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*A Whitehall perspective on decentralisation in
England's emerging territories*



Whitehall aspirations for 'localism'

- The perceived failure of top down targets & cuts in public funds has made localism an attractive option
- The desire for a 'new politics' in an era of austerity
- Whitehall wants to 'incentivise' local structures to take charge of economic development
- There are different interpretations of localism across departments
- Decentralisation of authority needs to be balanced with democratic accountability

Perceptions on local governance capacity

- Opportunities
 - New funding flexibilities to incentivise local structures (but a lack of consensus between civil servants & politicians)
 - Manchester ‘city deal’ viewed as the benchmark
 - Emphasis on innovation & strategic investment (but capacity concerns)
- Challenges
 - Variable capacity of local structures viewed as a genuine concern
 - Whitehall departments (e.g. DfT) not convinced that localities can work together to promote strategic investment
 - Can Whitehall let localities fail?
 - Balancing decentralisation with public accountability
 - Economic development not a top priority for cash strapped local authorities

Is Whitehall shifting to genuine decentralisation?

- Opportunities:
 - Localism has forced *some* Whitehall departments to adapt to a changing environment
 - Departments seem more spatially aware than under regionalism
 - There is a strong view that the economic crisis has ‘focussed the mind’ & ensured commitment
 - Opportunities for funding flexibilities
- Challenges
 - Departments are currently working out their role & remit within the new localism
 - Some felt that if LEPs ‘fail’ then an alternative solution will need to be found quickly
 - The localist agenda is characterised by a high degree of risk & uncertainty - is this the right environment for genuine decentralisation?