplicate existing lines of accountability. But this is, of course, how any other select committee of the House operates in calling Departments to account.

What the role of the House should be in regional accountability?

The House already calls to account Government Departments and Agencies. Most of these organisations deliver services or investment across England and therefore have an impact on the economy and society of the regions. We believe that the role of the House should include examining how these Government organisations have an impact in different regions and whether how they operate in practice meets their stated aims of supporting the needs of each region as well as national policy goals. This specific regional accountability would be the role of any new regionally focussed committee structure.

For example, the House could identify instances where nationally led delivery by a department, however well intentioned, was leading to perverse outcomes or activity in a particular region. The House also has a role to play in helping organisations delivering in a region and working together in a region to learn and improve their joint debate and delivery. Members would have an important expertise and insight to offer into how a range of organisations can best work together for the benefit of their regions and cities and towns within them.

What resources would be needed to make regional accountability work in the House of Commons?

We do not believe that the resources required for such enhanced regional accountability are substantial. We would suggest a practical approach with any "select" committee not meeting more than twice a year. It should expect to receive updates on progress with the implementation of the Regional Strategy from the RDA and could potentially take a thematic approach, with a forward work plan agreed to give people time to prepare high quality inputs to the committee.

November 2007

Yorkshire Forward (M20)

1. Introduction

1.1 Yorkshire Forward is pleased to contribute to this examination into regional accountability and welcomes both its scope and core concerns.

1.2 As a key public sector stakeholder and delivery body within one of the English regions, Yorkshire Forward has a considerable interest in having strong regional accountability arrangements in place. It wishes to ensure that new scrutiny and accountability arrangements for the regions are both effective in their scope and reach, and avoid duplication or overburdening of the regional and local level.

1.3 This submission is complemented by a further joint input from the English RDA Network, which sets out a series of shared principles for regional accountability, but does not comment directly on structures. Instead, it was felt that individual regions may have specific views on this crucial issue that they would like to feedback. It is recognised that these views may therefore be contradictory between the regions. However, given the diversity of the governance arrangements, geography and the economic and social nature of the nine English regions, there is a strong rationale for such differentiation.

2. Yorkshire Forward

2.1 Yorkshire Forward is the Regional Development Agency within Yorkshire and the Humber. Established in 1999, through the Regional Development Agency Act 1998, Yorkshire Forward is currently directly accountable to the elected Minister for Business, Enterprise and Regulatory Reform. It was responsible for the expenditure of £330 million of public money in 2006–07.

2.2 Yorkshire Forward is tasked with five statutory purposes within the Yorkshire and Humber region:

- to further economic development and regeneration;
- to promote business efficiency, investment and competitiveness;
- to promote employment;
- to enhance development and application of skills relevant to employment; and
- to contribute to sustainable development.

2.3 Yorkshire Forward's key concern is supporting and improving the performance of Yorkshire and Humber's £80 billion economy. Its Regional Economic Strategy provides the overarching strategic framework for this goal, through:

- identifying and prioritising actions needed to strengthen the regional economy through providing a robust evidence base;
- concentrating resources behind those solutions; and
- mobilising other regional partners and leveraging in private sector finance to support their solutions.

3. *What models of accountability might work?*

3.1 Yorkshire Forward would suggest that two broad models of parliamentary accountability might be considered suitable for scrutinising the regions, dependent on the objective which Parliament wishes to achieve.

3.2 A Grand Committee for the Regions, modelled on the same principles as older Standing Committees for Scotland and Wales, would be the first option. It would provide a clear and open forum for debating regional issues and an environment in which emerging challenges could be brought forward to the House. The General Committee structure also allows for specific question time and a window for short statements from regional ministers. In terms of representation of elected officials, the General Committee structure has the additional benefit of being open to a far wider audience, with the Committee for Regional Affairs centring on 13 voting members, but open to all English constituency MPs.

3.3 However, Yorkshire Forward would highlight some issues with utilising such a model. Primarily, the level of accountability and scrutiny possible through such a model is potentially more limited than a formal select committee. If Parliament's aim is to hold regional stakeholders and departments to account, there is a concern that such a General Committee may not be either the most structured or effective method of doing so. There would also appear to be an issue around the level and make up of representation involved. Such a General Committee structure would preclude wider membership than MPs and/or Peers in a Joint Committee situation. From an external viewpoint, an all English committee would appear very close to recent calls for England only parliamentary sessions, a hotly debated topic on which Yorkshire Forward would not wish to comment.

3.4 The alternative would be to have 9 separate regional select committees. These would provide a much stronger scrutiny environment on regional issues and allow for better integration of existing scrutiny structures and provision. With the call in powers of a select committee, they could have a greater scope and reach than a General Committee structure, able to scrutinise any public body operating within the English regions.

3.5 Regional select committees might also prove advantageous in the flexibilities open to them. Following the precedent set by the Committee for Standards in Public Life, a regional select committee would be able to call on a wider array of members than the alternatives, including senior local authority officials and elected members and senior NDPB/Departmental officials. Such committees are also able to meet on adjourned days and outside Westminster, allowing for some regional meetings.

3.6 However, Yorkshire Forward believes there will be some challenges involved in pursuing regional select committees. Traditionally, select committees reflect the political make up of the House. However, individual regions may not be so representative, with areas like the North East or East of England differing dramatically. Lack of true regional representation would be a significant barrier to overcome.

3.7 On reflection, Yorkshire Forward feels that the idea of a specific regional select committee for Yorkshire and the Humber would be the preferable option. It would allow for a greater level of oversight across the public sector, with a wide focus on the activity of RDAs, Local Authorities, other NDPBs and Departmental partners and any other public sector partner operating within the region. It would also allow for the option of bringing together local and national elected representatives, reducing the potential for duplication and inefficient scrutiny and strengthening the links between national government and local areas.

4. *What should the role of the House be in regional accountability?*

4.1 Yorkshire Forward supports a strong role for the House on regional accountability. A key issue arising from the recent *Sub-National Review of Economic Development and Regeneration* was the need for improved accountability of regional bodies, both to better ensure the effective utilisation of public money and that Government, its departments and other public agencies were effectively co-ordinating activity and policy to maximise regional and local impact.

4.2 Yorkshire Forward feels that reinforced regional accountability will also provide a route for Parliament to better address regional issues and development. Such scrutiny would also fill, at least in part, the current gap in accountability felt to be faced by the RDAs and other NDPBs in the English regions, a move very much welcomed by Yorkshire Forward.

5. *What resources would be needed to make regional accountability work in the House of Commons?*

5.1 Though Yorkshire Forward is not in a position to directly comment on the above question, it can refer to current arrangements and make suggestions on potential staffing and resource issues.

5.2 At present, Departmental Select Committees have a staff of between three and four, led by a senior clerk. For a regional select committee, such provision would seem excessive. Instead, Yorkshire Forward believes that such committees could share resource, given the cross cutting nature of their enquiry. Whether this meant sharing senior clerks is a difficult issue. It would allow however for more effective and efficient utilisation of personnel within Parliament.

5.3 In terms of time commitment by members, there would seem to be a question of whether individual committees should meet as regularly as other similar bodies. Arguably, regional select committees could be staged around key points in the year, including the annual reporting of agencies like Yorkshire Forward, LSC, Jobcentre Plus, Highways Agency and other public sector bodies in the first quarter of the financial year and the mid year/corporate planning cycle in the third quarter. Given the ability to meet outside of House time (during adjournments), there would also be the potential for activity during recess, better utilising the parliamentary business year.

November 2007

East of England Development Agency (M21)

The East of England Development Agency (EEDA) welcomes the opportunity to respond to the Select Committee on Modernisation of the House of Commons following your request for submissions on Regional Accountability.

The East of England Development Agency (EEDA) is the RDA responsible for delivering sustainable economic growth, development and regeneration in the East of England (Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Norfolk, Suffolk, and the unitary authority areas of Luton, Peterborough, Southend and Thurrock).

EEDA's current budget of £140 million is just over 0.1% of the value of the region's economy. We therefore pursue our purposes by setting and shaping the direction of the region principally through the Regional Economic Strategy (RES); we persuade and influence others to contribute to that RES; and we set out to deliver a small number of interventions with our resources that catalyse that process. Therefore, effective models of regional accountability are central to the outcomes that EEDA, working with our partners, are seeking to achieve. The committee's inquiry is therefore timely and important.

In considering the future model of accountability we felt it would be useful for our submission to cover the following points:

- To provide a summary of the current regional and sub-regional working arrangements within the East of England region.
- To set out current thinking on what future working arrangement might work best in the East of England, and how the region is collaborating (together with our Regional Minister) to progress these.
- To set out recommendations on future accountability arrangements in response to the questions posed by the Committee including the role played by parliament.

In particular, we argue for models of accountability that:

- Facilitate effective formulation and implementation of regional and local strategic frameworks—especially the RES/Regional Spatial Strategy (RSS)/Single Regional Strategy (SRS) and Local Area Agreements (LAA)/Multi Area Agreement (MAAs).
- Are flexible enough to allow significant tailoring within the regions themselves to suit the circumstances of the specific region.
- Recognise the crucial executive role of regional bodies and local authorities in decision-making and implementation of these strategic priorities, as well as the scrutiny role of local authorities and others in holding the RDA and other regional bodies to account.
- Adds value and complements the new emerging roles of Regional Ministers and parliamentary scrutiny of regional performance.

Current Regional “Governance” and Accountability Arrangements

Since the Regional Development Agencies Act of 1998 which established the nine Regional Development Agencies (RDAs) in England, scrutiny of EEDA has been the statutory duty of the East of England Regional Assembly (EERA). Together, EEDA and EERA have developed an approach which is collaborative, which is underpinned by a transparent framework, which is focussed on clear outcomes and which is supportive.

The scrutiny role is overseen by the EERA/EEDA Liaison Panel which meets on a quarterly basis throughout the year. The membership of the Liaison Panel includes representatives of the EEDA Board as well as Regional Assembly members representing a range of political and stakeholder interests (Appendix 1). There is a scrutiny matrix which guides EERA's approach to scrutiny (Appendix 2).

Turning now to the actual implementation of accountability and scrutiny, firstly, like all RDAs, EEDA publishes an Annual Report (which is laid before the House). We present our annual report at an open AGM at which anyone with an interest may raise questions of the Chairman and Chief Executive on EEDA's performance over the preceding year. The Annual Report typically receives many thousands of “hits” on our web-site; is distributed widely to national, regional and sub-regional stakeholders; and the AGM typically attracts an attendance of several hundred participants.

During the year, EEDA holds 11 board meetings. The papers for the boards are published on our web-site in advance, and any representations on those papers are put before the board before a decision is taken. Sometimes these representations have been made in person. The Board meetings are attended by representatives from EERA and GO-East, and although this attendance is in an observer capacity, both GO-East and EERA regularly speak in debates.

The Liaison Panel meetings are supplemented by annual sub-regional accountability meetings which are hosted by each of the nine sub-regional economic partnerships with whom EEDA works closely. There are nine meetings in total held during June and July. These are open meetings led by either the Chair or the Chief Executive of EEDA and they provide a useful opportunity to obtain feedback from individual businesses, local authorities and sub-regional stakeholders on EEDA's past performance and future plans for the region and more specifically the sub-region.

In addition to the regional accountability arrangements with EERA, EEDA also undertakes six monthly reporting to the EEDA Board, which is also shared with Government Office East (GO-East), EERA, BERB and other stakeholders. This report provides information on achievements against the tasking framework and provides a more rounded report of EEDA's activities both at the programme and project level and covers the strategic added value provided by EEDA over the six months. More generally throughout the

year, GO-East takes regular soundings of regional and sub-regional stakeholders on EEDA performance and relationship management, and provides regular feedback to EEDA (and to government) on the results of these soundings.

Whilst the above sections describe accountability arrangements that flow directly from the RDA Act, more recently (and arguably uniquely), the East of England has established a Regional Partnership Group (RPG) to bring together major local and regional decision-makers to plan and manage regional relations with government, to establish regional consensus on priorities, and to allow mutual, collective and relative accountabilities in the implementation of regional strategies to be aired. The RPG comprises the ten LAA partnerships in the region, meeting collectively with EEDA, EERA, and GO-East, and with other senior partners (including business, sustainability and third sectors), and executives of government quangoes operating in the region. The RPG has authorised regional submissions to government in recent years including the East of England RFA proposals, and our recommendations to the SNR. The new Regional Minister has recently assumed the Chairmanship of the RPG, and its future evolution could be critical in future regional governance and accountability arrangements in the region (see below).

EEDA works closely with the region's 54 local authorities, numerous LSPs, and other sub-regional partners for a number of years. We have often mediated sub-regional and local relationships through nine Sub-Regional Economic Partnerships (SREPs), and a similar number of local delivery vehicles (LDVs).

Sub-Regional Economic Partnerships (SREPs)

SREPs are organisations, normally chaired by the private sector, which bring together public, private and third sector representatives to provide a strategy for local development. We work closely with SREPs to understand and support activities to tackle area-specific economic issues.

The partnerships usually include representation from local businesses (and their representative organisations), the third sector, local authorities, higher and further education, the Learning and Skills Council, Jobcentre Plus, Business Link, Chambers of Commerce, and other major employers/major players in the Local Strategic Partnerships (LSPs) of that sub-region.

Although they are organisations autonomous of EEDA (and many pre-date EEDA's establishment), the SREPs help achieve the objectives of the regional economic strategy via the development of sub-regional economic strategies (SREs) and, more directly, support the delivery of EEDA priorities in their sub-region, in line with our corporate plan.

The SREPs are:

- Bedfordshire and Luton Economic Development Partnership (BLEDP);
- Greater Essex Prosperity Forum (GEPF);
- Greater Cambridge Partnership (GCP);
- Peterborough Regional Economic Partnership (PREP);
- Hertfordshire Prosperity (HP);
- Shaping Norfolk's Future;
- SuVolk Development Agency (SDA);
- Thames Gateway South Essex Partnership (TGSEP); and
- Haven Gateway Partnership (HGP)—covers the areas of Felixstowe, Harwich, Tendring, Ipswich, Colchester, and Babergh.

Local delivery vehicles (LDVs)

Other key sub-regional partners include LDVs. LDVs seek to achieve major physical transformations of specific areas. They co-ordinate investment plans from both the public and the private sectors, and attract new investment through promotion and regeneration of their areas. LDVs may be organisations established under national statute/guidance (eg UDC/URCs), or may be voluntary associations. In the East of England LDVs include:

- Basildon Renaissance;
- Bedford Renaissance;
- Cambridgeshire Horizons;
- Harlow Renaissance;
- Opportunity Peterborough;
- Renaissance Southend;
- Thurrock Urban Development Company; and
- 1st East (Great Yarmouth and Lowestoft).

EEDA, local authorities and other public bodies play very significant roles in SREPs and LDVs, but one of their principal unique functions is their use as a channel for mobilising private and third sectors in economic prioritisation and delivery management.

Considerations for Future Regional Accountability Arrangements

In considering future regional accountability arrangements the Modernisation Committee will wish to consider the changes that are expected to take place to regional governance structures and relationships following both the *Sub-national Review of Economic Development* (SNR) of July 2007 and the *Comprehensive Spending Review* (CSR) of October 2007. These announcements provided outlines of the principles, architecture and resource parameters which will shape the East of England's growth and development, and our consequential public policy and practice, over the 2008–11 period.

The Sub-National Review of Economic Development (SNR) in particular raises the expectation that successful regions in the future will produce, over the 2008–11 period:

- A Single Regional Strategy (SRS) covering economy, skills, transport, housing, other physical developments and environmental footprint—with an overarching economic growth target and complementary other socio-economic and environmental targets. In the East of England, in advance of the formulation and adoption of the SRS, the RSS (which is expected to be adopted by the Secretary of State in early 2008), and the new “RES 2008”, already work on a joint evidence base. The RSS/RES can provide the SRS prototype in terms of targets and strategy. These targets might be thought of as akin to a Regional Public Service Agreement (PSA) once agreed with government.
- A SRS Implementation Plan, which will be informing a significantly expanded Regional Funding Allocation (RFA) process for regional prioritisation of public expenditure. In the East of England, this plan might be formulated from pulling together the ongoing work on RSS Investment Planning and RES Action Planning, and might be thought of as a “Regional Area Agreement” (RAA) once agreed by national, regional and sub-regional partners.
- A series of LAAs, refreshed in mid-2008, by which local government will lead the achievement of local priorities agreed with government. Again in the East of England, these LAAs will be based on administrative geographies, and might be revenue-based service improvement agreements (although they will have some complementary capital investment elements). LAAs will be expected to contribute to the RSS/RES (and in due course to the SRS/SRS Implementation Plan).
- Possibly a series of MAAs, based on functional urban and/or economic geographies, focused on delivering growth and development. In the East of England,—with 85% of regional growth envisaged in the sub-regions of Greater Cambridge, Peterborough and Norwich; Thames and Haven Gateways; the Bedford/Luton part of MKSM; and the London Arc of Hertfordshire and Mid/West Essex—MAAs might be thought of as capital-based investment programmes for delivering the infrastructure necessary for economic growth and regeneration (although they might have some revenue elements). MAAs would complement LAAs and contribute to the RES/RSS/SRS Implementation Plan(s).

If these are the expected parameters of SNR implementation in regions, accountability arrangements need to be established that will facilitate the achievement of these strategic frameworks, and thereafter their effective implementation. In pursuit of this purpose the East of England RPG met in September 2007, and agreed to work on a governance and accountability model comprising the following key propositions (the full RPG paper is attached at Appendix three):

1. Agree a very small number of high level outcomes that we are jointly committed to—which would amount to an embryonic Regional PSA.
2. Produce a single implementation plan for the RSS and RES which would identify priorities for funding proposals to government through the expected expanded Regional Funding Allocation process; and whose delivery would be supported by a small number of Regional Delivery Partnerships like the East of England Skills and Competitiveness Partnership and the Sustainable Communities Delivery Group (SCDG).
3. Oversee these processes through a refreshed Regional Partnership Group, (in line with SNR “principles”) chaired by the Regional Minister. Compared to its current membership a refresh might develop even stronger local authority contributions, and added input from third sector and business interests. The RPG could provide a strong component of the “commissioning” and evaluation of major delivery partnerships.
4. At an appropriate time responsibility for the Secretariat of the Regional Partnership Group may need to move from EERA to GO-East.
5. Establish a Forum of Council Leaders or Association of LAs in the East of England, to undertake those executive leadership and accountability roles and functions envisaged under SNR.

6. Also establish a Forum of Business Leaders, Social and Environmental Partners—to retain and enhance the added value that the stakeholder group currently brings to EERA. It may be appropriate for this forum to be sponsored and supported by EEDA (in some senses it also has some derivations from the existing EEDA Strategy Committee).
7. Refresh (initially the 10) LAAs in 2008. Building on the first round of LAAs, we might seek to focus the 2008 refresh on the revenue-based (but with some capital support investment) service improvement agenda across major public service outcomes in administrative areas. LAA governance arrangements will evolve for Round Two in line with SNR LA leadership roles. As part of this process, and in line with the new RES/Corporate Plan, EEDA will seek to increasingly delegate relevant areas of our work through LAAs.
8. Develop a small number of multi-area agreements (MAAs) explicitly as capital-led investment programmes for delivering growth and development infrastructure in the major economic geographies of the region. The RES consultation draft suggests that 85% of the region's growth will be delivered in the Greater Peterborough, Cambridge and Norwich sub-regions, the Thames and Haven Gateways, the Bedfordshire and Luton part of MKSM, and the London Arc. Together with Great Yarmouth and Lowestoft, these sub-regions also account for 95% of the most deprived SOAs in the region.
9. The MAA investment programmes might evolve from the “Integrated Development Programme” (IDP) concept that we proposed in our previous RFA submissions, and which are currently being formulated in five pilots. Again EEDA would seek to increasingly delegate relevant areas of our work over 2008–11 to sub-regional delivery arrangements (whether LAA, MAA, LDV, new bodies like CDCs, or direct to LAs) in line with SNR expectations.

In pursuing these propositions, regional partners and local authorities are developing this framework into a more worked-up model ahead of the formal SNR consultation exercise, through a local/regional SNR Implementation sub-committee of the RPG.

In this process the Committee may be keen to explore the potential of the Regional Partnership Group “model” to play a much stronger role within the region. The RPG is chaired by the Regional Minister and we envisage that it might be able to agree important regional strategies such as the draft Single Regional Strategy, to champion this through consultation and to present it to Government. We also believe that the RPG should be the appropriate forum within the region to agree major submissions to Government such as Regional Funding Allocations.

The current membership of the RPG is the 10 LAA partnerships (normally represented through a senior political leader of the upper tier local authority, major regional institutions, and a small number of key stakeholders), but we believe that membership should be more than a public sector board if the region is to be more inclusive of stakeholders. Discussions on enhanced business and third sector representation are therefore taking place. The role of the Regional Minister in chairing the RPG is, we believe, an important and innovative proposition.

Future Accountability Arrangements—Criteria for Implementation

In summary, therefore, EEDA is keen for the Committee to develop recommendations on models of accountability that:

- Facilitate effective formulation and implementation of regional and local strategic frameworks—especially RES/RSS/SRS and LAA/MAAs.
- Are flexible enough to allow significant tailoring within the regions themselves to suit the circumstances of the specific region.
- Recognise the crucial executive role of regional bodies and local authorities in decision-making and implementation of these strategic priorities, as well as the scrutiny role of local authorities and others in holding the RDA and other regional bodies to account.
- Adds value and complements the new emerging roles of Regional Ministers and parliamentary scrutiny of regional performance.

EEDA's Response to Specific Questions of Accountability

In considering the model of accountability that might be proposed, EEDA believes the Committee should focus its attention on the performance of particular regions, and on issues of differences in intra-regional performance, rather than on the performance of a particular agency within a region.

Whilst EEDA recognises that the House of Commons may wish to focus on the role and activity of the RDA in terms of the region's economic development, self-evidently, EEDA is not the only publicly funded agency working to deliver the economic success of the region. The success of the East of England depends upon a range of government agencies working together to deliver a series of regional strategies e.g. Learning

& Skills Council, Jobcentre Plus, the Strategic Health Authority, GO-East and many others. Even more significantly, issues of regional performance and differential intra-regional performance are integrally related to local authorities and their LSPs performance in planning and managing local change.

If, therefore, parliamentary oversight is intended to look at overall regional performance, it is likely to be best served by a “pure” regional select committee model of MPs—rather than by hybrid models that include the direct participation of some of those actually involved in the execution of regional strategic decision-taking and implementation (ie the suggestion that joint MP/Council Leader models of parliamentary accountability and scrutiny might be pursued).

What models of accountability might work?

EEDA would suggest a regional accountability model which is:

- open and transparent;
- focused on regional performance/outcomes, rather than on one or a limited number of regional agencies;
- evidence based;
- broad-based and flexible enough to allow for the involvement of all the talents of local authority members—rather than restricted to party leaders who are themselves integral to the execution of those strategies and policies which are being scrutinised;
- flexible enough to also engage business leaders, community stakeholders and technical experts as appropriate;
- responsive to current issues in the region;
- concerned with the review of the Single Regional Strategy and hold to account those agencies involved and empowered to take forward and develop economic development within the region;
- forward-looking to ensure that it results in policy and delivery improvements and ultimately drives better strategic decision making;
- be able to provide clear recommendations which can be effectively monitored; and
- robust and challenging but constructive in order to ensure full engagement in the process and joint ownership of recommendations and the intended.

What should the role of the House be in regional accountability?

EEDA believes that the overall role of the House is to bring forward legislation and establish clear rules and protocols to ensure that those involved in managing, undertaking and advising on regional accountability, together with those being consulted and those being held to account, understand the scope and the limits of scrutiny, how it is carried out and what to expect from the process.

More specifically, on the issue of regional select committees, these might:

- Comprise MPs of the region, supported by the parliamentary machinery.
- Focus on regional performance and the roles of government (represented, where appropriate, by the regional minister), agencies and other organisations in the determination of regional performance/outcomes.
- Consider the differential impact of national policies, programmes and other initiatives on their region.
- Work closely with, but be distinctive from, regional governance (executive and scrutiny) arrangements to minimise the administrative burdens of scrutiny, and to get synergies from respective work programmes.

What resources would be needed to make regional accountability work in the House of Commons?

Whatever accountability arrangements are agreed, appropriate arrangements should be made to resource that process in terms of the following:

- management of the committee including administrative arrangements;
- providing for adequate research, evidence gathering and access to relevant expertise and advice; and
- some facility for visits to and visibility of the committee in the region itself.

APPENDIX 1

EEDA/EERA LIAISON PANEL 2007–08 MEMBERSHIP

<i>First Name</i>	<i>Last Name</i>	<i>Organisation</i>	<i>EERA representation</i>
Michael	Allen	East of England Environment Forum	East of England Environment Forum
Celia	Cameron	East of England Development Agency (EEDA)	EEDA Board Member
Michael	Carver	East Herts Council	East Hertfordshire District Council
Marco	Cereste	East of England Development Agency (EEDA)	EEDA Board Member
Sheila	Childerhouse	East of England Development Agency (EEDA)	EEDA Board Member
Alan	Dean (Chair)	Uttlesford District Council	Regional Nomination—Liberal Democrat
Richard	Ellis	East of England Development Agency (EEDA)	EEDA Board Member
Tim	Hutchings	East of England Business Group	East of England Business Group
John	Kent	Thurrock Council	Regional Nomination—Labour
Michael	Large	East of England Business Group	East of England Business Group
William	Nunn	Breckland District Council	Breckland District Council
Matthew	Patten	Tendring District Council	Regional Nomination—Conservative
John	Synder	East of England Development Agency (EEDA)	EEDA Board Member

APPENDIX 2

REVISED SCRUTINY FRAMEWORK WITH EEDA (2006)

	<i>Activity</i>	<i>Purpose</i>	<i>Methodology</i>	<i>Responsibility and involvement</i>	<i>Timing</i>
EERA	EERA Full Assembly and Executive Committee (EC)	Provides strategic lead on scrutiny	Receives reports; makes recommendations	EERA Group Leaders	Assembly: twice per year EC: 4-5 times per year
EERA/EEDA Liaison Panel	EERA Liaison Panel meetings	Delegated lead and decisions on scrutiny	Commissions and receives reports; makes recommendations or refers to Assembly/EC or EEDA Board	EERA/EEDA Liaison Panel chair and members	Quarterly meetings
Sub-Regional Accountability Meetings	Open accountability meetings at sub-regional level	Obtain feedback from individual businesses, local authorities and sub-regional stakeholders on EEDA's past performance and future plans	EEDA reports on achievements and proposals; opportunity for local partners/businesses to comment and question	EERA Liaison Panel members/ EEDA/Sub-regional Economic Partnerships	9 meetings annually in June-July
Sub-regional Economic Partnerships	Support and develop the role of the Sub-regional Economic Partnerships	Maximise the sub-regional input to EEDA's strategy and operations and the Assembly's scrutiny activities	Integrate the Sub-regional Economic Partnerships more fully into the planning, delivery and scrutiny processes	EERA/EEDA/ Sub-regional Economic Partnerships	Ongoing, and quarterly at Sub-regional Economic Partnership plenary meetings
Integrated working	Involvement of EERA members in EEDA activities and vice versa	Greater mutual understanding of processes, issues and policies relating to each organisation	Attendance of EERA Member and oYcer at EEDA board meetings as observers. Appointment of EEDA board members to EERA panels.	EEDA and EERA	Ongoing

	<i>Activity</i>	<i>Purpose</i>	<i>Methodology</i>	<i>Responsibility and involvement</i>	<i>Timing</i>
Discovering views of partners/stakeholders and businesses	Obtain and evaluate partner views regarding EEDA's strategic and operational activities	Understand how EEDA performance is regarded; identify and recommend necessary improvements	Annual Customer Satisfaction Surveys for partners/stakeholders, and businesses	Commissioned by EEDA. Input by EERA and GO-East into survey design and review. Results and necessary action reported to EERA/EEDA Liaison Panel and EEDA Board	Annually in February/March
Jointly commissioned research	Add to the existing research base of the region, where there are gaps	Strengthen and sharpen existing strategies and plans especially the Integrated Regional Strategy, RSS, RES and EEDA's Corporate Plan.	Identify gaps in knowledge and commission research as required.	EERA/EEDA/ other partners	As and when required
In-depth investigations	Investigation of specific aspects of EEDA's products, programmes, working methods, relationships with other organisations etc.	Where necessary to ensure that the Assembly is sufficiently well-informed to carry out its scrutiny responsibilities.	Identify areas in which such an investigation is necessary, and decide on appropriate format (desk study, research project, "select committee" style hearings etc.)	EERA Liaison Panel members, and possibly other EERA members; EEDA Board and executive; sub-regional stakeholders	As and when it is agreed that issues require such examination; maximum two per year.

APPENDIX 3

Towards an "East of England model" for Progressing the Sub-national Review of Development and Regeneration (SNR) and Other Relevant National Policy Frameworks: An Initial Discussion Document

The changes announced by the new Government since June are profound and important for the future of the East of England. In particular:

- We have a new Regional Minister, and parliamentary accountability will be provided by a Regional Select Committee, regional question times and other mechanisms which will evolve over the coming parliamentary session.
- The publication of SNR has made major proposals for a future single regional strategy (SRS) with an overarching economic growth objective, and new governance, accountability, scrutiny and delivery configurations to formulate and implement this. Concurrently significant new powers, responsibilities and resources are proposed for local authority-led development and regeneration.
- Other national policy statements like "World Class Skills", and "In work, better off" set ambitious national parameters which will be particularly important in the new SRS, regional and sub-regional architecture.

Government statements since July have made it clear that these national policies encompass "principles" and "architectures" that can vary between (and within) regions. They will be consulting on aspects of these frameworks over the coming months.

As East of England "regional leaders", the RPG has an opportunity to elaborate an East of England "model" for progressing this agenda which will permit us to make the most of the opportunities presented by it. This can position us to be a leading (as opposed to a reluctant) region following the Comprehensive Spending Review (CSR) settlement expected shortly.

In pursuit of the above, the two page table attached seeks to describe, admittedly at a high-level, a generic strategic framework for national, regional and sub-regional planning and delivery management post-SNR; and then to use this framework to elaborate some propositions which might be developed into an East of England model.

In particular, it suggests, post-SNR/CSR that we might seek as a region to:

1. Agree a very small number of high level outcomes that we are jointly committed to—which would amount to an embryonic Regional PSA.
2. Produce a single implementation plan for the RSS and RES which would identify priorities for funding proposals to government through the expected expanded Regional Funding Allocation process; and whose delivery would be supported by a small number of Regional Delivery Partnerships like EESCP and SCDG.

3. Oversee these processes through a refreshed Regional Partnership Group, (in line with SNR “principles”) chaired by the Regional Minister. Compared to its current membership a refresh might develop even stronger local authority contributions, and added input from third sector and business interests. The RPG could provide a strong component of the “commissioning” and evaluation of major delivery partnerships.
4. At an appropriate time responsibility for the Secretariat of the Regional Partnership Group may need to move from EERA to GO East.
5. Establish a Forum of Council Leaders or Association of LAs in the East of England, to undertake those executive leadership and accountability roles and functions envisaged under SNR.
6. Also establish a Forum of Business Leaders, Social and Environmental Partners—to retain and enhance the added value that the stakeholder group currently brings to EERA. It may be appropriate for this forum to be sponsored and supported by EEDA (in some senses it also has some derivations from the existing EEDA Strategy Committee).
7. Refresh (initially the 10) LAAs in 2008. Building on the first round of LAAs, we might seek to focus the 2008 refresh on the revenue-based (but with some capital support investment) service improvement agenda across major public service outcomes in administrative areas. LAA governance arrangements will evolve for Round Two in line with SNR LA leadership roles. As part of this process, and in line with the new RES/Corporate Plan, EEDA will seek to increasingly delegate relevant areas of our work through LAAs.
8. Develop a small number of multi-area agreements (MAAs) explicitly as capital-led investment programmes for delivering growth and development infrastructure in the major economic geographies of the region. The RES consultation draft suggests that 85% of the region’s growth will be delivered in the Greater Peterborough, Cambridge and Norwich sub-regions, the Thames and Haven Gateways, the Bedfordshire and Luton part of MKSM, and the London Arc. Together with Great Yarmouth and Lowestoft, these sub-regions also account for 95% of the most deprived SOAs in the region.
9. The MAA investment programmes might evolve from the “Integrated Development Programme” (IDP) concept that we proposed in our previous RFA submissions, and which are currently being formulated in five pilots. Again EEDA would seek to increasingly delegate relevant areas of our work over 2008–11 to sub-regional delivery arrangements (whether LAA, MAA, LDV, new bodies like CDCs, or direct to LAs) in line with SNR expectations.

Whilst clearly there is a huge amount of further work to be done, and significant implications of the above for all RPG members and for a range of our other partners, the above propositions could be turned into a coherent model for tailoring SNR and other national priorities (eg like DIUS, DWP, DFT etc white papers and policies) both regionally and sub-regionally. Such an agreed regional model would put us at the forefront of regions in terms of advocacy with government to themselves delegate increasing powers and resources (including innovative funding mechanisms) to the East of England to tackle our growth and regeneration challenges.

An early view of RPG on working up these propositions is therefore sought.

David Marlow
EEDA

Brian Stewart
EERA

Brian Hackland
GO-East

November 2007

MAKING SENSE OF SNR I—A SIMPLIFIED OVERVIEW

	<i>Strategic Framework</i>	<i>Prioritisation and Delivery Frameworks</i>	<i>Planning and Management</i>
National	Strategies and White Papers	PSAs	CSR Settlement Letters and national plans
Regional	Single Regional Strategy (SRS)	SRS Implementation Plans/Regional PSA or RAA	“RFAs plus”/Partnership & Corporate Plans
Sub-Regional and Local	City Region/Local Economic Frameworks	MAAs/LAAs	Delivery Plans (?IDPs for MAAs?)

MAKING SENSE OF SNR II—A POTENTIAL EAST OF ENGLAND “MODEL”

	<i>2008–10 Transition</i>	<i>Governance and Accountabilities</i>	<i>Comments</i>
Single Regional Strategy	Can we agree a Regional PSA/RAA as outcome of CSR (virtual or real)? Produce single implementation plan for RES and RSS Enhanced RFA process	RPG refreshed/chaired by Regional Minister “Forum of Council Leaders” discharging collective LA regional roles under SNR “Forum of Business Leaders, social and environmental partners providing strong stakeholder engagement” Potential expanded role for a small number of Regional Delivery Partnerships (eg EESCP, SCDG)	Establish an early “virtual” SRS team Provision of RPG and Forum(s) Secretariat(s) Need to consider parliamentary and regional/sub-regional scrutiny arrangements Need to retain open and inclusive processes for any new regional planning arrangements
MAAS	EoE “model” of MAAs as explicitly capital-led growth programmes for based on economic geographies Delivered through Integrated Development Programmes (IDPs)	Refreshed SCDG (reg) LAA or new “CDC-type” governance sub-regionally	Can we agree sequencing and development of MAAs and IDPs in seven geographies (TG, HG, GPP, GCP, MKSM–part?, Gtr Norwich, Arc) Approaches to coastal/rural
LAAS	Service improvement, largely revenue-based on administrative boundaries Refresh due by June 2008 EEDA to undertake increasing delegations over 2008–11 period	LAA governance partnerships led by LAs	Implications for future of SREPs and other partnerships Sequencing/details of delegation to develop

England’s Regional Development Agencies (M23)

Brief Introduction to the Submitter

Tom Riordan is the Chief Executive of Yorkshire Forward, the Regional Development Agency (RDA) for Yorkshire and the Humber. From 1 October 2007 to 31 March 2008, Yorkshire Forward is responsible for taking the lead role (as RDA “Chair of Chairs”) on a range of national issues. This includes managing key relationships with Ministers, Government Departments and coordinating joint RDA responses to significant consultations or inquiries.

The Regional Development Agencies in the regions outside London were established in 1999 in order to improve the economic performance of the English regions and to reduce social and economic disparities within and between regions. Each RDA leads on the production of the long term strategic vision for its region—the Regional Economic Strategy. The Sub National Review (SNR), published in July 2007, further strengthened the role of the RDAs in the regions outside London, announcing a transfer of responsibility for planning, transport and housing from the Regional Assemblies. In addition, the RDAs in the regions outside London will be responsible for the development of Integrated Regional Strategies (bringing together the RES and the Regional Spatial Strategies). The SNR also announced proposals for a new approach to regional and parliamentary accountability.

Because of London’s unique governance arrangements, this memorandum represents the views of the eight Regional Development Agencies outside London.

Executive Summary

The Governance of Britain Green Paper contained proposals to improve democratic accountability and scrutiny of the delivery of public services in the English regions. The Committee subsequently invited submissions on the question of regional accountability, specifically asking:

- what models of accountability might work;
- what the role of the House should be in regional accountability; and
- what resources would be needed to make regional accountability work in the House of Commons.

The RDAs have a clear interest in the outcome of the inquiry, but it is not our place to collectively pre-empt the decisions of elected politicians regarding the model of accountability that they recommend to Government, the role of the House in the accountability framework, or the resources required for the House to discharge such responsibilities. Any decisions that the Committee makes are a matter for the House and for Parliamentarians.

We do, however, feel that the Committee should consider the principles of any accountability framework whilst forming a recommendation to Government. Our submission has been drafted on this basis.

The RDAs believe that any accountability process ought to be built upon the following principles:

- Inclusive Regional Focus;
- Alignment and the Avoidance of Duplication;
- Stability of Membership; and
- Democratic Accountability.

A. Principles of Accountability

1. *Inclusive Regional Focus*

It will be important for parliamentary accountability of the English regions to be structured in such a manner that emphasises the whole range of public institutions within an individual region and their interdependence; including, where appropriate, central Government departments with a specific role in the regions. The accountability process ought, therefore, to focus on the delivery of Government policy in the regions, and the contribution and impact of all relevant public bodies in delivering this agenda.

2. *Alignment and the Avoidance of Duplication*

Clarity over the distinctive roles of parliamentary and regional (local authority-led) accountability arrangements is essential in order to avoid unnecessary duplication and the consequent potential overstretch of RDA resources. The accountability process should be mindful of what is being scrutinised at the regional level when considering the remit of the parliamentary arrangements—this will ensure that arrangements are complementary and proportionate.

It is also important to ensure that accountability arrangements avoid seeking to cover the same territory as existing and planned RDA performance assessment processes (including the National Audit Office-led Independent Performance Assessment and, where relevant, other forms of evaluation and performance reporting). The results from these processes could be used as input into accountability arrangements as appropriate.

3. *Stability of Membership*

The majority of RDAs believe that Parliamentary accountability is likely to be most effective where a Committee has a membership with direct regional knowledge and association. This should also facilitate the establishment of productive relationships between regional partners and committee members. It will be important, however, to ensure that the committee is able to focus on regional issues and is not diverted onto more localised issues.

In light of the convention where Members are relieved of their committee roles on appointment as Government or Shadow Ministers, RDAs would welcome a stable and consistent committee membership where informed and effective accountability is established through a consistent calibre of engagement over the lifetime of a Parliament.

4. *Democratic Accountability*

The clear and transparent framework for parliamentary accountability should raise awareness of regional issues (and of the activities of regional actors, including the RDAs), and engage citizens in the process of Governance—driving a well-informed, broad and positive public service ethos. In order to support and facilitate this, it will be important to ensure that the arrangements are effective, efficient and not overly bureaucratic.

Our response seeks to focus on the principles of effective accountability arrangements rather than provide views on the most appropriate model to be adopted. There is no single view amongst RDAs on the various options for parliamentary accountability e.g. a regional select committee for each region or a grand committee for the English Regions. Where individual RDAs have felt that it is appropriate to highlight specific views on issues relating to structures and processes, which have arisen through consultation with their regional partners, these will be made through separate representations.

B. Recommendations for Action by Government

Whatever conclusion is reached by the Committee regarding the model of accountability recommended to Government, the role of the House in the accountability framework, or the resources required for the House to discharge such responsibilities, the RDAs would like the Committee to consider for inclusion in its Report to the House the issue of the Implementation of the *Sub National Review*.

The principles set out above make a clear and positive case for a transparent, rigorous and accountable process of scrutinising the activities and contribution of public institutions operating in the English regions. As well as setting out the principles (and model) of any new form of parliamentary accountability, the Committee ought to be clear in its recommendation to Government about the purpose of the process.

It seems sensible to suggest that the purpose ought to be the appraisal of regional public institutions in discharging the roles and responsibilities set out in the key document shaping the architecture of regional governance—the Sub National Review. In particular, the contributions of RDAs, regional partners and central Government departments to the attainment of the overarching regional growth objectives could be a useful focus for examination.

The RDAs welcome the new roles and responsibilities set out in the SNR and the accountability proposals that accompany them. It is perhaps inconsistent, therefore, that accountability arrangements (with SNR implementation at their heart) might be put in place well ahead of the date when new regional arrangements and responsibilities come into force (potentially not until 2010).

We are not seeking to delay the implementation of new accountability arrangements, but to ensure that the Government's implementation of SNR supports those regions that can move ahead of the proposed national timetable and actively facilitates the RDAs' early adoption of new functions and responsibilities.

Tom Riordan
November 2007

North West Regional Assembly Executive Board (M3)

Introduction

The NWRA welcomed the conclusions of the Review of *Sub National Economic Development and Regeneration* which included the goal of greater efficiency in the use of limited resources, reducing duplication wherever possible and delivering sensible, joined-up policy making at regional, sub regional and local levels.

In particular, we support the merging of regional economic and spatial strategies and the commitment that the region's local authorities should agree this single Regional Strategy. However we believe that in agreeing a strategy, the region's local authorities—working with key leading stakeholders—must be integrally involved in its conception, design and content and not become a mere consultee.

A robust governance structure which facilitates a genuine commitment to regional input into the Regional Strategy, as well as negotiation regarding its final shape, is critical to regional accountability. In the North West the NWRA Executive Board—with local authority representation drawn from its five constituent sub regions as well as high level stakeholder representation and with the support of the GONW and NWDA—effectively joins-up the regional, sub regional and local authority dimensions and is therefore fit for purpose as a successor body.

It will be supported by three commissions (planning, housing and transport) and a strong local authority led policy forum that will bring other key stakeholders: these will all support the development of the Regional Strategy.¹

Agreeing the Regional Strategy should not be seen as a one-off action. In the course of the implementation of any strategy certain key decisions will need to be taken by the NWDA including setting the annual Strategic Investment Plan. Major decisions and the SIP should therefore be subject to the agreement of the Regional Executive Board.

¹ This paragraph is no longer relevant as the proposed structure has now changed (witness communication March 2008).

The Role of Scrutiny and Select Committee of MPs

Whether or not the House decides to have a select committee of MPs for the North West—or a grand committee—the region is clear that regional accountability will also necessitate ongoing review by the region’s local authorities and stakeholders of the NWDA’s implementation of the RS. There is therefore the need for a scrutiny board to be part of the governance structure of the successor body.

Accountability can be seen as a spectrum which starts with inputting into the strategy, moves onto agreeing the strategy and then scrutinises whether it is being implemented effectively and in the interests of the region. The results of such analysis will of course inform future revisions of the RS and in this way completes a virtuous policy cycle of engagement and improvement.

The current NWRA Executive Board can see some benefits in a select committee for the North West, not least the opportunity to question Ministers and Government officials regarding their support for the region. However we also recognise that ultimately this is a matter for the House. If it decides to progress the proposal then we would make the following comments:

- The select committee of MPs for North West should focus on the range of critical region wide issues and not just those for which the new NWDA will be responsible. For example it should consider education, health, crime and the environment as well as transport, planning, housing and economic development.
- The select committee of MPs for North West should draw on the expertise and experience of the successor body in particular by:
 - having as participating members of the select committee the Chair of the Executive Board and the Chair of the Scrutiny Board; and
 - developing further close contact between the clerk and any specialist advisers and successor scrutiny staff.
- The select committee of MPs for North West should meet as often as possible in the North West and on occasion, when for example it is interviewing the Chair of the NWDA, have joint meetings with the Scrutiny Board.

A Grand Committee for the North West—or an Annual Conference?

The current NWRA Executive Board welcomes genuine and widespread debate about the issues facing the North West and historically has invited MPs and MEPs to engage with its work and attend its conferences.

Given the increased interest in regional matters we see merit in a Conference of the Region to be held in the North West to which all of the region’s MPs, MEPs and local authority leaders as well as a number of key leading stakeholders are invited and at which critical issues are debated. It would also be an opportunity for the Regional Minister, the Chair of the NWDA and the Chair of the successor body to outline their visions for the region and respond to question and answer sessions.

Whether such a conference was organised under the auspices of a grand committee or by the successor body itself, such an initiative would help raise the profile of regional issues and governance and deserves wider consideration.

Other Support for Regional Accountability

Of course the NWRA appreciates that the NWDA—like all RDAs—is ultimately accountable to Ministers and we would want to work in co-operation with Government in exercising its responsibility to agree the Regional Strategy.

In order to support joint accountability and joined up governance a Regional Area Agreement (RAA) should be negotiated between national Government and the Executive Board—this would set out clearly the handful or so overarching goals of the region which we would all be working towards.

In this respect we question the proposal within the SNR for a single (GVA) target for the region as we believe that other goals such as our employment levels are equally important. There will be considerable benefit in getting city-regions and local authorities, including county councils, to agree these targets through the Executive Board as they will also be playing a vital role in delivering them.

Finally regional accountability may be served by reform of the RDA boards themselves. There would appear a *prima facie* case that those RDAs with bigger budgets or serving larger populations should have more members. Furthermore where regions have a finite number of sub regions, having the same number of local authority representatives would make commonsense (in the North West there are five sub regions but only four members drawn from local authorities).

Conclusions

This memorandum confines itself to observations regarding regional accountability and how any decisions by the House could be best organised to complement planned regional arrangements. Our overriding goal is to find governance structures that allow all those with the region at their heart to work together.

We do not over any views on the resources needed to make regional accountability work except to point out that the scrutiny the NWRA has conducted—and been applauded for by the NWDA and others—has cost less than £500k per annum.

We have however hopefully made clear that accountability to a select committee of MPs, to their relevant Government Department or to the Regional Minister will not obviate the need for accountability to the region's local authorities and stakeholders through a successor body based on the successful NWRA Executive Board model.

The NWRA has already shown it is not averse to change, having successfully reformed and renewed itself after the North East referendum result. We will change again within a context of devolution and clarity of purpose. In particular, the successor body should have three essential functions:

- Ensure democratic influence and accountability by sharing responsibility with central Government for agreeing the merged RSS and the RES; by inputting to the Regional Strategy's design and content; and by reviewing its implementation.
- By agreeing with central Government an overarching Regional Area Agreement setting out a handful of targets for which all in the region are working.
- Agree the distribution of regionally earmarked public expenditure through further rounds of the Regional Funding Allocations initiative.

November 2007

North East Assembly (M12)

This is the North East Assembly response to the Modernisation Committee's call for consultation on regional accountability. We will, of course, respond to the broader question of local-authority-led scrutiny at the appropriate time.

What models of accountability might work?

- The over-riding requirement is that there is close alignment between Parliamentary and local-authority-led regional scrutiny.
- Regional select committees for the English regions would be useful vehicles to take forward the parliamentary approach to regional accountability. In an over-arching accountability model that proposes separate parliamentary and local authority-led scrutiny arrangements, alignment and interaction between the two processes will be crucial to ensuring that regional accountability is effective and efficient. In addition, ensuring that there is complementarity between the two processes would also help to mitigate any perception of a hierarchy of scrutiny.
- The committee will require commitment from its members, and it should have the same authority and powers as any other select committee.

What the role of the House should be in regional accountability?

- The role of the regional select committee should be to examine the policy of central government, government departments and the various arms-length agencies of central government, and an assessment of their impact on particular regions.
- This should not be a strictly audit role—that is the proper concern of the Audit Commission and the National Audit Office—but should examine the levels of collaboration, cooperation and, importantly, consultation with key authorities and organisations in the region.
- The overarching role should be to examine the efficacy and effectiveness of policy and strategy delivery, expenditure and outcomes in the region.

What resources would be needed to make regional accountability work in the House of Commons?

- Whatever model is adopted, in order to deliver effective regional accountability sufficient resources should exist to service the committee to a high standard (Westminster based), to prepare research reports and discussion papers (regionally based), and to liaise on behalf of the committee with key stakeholders and others in the region (region based).

- The expertise and experience currently provided by non-elected stakeholders within the regions should not be lost within the new arrangements, and there should be provision allowing this valuable resource to continue to be available.

November 2007

West Midlands Regional Assembly (M16)

Introduction

As you will be aware Regional Assemblies currently have a statutory role in scrutinising Regional Development Agencies. In the West Midlands the Assembly also examines how regional partners work together to address issues of importance to the region. We welcome the opportunity to contribute to the debate about the form of parliamentary accountability and believe that regional partners could play a significant role in assisting MPs to assess the effectiveness of Government and its agencies at the regional level.

The comments below are based on five years experience of scrutinising regional bodies and have been developed following discussions with Assembly Members from all sectors.

We have identified three underlying principals for the development of parliamentary arrangements:

- Form follows function—this is an opportunity to create a new parliamentary model that has been designed specifically for the purpose of enhancing regional accountability.
- Clarity of roles and responsibilities—both of the parliamentary model created and linkages with the already complex accountability arrangements of many regional bodies.
- Complementary—arrangements should not replace or duplicate scrutiny arrangements at regional, sub regional or local level but make use of the different powers in Westminster for looking at the actions of central government in delivering policy within the regions

What models of accountability might work?

Democratic Accountability

Structures should be part of the House of Commons rather than part of any revision of roles, responsibilities and membership of House of Lords.

Format

We would urge the establishment of one committee for each region. This will ensure workloads are manageable and reflect the differing needs of the regions. Regular meeting of the chairs of the regional committees will provide a mechanism to confer with and challenge Government in respect of common issues/barriers.

Membership

- All regional MP's should be offered the opportunity to join their regional committee. Each committee should consist of all regional MPs. National political balance should be reflected by the allocation of committee chairs.
- Flexible quorate arrangements will address concerns regarding MPs existing commitments thus allowing individuals to attend for specific sessions/areas of interest.
- Members of the Government should not be full voting members but be encouraged to attend in order to benefit from discussions.
- Committees should also include a minority of members drawn from structures within the region including acknowledged local and regional leaders. These should not be drawn exclusively from local government but include representatives from business and other stakeholders including social and environmental partners.
- Consideration should be given to a flexible approach with the identification of a broad framework within which different models can be developed for individual regions. These could be developed following discussions chaired by the Regional Minister.

Location

Committees should meet at varying locations within the region as often as in Westminster. Regional meetings would allow the collection of evidence and those in Westminster to hear from Government and deal with process issues.

Co-ordination

Clear links are needed with Departmental Select Committees in order to prevent duplication. Although it is essential for each regional committee to be able to control its workload, mechanisms are required to enable sharing of good practice so all committees are performing to the same standard.

The role of the House in regional accountability

Suggested Aims

- To scrutinise the effectiveness of government and its agencies in delivering joined-up results at the regional level.
- Improve the synergy between different government departments responsible for different aspects of policies and funding within the region.
- To enable both MPs and regional partners to raise particular issues.
- To raise awareness of regional concerns with government and the media.
- To monitor progress made in implementing recommendations and their outcomes.

Responsibilities

- We believe strongly that regional committees should have similar powers to those of select committees, particularly to set their own agendas (while considering issues of duplication), require attendance from Ministers and regional agencies, produce reports and receive responses from Government or regional agencies as appropriate.
- Committees should hold regional question times within the region with Chairs/Chief Executives of key regional organisations.
- Both quantitative and qualitative evidence needs to be considered in order to assess progress within the region.
- Although Regional Development Agencies play a key role, committees should also hold to account a wider range of non-departmental public bodies and other institutions active within regions. Regional Development Agencies do not operate in isolation and are not the highest spending body within a region.

Co-operation

- Committees should be informed by and inform accountability arrangements within the region both now and post 2010. Consideration should be given to holding joint hearings with regional structures.
- Every effort should be made by all involved to prevent contradictory recommendations being made by accountability structures at the national, regional and local level.
- While it is appropriate for committees to question Regional Ministers, hearings should also inform the Ministers' actions. It is suggested that the Regional Minister becomes an ex-officio committee member who could still be questioned at certain sessions, for example at regional question time.
- Regional committees should inform appropriate Departmental Select Committees of relevant regional issues or concerns.
- Committees will also need to consider the locality scrutiny of statutory bodies and agencies through the duty to co-operate as detailed in the Local Government and Public Involvement in Health Act.

What resources would be needed?

Officer Support

- One of the lessons from both regional scrutiny and local authority overview and scrutiny is that dedicated officer support is crucial to making accountability work.
- Support staff are needed who have an understanding of how the region operates. This could be achieved by use of a regional specialist adviser as opposed to subject specialist.

- Parliamentary clerks at Westminster will need dedicated resources within the region to provide policy and administrative support. These could be directly employed as part of the Government Offices or be provided by a regional body on contract basis eg Regional Local Government Associations.

Budgetary Support

- There needs to be a sufficient revenue budget to cover meeting accommodation within the region. Currently select committees meeting away from Westminster have venues offered free of charge. It would be inappropriate to expect this on a regular basis.
- Committees will need a base within the region to act as a point of contact with regional organisations and interested parties, including the media. This is linked to the provision of dedicated officer support and would also provide a location for a regional reference library.
- A research budget is also required. This could be used to commission appropriate research or to enable access to existing research resources including Regional Observatories.

*Cllr David S Smith
Chairman
November 2007*

East of England Regional Assembly (M17)

Introduction

The Governance of Britain Green Paper suggested proposals to improve democratic accountability and scrutiny of the delivery of public services in the English regions. The House of Commons believes it is important to look at the question of regional accountability and the Modernisation Select Committee has invited submissions on:

- what models of accountability might work;
- what the role of the House should be in regional accountability; and
- what resources would be needed to make regional accountability work in the House of Commons?

Background

Under the Regional Development Agencies Act (1998) the East of England Regional Assembly (EERA) has a statutory responsibility to hold to account the East of England Development Agency (EEDA) with regard to the preparation and delivery of EEDA's plans and strategies.

At the beginning of 2000, EERA developed a scrutiny framework that reflects the Assembly's role of "critical friend" to EEDA. The approach that EERA has taken is collaborative but robust. An explanation of EERA's accountability role and principal activities is given in Appendix 1. EERA's accountability framework is summarised in Appendix 2.

EERA has seven years experience of regional accountability work, led by local authority members and community stakeholders and based on close engagement with EEDA and other regional partners. EERA feels ideally positioned to comment on proposals for future accountability arrangements.

Response to the Modernisation Select Committee Inquiry into Regional Accountability

EERA's responses to each of the three questions posed by the Modernisation Select Committee are as follows:

What models of accountability might work?

The Governance of Britain suggests that accountability arrangements led by local authorities at the regional level will in future be complemented by a structure that is MP-led. Of the potential models that are proposed, EERA favours an approach based on regional select committees but also involving local government representatives directly participating in the work of the select committee alongside MPs. To be successful any model should be:

- more rigorous and focused than the alternatives that are proposed;
- more open and directly accountable; and
- politically balanced at the regional level.

Any model of accountability should be:

- founded on a legislative base similar to the Local Government & Public Involvement in Health Act which places a duty on a range of agencies to co-operate with local authority scrutiny activities;
- broad-based enough to involve local authority members on an equal footing alongside MPs; the model preferred by EERA would see MPs and local authority members working together on regional accountability through regional select committees;
- flexible enough to also engage community stakeholders and technical experts as appropriate;
- responsive to current issues in—and held in—the region;
- concerned primarily with the development, review and delivery of the Single Regional Strategy and with holding the Development Agencies to account, but empowered also to pursue other regional and sub-regional investigations;
- forward-looking to ensure that it results in policy and delivery improvements and ultimately drives better strategic decision making;
- geared to produce clear recommendations that can be effectively delivered and monitored;
- robust and challenging but constructive in order to ensure full engagement in the process and joint ownership of recommendations and the intended outcomes;
- able to be delivered alongside other regional level accountability to ensure complementary activity and avoid duplication;
- open and transparent;
- evidence based; and
- flexible enough to enable different approaches according to the issue being considered.

What should the role of the House be in regional accountability?

The role of the House should be to bring forward legislation and establish clear rules and protocols to ensure that those involved in managing, undertaking and advising on regional accountability, together with those being consulted and those being held to account, understand the scope and the limits of scrutiny, how it is carried out and what to expect from the process. Such legislation, rules and protocols must demonstrate that regional accountability will be rigorous, fair and constructive and that it will be led, and rooted, regionally and locally.

Given the RDAs' lead role in preparing and facilitating the delivery of the Single Regional Strategy, the House will want to ensure that the main focus of regional accountability is on the role and activity of the RDAs. However RDAs are not the only publicly funded agencies with a stake in developing and delivering the Single Regional Strategy. Other organisations should therefore also be held to account in proportion to their involvement in the development and delivery of the Single Regional Strategy. Such organisations may include the Learning and Skills Council, the Highways Agency, the Homes and Communities Agency, Jobcentre Plus, Strategic Health Authorities and many others.

What resources would be needed to make regional accountability work in the House of Commons?

Accountability which follows the principles outlined above will need to be properly resourced to allow for research, the gathering of evidence, the establishment and management of committees and the writing and publication of reports. This will presumably all follow models that the House already has for committee work.

Regional accountability, as currently conducted by the Regional Assemblies, has benefited from CLG funding to deliver the service required and it must be expected that a similar level of support will be required in future at the regional level if regions are to lead on accountability through the local authorities and to also work in partnership with whatever structure engages MPs.

The House should continue to be mindful of the very high level of added value that regional and local partners will bring to this process and it will be crucial for MPs to ensure that this is maintained and built upon.

November 2007

APPENDIX 1

The East of England Regional Assembly's Accountability Role and Principal Activities

EERA's accountability role

The East of England Regional Assembly (EERA)'s accountability role regarding the East of England Development Agency (EEDA) is robust but positive, the aim being to work in partnership for the benefit for the East of England. EERA aims to influence EEDA's policy and programme development at its formative stages and thus pursues a business-like "critical friend" approach to its scrutiny function which:

- is collaborative rather than adversarial;
- is underpinned by a framework that is transparent and has the agreement and support of both organisations;
- is practical in its focus; and
- has clear outcomes that are monitored effectively.

The EERA/EEDA Liaison Panel is the principal vehicle for supporting this function of the Assembly, and the Panel brings together eight members of the Assembly with four members of the EEDA Board, including the chair, on a quarterly basis to consider the current priorities of both organisations and especially to focus on the plans, activities and achievements of the Development Agency. The work of the Panel is complemented by other mechanisms including:

- regular reports by EEDA to meetings of the Assembly;
- an annual programme of nine sub-regional accountability meetings, which allows local authorities, businesses, community and voluntary sector partners and other stakeholders in every part of the region to question EEDA about its activities and plans for the future;
- joint working on broad regional issues such as the preparation of the Integrated Regional Strategy (IRS), the East of England Plan and the Regional Economic Strategy (RES) and responding to CSR 2007; and
- an open approach between the two organisations eg EEDA Board representation on EERA Panels and EERA observing at EEDA Board meetings.

In addition to the work of the EERA/EEDA Liaison Panel and the nine sub-regional accountability meetings, EERA has recently completed and is monitoring two in-depth reviews of EEDA's work. These more detailed examinations were designed to complement the existing scrutiny framework. EERA has reviewed the Investing in Communities programme—one of EEDA's "core products"—and has also reviewed RES Goal 8: An exemplar for the efficient use of resources.

EERA's Recent Accountability Activities

EERA's principal accountability activities over the past 18 months comprised the continuing work undertaken by the EERA/EEDA Liaison Panel, nine sub-regional accountability meetings and the two in-depth reviews referred to above.

Work undertaken by the EERA/EEDA Liaison Panel

Topics, reviews and issues reported to and considered by the Panel during the past 18 months have included:

- Progress against the RES:
 - in embedding the RES underlying principles; and
 - specifically, against Goals 5 (social inclusion) and 8 (resources).
- Engagement with the:
 - current RES review; and
 - 2007 sub-regional accountability meetings.
- consideration of the new Business Link arrangements including the impact on Enterprise Agencies;
- Independent Performance Assessment Improvement Plan: monitoring; and reporting of progress;
- Performance Monitoring Reports;
- consideration of EEDA's Annual Report and Accounts;
- consideration of EEDA's annual customer satisfaction survey;
- investing in Communities Business Plans;
- progress on EEDA's implementation of the new Rural Development Programme for England; and
- reports on major or contentious projects.

The nine sub-regional accountability meetings

During June and July, 400 delegates not directly associated with EERA or EEDA attended these nine meetings, which were hosted by the region's sub-regional economic partnerships (SREPs). In advance of the meetings, which were chaired by EERA, invitees were asked to submit questions for which EEDA and the SREP could then prepare in some detail. The aim was to achieve in the region of 8–10 questions for each meeting for a challenging question and answer session focused on local achievement. The meetings were popular and positively received and will be repeated next year.

Details are at <http://www.eera.gov.uk/Text.asp?cat=9&id=SXB8F8-A77FA950>

In-depth scrutiny reviews

In-depth reviews were held into the Investing in Communities programme and into RES Goal 8: An exemplar for the efficient use of resources. Each was led by a member task and finish group of the Assembly chaired by an EERA representative of the EERA/EEDA Liaison Panel. The methodology for each comprised:

- a desk review of all of the relevant published material;
- an invitation for expressions of interest from interested contributors to the review;
- the completion of c35 interviews and a report by an independent consultant, based on the expressions of interest;
- site visits with task and finish group members; and
- meetings of the task and finish groups to hear evidence directly from partners.

Both reports have been published, with 24 recommendations in connection with Investing in Communities and 32 recommendations in connection with RES Goal 8. Both reports are on www.eera.gov.uk

APPENDIX 2**EERA ACCOUNTABILITY FRAMEWORK WITH EEDA**

	<i>Activity</i>	<i>Purpose</i>	<i>Methodology</i>	<i>Responsibility and involvement</i>	<i>Timing</i>
EERA	EERA Full Assembly and Executive Committee (EC)	Provides strategic lead on scrutiny	Receives reports; makes recommendations	EERA Group Leaders	Assembly: twice per year EC: 4–5 times per year
EERA/EEDA Liaison Panel	EERA Liaison Panel meetings	Delegated lead and decisions on scrutiny	Commissions and receives reports; makes recommendations or refers to Assembly/EC or EEDA Board	EERA/EEDA Liaison Panel chair and members	Quarterly meetings
Sub-Regional Accountability Meetings	Open accountability meetings at sub-regional level	Obtain feedback from individual businesses, local authorities and sub-regional stakeholders on EEDA's past performance and future plans	EEDA reports on achievements and proposals; opportunity for local partners/businesses to comment and question	EERA Liaison Panel members/ EEDA/Sub-regional Economic Partnerships	9 meetings annually in June-July
Sub-regional Economic Partnerships	Support and develop the role of the Sub-regional Economic Partnerships	Maximise the sub-regional input to EEDA's strategy and operations and the Assembly's scrutiny activities	Integrate the Sub-regional Economic Partnerships more fully into the planning, delivery and scrutiny processes	EERA/EEDA/ Sub-regional Economic Partnerships	Ongoing, and quarterly at Sub-regional Economic Partnership plenary meetings
Integrated working	Involvement of EERA members in EEDA activities and vice versa	Greater mutual understanding of processes, issues and policies relating to each organisation	Attendance of EERA Member and officer at EEDA board meetings as observers. Appointment of EEDA board members to EERA panels. Cross-representation at workshops and conferences.	EEDA and EERA	Ongoing

	<i>Activity</i>	<i>Purpose</i>	<i>Methodology</i>	<i>Responsibility and involvement</i>	<i>Timing</i>
Discovering views of partners/ stakeholders and businesses	Obtain and evaluate partner views regarding EEDA's strategic and operational activities	Understand how EEDA performance is regarded; identify and recommend necessary improvements	Annual Customer Satisfaction Surveys for partners/stakeholders, and businesses	Commissioned by EEDA. Input by EERA and GO-East into survey design and review. Results and necessary action reported to EERA/EEDA Liaison Panel and EEDA Board	Annually in February/ March
Jointly commissioned research	Add to the existing research base of the region, where there are gaps	Strengthen and sharpen existing strategies and plans especially the Integrated Regional Strategy, RSS, RES and EEDA's Corporate Plan.	Identify gaps in knowledge and commission research as required.	EERA/EEDA/ other partners	As and when required
In-depth investigations	Investigation of specific aspects of EEDA's products, programmes, working methods, relationships with other organisations etc.	Where necessary to ensure that the Assembly is sufficiently well-informed to carry out its scrutiny responsibilities.	Identify areas in which such an investigation is necessary, and decide on appropriate format (desk study, research project, 'select committee' style hearings etc.)	EERA Liaison Panel members, and possibly other EERA members; EEDA Board and executive; sub-regional stakeholders	As and when it is agreed that issues require such examination; maximum two per year.

East Midlands Regional Assembly (M22)

In consideration of regional leadership, governance and accountability it is important to emphasise the relationship between the national and regional levels.

Regional Leadership Group might comprise a blend of Regional Minister, MPs, Local Authority Leaders, Chairs of Regional Bodies and also potentially MEPs. The Single Integrated Regional Strategy is developed and following simplified Examination in Public is returned back to this Leadership Group for sign-off rather than to central Government Ministers.

It follows that Local Authorities should be key partners in regional scrutiny systems. This applies both within the region itself and through involvement in the regional work of Commons' select committees and the House of Lords.

Parliamentary scrutiny, together with Local Authority led regional scrutiny, can significantly strengthen the accountability of regional agencies and organisations to elected representatives.

There are a number of competing suggested 'models' of Parliamentary accountability. All have different merits and should be assessed according to a number of criteria to ensure that the "form" of the model is built around the "function" of delivering more effective regional accountability and stronger strategic decision-making. The suggested models include:

1. *Regional Select Committee*

A selection of MPs from within the region, chosen in accordance with the overall party political composition of Parliament that calls witnesses and organisations to report to it. Chairmanship of committees divided according to UK Parliamentary party balance. Conducts inquiries and produces reports with recommendations.

2. *Regional Grand Committee*

A large committee made up of all the regional MPs which holds debates, question ministers and can pass motions. Does not conduct inquiries or produce reports.

3. *Composite Select Committee*

As regional select committee but with co-opted local authority leaders from upper-tier authorities within regions.

4. *Composite Grand Committee*

As Regional Grand Committee but with co-opted local authority leaders from upper-tier authorities within regions.

In making recommendations about the most effective model of Parliamentary regional scrutiny, we suggest that the Modernisation Committee should be mindful of the following criteria;

Clear Relationship with Local Authority-led Regional Scrutiny

The government has proposed a number of mechanisms for strengthening regional accountability; including the Parliamentary scrutiny of regional organisations and local authority led regional scrutiny of RDAs. It is important that such mechanisms work in clearly defined and complementary ways in order to ensure that scrutiny is not duplicated, confused and therefore weaker.

Parliamentary scrutiny can only strengthen regional accountability through an effective relationship with Local Authority led scrutiny undertaken within the regions.

Whatever mechanism is chosen for Westminster, genuine dialogue with the regions on the issues of topic selection, timing, evidence gathering, recommendations and follow-up will be crucial. Whilst Parliamentary committees have an important constitutional role and rightly hold themselves to be “sovereign” in their areas of responsibility, both Parliamentary and local authority led regional scrutiny will be weaker and less effective unless both parties agree a Protocol of joint working on regional scrutiny issues.

Whatever Parliamentary model is adopted will function more effectively if it draws fully on the expertise, knowledge and experience within each region. The regional scrutiny “resource” at Westminster and in the regions needs to be effectively aligned to have maximum effectiveness.

There are a number of options to share resources to improve alignment and strengthen accountability. Regional and National committees could, at the least, align their work programmes to prevent duplication. Enhanced integration could be achieved by undertaking joint reviews or, in particular, providing for Parliamentary committees to be joined by leaders of upper-tier local authorities.

Blending national and local elected members would be an innovative and challenging process, but one that could offer real benefits in terms of simplification and impact.

There is the further potential to draw upon the expertise and knowledge of wider stakeholders, including business, social and environmental partners. Stakeholder involvement, in particular the business sector, has ensured that existing regional scrutiny arrangements have been representative of regional needs and priorities.

House Resources

Regions will wish to be reassured that Parliament can resource effective scrutiny of regional institutions, bearing in mind the potential marginal advantages to Parliament of having dedicated regional committees when all regional organisations already report to Parliament through Departmental lines and committees.

Parliament should be mindful to co-ordinate Parliamentary scrutiny of the Regional Development Agencies’ strategic planning responsibilities with the proposed “stronger role for Parliament in planning matters” recently announced by the Minister for Local Government and the Regions.

In considering scrutiny of regional planning issues, Parliament might consider that the new Single Regional Strategy will be subject to a simplified Examination in Public (EiP) similar to that of the current regional Spatial Strategy. The relationship between the EiP and regional scrutiny (both parliamentary and Local Authority led) will be key.

It is unclear whether there are sufficient standing resources within Westminster to support nine effective regional committees. Sharing resources between committees will inevitably dilute the effectiveness of both.

A select committee model that involves conducting inquiries and drafting detailed reports will inevitably use staff resources more intensively than a grand committee model.

Member Time

Regions will wish to be assured there are sufficient standing resources to support effective Parliamentary mechanisms for strengthening regional accountability and also that Members of Parliament will have time to ensure that regional committees are successful. Again, it is likely that select committees will require a greater time commitment than grand committees and many back bench members already have significant time commitments on other House committees.

Focus

The relationship between a regional Parliamentary committee and the Regional Minister should be clarified. A regional committee would be an effective mechanism for holding a Regional Minister to account for their activity on behalf of their region. There is currently an accountability deficit for Regional Ministers. They have neither mandate from within their region nor any requirement to account to elected representatives from their region for their performance.

It will be important that the focus of regional Parliamentary committees includes the RDA but is not solely focused on the RDA. Parliamentary scrutiny offers the opportunity to take a strategic over-view of all publicly-funded agencies and organisations operating within a region and strengthen their accountability.

Currently, there is no effective mechanism to champion the sensible integration of government activity within regions. The focus of a regional Parliamentary committee in asking government departments to account for their delivery within regions would help drive more joined-up government within the regions.

Representativeness

Regions will wish to be assured that the party political balance of the regional committee reflects that of the region for which it is responsible. The credibility of regional committees would be fundamentally undermined if their membership was not representative of the region's political composition. A national template would result in Liberal MPs being heavily under-represented in the South West, Conservatives over-represented in Northern regions, especially the North East and Labour over-represented in the East and South-East.

Summary

EMRA favours the development of an overall regional accountability system that delivers the strongest regional accountability, drawing on the resources of elected Members of Parliament and the leaders of upper-tier local authorities.

Parliamentary mechanisms offer the opportunity to hold Regional Ministers and other branches of government to account for their regional activities and take an overview of the overall effectiveness of regional institutions.

The Local Authorities within regions have greater familiarity with Regional Development Agencies, their operations and the strategic issues and needs of their regions. They are therefore better placed to consider in detail how effectively the RDA and other organisations within their region are delivering against regional needs and priorities and hold them to account for their performance.

EMRA considers that focused scrutiny regimes with clearly defined remits and regionally representative membership offer stronger regional accountability than a profusion of competing committees.

There is therefore a need for regional and national activities to reach agreement about mechanisms to ensure alignment and greatest impact. Such mechanisms could vary between the regions to reflect regional need and encourage innovation.

If robust co-ordination mechanisms are in place and standing resource and MP time allows, Parliamentary scrutiny, whatever its form, should ensure it retains the scope to undertake inquiries and make recommendations. Innovative models may need to be developed at Westminster to deliver robust and integrated Parliamentary scrutiny of regional organisations that works as part of a regional scrutiny system that provides for more effective regional accountability and stronger regional strategic decision making.

Footnote:

EMRA has recently developed principles of effective regional scrutiny to inform their consideration of Parliamentary and regional accountability models. They are attached for your consideration.

November 2007

APPENDIX

Principles to Support Effective Regional Scrutiny and Accountability

Who should be involved?

- Democratically driven
In order to demonstrate leadership, accountability and being representative of the region's electorate, Regional Scrutiny should be led by local authority members.
- Draw on external expertise
In order to ensure that the best brains are applied to advising the scrutiny body in its inquiries, regional scrutiny should draw on relevant experts and practitioners with experience of the issue under scrutiny. They can particularly assist with advising on the refinement of focus of inquiries, identification of key issues and identification of appropriate recommendations.
- Involvement Guided by Clear Rules and Protocols.
Clear rules and protocols are necessary to ensure that those involved in managing, undertaking and advising on regional scrutiny, together with those being consulted and those being scrutinised, or "held to account", understand the limits of scrutiny, how it is carried out and what to expect from the process. Moreover, such rules and protocols should help demonstrate that regional scrutiny will be fair, constructive and rigorous.

What should be the focus of regional accountability and scrutiny?

- Thematic and Strategic Scrutiny
Scrutiny should be undertaken in on a planned basis as set down in a Business Plan. The Plan should detail a strategic programme for undertaking thematic reviews into substantive policy areas that affect the delivery of the Single Integrated Regional Strategy. Scrutiny should not deal with individual activities, transactions or matters of process but should retain the scope to monitor RDA performance against agreed targets and the flexibility to examine strategically significant matters on an ad hoc basis.
- Development, Delivery and Review of the Single Integrated Regional Strategy
Although a Regional Scrutiny Platform that is based on the leadership of democratically elected local authority members has the potential to effectively deliver regional accountability to a wide range of publicly funded organisations, for their delivery in regions, the initial focus of regional scrutiny should be on the development, delivery and review of the Single Integrated Regional Strategy. This ensures that regional scrutiny can be effectively targeted within current resources and, because local authorities will have a key role in signing off the SIRS, focused around the better achievement of mutually agreed outcomes.
- Focused on Issues
Given the RDAs' lead role in preparing and facilitating the delivery of the Single Integrated Regional Strategy, the main focus of regional scrutiny should naturally be on the role and activity of the RDA. However RDAs are not the only publicly funded agencies with a stake in developing and delivering the Single Integrated Regional Strategy, The activities of other organisations within the geographic remit of the issue being considered should therefore also be scrutinised in proportion to their involvement in that issue. Such organisations may include the Learning and Skills Council, the Highways Agency, the Homes and Communities Agency, Jobcentre Plus and many others. The ability of a regional scrutiny bodies to make recommendations to such organisations should be backed by statutory powers.

How should accountability and scrutiny activities be undertaken?

- Forward Looking and Constructive Recommendations that are Capable of Being Implemented and Monitored
The recommendations made by regional scrutiny should inform future change rather than detail what should have been done in the past. In order to be focused and have greatest strategic impact, recommendations should be limited in number. They should also be, capable of being implemented and capable of having their implementation and impact monitored.
- Mechanisms to track delivery
In order to understand whether scrutiny is achieving added value, and, if so, measure it, agreed mechanisms should be put into place to monitor the delivery of recommendations and the impact that this has made.

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- Clarity about the Purpose and Outcomes of Regional Scrutiny

Regional scrutiny is a process by which regional agencies are held to account for their performance and delivery. The products of the scrutiny process are recommendations to organisations within the region that have responsibility for the issue being “scrutinised”, usually contained in scrutiny reviews. The implementation of the recommendations leads to improved outcomes for the region. The outcomes of effective regional scrutiny therefore are more effective regional strategic decision-making and delivery and that the public and stakeholders have greater confidence in regional organisations because they recognise that they are being effectively held to account.
 - Widespread and effective consultation

So that the fullest range of experiences and perspectives on the issue in question, from across the geographic area to which it applies, are considered when analysing the issue and making recommendations for change regional scrutiny should be based on consultation with all relevant stakeholders within that area. To protect the integrity of the evidence provided by sources that have a contractual or funding relationship with a body under scrutiny, safeguards should be in place to prevent disclosure.
 - No surprises—the “Critical Friend”

As part of the professional and non-confrontational approach, to check facts, informally validate emerging issues and draft conclusions, information should be shared with the organisation(s) under scrutiny at various points during the review. This increases the chance of effective implementation of the findings as it helps the organisation understand the logic-chain behind the recommendations and assists them to “want” to implement the recommendations rather than “have to”. Partners trust in the process and the organisation is built through a “critical friend” approach that recognises the role of scrutiny in supporting the achievement of objectives mutually agreed in the Single Regional Strategy.
 - Rigorous

So that the regional scrutiny process and the recommendations it makes are credible, the process needs to be demonstrably rigorous—i.e. characterised by its objectivity, honesty, extent of consultation, thoroughness of research and professional manner by which it is carried out.
 - Objective

To ensure the credibility, accuracy and value of scrutiny, regional scrutiny must be demonstrably objective and issue-focused rather than a tool to promote a political or sectional interest.
 - Honest

In order to demonstrate its credibility, regional scrutiny should faithfully represent that process by which it is carried out.
 - Locally/regionally appropriate approaches

Regions and localities can frame solutions and models of working that are appropriate to their local circumstances in delivering strong accountability.
 - Backed by statutory powers

Partners are clear about the remit of scrutiny and how they are expected to respond to it. Organisations undertaking scrutiny are clear about the limits and focus of the process.
 - Clearly defined role in relation to other scrutiny mechanisms

Each scrutiny mechanism is focused, aware of the activities, role and remit of the others and therefore does not duplicate and could potentially add value.
 - Based on thorough research

To ensure credibility, scrutiny should be not only based on widespread consultation but all other relevant sources of information should be used and analysed.
 - Understood and valued by Government Departments

So that Government communication with regional bodies is properly informed by high-quality information from within the regions.
 - Understood and Valued by the Public and Stakeholders

So that the public and stakeholders have greater confidence in regional organisations because they recognise that they are being effectively held to account.
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South West Regional Assembly and South West Local Government Association (M25)

What models of accountability might work?

- The over-riding requirement is that there is complementarity between Parliamentary accountability and local authority led regional scrutiny.
- Council leaders in the South West met recently to agree an early shared view on the development of regional accountability arrangements. An approach was endorsed involving a forum of all councils, with a more tightly knit executive group drawn mainly from strategic authorities meeting more regularly.
- The purpose of such a grouping of authorities would be to work with the SW Regional Development Agency to agree, develop, deliver and review the Single Regional Strategy.
- Local authorities working collectively at regional level could also provide effective democratic accountability for a wider range of public bodies.
- In addition to this, working with the Regional Minister would be an important responsibility.
- The new arrangements should recognise the different role of Local Authorities and the Social, Economic and Environmental Partners, for whom separate arrangements with the SWRDA should be made, recognising their expert role.

What the role of the House should be in regional accountability?

- MPs can play an important role in strengthening regional accountability in a way which is complementary to that of the collective role of local authorities outlined in the *Sub National Review*.
- This could focus on: the institutional arrangements of governance within each region; effective examination of the work of regional bodies and; a wider remit relating to the delivery of public services and national policy in the region.
- Where Regional Ministers play a role in advising BERR or CLG on the sign-off the Single Regional Strategy, regional select committees could also play an important role in holding Ministers to account.
- Given the pressures on MPs' time we believe the adoption of a grand committee style of regional select committee may be the best way forward for the South West.
- This approach would also enable a wide range of MPs to participate in the committee and help ensure that the committee is more politically representative of the region it serves. An imposition of UK political proportionality in the South West would be very unrepresentative of the political balance in the South West.
- A Grand Committee would also provide good opportunities to provide information about regional working to a large number of MPs, as well as more opportunities for democratic scrutiny of activities of regional agencies.
- Parliamentary scrutiny arrangements could hold public hearings in the regions and receive formal responses from both the Government and organisations within regions for which reports are published.

What resources would be needed to make regional accountability work in the House of Commons?

- In order to deliver effective regional accountability through the House of Commons any regional select committee resources could be aligned with that of local authority led regional accountability.
- A combined centre of expertise, based in each region, could ensure that Committees were provided with a high level of service (whether meeting in the region or Westminster) whilst able to liaise on behalf of the Committee with local authorities and other key stakeholders in the region. In the South West there is a body of experienced staff at the Regional Secretariat (which currently supports the Assembly and South West Local Government Association).

November 2007

English Regions Network (M29)

1. The English Regions Network, the umbrella organisation for England's Regional Assemblies, welcomes the opportunity to respond to the inquiry by the Modernisation Committee into regional accountability.

2. Accountability is a core function of Regional Assemblies. This is the broad process of ensuring that key organisations and agencies—principally the Regional Development Agencies—are answerable to regional partners for the decisions they make, for the way they allocate resources and for their contribution to meeting a region's strategic economic development objectives.

3. This submission complements responses made by individual Regional Assemblies.

What models of accountability might work?

4. In response to the Government's decision to phase out Regional Assemblies local authorities and stakeholder representatives are giving much consideration to the design of new arrangements for managing regional level working. Decisions regarding new structures, including approaches to scrutiny are still under discussion.

5. Options include a dual approach, a single approach and a hybrid of the two. The dual approach would involve discrete but complementary local authority led and parliamentary regional scrutiny activities. The single approach envisages a sole regional scrutiny body that would involve local government representatives working alongside MPs. There are a number of variations between the two approaches such as a stand-alone local authority-led scrutiny grouping and a parliamentary committee with the latter also including some local authority membership on a permanent or ad-hoc basis, depending on the focus of the inquiry.

6. Given the variety of regional models being considered and the Government's acceptance that one size does not fit all, the ERN proposes that a flexible approach to parliamentary and local authority-led scrutiny be promoted with each region settling on arrangements that ensure a best fit with their particular regional architecture.

7. Apart from the approaches being developed, ERN proposes the following set of principles should underpin regional accountability structures that involve MPs:

- (a) There should be close engagement between MPs and local government so as to ensure alignment, complementarity and co-ordination of scrutiny activities being undertaken at the regional level and at the local level.
- (b) Current regional scrutiny structures reflect the party political balance of the region concerned. This practice should be retained in any new arrangements involving MPs. A national political template should not be imposed on regional level structures.
- (c) There should be a presumption in favour of in-region rather than Westminster-based meetings. Such an approach should result in more public and media interest.

8. Rather than being constrained by the existing typical grand or select committee model, the ERN considers that it is more constructive to focus on what it is that any parliamentary structure needs to be able to do. For any committee to be credible, it needs to have the power to initiate its own inquiries (would need to avoid duplication or repetition with any other regional level scrutiny), require attendance as necessary, produce reports and make recommendations to which the Government and relevant agencies would need to respond.

9. For information Appendix 1 contains a set of principles to underpin local authority-led accountability and scrutiny activities. Many of the principles are transferable to activities involving MPs.

What the role of the House should be in regional accountability?

10. With the involvement of MPs in regional scrutiny should come the opportunity to hold central government and its departments and agencies to account for the impact of its policies at a regional level. There is much talk of joined up government, however the rhetoric does not always translate into co-ordinated policy and action at the regional level.

11. The introduction of Regional Ministers has been welcomed by all regions. Over the last six months these Ministers have been busy in their regions. There is, however, an accountability deficit that needs to be addressed because such Ministers have neither a mandate from their region nor any requirement to account to elected representatives from their region for their performance. This deficit could be reduced by the Regional Ministers being answerable to regional scrutiny groupings involving MPs.

12. To date, Regional Assembly scrutiny has largely focused on Regional Development Agencies and their development and delivery of the Regional Economic Strategy. The strengthening of regional scrutiny should be accompanied by an extension of the scope of scrutiny to include other public agencies operating at a regional level eg the Highways Agency and the Homes and Communities Agency. There should also be the ability to address a broader policy agenda taking in areas such as crime, education and health.

13. Where a dual approach to scrutiny is followed there is a strong case for local authorities to take the lead on RDA accountability and scrutiny of other agencies contributing to the delivery of the Single Integrated Regional Strategy. Parliamentary activity could usefully enhance regional accountability by focussing on other major institutions operating at the regional level and on policy issues outside the remit of the RDA and the Single Integrated Regional Strategy.

What resources would be needed to make regional accountability work in the House of Commons?

14. A knowledgeable secretariat with a deep understanding of the region and good links with local authorities, regional organisations, other interested parties and local media will be essential to support effective parliamentary scrutiny. ERN considers that this can best be achieved by a secretariat based in each region. Centres of expertise for regional scrutiny already exist in Regional Assemblies. It may be desirable to build upon this resource and, furthermore, to have a single base supporting parliamentary and local authority led regional scrutiny.

15. Regional Assemblies are funded to undertake scrutiny. In the future on-going funding will be required to deliver local authority-led scrutiny activities. In addition resources will be needed to support Parliament's involvement. The budget will need to cover items such as staff, research and meeting venues.

*Cllr Keith R Mitchell CBE FCA FCCA
November 2007*

APPENDIX 1

PRINCIPLES TO UNDERPIN EFFECTIVE LOCAL AUTHORITY LED REGIONAL ACCOUNTABILITY AND SCRUTINY

Drawing on extensive experience the English Regions Network has identified a number of lessons which could usefully inform deliberations as proposals for accountability and scrutiny arrangements are developed.

Who should be involved?

- Skilled local authority Members should lead the activity and involve social, economic and environmental representatives and experts as appropriate.

What should be the focus of regional accountability and scrutiny?

- Themes concerned with the development, review and delivery of the Single Integrated Regional Strategy.
- As a mechanism to drive more strategic decision-making.
- The Regional Development Agency should be the principal but not exclusive focus of regional level accountability and scrutiny activities.

How should accountability and scrutiny activities be undertaken?

- With a forward-looking philosophy to ensure that all activities result in policy and delivery improvements.
- With the aim of producing clear recommendations that can be effectively monitored. This will enable the added value of scrutiny and accountability activities to be captured.
- Constructively, to secure full engagement in the process and joint ownership of recommendations and the intended outcomes.
- In a challenging but non-confrontational manner.
- Cooperatively, where other regional level scrutiny (e.g. parliamentary) is in progress so as to ensure complementary activity and avoid duplication.
- Openly and transparently.
- Using a robust evidence base.
- Flexibly to enable variation in approach according to the issue being considered.

Chairman of South East England Regional Assembly (M40)

Regional Parliamentary Committees

I am writing in response to the invitation from the Modernisation Committee of the House of Commons to comment on the proposition within the Government's *Sub National Review* to create regional parliamentary committees. I offer the following four points on this Assembly's behalf:

1. Regional Parliamentary Committees, in whatever form, should complement and not duplicate accountability and scrutiny arrangements within the region. Above all, they should provide the means for examining the impact of Government policies on the region. There seems to have been a fundamental assumption that Parliamentary scrutiny would look at the region and regional institutions. I am suggesting strongly that the Parliamentary telescope should turn through 180 degrees and look at the impact of central government policies and investment on each region.
2. Regional committees should reflect the political make-up of the region, not of the UK Parliament. Maintaining overall Parliamentary proportionality is simply not possible in some regions neither is it democratically acceptable.
3. Every opportunity should be taken to involve Local Authority Leaders alongside MPs, perhaps within a hybrid committee.
4. Regional committees should not simply be talking shops. To add value, they must have the capacity (within clear parameters, naturally) to set and resource their own work programme.

November 2007

County Councils Network (M18)

The County Councils Network is pleased to provide evidence to the Select Committee inquiry on Regional Accountability. The County Councils Network represents all 37 English Shire Counties, which in turn represent 48% of the population and provide services over 87% of the land mass of England.

The County Councils Network is a special interest group of the LGA. In submitting this evidence the CCN also supports the submission made by the LGA to this inquiry.

The terms of reference for the Inquiry note the proposals to improve democratic accountability and scrutiny of the delivery of public services in the English regions as set out in the *The Governance of Britain* Green Paper. In submitting evidence to this Inquiry the CCN is mindful of the proposals set out in the *review of sub-national economic development and regeneration* which was published in July 2007 and which also has important implications for regional accountability.

The CCN is concerned that the proposed arrangements for regional accountability will result in duplication, confusion and the dilution of regional accountability. The arrangements must allow for clear regional accountability focused on making regional institutions and strategies accountable to local communities through elected local government.

In addition to providing this written submission the CCN would be pleased to submit oral evidence to the inquiry at a later stage if called to do so.

Regional Accountability

The *Sub National Review* proposes a range of changes at the regional level which have direct implications for regional accountability. These include:

Regional Development Agencies—to be given the responsibility from 2010 for developing an integrated regional strategy that sets out the economic, social and environmental objectives for each region.

Regional Assemblies: Regional Assemblies to cease to exist in their current form. Their planning, transport and housing responsibilities will be transferred to RDAs from 2010, and their scrutiny functions to local authorities in the region.

Local authorities: Local authorities in the regions will be responsible for agreeing the national strategy with the RDAs, and will also be responsible for effective scrutiny of RDA performance. The CCN welcomes the proposed new focused statutory economic duty which will require all upper tier authorities to carry out an assessment of the economic circumstances and challenges of their local economy. This will strengthen the role for county councils in three tier areas, as will proposals on supplementary business rates and funding for 14–19 education and skills.

Parliamentary Scrutiny: to work with Parliament to agree the best way of strengthening Parliamentary scrutiny of regional institutions and regional economic policy, and appointment of a Minister for each of the regions.

The proposals are far reaching and have direct implications for regional accountability. As point of principle CCN considers that powers and responsibilities currently vested in regional assemblies for planning, transport and housing should return to local government on the cessation of the assemblies and should not be transferred to unelected regional development agencies. These powers were drawn upwards from local government and the return of the powers and responsibilities to local government would both ensure electoral accountability, and provide a powerful example of delivery on the government's stated devolutionary intentions.

With the cessation of regional assemblies local government will need to develop clear mechanisms for working collectively at the regional level. The CCN considers that a single model of regional working should not be prescribed. The framework should allow locally agreed models of working that are appropriate to the region. Arrangements will need to ensure effective strategic leadership of the region through involvement of all upper tier authorities. Local authorities in three tier areas will need to consider how other tiers are best represented in these arrangements.

CCN has developed a number of principles for new regional arrangements. They should:

- be developed and agreed by local authorities within each region acting collectively, to meet the specific needs of the region;
- build on strong foundations of democratic accountability within the region and involve other partners and stakeholders in an appropriate way;
- be mandated by all local authorities to sign off the draft regional strategy and to scrutinise the RDA on behalf of the region;

To achieve this, structures will need to:

- ensure democratic engagement through bringing together local authority leaders from all sub regions;
- give due weight to the different roles and sizes of authorities and/or political balance of the region; and
- be capable of an effective accountability and scrutiny function in respect of the RDA;

To achieve this:

- The locally agreed structures should have equivalent scrutiny powers to those held by local authorities, to compel the appearances of witnesses and the production of papers.
- The RDA should be accountable to local government in the region and in particular have an obligation to take account of the collective views of local government, and to give account of itself. This should include a requirement to respond constructively to the findings of scrutiny reviews.

Such arrangements would allow local authorities collectively to exercise regional leadership underpinned by electoral accountability at local level. The regional development agency and other non-governmental agencies in the region should be accountable to local government collectively in the region.

It should also be recognised that regional boundaries in practice are fluid. Although the standard regional boundary has relevance for many activities, any arrangements must be flexible enough for local authorities to act together at sub-regional level, or across regional boundaries to resolve particular issues.

The Role of Regional Select Committees and Local Councils in Regional Accountability and Scrutiny

The Sub National Review proposals imply a dual accountability of RDAs in preparing the single regional strategy and in delivering its part of the strategy, as well as the strategy itself, both through local government and to Parliament through regional select committees.

The CCN considers that such joint accountability would in practice dilute rather than strengthen accountability. There should be a clear distinction between the roles of local authorities and regional select committees in scrutiny at the regional level.

The role of regional select committees in regional scrutiny should be to examine central government activity, linking this to the realisation of policy at the regional level and holding Ministers to account for their performance. This role might also include scrutiny of progress by government and government agencies in delivering promised devolution of powers and funding to regional and local level.

To effectively achieve this role the CCN believes that the regional select committee should be hybrid committees which include elected representatives from upper tier authorities in the region as well as MPs. The Committees should be representative of elected democracy in the region and as such would help to strengthen the links between councils and MPs who share a mandate from the same local electorate. Similarly consideration could also be given to whether such bodies might also include representation of MEPs. It is vital that such committees should meet in the region to which they relate to underscore the holding to account of central government for performance in the region.

The role of local authorities in regional accountability and scrutiny is to work collectively with the RDA in drawing up the integrated regional strategy to ensure that the strategy reflects the priorities of local communities. The RDA should be accountable to local government collectively in the region in drawing up and delivering the strategy and the process should be one of continuous engagement and not simply formal sign off. Local authorities working collectively will be responsible for the effective scrutiny of the RDA and all of its activities, and this role should extend to the scrutiny of other national and regional bodies such as the Learning and Skills Council, the Homes and Communities Agency, the Highways Agency and Jobcentre Plus.

Resourcing the New Arrangements

The new arrangements for regional accountability will require at least the same level of resource as is already deployed in supporting the current regional assembly and regional development agency arrangements. County Councils currently provide considerable additional support (including scarce specialist skills) to regional working, to supplement the resource currently located within the current assemblies and RDAs.

The planned consultation on the implementation of the arrangements for the non-continuation of regional assemblies should include explicit consideration of the resource required to support the successor arrangements for regional accountability.

November 2007

Local Government Association (M50)

The LGA's Key Messages

- The LGA is concerned that the proposed arrangements for regional accountability, with a new tripartite system of accountability to local councils, Ministers and Parliament, might prove confusing and result in duplication, overlapping accountability and the dilution of regional accountability. We are also concerned that it could result in an unmanageable workload for the members of any new select committees.
- If regional select committees are to be created, we believe that our concerns about the potential for duplication and overlap could be avoided if council leaders are invited to sit on Regional Select Committees alongside MPs. Clearly defining the remit of Select Committees will also avoid the potential for duplication and overlap, and manage members' workloads.
- Select Committees should focus on the interaction between national government and its agencies and the regional tier and on strengthening the accountability of RDAs, as Non Departmental Public Bodies exercising planning functions, to elected politicians. We consider it would be inappropriate—and against the policy intention of the sub-national review to devolve power from the centre—if Parliamentary scrutiny of regional arrangements resulted in pressure on Ministers to feel responsible for issues that are properly dealt with in the regions by local councils and RDAs.
- The role of local councils in drawing up integrated regional strategies with RDAs and in scrutinising RDA performance should focus on making regional institutions and strategies accountable to local communities, to compensate for the loss of democratic accountability within each region that would result from the abolition of Regional Assemblies.

The Proposals for New Arrangements for Regional Accountability

The Government's review of sub-national economic development and regeneration (SNR), published in July, proposed that Regional Development Agencies (RDAs) should be given executive responsibility for developing a new integrated regional strategy in each region. Local authorities in the region will be responsible for agreeing the regional strategy with the RDA and for scrutiny of RDA performance. The strategy will also be agreed and signed off by the Secretaries of State for Communities and Local Government (CLG) and Business, Enterprise and Regulatory Reform (BERR).

The SNR also proposed that the Government should work with Parliament to agree arrangements for enhancing Parliamentary scrutiny of regional institutions and regional economic policy. *The Governance of Britain* green paper proposed the establishment of nine regional select committees to examine the work of regional bodies and hold Ministers to account. On 28 June the Prime Minister also appointed Regional Ministers for England and the green paper proposed that they should have a role in advising the Secretary of State for Business, Enterprise and Regulatory Reform on the approval of regional strategies.

LGA Concerns about the Proposed New Arrangements

The LGA is concerned that the proposed arrangements for regional accountability, with a new tripartite system of accountability to local councils, Ministers and Parliament, might prove confusing and result in duplication and overlapping accountability. Having so many bodies scrutinising RDAs and the new Integrated Regional Strategies might have the effect of diluting, rather than strengthening, accountability.

There are also a number of practical issues which might make the operation of regional select committees very difficult. Members of the committees would be required to take on a significant workload of a very different kind from ordinary Parliamentary scrutiny of the executive. There would be pressure for the Committees to meet outside London on a regular basis. There would be a need for the committees to be densely staffed by experts in a range of disciplines.

There is also a question of political balance. If the usual rules were followed, regional select committees would, by reproducing the overall balance of the House of Commons, produce glaring misfits between the balance on the committee and the balance of Parliamentary representation within the region. Indeed, in some regions, it would only be possible to achieve the same balance as the House by recruiting members from outside the region. It is not clear that such arrangements would command confidence with residents or media from the regions concerned; that would undermine the value of any recommendations the committees produced.

The Membership of Regional Select Committees

If regional select committees are to be set up, it would be necessary to mitigate these problems of workload, potential confusion, accidental centralism, and political balance. We believe that these concerns can be minimised if elected council members from within the regions, possibly council leaders, are invited to sit on “hybrid” Regional Select Committees alongside MPs.

This would mean that the scrutiny of RDAs and regional arrangements will be carried out by both the national representatives of a region and by its local representatives. It will ensure that Parliamentary scrutiny is very firmly anchored in the regions and will bring the voice of local communities directly into the process of regional parliamentary scrutiny. It would supplement MPs’ expertise with that of elected politicians who are more familiar with the structures and issues under scrutiny. This will also help to strengthen the links between councils and MPs who share a mandate from the same local electorate, and balance the perception that there is a hierarchy between mandates with a sense of partnership in serving the same public.

The Role of Regional Select Committees in Regional Accountability and Scrutiny

Clearly defining the remit of Parliamentary Select Committees will also avoid duplication and overlap, and manage workload. Select Committees should focus on the interaction between national government and its agencies and the regional tier, rather than looking at regional/local arrangements—including local partnership working involving national agencies’ local arms—which are already the subject of existing scrutiny by local councils.

A particular focus of Parliamentary scrutiny should be to strengthen the accountability of RDAs as non-departmental public bodies discharging planning functions that directly touch on the use of land that is owned by private individuals and companies in a particular region. The role of the regional planning body in drawing up regional spatial strategies is currently discharged by Regional Assemblies, which have a majority of locally elected politicians sitting on them. Although RDAs will be accountable to their sponsoring Minister and through him or her to Parliament, this is quite a weak level of direct accountability to elected politicians. Additional accountability to a parliamentary committee on which elected members sit will be a way of increasing the legitimacy of RDAs to exercise planning functions in this way.

Select Committees might also be best placed to hold Ministers to account and ensure that central government departments and agencies are “joined up” in their approach to specifying national targets and tasking frameworks for regional bodies. Progress by government and its agencies in delivering on promises to devolve powers and funding to local and sub-regional partnerships might also be a subject to be tackled by Regional Committees. And funding issues such as the effectiveness of the regional funding allocation process in meeting the needs of individual regions might also be best tackled at this level.

We consider it would be inappropriate—and against the policy intention of the sub-national review to devolve power from the centre to regions and localities—if Parliamentary scrutiny of regional arrangements resulted in pressure on Ministers to feel responsible for issues that are properly dealt with in the regions by local councils and RDAs, as outlined below.

The Role of Local Councils in Regional Accountability and Scrutiny

The role of local councils in drawing up the integrated regional strategy with their RDA and in scrutinising RDA performance should be seen as a distinct layer of accountability, within each region, focused on making regional institutions and strategies more directly accountable to local communities and ensuring that major decisions on planning and economic development are made with appropriate, elected, political leadership.

The current arrangements ensure that local people have some say over the planning policies that affect land and property rights in their areas. But under the new arrangements the planning and economic strategies in a region will be drawn up by RDAs, which will answer to their sponsoring Whitehall department as well as councils. So it is important that a distinct role for local councils in making RDAs accountable to local electors is maintained so that local communities can have their proper say on the economic and planning issues that really matter to them.

Although the formal requirement will be for the new integrated regional strategy to be agreed between the RDA and local authorities in the region, we believe the process of agreement should be continuous throughout the development of the strategy and not confined to final sign-off. The process should result in a strategy that is jointly owned by the RDA and the local authorities in the region to ensure it reflects the priorities of local communities.

We believe a distinction also needs to be made between scrutinising the process for drawing up and agreeing the integrated regional strategy on the one hand and scrutiny by councils of the performance of RDAs and other national and regional agencies on the other.

General scrutiny by councils of RDA performance should not be confined to its role in relation to the integrated strategy, but should be able to cover any activity of the RDA. And while it is important that arrangements provide effective scrutiny and accountability of RDAs, they should not be limited to this. Accountability should also focus on the role of other national and regional bodies such as the Learning and Skills Council, the Homes and Communities Agency, the Highways Agency and Jobcentre Plus.

January 2008

LGA witnesses Cllr David Sparks OBE, Cllr David Parsons and Paul Raynes (M55)

Hybrid Regional Select Committees

- Hybrid regional select committees offer the best form of engagement between MPs and local authorities enabling both to get to the “guts” of issues quickly and effectively. Having councillors sitting on regional select committees will be the most straightforward way of avoiding duplication of regional scrutiny by parliament and local councils.
- They would consist of Members of the House (from a given Region) and senior members of councils. They would reflect the overall political balance of the House of Commons, with councillors making up the political balance in regions as necessary.
- Regional select committees would not be large (say 10-15) with exact numbers and proportions of MPs to Councillors being decided by the House.
- It would be necessary to be clear about the remit of any new select committees to preserve clarity about how their role would be distinct from that of the local government-led accountability and scrutiny arrangements that will continue in each region. They will need to focus on the interaction between national government and its agencies (especially Regional Development Agencies) and the regional tier, rather than looking at regional/local arrangements. They will focus on holding Ministers to account and on the role of regional Ministers.
- While the Chairmanship of Select Committees usually reflects the balance of the House, one option might be to appoint the regional select committee chairs from among the MPs of the party that has a majority in the region.
- We would want to see full voting rights for all Committee members although in practice they would work by consensus and be inclusive. We think giving councillor members equal voting rights will be an important incentive to make sure that council leaders or very senior members are interested in serving on the select committee for their region.
- Hybrid committees should meet in their own region. This would send out the “right” modernising message that the House takes regions seriously. The number of meetings of the committee would be for the committee to decide, but would be between four and six times a year.

February 2008

Peter LuV MP, Chairman, Business, Enterprise and Regulatory Reform Committee (M39)

The Modernisation Committee has asked for evidence about regional accountability. Although individual members of the Business, Enterprise and Regulatory Reform Committee favour different models for regional accountability, there is general agreement that it would be deeply undesirable for regional accountability to duplicate or conflict with the existing policy scrutiny conducted by departmental select committees.

To give one example; the Trade and Industry Committee looked at the performance of Regional Development Agencies in several reports. In many cases, it supported the work done by the RDAs. However, the Committee was consistent in voicing concerns that in some circumstances uncoordinated activity could lead to wasteful competition between RDAs. For example, in its inquiry into UKTI's Five-Year Strategy the Committee warned that such competition risked undermining the Government's overarching policy, which includes promoting a clear British brand in exports to develop trade and attract inward investment.

There would be obvious difficulties if those charged with ensuring regional accountability saw their role as scrutinising not just the implementation of policies within their region, but the basis on which national policy was made. Such clashes will be inevitable if the regional committees follow the normal select committee model unless their remits are extremely carefully worked out. There may also need to be more formal mechanisms for committees to consult one another on their programmes than currently exist.

November 2007

Peter LuV MP, Chairman, Business, Enterprise and Regulatory Reform Committee (M51)

I realise that the date for submitting evidence for the Committee's inquiry into Regional Accountability has passed, but I wish to endorse an idea that has already been put to the Committee.

I understand the need to develop regional accountability of both the regional ministers and, with the abolition of the assemblies, of Regional Development Agencies. However, I have serious doubts about the original proposal for new Parliamentary select committees.

Aside from reservations about how such committees would be composed (I believe that every member of a region has the right to scrutinise, not just a select group of Members), we are all aware that MPs' time is becoming increasingly pressurised during the four—or more accurately three to three and a half days—spent in Westminster. The creation of further select committees will only increase the difficulties that we already face fitting in our many duties whilst in Westminster. Indeed, many colleagues already serve on at least two select committees.

In addition, with so much else going on politically at a national level and with fewer and fewer regional reporters in the Lobby, regional scrutiny is unlikely to get the media coverage or attention that it truly deserves if it is done at Westminster.

In my opinion, a far more attractive solution, suggested I believe by Michael Jack, would be to hold occasional public forums (Regional Grand Committees?) in the relevant regional centres, such as Birmingham or Manchester, which all the region's Members of Parliament would be invited to attend on a Friday. This proposal would ensure that more time was not taken out of the packed Monday-Thursday Parliamentary schedule, whilst also generating local participation, interest and coverage.

Indeed, I believe the idea of conducting this scrutiny away from Westminster would be seen as enhancing the accountability of MPs themselves and demonstrating their interest in issues of direct interest to their constituents.

January 2008

Rt Hon Sir George Young Bt, MP (M2)

As the Leader of the House will know, I am pleased that the Government appears to be drawing back from the proposition that there should be nine regional select committees set up to hold regional ministers to account.

My view is that there simply are not the personnel available to serve on these select committees; that they risk cutting across the work of existing select committees; that the regional ministers whom they might hold to account are not, in many cases, the budget holders for the projects that are being funded—nor will the policies under scrutiny necessarily come from their own Departments.

If the House believes it is necessary to monitor regional policies, and they are unable to persuade people to vote for directly elected regional assemblies, I would prefer a more informal system of debates, agreed through the usual channels, on those issues thought to be most pressing in a particular region. A regional grand committee would seem to me to be a better model to consider.

November 2007

Ann CoVey MP, Mr George Howarth MP and Graham Stringer MP (M5)

Regional Select Committees and Alternative Representational Structures

The Committee intends to discuss the creation of regionally-based select committees with responsibilities that would include scrutinising the work of the Ministers for the regions. This memorandum explores that suggestion and identifies alternative and potentially more effective ways to scrutinise the impact of policy on local geographies.

The Importance Scrutiny at an Appropriate Regional Level

The bread and butter issues of politics—healthcare, policing, schools and childcare—are almost entirely implemented at a local and regional level. Yet most structures of Parliamentary and Government scrutiny have hitherto defaulted to national structures keeping a safe distance from real lives. It is therefore extremely welcome that the Committee is considering more effective ways to scrutinise the impact of policy at a level which is closer to its implementation, closer to home.

Given that all domestic politics and policy ultimately impacts on people's lives at a local and regional level, it makes sense for scrutiny to occur at that level. The question then for the Committee, is not whether it would be beneficial to have more devolved scrutiny, but at what level that scrutiny would be most beneficial, and for whom?

The question "for whom?" is fundamental: if we start from the premise that the aim of better scrutiny should be to improve the lives of individuals, then we should shape scrutiny around the geographies that impact most on their lives. Conversely, if we start from the premise that the aim of better scrutiny is to make life more straightforward for Government structures, then we should shape scrutiny around those structures.

Is the North West Special?

We represent three constituencies which are physically quite close together at the end of a compass point: the North West. Yet within the North West, there are two large cities and a whole range of smaller towns and cities as well as large rural areas all with hugely different needs, identities and priorities. Mancunians do not identify as Liverpoolians, nor Lancastrians, etc. However, we do have one thing in common: no one identifies as a North Westerner!

Similar scenarios play out across the rest of the country in all other compass-point regions. Alienation occurs when there is a meaningful relationship based on common experience, not administrative infrastructure.

Is a Compass-point Regional Basis the Best Way to Deliver Proper Scrutiny?

There are some advantages of basing scrutiny of Government policy on a compass-point regional basis. However, these almost entirely derive from the basis of administrative neatness, based on coterminosity of SHAs, RDAs and to a lesser extent regional media.

Administrative neatness is significantly outweighed by some very considerable disadvantages:

- Successful Government performance is inevitably based on economics and performance-level statistics. Cities, by sheer weight of their population, unfairly skew regional performance and therefore become disproportionately important in compass-point regional structures.
- To address the disproportionate influence of cities, artificial measures are inevitably introduced to refocus performance, thus creating unnecessary complications, opening up the scope for gaming in the system and immediately clouding attempts at bringing clarity.
- Meanwhile regions with more than one major city, such as the North West, have their distinct identities and needs diluted and blurred.

In short, compass-point-based regional scrutiny actively obscures the clarity and transparency it seeks to bring, and it misses focusing on geographies which have populations with common needs.

Alternative Ways to Structure Scrutiny

Historically, people have organised around far more intuitive structures and groupings. Local physical geography such as rivers and mountains, large population centres, modes of life such as farming, manufacturing and access to natural resources such as mining and fisheries are far more meaningful because they reflect real lives.

As society has developed, these structures have evolved into modern towns, cities and rural communities with common and discreet interests. It makes sense that our representative structures reflect more organic boundaries and that is precisely the type of approach adopted by the Boundary Commission when determining structures for Parliamentary constituencies.

As a Committee we therefore need to find structures that reflect common interests and identities, and that cover sufficiently large enough populations to enable scrutiny to be carried out in a reasonably practical and meaningful way.

City Regions and Counties

There is a compelling case for organising scrutiny around the UK's eight "core" cities and their surrounding economic footprints: Birmingham, Bristol, Leeds, Liverpool, Manchester, Newcastle, Nottingham and Sheffield. Scrutiny of areas not covered by these city regions should be based on counties, and the Committee may wish to take expert advice on the most appropriate configurations.

City regions are major focal points of life and economic activity. Last year's ODPM report *State of the English Cities*, highlighted a number of facts, including that in 2003 the significant majority, 58%, of the English population lived in cities. There has been a reversal in the decline of city population with cities accounting for 42% of population growth between 1997 and 2003. Cities accounted for 63% of England's jobs in 2003 with cities outside the capital contributing 44% of the total growth in jobs between 1998 and 2003, compared to 14% in London.

The economic drive emerging from city regions is significant, and the population base important, but the most compelling reason is that these are the organisational structures around which most people have chosen to live.

Future-proofed Structures

No structures can ever be properly future-proof: there would be no need for a Modernisation Committee if that was the case. However, when recommending new structures, it helps if they at least have the prospect of having some future by being consistent with the emerging grain of policy and have popular support.

Plans for a North West regional assembly referendum were quickly dropped in 2004 when it became clear that there was little public appetite and the 78% "no" vote in the North East regional assembly referendum was an extremely clear demonstration of voter opinion. Public support was minimal because there was little confidence that compass-point regional representation could act as an effective mechanism for reform and improvement.

The 2006 White Paper, *Strong and prosperous communities*, outlined plans which were far more consistent with the notion of city regions than regional assemblies. Key elements of the White Paper all of which remain on track include the concept of "double devolution" ie transfer power both from Whitehall to local authorities, and from town halls to local communities; a commitment to cut the number of central targets from 1,200 to 235; reforms to make it easier for councils to be run by directly elected mayors, removing the requirement for a referendum.

With even the strongest advocates of regional assemblies recognising that these are at least 10 years away (eg Ed Balls and John Healey in a 2006 NLGN pamphlet), it is clear that city regions remain the dominant direction of regional representation.

Recommendation

Our fundamental observation is that organisations which relentlessly focus on the needs of their core stakeholders, be they patients, customers, students or constituents, and shape themselves accordingly tend to be more successful in the eyes of those stakeholders than organisations which focus on their internal priorities.

If the objective of creating a new level of regional scrutiny is to focus on improving real lives then we recommend that the Committee gives serious consideration and seeks expert advice on the merits of a system based on city regions and counties rather than on arbitrary compass points.

In addition to identifying appropriate geographies around which to structure scrutiny, the Committee needs to consider what would be the most appropriate terms of reference. Specifically, we need to reach a clear view on:

- What subject areas would be appropriate to consider? e.g. health, pensions and working life, transport, education etc.
- Who could be called to submit evidence? e.g. Government Departments, local councillors responsible for delivering local policies, etc.
- Which MPs would constitute the committee? e.g. all MPs for that geographic region.

November 2007

Association of North East Councils (M10)

1. The Association of North East Councils is the political voice for local government in the North East. It represents all 25 local authorities in the region, throughout Northumberland, Tyne and Wear, Durham and the Tees Valley on issues of concern to them and the communities they serve. It is a cross-party organisation, with all of its members being democratically elected and accountable politicians.

2. The Association welcomes the opportunity to contribute its view on this important issue. In framing this submission it has had regard not only to *The Governance of Britain* Green Paper but also the *Review of Sub-National Economic Development and Regeneration* (HM Treasury, July 2007).

3. The *Sub-National Review* proposes a model of regional accountability under which:

- Democratic accountability for the regional tier will be based on a combination of central and local government.
- Local authorities will take a greater degree of ownership of the new integrated regional strategy . . . achieved through strengthening local authority involvement, both in the regional strategy development process and in scrutinising the work and performance of the Regional Development Agency.
- Parliament (through some appropriate mechanism such as regional select committees) and local government will act as twin pillars of accountability.

4. While there are, of course, many issues of detail to be settled, we believe this is a workable model of accountability and one that should be pursued. Indeed, our member authorities are up for the change and much progress is already being made in working towards it.

5. Within this model, there are a number of principles that need to be established. These include:

- A clear understanding that regional accountability should focus on areas of work where there is a clear regional dimension . . . this includes economic development, transport, planning, housing, employment, skills and elements of health (local authorities are, of course, already accountable for the whole range of functions that they discharge, not only to the electorate but also to a variety of external auditors and inspectorates).
- A clear definition of the respective roles and responsibilities of parliament and local government in accountability and scrutiny . . . parliamentary and local government scrutiny should carry equal weight and both processes should add value.

6. To develop the latter point, we envisage that:

- Parliamentary scrutiny would have a clear mandate to hold central government and Whitehall departments to account in respect of regional policy, and should have an emphasis on ensuring joined-up activity nationally to support better coordination at regional, city/sub-regional and local levels.
- Local authority scrutiny would focus on delivering greater accountability in respect of the Regional Development Agency and the integrated regional strategy against the overall performance objective, including the work of the other organisations that contribute to this. It could include a focus on testing the proposed policies and evidence base on the strategy. The overall approach should be forward-looking with an emphasis on policy development.

7. While their roles are separate, it is important that Parliament and local government are each aware of, and where appropriate engaged in, the other's process and that duplication and waste of limited resources is avoided. This could be achieved through such mechanisms as regular (say twice-yearly) meetings of the relevant chairs, and regular communication and discussion sessions between the two sets of support officers. There should be a facility for sharing information and emerging findings and the potential for cross-membership, where this is appropriate.

8. We believe that this model would provide a real opportunity to improve democratic accountability and scrutiny of the delivery of economic development and regeneration in the regions. We would be happy to expand on this if the Committee would find it helpful.

November 2007

Mr Neil Turner MP (M13)

The failure to secure a “Yes” vote in the Northern Region referendum was a disappointment to many who had recognised that the system of government in the UK was overly centralised. The result of this vote will mean that Quangos which operate at a regional level will continue to be only nominally answerable to Parliament through Departmental Questions and select committees, and unaccountable to the people of the regions they serve. This democratic deficit is a proper cause of concern and runs counter to the Government’s aim to devolve more power to local communities.

I therefore welcome the appointment of Ministers with specific regional responsibility, and the announcement in *The Governance of Britain* Green Paper of the setting up of regional select committees.

The appointment of Ministers with specific responsibility for regions and subject to Parliamentary questioning is a step in the right direction. The crossover of their regional remit and that of the Minister with Departmental responsibilities will need to be carefully worked out to avoid both “turf wars” and “gaps”. The introduction of regional select committees to monitor this work will be absolutely essential if the arrangement is to have any credibility both in Parliament and the relevant regions.

The shift of responsibilities from the Regional Assemblies to the Regional Development Agencies has added to the democratic deficit that already exists. The ability of the proposed regional select committees to scrutinise the work of the RDAs will be important in reducing this deficit. However, scrutiny is not a substitute for accountability. The RDAs and other agencies such as the Government OYce North West, the Housing Corporation, Learning and Skills Councils, Strategic Health Authorities, Universities, Tertiary Colleges, PCTs, Local Authorities, Passenger Transport Authorities, and both the private and voluntary sectors, all of have a role to play in the development of a region, and will need to be involved in discussions on the issues each region faces. These bodies spend large sums of public money in the regions, yet will still be statutorily accountable to Parliament via the Secretaries of State. The way the new select committees are set up, their powers and the way they operate, must allow them to scrutinise these other spending bodies as well as the RDAs.

As each of our regions is diVerent, so the priorities of the select committees will be diVerent. Each of the regional select committees must be able to decide the issues they see as most important. However, it is unlikely that any one issue will aVect one organisation alone, and it will be important that the committees have the power to address across the various bodies either singly or collectively, and so deal with issues in an holistic way. It will be important also that the committees do not adopt a purely re-active role, looking at decisions taken, but also a pro-active one, working closely with the Minister for the region and the many spending bodies in the Regions to help secure a coherent and cohesive approach to tackling the problems of the region.

The Commons Select Committee system was introduced for the specific task of scrutinising the role of individual Government Departments or areas of administration. This has led to a format which has developed into a very formal approach, and one which can be adversarial, not to say confrontational. Using only such an approach would not enable a regional committee to perform its role eVectively. The number of regional bodies which are charged with or involved in strategic spending decisions is great, as indicated above. The RDA has no statutory ability to require the co-operation of these and other bodies in its plans, and neither will the select committee. A replication of the restricted format of the present Departmental Select Committee structure will not generate the co-operation of these organisations. Each regional select committee should therefore be allowed to develop its own approach, best suited to achieving the results it wants.

It may well be that round table discussions of topics rather than interrogation of witnesses will produce a better result. For instance, bringing together the CBI to discuss with the RDA and those involved in aspects of tertiary education and Research and Development what industry would like from them in order to have the right levels and mix of skills the regional economy needs. This less confrontational, more inclusive approach is more likely to bring about a better understanding of the issues, and collective ownership of the solutions than the purely investigatory one.

Whilst it is important to ensure that scrutiny of decisions and activities of the RDAs is undertaken, the reason for setting up the regional committees will not be satisfied if their only role is to examine decisions already taken. The RDA by its very nature will have programmes and ideas for future investment. The committee should have a role in discussing these as they are developed, using its ability to bring together the other regional stakeholders as partners in the region’s future.

The separation of Parliament from the electorate is an issue that damages the democratic process. Regional select committees can play an important role in addressing this by taking Parliament out of London and into the regions they serve. The committee would not be able to engender a feeling within its region that it was addressing the interests of the electorate if it did not meet not just in, but throughout the region. Discussing the diYculties faced by, for instance, Cumbrian hill farmers in London, or even Liverpool, would make its work be viewed with well-deserved cynicism. The committees should therefore be prepared to work in any part of the region whenever necessary. They will then be more likely to be seen as part of the solution rather than part of the Whitehall/Westminster problem, and Parliament will more likely to be seen as relevant to the people we serve.

The work of the committees will need to be recognised within Parliament as important. Time should be made available for a debate on the floor of the House each year where the work of each committee can be looked at in detail. They will need to be able to call Ministers from relevant Departments, as well as the Regional Minister, to assist their work, and Government will need to treat the committees as an important part of the Parliamentary process.

No region is self contained, and it is clear that issues will spill over from one region to neighbouring regions. For example, the North West has borders with the Northern, Yorkshire, East and West Midlands Regions, as well as Scotland and Wales. The “Northern Way”, whereby the RDAs of the three northern regions work together to enhance their collective ability to improve the GVA of the three regions, is just one example of where regional select committees will have to work together to improve Parliamentary scrutiny. The North West will need to work with the National Parliament of Scotland and the Welsh Assembly on issues such as the Airbus at Chester, and the way the committees are set up should not just allow, but actively encourage this cross-border working.

Each of the Main political Parties are strong in some Regions and weak in others. Ministerial and shadow appointments and other House duties will inevitably reduce the number of Members available to serve on some committees. It would be unhelpful to the perception of the committees if MPs from outside the region had to be drafted in to fill positions on the committees that the proportional rule would require. There are Members of the House of Lords who have the background to make a significant contribution to the work of regional committees, and the Modernisation Committee may wish to examine whether the precedent of Joint Pre-legislative Scrutiny Committees can be extended to regional committees. There will be inevitable difficulties, but there are, I believe, potential benefits for the concept to be examined.

The House Authorities are under pressure at all times to contain the costs of running Parliament. Regional select committees are clearly an added task for them. However, the demise of the Regional Assemblies will enable staff who service them to become surplus. Given the need for the committees to be working within their regions, the transfer of some staff from the RDAs would help solve the twin problems of what to do with them and how to administer the new committees. The fact that these staff will have been regionally based and not career civil servants will help them service the regional committees more sympathetically. This will lead to an increase in Parliament’s budget, but a corresponding reduction elsewhere in public expenditure.

Summary

- Regional Ministers are to be welcomed as having an important role in delivering the Government’s agenda in the regions.
- Regional select committees are necessary to provide proper scrutiny of RDAs and other regional bodies.
- RSCs should have the ability to decide their own priorities.
- RSCs should be pro-active in helping set the regional agenda, and not restricted to scrutinising decisions already made.
- RSCs should have the ability to operate in whatever manner will produce the best result for the region, and not restricted to conventional Parliamentary select committee norms.
- RSCs should meet in the regions, and in whatever part of the region is appropriate for the issue under discussion, and the public actively encouraged to view their deliberations to show that Parliament is relevant to people’s everyday lives.
- RSCs should be able to work across their borders on areas of importance to other neighbouring RSCs.
- Consideration should be given to whether they should be Parliamentary rather than Commons Committees, or if Lords can be incorporated into their membership.
- The staff currently employed by Regional Assemblies should be considered as a resource to service the RSCs.

The regional select committee concept is an exciting one, addressing the issue of the democratic deficit that occurs when the provision of services is devolved to bodies not directly accountable. It can help bring together those stakeholders which will be key to addressing the problems of their region. As new bodies, they can be innovative in how they work, able to help connect the Parliamentary process to our citizens in ways not currently open to Parliament, and help show that the democratic process is important and accessible.

November 2007

Linda Gilroy MP (M15)

I am writing to you in connection with the Select Committee on Modernisation of the House consideration of Regional Accountability. I particularly welcome this proposal in the Green Paper, but feel that the impact on our already busy schedules and workloads needs to be taken into account. I would like to be an active participant—but this would either have to be at the expense of current select committee work in Westminster—or indeed in the constituency. I believe there would be considerable value in providing much clearer accountability for regional matters and organisations such as the Regional Government OYces and the Regional Government Agency and the associated bodies and policies which have emerged from these structures.

The introduction of regional ministers has gone down well in Plymouth, Devon and Cornwall—although the amount of time available to the minister for this work is perceived to be inadequate from those seeking benefit in engaging his attention.

Whether conducted in the style of the Grand Committee or a select committee (and I tend to favour the latter provided it is properly resourced) I think there would be value in most of the work being conducted in the regions of England, rather than in Westminster. It may be that the difficulties of accommodating this might be overcome if there were a review of the Westminster timetable, to consider allowing for one week in every 4, 5 or 6 to be based in our constituencies and for meetings relating to regional accountability to be accommodated on a regular day of this week.

This would have the additional benefit of allowing us to plan better use of our time between the constituency and Westminster—and perhaps even reduce our carbon footprints, which no doubt we will increasingly have to turn our minds to in coming years.

As far as I can see, there could be two perhaps complementary ways in which time could be freed up to do this important work. Firstly, by assessing how well the present use of time on the floor of the House adds value to the whole scrutiny and legislative processes—and specifically whether there may be ways of reducing repetition of contributions to any particular debate. I accept that it might be very difficult to develop and introduce acceptable rules about this—but politics and democracy are about priorities—and if scrutiny of regional issues has become important, as I believe it has, then it is perhaps worth considering what can be done to move things forward.

November 2007

West Midlands Business Council (M19)

The business community across the West Midlands region—covering Herefordshire, Shropshire, Staffordshire, Warwickshire, West Midlands conurbation and Worcestershire—welcomes the Modernisation Select Committee's inquiry into proposals to establish regional select committees.

This development is critical if true accountability and improvement in services is to be achieved at a regional level.

Business and the Regional Agenda

The business community has responded to the developing regional agenda since the Government OYce for the West Midlands was formed with the gradual establishment of a forum that brings business representative organisations together to speak with one voice, when appropriate, on the key regional business issues, such as planning, transport, economic development and skills.

The West Midlands Business Council now brings together 23 mainly business representative organisations, including some educational bodies. It has a policy development, project management and public affairs role and it supports business colleagues who serve on key Regional Development Agency bodies, all Regional Assembly structures and the Birmingham, Coventry and Black Country City Region Board.

The model of the West Midlands Business Council is the same as the Trades Union Congress (TUC). While the TUC brings together unions to speak, when appropriate, collectively on behalf of millions of trade unionists, the West Midlands Business Council brings together mainly business representative organisations to speak with one voice, when appropriate on behalf of an estimated 200,000 businesses.

Scrutiny and Regional Economic Development

Scrutiny is critical to achieving good public services. The example of select committees demonstrates this and the proposals in *The Governance of Britain* Green Paper for regional select committees are a significant step forward.

The business community believes it is essential that Members of Parliament are more closely involved in regional affairs to ensure democratic accountability and, when needed, a step change in service delivery.

Members of the House are vital in the regional agenda, with their collective mandate, for these objectives to be achieved.

Regional Select Committees and Regional Assemblies

The role of regional select committees will be even more significant from 2010 once Regional Assemblies are abolished.

HM Treasury's *Sub National Review* of July 2007 made clear that Regional Assemblies would be abolished in 2010 with a new Integrated Single Strategy that would bring together the regional planning regime, as expressed by the Regional Spatial Strategy developed by the Regional Assembly and the economic development plans as expressed by the Regional Economic Strategy, as developed by the Regional Development Agency.

The review also made clear that Regional Development Agencies will have enhanced responsibilities following the abolition of the Regional Assemblies.

However, in the context of the Modernisation Select Committee's inquiry we would highlight the statutory scrutiny function that Regional Assemblies undertake which will go in consequence of the abolition of Assemblies in 2010.

The West Midlands Regional Assembly has played an important role in improving service delivery via its scrutiny role with the full engagement of the business community. The vast majority of recommendations put forward by the Assembly via its scrutiny process has been accepted and implemented by regional bodies. This has included policy areas such as helping regenerate deprived areas to the business finance offers to small and medium sized enterprises (SMEs).

This role will cease in 2010 with the abolition of the West Midlands Regional Assembly and, therefore, the role of regional select committees will be even more important and significant as a consequence.

Regional Select Committee Membership

We are aware of the debate taking place that regional select committees may include members who are not Members of the House.

We can see the merit of such a step so that an inclusive approach to scrutiny can be further developed. If such a course does take place we propose that the business community, via the structures as described in the West Midlands region to ensure the wider business interest rather than sectional interests are represented, are included in the membership of the West Midlands Regional Select Committee. This would be important as the role of business in delivering on economic regeneration is at the heart of the regional agenda.

Conclusions

The West Midlands Business Council supports the inquiry being instigated by the Modernisation Select Committee and believe the proposals for regional select committees is critical for full accountability and, when appropriate, a step change in service delivery.

With the Regional Assemblies being abolished in 2010, with the consequent loss of their scrutiny role, the business community considers the establishment of the West Midlands regional select committee to be critical to ensure effective scrutiny continues.

The West Midlands Business Council would be willing to assist the Modernisation Select Committee with its inquiry.

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Annex A

West Midlands Business Council

The West Midlands Business Council (WMBC) is a UK First—the first time independent business representative organisations have chosen to come together to speak with one voice on the key regional business issues. No other region of the UK has such an organisation on the scale of the West Midlands Business Council.

WMBC is an umbrella organisation for the whole West Midlands region—covering Herefordshire, Shropshire, Staffordshire, Warwickshire and Worcestershire together with Birmingham/Coventry/Wolverhampton and the West Midlands conurbation.

The member organisations of WMBC are:

Asian Business Forum;
 Association of Colleges;
 British Ceramic Confederation;
 Business in the Community;
 Chartered Institute of Building;
 Confederation of West Midlands Chambers of Commerce;
 Country Land and Business Association;
 Engineering Employers' Federation;
 Federation of Small Businesses;
 Heart of England Tourism;
 Institute of Chartered Accountants in England and Wales;
 Institute of Chartered Secretaries and Administrators;
 Institute of Directors;
 Institution of Civil Engineers;
 Midland Association of Restaurants, Caterers and Entertainment;
 National Farmers' Union;
 National Federation of Retail Newsagents;
 Royal Institution of Chartered Surveyors;
 UK IT Association;
 West Midlands Co-operative and Mutual Council;
 West Midlands Higher Education Association;
 West Midlands Learning and Skills Councils; and
 West Midlands Minority Ethnic Business Forum.

Hansard Society (M24)

1. Introduction

The Hansard Society is an independent, non-partisan organisation that works to strengthen parliamentary democracy and encourage greater public involvement in politics. We undertake research to stimulate reform of political institutions and the parliamentary process and provide a forum for discussion of these issues.

We welcome the decision of the Modernisation Committee to conduct inquiries on specific aspects of the Government's Green Paper on constitutional reform, *The Governance of Britain*, including proposals to improve democratic accountability and scrutiny of the delivery of public services in the English regions. The Hansard Society's evidence to this inquiry is based on the evidence submitted to the Government's consultation process on the Green Paper. We hope that the Committee's inquiries lead to a commitment to implement the many parliamentary reform elements of the Green Paper as soon as is practicable.

2. The Governance of Britain Green Paper

The Hansard Society welcomes *The Governance of Britain*, which aims "to forge a new relationship between the government and citizen, and begin the journey towards a new constitutional settlement—a settlement that entrusts Parliament and the people with more power". These are ambitious and important aims and many of the issues covered in the Green Paper have been central to the Hansard Society's work for many years, including the promotion of an independent and effective Parliament, improving government accountability to Parliament and seeking to engage Parliament and government more closely with the public.

Crucially, the Green Paper considers the central relationships at the heart of our political system, namely that between Parliament and government, and between both Parliament and government and the public that they represent and serve. Given the evident problems with elements of the political system—including falling electoral turnout and high levels of disengagement and disillusion—it is essential that the Government brings real political will and energy to addressing these issues. We support the publication of the Green Paper as a vital step in that process.

3. Making the Executive More Accountable: The Need for Change

The Green Paper outlines ways to ensure government is more answerable to Parliament and the people. The Hansard Society has looked in close detail at the issue of executive accountability and called for a far greater sense of accountability of government to Parliament. Our view is that Parliament has a unique constitutional role as the only body with the democratic credentials to take overall responsibility for monitoring and scrutinising government as a whole and that improved mechanisms should be put in place to strengthen this role.

To achieve significant improvements in the quality of parliamentary scrutiny, government and Parliament need to work together to ensure the development of a new culture based around a more exacting form of accountability. Procedural reform is obviously vital but, in itself, it can only achieve so much and cultural change is also required. Our Commission on Parliamentary Scrutiny argued that the effectiveness of Parliament relied on its Members' willingness to use the powers at their disposal, which in turn required that every MP should regard the pursuit of accountability as an integral part of his or her work.

4. Improving Scrutiny and Accountability: Regional Committees

The Green Paper proposes the formation of select committees to scrutinise the work of the nine regional ministers appointed in June 2007. There are many different views about what should be the correct structure of local and regional decision-making and accountability in England, and that debate is outside the direct scope of our evidence. However, given that regional ministers are now in place, there is a strong case for specific parliamentary mechanisms to scrutinise their work. The Hansard Society takes the view that select committees are the most effective way for Parliament to seek accountability of the work of ministers and of government more generally.

Furthermore, parliamentary scrutiny with a regional dimension would be particularly important in England, which is governed in a very centralised way compared to many other countries. It is likely that the regional committees would attract both regional and local media interest and may provide a focus for raising and inquiring into regional concerns. These committees represent a significant innovation and have the potential of bringing the parliamentary process closer to the public.

There are clearly practical issues to be resolved involving the resources needed to enable the committees to function efficiently and also where the committees will sit and how frequently they will do so. There will need to be a high priority placed on select committee work by MPs to ensure that there are enough Members to sit on this large number of extra committees while, at the same time, not diminishing the Members available for the existing committees. It is also possible that "turf wars" may arise with other departmental select committees.

5. Monitoring and Evaluation

If regional committees are established, this should take place on a pilot basis in the first instance, with their operation evaluated by a parliamentary committee (possibly the Liaison Committee) after a specified period. The evaluation should consider a number of issues: whether the select committees had improved accountability of government in areas relating to regional policy, whether they had the effect of improving engagement with the public at regional or local level as well as looking at any practical and operational issues that have arisen.

November 2007

Sir Patrick Cormack F.S.A., MP (M27)

I wish to make one very simple point to the Committee. It would be wholly unrealistic to expect to manage and to staff adequately select committees, and so whatever form of regional accountability is decided upon I would urge the Modernisation Committee not to go down the select committee route.

November 2007

Mayor of London (M30)

Introduction

1. The Mayor of London welcomes the Government's proposals in *The Governance of Britain* Green Paper to improve the linkages and accountability between government and parliament and regional bodies involved in the delivery of public services. The Mayor also welcomes any measure that will increase the profile and attention given to London issues in Parliament.

2. The Mayor welcomes assurances given by the Government that proposals for regional ministers and regional select committees will necessarily apply differently in London to the other English regions, reflecting the unique layer of regional government that already exists in the capital.

3. It is essential that any new arrangements takes proper account of London's existing governance arrangements—specifically the fact that neither the Mayor nor the London Assembly is directly answerable to Parliament and the Government, but instead to the London electorate.

Regional Ministers

4. The role of Minister for London is not a new one, and has previously been based in the Department for Trade and Industry and the OYce of the Deputy Prime Minister.

5. The Mayor welcomes the Government's steps to set out the role and responsibilities of regional ministers in paragraphs 115–118 of the Green Paper. However, it would have been helpful if the necessary qualifications for London had been included in this narrative, as without taking account of the following points considerable confusion will arise:

- With reference to paragraph 116 (“Regional Ministers are responsible for providing a clear sense of strategic direction for their region”), the Mayor is responsible for the strategic direction for London as set out in the Greater London Authority Acts 1999 and 2007 and, in particular, the furtherance of the GLA's principal purposes of promoting economic and social development in Greater London and the promotion of the improvement of the environment in Greater London.
- The emphasis on the Regional Minister's role in respect of economic development (paragraph 117) is inappropriate in London given the Mayor's powers and duties in this area, under the Regional Development Agencies Act 1998 (as inserted by sections 305 and 306 of the GLA Act 1999) and in the promotion of economic development and wealth creation in Greater London.
- Given that the Mayor is responsible for a number of key regional bodies, including Transport for London and the London Development Agency, and for many regional strategies (including the London Plan, the Regional Economic Development Strategy, and transport, housing and environmental strategies) it would not be appropriate for the Minister for London to answer parliamentary questions on these—in the same way that the Secretaries of State for Wales and Scotland do not answer questions in parliament on devolved matters. Scrutiny of these bodies and strategies are provided by the elected London Assembly through various committees and a monthly Mayoral Questions session. It would be incoherent and undesirable to duplicate these scrutiny and accountability arrangements, which are already embodied in law.
- The Regional Minister's role is in part defined with reference to the Regional Development Agencies (RDAs) but this is again not appropriate in London where the RDA—the London Development Agency (LDA)—has diVerent statutory governance arrangements, being part of the Greater London Authority group and directly accountable to the Mayor, under the Regional Development Agencies Act 1998 (as inserted by the GLA Act 1999).
- A tangible example of a clear inconsistency with current statutory London arrangements becomes apparent in paragraph 118, which says that Regional Ministers will advise the Secretary of State on the appointment of RDA Chairs and Boards—in London, these appointments are made by the Mayor.

6. The Mayor would be pleased to work with the Government further to ensure that the role of the Minister for London complements and enhances the existing unique regional governance arrangements in London.

Regional Select Committees

7. The Mayor welcomes the Government's intention to create parliamentary scrutiny arrangements for the regions through the establishment of regional select committees, but again cautions that the remit of any London select committee must reflect the devolution settlement and be consistent with the 1999 GLA Act. Specific provisions governing how the new committees will operate should therefore make clear a diVerent status and terms of reference for a London Committee in line with the precedent set by Standing Order 152 which sets out the remit of the Scottish AVairs and Welsh AVairs Select Committees. This will avoid the creation of dual scrutiny arrangements for London.

8. A London Committee should examine non-devolved issues only along with government relations with the Greater London Authority and in particular the role and activities of the Government OYce for London. The Mayor should not have to submit his policies and strategies for scrutiny to a parliamentary committee, when the London Assembly exists precisely to perform this role, and when the Mayor is an executive Mayor accountable directly to the London electorate. Nor would it be appropriate for a London Committee to examine the work of those regional bodies that are part of the GLA Group, which are answerable to the Mayor and subject to scrutiny from the Assembly.

9. To enable a London Committee to have a meaningful role in examining non-devolved issues and contributing to thinking on regional policy solutions, they will need to be able to take evidence and publish reports. The Mayor believes therefore that a London Committee should follow the model of the Welsh AVairs and Scottish AVairs Committees, not of the Scottish and Welsh Grand Committees, which have a very limited remit and little scope therefore to make useful contributions to current regional policy debates.

However, the Government may like to consider increasing the membership of regional select committees beyond the usual 11. Alternatively, the new committees could hold one or two special sessions each year focused on a general motion for debate, which all MPs from that region are entitled to attend.

November 2007

Chair, London Assembly (M31)

I write on behalf of the London Assembly to submit our views on accountability arrangements in London. These are set out in the attached letter from the Mayor and the London Assembly to Harriet Harman in her capacity as Leader of the House of Commons. The Assembly would also broadly agree with the submission to the Committee from the Mayor of London, however the Assembly does not comment one way or other on the question of whether there should be a select committee or grand committee model. In either case, as is set out in the attached letter, our key concern is that there should be no duplication of accountability roles between the London Assembly and Parliament.

Sally Hamwee

Attached letter

Mayor's OYce and London Assembly

We understand that the Government plans to set up the proposed new parliamentary committees for the English regions in the autumn. While we welcome any measures that will increase the profile and attention given to London issues in Parliament, it is also essential that any London Committee properly reflects London's unique governance arrangements—specifically, the fact that neither the Mayor nor the London Assembly is directly answerable to Parliament and the Government, but instead to the London electorate.

We recommend that if a London Committee is to be established it should, like the Welsh and Scottish AVairs Select Committees, examine non-devolved issues only and relations with the Greater London Authority. What must be avoided however is the creation of dual scrutiny arrangements for London. The Mayor should not have to submit his policies and strategies for scrutiny to a parliamentary committee, when the London Assembly exists precisely to perform this role. Nor would it be appropriate for a London Committee to examine the work of regional bodies such as the London Development Agency and Transport for London, which are answerable to the Mayor and subject to scrutiny from the Assembly.

The "Governance of Britain" Green Paper indicates that there should be specific provisions governing how the new committees should operate. These provisions must make clear a diVerent status and terms of reference for a London Committee in line with the precedent set by Standing Order 152 which sets out the remit of the Scottish AVairs and Welsh AVairs Select Committees. We would be grateful to have an early opportunity to see a draft of any proposed amendments to the Standing Orders to ensure both consistency with the Greater London Authority Act 1999 and workability.

*Ken Livingstone
Mayor of London*

*Sally Hamwee AM
Chair of the London Assembly
November 2007*

Derek Wyatt MP (M35)

I was saddened by the Committee's reluctance to consider four parliaments:

England
Scotland
Wales
Northern Ireland

with exactly the same powers, bound to a new UK written constitution by a new House of Representatives.

Tinkering at the edges by agreeing to a Grand Committee for the English Regions is not fair on the English taxpayer who is denied his or her own parliament. How can that be equitable for three nations to have their own parliaments or assemblies but not the English?

Please reconsider the debate about Regional Accountability inside an English Parliament.

December 2007

Clerk of the House of Commons (M38)

Regional Select Committees

1. The Government's current plans for improving regional accountability, as set out in *The Governance of Britain*, include the proposal to establish regional select committees, one for each of the nine English regions. These select committees would be expected to examine the work and activities of regional bodies, in particular the RDAs, and call Ministers, including the relevant regional Minister, to account. The establishment of nine new select committees would be the greatest single expansion in the select committee activity of the House since the departmental select committee structure was set up in the years following the 1979 General Election.

2. *The Governance of Britain* cites the relevant conclusion in the Communities and Local Government Select Committee Report, *Is there a future for Regional Government?*, in support of its proposal. That conclusion proposed the establishment of a select committee for each region "which might meet a limited number of times (perhaps in conjunction with the relevant Assembly) in order to examine the work of key regional bodies and call Ministers to account for their performance".

3. As a new mechanism to ensure better regional accountability, such regional select committees, if their powers were analogous to those for existing select committees, would have the merit of familiarity. Members would know how they functioned, their staff could draw on the current expertise of the Committee Office, and the media and public would generally understand what they were doing. They would potentially import into the regions good visibility for the work of Parliamentary scrutiny, albeit at a regional rather than a national level. There are however a number of issues that the House may wish to consider before coming to a firm decision on this proposal.

Remit

4. The remit for the nine regional committees would have to be clear and precise for the committees to begin their work confidently. I assume that a new Standing Order establishing these committees would set out the remit explicitly: it might include examining the work and activities of all regional and sub-regional bodies, or other, national, bodies which possess a regional structure; and examining the activities in the region of Ministers, including Regional Ministers, and the work of the relevant Government Offices and national Government Departments and Agencies.

5. Both *The Governance of Britain* and those prior reports and papers upon which it builds consider the RDAs, and their work, to be a principal focus for regional select committee scrutiny, especially in the light of the changes to the remit and powers of RDAs proposed in the Government's *Review of sub-national economic development and regeneration* (SNR). There are clearly, however, a large number of other regional and sub-regional bodies which, if the House so desired, it could fall to a regional select committee to scrutinise. There are additionally national bodies which possess a regional or sub-regional structure, such as the Environment Agency, the Highways Agency, the Court Service, the Rural Payments Agency. Some sub-national bodies (some health authorities, for example) cross regional boundaries, and any new Standing Order may have to be framed to ensure that such bodies are, if the House desires, also incorporated into the remit of regional select committees.

Overlap

6. The question of remit inevitably leads into two issues of potential overlap concerning regional select committees: overlap with the work of other select committees in the House, and overlap with scrutiny bodies outside Westminster. The more broadly the remit of regional select committees is drawn, the more likely it is that there will be significant overlap. The Liaison Committee is regularly involved in seeking to prevent too much overlap between committee inquiries. Committees are properly anxious to preserve their own remits; and while existing informal and formal arrangements provide largely successful mechanisms for dealing with issues of overlap, the activities of nine regional select committees might well place an added strain upon them. Some regional and sub-regional issues, such as the closure of a military base or large-scale redundancies in a particular industry in a particular area, inevitably also have national implications and characteristics. Primary responsibility for scrutiny in these areas is, at least on the surface, not self-evident.

7. It is not yet clear whether the Government expects that the Chairmen of the regional select committees should also be members of the Liaison Committee, or whether some other structure should evolve to deal with communication, liaison and overlap issues. Membership of the Liaison Committee would obviously assist in some respects, although its membership is already very large and adding to it risks making the Committee unwieldy. The House will clearly have to take advice, not least from the Liaison Committee itself, on this matter. Another option might be for the nine regional select committee Chairmen to meet informally and send one of their number to all Liaison Committee meetings.

8. There is also the issue of overlap in terms of scrutiny with regional or local bodies. Although most scrutiny undertaken currently by regional assembly bodies is quite limited in its scope, and the regional assemblies themselves are expected to cease to exist by 2010, it may be important for regional select

committees to liaise with assembly bodies regularly to ensure more efficient and effective scrutiny until the latter's eventual demise. This issue of overlap is also relevant. A regional committee for London would inevitably overlap with the remit of the GLA and its committees. In terms of the enhanced role to be vested in local authorities under the SNR which will mean that several sub-regional bodies may well be scrutinising their RDA or the regional work of another body at the same time as the relevant select committee in Westminster. While Westminster regional committees will not want to be restricted in their activities by what other bodies might be undertaking, regional select committees may wish to consider issues of coordination and liaison soon after they are set up.

Scrutiny Overload

9. The issue of scrutiny overload proceeds directly from the issue of overlap. Incidents such as the very serious flooding which occurred early in the summer could quite reasonably become the focus for inquiries not just by a number of existing select committees but by regional select committees whose regions were directly affected. The burden upon those Ministries, organisations, agencies, departments and other interested bodies directly involved to respond to numerous simultaneous calls for evidence, and to demands to appear before committees, could quite easily become very significant. Particularly if regional select committees were inquiring into matters being examined by existing committees.

Composition

10. Although no level of membership has been proposed, it is not unreasonable to assume that these committees would appear to require no more than the current select committee standard of eleven members each, and could operate with fewer, such as nine. The Committee of Selection would be the usual route for putting forward nominations for these committees, which nominations would then be agreed on a Motion on the Floor of the House as is the current practice for existing select committees.

11. At present, all committees of the House have the same Party balance or composition as the House itself. This applies not just to those committees which oversee UK policy, but also the three territorial or "national" committees for Scotland, Wales and Northern Ireland which only concern themselves with a part of the country. The expectation will therefore be that this same Party balance should also apply to regional select committees.

12. As the Party balance currently stands, with a committee of nine members, five would be from the Government benches, three from the Conservative benches and one from the third and minority party benches: with a committee of eleven those numbers are six, three and two respectively. It is evident that balanced party representation would not be possible in all regions—in the North East and the South West for example—if membership is to be drawn from the region alone.

13. There are a number of ways in which the problem of party balance could be addressed. It might be possible to balance party membership across the whole nine committees. Some weighting of regional select committees towards regional Party representation could also be achieved through the allocation of Opposition chairmanships to committees for those regions in which the Opposition was proportionately stronger than in the House as a whole.

Inclusiveness

14. The issue of inclusiveness is directly related to that of composition. Notwithstanding that in most cases only Members from the regions concerned would serve on the relevant regional select committee it will still be the case that the overwhelming majority of Members from a region would not serve on their regional select committee at all. At least in some regions and in some parties there will be more Members wishing to serve than there are places. Membership of a regional select committee might be seen to confer greater political prominence and, given that in almost all cases the regions concerned will include the constituencies of Members, it could be said that membership was also likely therefore to confer electoral advantage. The exclusive committee membership of nine or eleven, by dint of that membership, will have greater power to conduct regional scrutiny than other Members from the region no matter what other new procedures or new mechanisms—such as regional question times, or regional debates—might generally be available. While this situation of some Members having a particular scrutiny privilege applies to some extent to all select committees at the moment, the regional focus and constituency element of a regional committee's work may render the exclusivity normal to other select committees invidious in the eyes of some in the House.

15. There are a number of possible ways in which this potential difficulty might be overcome. In even the smallest region, a good proportion (75%) of Members from the region would be unable to serve on their regional select committee. One way to increase the involvement of regional MPs might be to permit all Members of the region to participate in some committee meetings, although not to vote or count towards the quorum, in the same way that all Members of the House are allowed to participate in certain general committee meetings—those of Delegated Legislation Committees and European Standing Committees (and, interestingly, the Regional Affairs Committee). Even if participation of non members was at the discretion of the Chair, it is likely to pose some considerable practical difficulties. Even a small proportion

of non-committee members from the region attending a committee evidence session, for example, and seeking to put questions to witnesses would not only set the problem of finding space on a committee room horseshoe but would significantly impact on the questioning which “full” committee members wished to undertake.

16. Another option is for regional committees to have a small core membership, perhaps of seven Members, to which other Members of the House from the region could be added for particular inquiries. This might be seen as unwieldy in practice and would require good prior notice of upcoming inquiries and a degree of expedition by Whips’ Offices and the Committee of Selection (always with possibility of delay should there be objections at any point). This would however allow flexibility and present an opportunity for many more Members of a region to serve on their regional select committee over the duration of a Parliament than would otherwise be the case.

17. The Committee might also consider whether members of other scrutiny bodies should be able to join with committees in their work as is now possible for example in the joint working under reciprocal arrangements of the Welsh Affairs Committee with committees of the National Assembly for Wales, but its implications would have to be very carefully thought through.

Members’ workload

18. I am aware that the whips sometimes have problems in finding replacements for Members no longer able or willing to serve on existing select committees. Already, some Members serve on more than one select committee, and the need to fill eighty-one or ninety-nine regional select committee places will without doubt create more such doubling-up, and place further pressures on Members’ time.

19. Even on the reasonable basis of fortnightly meetings, the majority of which might take place in the relevant region, service on the committee will represent a considerable investment in terms of time by its members who may also be serving on another select committee (or more than one) and will have general committees to attend from time to time, debates and questions in the Chamber to participate in, and debates in Westminster Hall, on top of all the other calls on their time both in Westminster and in their constituencies.

20. Given that the establishment of nine regional select committees would represent the greatest expansion of select committee activity in the House for more than twenty-five years, the House will have to give considerable thought to the capacity for Members to serve effectively on these new committees and also on existing select committees, in addition to their other duties.

Powers

21. It would appear reasonable for the House to grant regional select committees the same powers as existing select committees—to send for persons and papers, to adjourn from place to place, to report from time to time, &c.—and for them to operate under the same rules regarding privilege. There are however two areas where the House may wish to consider placing some restrictions in any new Standing Orders, if it thinks them appropriate.

22. Firstly, in due consideration of the proviso expressed about the frequency of meetings of regional select committees in the CLG Committee Report (and reiterated in *The Governance of Britain*), the House may wish to consider placing some limit on how often a regional select committee should meet. This would be an unusual step, and might be seen as robbing such committees of their ability to set their own agendas in the most efficient and effective way. It might also prove to be impractical and have perverse effects on how such committees operate. However, there clearly are concerns about frequency and numbers of meetings, and workload, which the House will need to bear in mind.

23. Secondly, the House may wish to restrict the power of regional select committees to seek funds to travel overseas, or even to travel to, from and within regions of the UK other than their own. Historically, some committees have not been allowed to meet away from Westminster. Again, the House may consider this a step too far. National/territorial committees have found their ability to travel overseas of considerable benefit, and there is no reason why English regional select committees should not similarly benefit from travel to regions abroad, or even to other regions of the UK.

Costs and staffing implications

24. There would be fairly significant staffing and cost implications arising from the establishment of nine new regional select committees. Until the committees are up and running, it will not be clear how busy they will be or how many staff (and what sort of staff) they might each need. However, on the basis of fortnightly meetings and considerable logistics in terms of meetings away from Westminster as perhaps a norm, each committee will need a Clerk, a Committee Assistant and secretarial support, although there may be opportunities for grouping together some of this support in multi-regional teams. Over time there might well also need to be in-House specialist support in the form of dedicated regional committee specialists. Spread

over nine committees this is initially likely to involve over 20 extra staV within the Committee OYce, a number that will in all probability only rise over the first years of operation. These staV will of course need to be accommodated on the estate, a matter of continuing concern to the Management Board.

25. Meetings of regional select committees will also place additional pressures on Gurneys and Hansard services, upon existing Committee OYce and committee-related budgets, and—depending on how frequently such committees meet in Westminster—on suitable meeting room capacity on the Parliamentary estate. It is diYcult to assess accurately the likely operational cost of nine new regional select committees. However, some preliminary work carried out when the prospects for the establishment of such committees appeared more imminent suggests that for nine regional select committees, operating in terms of fortnightly meetings, principally evidence sessions, away from Westminster, and issuing an average of five Reports per Session, the cost would seem likely to fall in the area of between £2 and £2.5 million per Session (see Annex A). This cost includes the possible additional cost of giving regional committees the opportunity for overseas travel.

The Regional Affairs Committee

26. There does not appear to be any current call for the Regional AVairs Committee of the House—governed by Standing Order No.117—to be given the task of improving regional accountability. This Committee, established in 2000, has met only four times since then, and not at all since mid-June 2004. It is a Committee of thirteen Members, which is clearly small for a committee covering all the English regions: other Members of the House from England can however take part in its proceedings although not make any motion, vote or be counted in the quorum (with the exception of a Minister not from England who can make a motion). Like grand committees, this Committee does not control its own agenda and meets only to consider matters referred to it by the House. The CLG Committee Report on the future of regional government noted that this Committee, in terms of improving regional accountability, “by virtue of its very limited membership and powers and its lack of focus on specific regions, seems unfit for purpose.”

Regional Grand Committees

27. Although the idea of regional grand committees was not raised in *The Governance of Britain* (nor was it raised in the CLG Committee Report), it has since emerged as a prospective mechanism for improving regional accountability at Westminster.

28. Although grand committees may not be as familiar to all current Members of the House as select committees, they have been a tried and tested mechanism allowing all Members from a particular area of the UK to question relevant Ministers and hold relevant debates on matters germane to the area in question. Standing Orders for all three territorial grand committees expressly permit all Members of the House from their respective territories to play a full part in proceedings (the Welsh Grand and Northern Ireland Grand also comprise up to five and 25 Members respectively from outside their territories, largely used to redress issues of party and front bench representation). The three existing grand committees, at full capacity, consist of between forty-three and fifty-nine Members, a comparable size to any proposed grand committee for most of the English regions (allowing no admixture of non-regional Members), although three English regional grand committees (the North West, South East and London) would, if set up, comprise 76, 83 and 74 Members each. While these regions would make up grand committees larger in scale than those the House currently has, their size should not itself cause any diYculties for the operation of such committees on similar lines to those that currently obtain for the three territorial grand committees.

29. Westminster Hall could accommodate such large grand committees, although the current pattern of sittings there for Westminster Hall Debates would of course aVect its availability for regional meetings. The most obvious place for such committees to meet is Committee Room 14, which was traditionally where the Scottish Grand Committee met. But this is a single room and Committees may wish to meet at the same time. Alternatively, regional grand committees could meet in their regions, although the cost implications for this are much more significant. Overall cost implications for grand committees would however be less than for regional select committees. StaV resources would also be considerably less significant, although some expansion in the Legislation Service (from where the current grand committees are run) would in likelihood be inevitable. The Chairmen’s Panel might need to be increased a little in size as well to cope with nine new grand committees meeting a number of times each per Session. An outline of possible cost, on the basis of each grand committee meeting five times per year in its own region, is attached at Annex B.

30. Current Standing Orders permit Questions to be taken in grand committees, statements to be made, short debates held, and bills, instruments and other matters to be considered. While it seems unlikely that legislation—primary or secondary—might be referred to such committees, there would certainly be ample scope for regional Members to hold Ministers, including regional Ministers, to account: the use of grand committees for questions and debates would also have no impact on the current use time in Westminster Hall and the Chamber, which might otherwise have been squeezed by the need to include new elements of regional business.

31. Grand committees would permit all Members from a region to question Ministers and to debate issues of relevance to their region. However, under present procedures, they would not directly involve individuals from RDAs or other regional and sub-regional bodies. Nor would they take evidence or agree and issue reports, recommending policy or other changes to Government. Moreover, these committees, as they currently operate, only consider those matters referred to them by the House and do not control their own agenda. Although there may be ways of giving grand committees more control over their own business (perhaps by appointing a business sub-committee for each one) and even of considering innovative means of developing how they operate (such as permitting them to question non-Ministers and non-Members of the House—senior RDA officials, for instance) the ramifications of any such new developments would have to be carefully considered by the House.

Regional Questions

Forum for oral Questions

32. The normal forum for oral Questions is of course the Chamber. Standing Order No 21(2) provides that oral questions should last no more than one hour. A slot or slots for oral Questions to Regional Ministers, could come out of the existing hour, unless additional time were provided for in the Standing Order.

33. In recent years cross-cutting oral Questions have also been held in Westminster Hall. Questions are regularly taken in the Northern Ireland Grand Committee. Standing Orders also provide for the possibility of oral Questions in the Scottish and Welsh Grand Committees as referred to in paragraph 32 above. The Standing Order for the Regional Affairs Committee (see paragraph 32 above) does not provide for oral Questions, but does allow for supplementary questions following a Ministerial Statement.

Regional Ministers Oral Question Time slot

34. A Question Time slot would presumably either be in respect of all nine Regional Ministers, with the outcome of a ballot determining which individual Ministers were to answer and in which order: or in respect of one notified Regional Minister at a time. The slot or slots would presumably occur at regular and foreseeable intervals in the regular ministerial Question rota.

Members to put Questions

35. Any Member can submit an oral Question for answer in the House, and may be called to ask a supplementary. A number of Members representing English constituencies submit Questions for the ballot for Scottish and Welsh Questions, as do Members from Great Britain for Northern Ireland Questions.

36. If an alternative forum to the House were to be considered, such as a “Regional Grand”, the right to table Questions could conceivably be restricted to Members appointed to the Committee, such as those with constituencies in the relevant Region. Other Members could be free to attend and ask supplementaries if called. Consideration would need to be given to possible participation at such a Question Time of Opposition Front Benchers and those from the second largest Opposition party, if not representing a constituency in the particular region.

Ministerial Responsibility

37. It is the fundamental principle of Questions that they should relate to matters for which the Minister is responsible. In the case of Regional Questions, that requires a clear understanding of those matters for which a Regional Minister is, and is not, responsible. If, for example, a Question about health or transport services within a particular region, or the activities of a Regional Agency, were put down to a Regional Minister, whether on a substantive issue or on the nature of representations made, the Table Office would give the benefit of any doubt to the Member and accept the Question. The Table Office would then be guided by a consistent pattern of Ministerial answers, and of any Ministerial transfer of questions to “functional” Ministers, in determining in future if a comparable Question to a Regional Minister was in order. The experience of Members wishing to table questions on, for example, transport or police matters in London formerly within the responsibilities of Ministers but now devolved to the Mayor or others, suggests that there will at least initially be a number of grey areas in defining the ambit of questions which may be put to regional Ministers.

Nature of Oral Question

38. An Oral Question is of course conventionally a peg on which to hang a subsequent supplementary. Given the relatively limited nature of the formal responsibilities of Regional Ministers, it is foreseeable that the opportunity to table substantive oral Questions to Regional Ministers may give rise to a number of more or less formulaic questions, based for example on visit plans or representations made or received on a particular subject.

Supplementaries

39. The Chair will have to judge whether a supplementary relates to a Minister's regional responsibilities: rather than, for example, to the individual Minister's departmental responsibilities which may well have a regional angle. Supplementaries may well fail in a formal sense to engage any ministerial responsibilities, given the range of powers of local authorities, boards and so on in education, health, policing, transport etc, while still being judged appropriate given the regional context. The prospects will be clearer once a more rounded picture emerges of the matters for which regional Ministers are formally responsible, and those on which, while not strictly responsible, they are prepared to answer to the House.

Pro forma Questions

40. Given these and related issues, the simplest solution may be for the House to adopt a similar procedure to that used in Prime Minister's Questions, and since the start of this session in Topical Questions to departmental Ministers. A ballot could be conducted on the basis of a standard pro forma Question, seeking a statement on a specific regional Minister's recent exercise of their responsibilities. After one brief answer at the outset, any orderly supplementary could be asked without notice.

Written Questions

41. If arrangements are to be made for oral Questions to Regional Ministers, it may be expected that arrangements will also be made for written Questions. At the very least, unreached oral Questions—if substantive—would receive a written answer: and a Member can normally choose to unstar a substantive Oral Question in advance of the day for answer and request a written answer. Written questions cannot at present be put down to individual junior Ministers within departments, although they are of course often answered by Ministers of State and Under Secretaries. Regional Ministers are predominantly departmental Ministers in individual departments. If the House so wished, it would be possible to adjust the conventions so that a Written Question could be explicitly directed to the "Minister for the [North West]". The Minister would answer in that capacity and not a departmental one, and the answers could be printed in Hansard either under that heading or under a separate generic "Regional Ministers" heading.

Costs

42. Costs for the introduction of Questions to regional Ministers would be relatively modest arising principally from further changes to the Question system software. No extra staYng to deal with these Questions is likely to be required.

Dr Malcolm Jack
December 2007

Annex A**REGIONAL SELECT COMMITTEE COSTS: AN ESTIMATE**

Extra pay for Chairmen: £15,000 per Chairman: for nine Chairmen—£135,000

StaV for committees: (a) minimum likely staYng (2.5)—Clerk, Committee Assistant, secretarial support—£120,000 per committee. (see paragraph 24)

£1,080,000 overall

StaV accommodation costs (Westminster): @ 2.5 staV per committee = £165,000 (includes furniture and running costs)

Transcription and associated costs (Gurneys/Hansard):

This is based upon each committee holding 15 meetings, five private and 20 in public, of which 15 are evidence sessions in the region, and five are in Westminster. All are based upon two hour sessions; with one travel attendance fee per regional session.

Westminster sessions: 5 x 9 x £695 = £31, 275

Regional sessions: 15 x 9 x £845 = £114,075

Total = £145,350

Printing reports/evidence

This is based upon an average of 5 reports per committee, plus one or two evidence-only publications
 $5 \times 9 \times (\pounds 5,000 + \pounds 1,000) = \pounds 270,000$

Travel and accommodation costs (staV)

This is based on two staV + 1 Gurneys/Hansard travelling to the region for Westminster and back again: I am including an £80 accommodation cost for half of the meetings. I am suggesting 20 meetings in total (some private briefings, &c..) per region.

Travel: $3 \times 9 \times 20 \times \pounds 80 = \pounds 43,200$

Accommodation: $3 \times 9 \times 10 \times \pounds 80 = \pounds 21,600$

Total: £64,800

Travel and accommodation costs (Members)

This is more difficult to judge: for Welsh and Scottish Affairs my understanding, after consultation, is that sensible arrangements were adopted by the relevant Commons' authorities to permit travel to a meeting venue en route to Westminster to be covered by the Warrant. This sort of arrangement would likewise be the most sensible route to adopt for Monday regional committee meetings. However, in some of the larger regions, there could be some limited travel and accommodation costs. In order to allow for a more rigorous procedure than applied for Welsh and Scottish Affairs, the figures below are predicated on four members of each committee needing the same level of expenses for accommodation (at half the 20 meetings) and travel (at all the 20 meetings) as the staV.

Travel: $4 \times 9 \times 20 \times \pounds 80 = \pounds 57,600$

Accommodation: $4 \times 9 \times 10 \times \pounds 80 = \pounds 28,800$

Total: £86,400

Webcasting

Although this is currently not required for meetings away from Westminster, I am advised that there will be increasing pressure for all select committee meetings, in Westminster or elsewhere, to be webcast as a matter of course. A general cost of £2,000 per session has been given to me.

$9 \times 15 \times \pounds 2,000 = \pounds 270,000$

Other costs (a small entertainment allowance per committee? other visits, costs relating to refreshments and room hire for meetings or briefings, &c..) may well fall within c£2,000 per committee—say for a total of £20,000 overall.

In addition, cost for overseas visits could amount to some £15,000 (for modest visits) per committee per session: $9 \times \pounds 15,000 = \pounds 135,000$

Total estimated cost for regional select committees per session: £2,371,550.

Annex B

REGIONAL GRAND COMMITTEE COSTS: AN ESTIMATE

Extra pay for new Chairmen's Panel members: on the basis of 45 extra meetings of grand committees there is likely to be a need for at least three more Panel members, who would receive extra pay at the bottom of the current sliding scale, at approx £2,600 each.

Total = £7,800

StaV to run grand committees: even if run from the Legislation Service, there would need to be some increase in staVng levels to deal with the grand committees. I believe the minimum requirement might be for two clerks and one member of support staV. The costs below are predicated upon this belief.

Extra staV costs: £180,000

Extra office accommodation and furniture/running costs: £25,000

Total: £205,000

Hansard costs:

Hansard would require three staV and two Westminster sound staV for each grand committee meeting. They have based these costs on the last NI Grand which they admit is at the more expensive end of the scale. These costs include travel and accommodation.

Travel total per meeting: £1,000

Accommodation total per meeting: £700

Sound equipment and technical support per meeting: £3,000
 Printing costs of Hansards, &c., per meeting: £1,300

Total per meeting: £6,000 x 45 meetings:

Total: £270,000

Webcasting:

Although this is not currently required for meetings away from Westminster it seems likely that grand committee meetings will need to be webcast from the outset. I have received an estimated cost of £2,000 per meeting. On the basis of 45 meetings that amounts to a total of £90,000.

Total: £90,000

StaV costs for attendance (Clerk's Departments and Gurneys):

Two Clerk's staV for each grand committee meeting, half of which may involve accommodation costs:

2 x 45 x £80 (travel) = £7,200
 2 x 22 x £80 (accommodation) = £3,520

Total: £10,720

Members travel and accommodation costs for grand committee meetings:

This is a very difficult area to assess in cost terms. Previous meetings of the three grand committees appear to have been governed in terms of Members' travel costs by a variety of arrangements which it may or may not be possible in the future to replicate or imitate in some way.

However, it seems wise to allow in any estimate for travel costs for two thirds (40) of the average number of members per region (59) for each meeting, with accommodation costs for one quarter (15) of that number. The figures below are based upon these assumptions.

Travel costs: 45 x 40 x £80 = £144,000
 Accommodation costs: 45 x 15 x £80 = £54,000

Total: £198,000

Other costs (venue hire, refreshments, ancillary costs for assistance during the meetings) may well fall within a £2,000 cost per meeting—say for a total of £90,000 overall

Estimated total for regional grand committees: £871,520.

Rt Hon Michael Jack MP (M41)

You wrote to colleagues with reference to a number of new inquiries regarding the Modernisation Committee of the House.

On the question of regional accountability and their respective select committees might I suggest that your inquiry looks at the possibility of such bodies being appointed to meet in regional centres, such as in our case in the North West, Manchester on Fridays. Such a solution would enable colleagues to combine both their House of Commons' duty with sitting on regional select committees in locations that would attract a great deal of public interest especially when Hearings were held in the North West.

The frequency of meetings of such gatherings might for example be once every six weeks. I am sure colleagues who are keen to contribute to probing policy issues within their regions could find one Friday every six weeks to attend without adding further pressure to the difficulties they encounter in participating in activity based in the House of Commons.

Such an opportunity would certainly enable key players such as the Head of the Regional Assembly, the Government Office and the Regional Development Agencies to give evidence from time to time on the conduct of their responsibilities.

December 2007

Robert Key MP (M54)

Accountability in the Regions

I welcomed the Government's proposal last summer for the establishment of regional select committees to hold to account the Regional Development Agencies. This follows the decision to wind up the Regional Assemblies—which I also think is right.

I am convinced that regional select committees are the right way forward. However, I acknowledge the difficulty the Government faces in finding enough MPs in each region who are not already fully engaged in other select committee work—if not in Government or front bench posts.

I was talking to Ben Bradshaw about this, in the context of the South West of England, and I mentioned an idea which he thought I should pass on to you.

I am very impressed with the effectiveness of Joint Committees of Lords and Commons. Last summer I served on the Joint Committee on the Draft Human Tissues and Embryology Bill. It was a very great success.

I think it would be worth considering establishing the regional select committees as Joint Committees of Lords and Commons. This would give some regional representation in both Houses and also spread the workload.

It might also be seen in the context of reform of the House of Lords—which might well have a regional dimension in the future.

I hope you will see this as a positive contribution to debate about future accountability in the regions.

February 2008

Alliance (M56)

The Alliance

The Alliance is the all-party association representing local authorities in the traditional industrial areas of England, Scotland and Wales. The Alliance was formed in June 2007, initially by a merger between the longer-established local authority associations Coalfield Communities Campaign and SteelAction. The Alliance currently represents seventy local authorities in all, spread across nine UK regions, covering a wide range of industrial Britain.

The aim of the Alliance is to promote the economic, social and environmental regeneration of the areas represented by its member authorities. These areas are nearly all among the least prosperous in the UK and are often the prime focus of EU and UK regional policy. The Alliance and its member authorities therefore have an acute interest in the institutional arrangements for delivering and scrutinising regional economic development.

Sub-National Review

Alliance local authorities have long expressed concerns that the powers and funding of the Regional Development Agencies (RDAs) are not matched by their accountability to the people of the regions they serve.

In April 2007, views on the accountability of RDAs were submitted to the government's *Sub-National Review of Economic Development* by the Alliance for Regional Aid (the framework within which Alliance authorities collaborated prior to the recent merger). At that time, the preference expressed in the submission was for sub-regional scrutiny panels, comprising elected members from local authorities.

The Key Role of Local Authorities

The key argument in support of this view is that local authorities are the only directly elected institutions at the sub-national level. They have the knowledge, the expertise and connections with local populations, and most importantly the democratic legitimacy, that cannot be replicated by any other body. They have the right to expect a position of influence over what happens in their regions.

It is reassuring therefore that there now appears to be much common ground in the views of the government and the Alliance on this point. In the report of the Sub-National Review, the government proposes an enhanced role for local authorities in scrutinising the plans of RDAs and also greater emphasis on the delegation of RDA budgets to the local and sub-regional scale. This is welcome.

Regional Select Committees

The report of the Sub-National Review makes reference to the potential role of regional select committees. This, along with Regional Ministers, was also introduced into the debate by the Green Paper, *The Governance of Britain*, published by the Ministry of Justice.

Alliance authorities were initially sceptical that regional select committees might be proposed as a substitute for scrutiny by local authorities at regional level. For this reason the Alliance for Regional Aid submission to the Review, in the spring of 2007, did not support the idea.

However, the report of the Sub-National Review makes the government's commitment to scrutiny of the RDAs by local authorities very clear. The Alliance has also further explored the possible role of regional select committees at a seminar, involving a number of MPs, held in Westminster in December 2007.

The considered view of the Alliance is now that Regional Select Committees could and should have a useful role in promoting and securing democratic accountability. The proviso is that regional select committees should be an addition to, rather than a substitute for, proper scrutiny of RDAs by local authorities.

It is vital that scrutiny by local government carries at least equal weight to scrutiny by Parliament. Strengthening accountability to Westminster is not the same as strengthening accountability to the regions. The first priority should be to establish robust, effective regional scrutiny by local authorities over the work of the RDAs and regional economic planning.

Some Practicalities

The Alliance recognises that ultimately any decision on the establishment, structure and function of regional select committees rests with MPs. However, the Alliance would like to make two additional points.

Firstly, although under House of Commons rules only MPs are eligible to sit on a Select Committee, and any report of the Committee would ultimately be theirs, it ought to be possible to establish a cordial and effective working relationship with local authorities in each region. This might take a number of forms, depending on the issue and the region, including taking evidence, the use of advisors, and possibly co-optees. Parliamentary practice ought not to become a barrier to valuable input.

Secondly, whilst Westminster meetings would facilitate the involvement where appropriate of ministers and national officials, Select Committee meetings held in the regions themselves would often facilitate regional dialogue and promote regional engagement and awareness.

In Conclusion

- The Alliance supports the proposal to set up regional select committees.
- Regional select committees should be an addition to, rather than a substitute for, proper scrutiny of RDAs by local authorities.
- Regional Select Committees should seek to collaborate closely with local authorities in their region.
- At least some of the meetings of regional select committees should take place in the regions themselves.

February 2008

NHS North West and NHS East of England (M60)

Thank you for the opportunity to present at the recent meeting of the Modernisation Select Committee. As discussed at the meeting, strategic health authorities are committed to regional scrutiny and accountability for the planning and delivery of health services. We welcome the opportunity to strengthen these functions on a regional level.

You concluded the meeting by inviting presenters to submit written comments on "gaps and things we shouldn't be recommending". We have therefore taken this opportunity to highlight some key messages.

English regions vary in the size and make-up of their populations, their economies, geographical makeup and their priorities. A basic summary of strategic health authority (SHA) areas is overleaf. The challenge for the Committee is to recommend a form of regional accountability which allows for meaningful dialogue; forward-looking consideration of complex issues; complements national political and policy making processes; and minimises bureaucracy.

Bureaucracy, Expertise and Complexity

The Modernisation of the House of Commons inquiry into regional accountability has presented a real opportunity to formalise and strengthen mechanisms of regional accountability, namely through the introduction of regional committees.

From a SHA perspective, it would be desirable to ensure that the membership of such committees is stable enough to ensure that its members gain a growing level of expertise with the often complex issues at hand. However, it is also desirable to ensure that the turnover of membership is sufficient to encourage objectivity and the introduction of fresh perspectives.

Recognising the complexity of arrangements which do currently exist, the key contribution of a regional committee will be in its ability to take a long term, in-depth and strategic view of the regional health economy, delivery of services and future planning. Therefore, the definition of the objectives and scope of the committees will be central to ensuring that they are able to make a crucial contribution to the operation of government in England, in as cost-effective and simple way possible.

Accountability for the Delivery of National Policy or Local Concerns?

SHAs are responsible for taking a strategic regional overview of their patches and for working with regional partners to ensure effective and appropriate commissioning of health services. It will be essential for the NHS that regional accountability is conceived in terms which support these structures and do not introduce processes which allow local partners in delivery to also hold the regional health system to account for that same delivery.

Since SHAs are fundamentally accountable to DH Ministers (and, for performance management, the NHS Chief Executive), it is therefore of prime concern that the structures of regional accountability complement the national political system, and are clearly defined in their scope, role and functions.

The issues surrounding the different political make-up of each region and the effect this will have on the operation of any regional committee have been recognised by the Committee. Again, it would be helpful to keep in mind what we mean by regional accountability—is it the sum of its parts? Should regions be held to account for the delivery of a number of local health strategies or for the regional delivery of national policy? Will the regional committee pro-actively scrutinise the health care system within a region, or will it be used to reactively performance manage the system?

From our perspective, we would argue that there are sufficient mechanisms for local accountability. Although these may require strengthening, this could more usefully be achieved through other mechanisms. It is the SHAs' job to hold together the interplay between a number of local strategies. Thus the perspective of those holding the region to account is crucial, and their involvement in the national political and policymaking process is entirely appropriate.

We hope these comments make a useful addition to the evidence presented at the Select Committee.

Mike Farrar
Chief Executive
NHS North West

Keith Pearson
Chair
NHS East of England

March 2008

<i>Strategic Health Authority</i>	<i>Chair</i>	<i>Chief Executive</i>	<i>Number of PCTs</i>	<i>Population (2001 census)</i>	<i>Budget 2007–08 (cfbillions)</i>
NHS East of England	Keith Pearson	Neil McKay	14	5,491,293	7.8
NHS East Midlands	Sir John Brigstocke	Barbara Hakin	9	4,279,707	6
NHS London	George Greener	Ruth Carnall	31	7,428,590	13.4
NHS North East	Peter Carr	Ian Dalton	12	2,545,073	4.3
NHS North West	Sir David Henshaw	Mike Farrar	24	6,827,170	11.2
NHS South Central	Geov Harris	Jim Easton	9	3,922,301	5.4
NHS South East Coast	Graham Eccles	Candy Morris	8	4,187,941	6
NHS South West	Sir Mike Pitt	Sir Ian Carruthers	14	5,038,200	7.2
NHS West Midlands	Elisabeth Buggins	Cynthia Bower	17	5,334,006	8
NHS Yorkshire & The Humber	Kathryn Riddle	Margaret Edwards	14	5,038,849	7.8