# Sub-regional strategic spatial planning: the use of statecraft and scalecraft in delivering the English model

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#### Abstract

This article uses the tools of agenda setting, statecraft and scalecraft to examine the policy persistence that has underpinned the emergence of sub-regional scales of government implemented though combined authorities from 2017. It considers the ways in which polices have been framed and drawn upon the uses of statecraft to implement EU legislation in England and it discusses the emergence of new strategic spatial planning as part of this process.

#### Introduction

The purpose of this article is to consider the introduction of strategic spatial planning in England associated with emerging governance models at sub-regional scales. The argument set out here is that since the publication of the Sub-National Review of Economic Development and Regeneration (SNR) by the Government (HMT 2007), there has been a demonstrable underlying policy persistence for sub-regional scales. Strategic planning powers for directly elected mayors commenced in 2000, with the election of a Mayor for London and subsequently followed in 6 new combined authorities for quasi Functional Economic Areas (FEAs) in May 2017 with more expected in 2018. While these combined authorities do not cover much land area, they comprise of major centres of population. This article argues that policy this has a trajectory that will extend beyond any changes in the EU/UK relationship post-Brexit. The examination of this persistence will be by agenda setting analysis and consider this within the mechanisms of statecraft and scalecraft. Agenda setting policy analysis has more frequently been used in political studies providing a tool to consider why underlying policies persist over time and across governments of different political ideologies, using different delivery modes. While most public policy for England is episodic in character, with the principle that each government is not bound by its predecessor, this article will also consider the cumulative policy making approach that has been associated with the insertion of a sub-regional governance tier in England.

The abolition of regional spatial planning in England, together with most of the other quasi-democratic regional institutional apparatus including Regional Development Agencies, Regional Assemblies and Government Offices was included in the Local Democracy, Economic Development and Construction

Act 2009 by the then Labour Government and hastened to its demise by its successor, the Coalition Government, in 2010. While regions have disappeared as functional governance areas, they have remained as descriptive groupings for government projects and programmes (see for example National Infrastructure and Ports Authority 2016; DBEIS, 2017). At the same time, there has been a persistent rise in sub-regions as the dominant spatial policy scale. Since the SNR in 2007 and over the course of three governments between 2007-2017, Labour, Coalition and Conservative, the development of sub-regions from informal and undemocratic programme areas to newly aligned government spaces have not specifically addressed the issue of strategic planning. Rather, the focus of these new informal but transitional sub-regional spaces has been economic and represented a continuation of quasi-devolved but centrally controlled programmes (Pemberton and Morphet 2014). These programmes have incorporated EU and domestic funding using 'growth' and 'devolution' 'deals' for infrastructure investment and programmes of business support (Ward, 2015; Pugalis et al 2016).

Using both the Local Democracy etc Act 2009 and subsequent Devolution and Cities Act 2016 powers, this sub-regional policy takes a further step forward in 2017 as the first six English Combined Authorities and Cornwall have their devolved powers set in Parliamentary Orders. These Combined Authorities are sub-regional groups of local authorities and their boundaries are a coalescence of administrative and approximate functional economic areas. Democratic accountability for the Combined Authorities is through directly elected mayors with executive powers, scrutinised by elected authority members who have no specific powers apart from approving the mayor's budget. All these new mayors will have executive powers for strategic planning as well as the allied areas of housing, transport, business development and regeneration. Apart from Greater Manchester, these mayors will be able to exercise their strategic planning powers without the agreement of the local authorities in their areas should they so wish.

While there has been considerable regret about the passing of regional spatial planning by those formerly engaged at planning at this scale (Pike et al 2016; Boddy and Hickman, 2013), there has been no obvious successor other than these new combined authorities (Baker and Wong, 2013; Morphet and Pemberton, 2013) although some have called for the replacement of regional plans (Swain 2013). At the sub-regional scale, some local authorities have been working together on a more strategic approach to planning – such as these in Greater Manchester or in areas with a strong growth agenda such as North Northamptonshire. Some local authorities have merged but have not brought together their local planning function into a more strategic approach. Individual local authorities have also been struggling with the application of the duty to cooperate in respect of housing markets and other areas

of common interest (Afarasat and Baker 2016; Valler and Phelps, 2014). Local Enterprise Partnerships (LEPs), established as public/private sector partnerships across the whole of England from 2010, but without any legal foundations, have engaged in sub-regional strategic economic planning. In the National Planning Policy Framework (NPPF 2012), these Strategic Economic Plans (SEPS) and their accompanying programmes must be considered in spatial plans but there is very little interplay between the two.

This article argues that the underpinning drivers for this policy which is rescaling the state in England and introducing sub-regional spatial planning is located within the EU and the wider international context provided by the OECD (Ahrend et al, 2014) where similar examples of rescaling are apparent in states that are members of these bodies (Zanon 2013). It examines the ways in which this context has been interpreted into delivery using statecraft and scalecraft by UK central government acting on behalf of England and the implications this has had for implementation. The article concludes with an examination of the future for such policies in the advent of the UK leaving the EU while operating within a persistent and potentially increasingly dominant framework for sub-regionalism promoted by the OECD (OECD 2015).

### Policy persistence: agenda setting and the role of statecraft

Agenda setting is what makes 'people in and around government, attend at any given time, to some subjects and not to others' (Kingdon ed 2004; 1). This approach also considers why some agendas persist and other change and it helps the understanding of the differentiation between the policy agenda and its implementation. Kingdon argues that policy persists where there are several interacting factors which are primarily associated with political priorities set by internal or external factors. While a policy may be consistent over a prolonged period, attempts at implementation may vary to meet different circumstances and to overcome past failures. Kingdon argues that the choice of policy delivery methods will be strongly influenced by policy communities (Jordan and Maloney 1996), the prevailing political ideologies and the influence of policy entrepreneurs who may be able to use or create policy windows either in transparent or hidden ways. Thus, there is always a danger of conflating a policy with its application tools. There may also be a gap between those areas that are the focus of internal political attention of government policy and those on which it must make decisions because of wider agreements. Delivery using policy windows can also can also be a form of statecraft.

The characteristics of statecraft have been defined by Buller and James (2011) as a conscious gaming strategy where the application of domestic objectives can be achieved through the application of international agreements and acts here as a complement to agenda setting. Statecraft frames and narrates the way in which these policies are implemented and the dominant culture into which they are received that can also be characterised by singularity i.e. the UK is different from other states. While agenda setting analysis helps to identify why policy agendas are persistent, particularly when derived from external agreements, statecraft is a means of using these agendas to achieve domestic policy outcomes. Buller and Flinders (2006) further argue that statecraft is a means of depoliticizing agendas (Burnham 2001) particularly in the application and implementation in the UK of agreements made within the EU (Flinders and Buller 2006).

In the case of the UK, statecraft is codified though the machinery of government that is most frequently applied following state and national elections (Bulmer and Burch 2001) but mid-term may be generated by political reshuffles or changes in political leadership. Failing this, delivery agendas can be changed by think tanks (Wells 2012; Haughton and Allmendinger 2016) or reports commissioned by policy tsars (Levitt and Solesbury 2012). Policy windows are created to allow the insertion of the new without seeming to lose political credibility. These methods reduce the need for overt explanations of the need for change. They also use the concept of political time (Goetz and Mayer-Sahling 2009) that is particularly pertinent in the application of EU agreed policies within member states. Here the application of policy once agreed in the EU is set within sufficiently long time frames to allow each member state to hold at least one general election before delivery deadlines. This allows policy insertion through either the normal course of business, crises or institutionalised and formal points of change.

While statecraft considers how externally agreed policies are presented within a domestic political context, discussions of state rescaling or scalecraft have been anchored to neoliberal and post-political theories that have interpreted it as a form of internal governance management and control. Scalecraft may not be determined by the geographies it employs but rather that the geographies are political constructs in support of wider state purposes. As Fraser (2010) points out, scalecraft is concerned with the destruction of spatial entities as well as the creation of new ones. New governance scales may be created in response to evidence or changed political priorities or to external factors such as the global economy or wider agreements. They may be constructed to create greater citizen involvement and meet considerations of democratic engagement. Finally, new scales may be chosen simply because

they are different from what have gone before and in their creation, provide an opportunity to present policies or meet other objectives.

Scalecraft can be considered as a component or tool of statecraft but this does not reflect the strength of the institutions that may be created within scalecraft initiatives. Richards (2015) states that following the establishment of new directly elected governance scales such as that in London and elsewhere, in the new Combined Authorities, these roles mature. Governance at the next scale then takes hold. This can create governance structures that can be more equal to the government and can act as a mechanism to develop more individual and locally determined priorities. Here, the mayor is not a supplicant to government but has either to implement these solutions directly or to hold government to ransom to achieve local decisions.

Considering the role of agenda setting, statecraft and scalecraft in new sub-regional spatial planning In reviewing whether the insertion of a sub-regional tier of devolved governance together with strategic spatial strategies in England has been subject to the mechanisms of agenda setting, statecraft and scalecraft, a series of questions needs to be considered. Firstly, has policy persistence been demonstrated over the period and across governments? Secondly, is there evidence that sub-regional scales have been inserted because of external agreements and are now implementation obligations of the UK? Thirdly, have these agreements been applied in a way that can be considered as depoliticised? Finally, has there been a positive rescaling to achieve other objectives through scalecraft?

## 1. <u>Sub-regional governance scales: is there evidence of policy persistence?</u>

The first consideration of the role of agenda setting is to examine whether there is evidence of policy persistence for the insertion of a sub-regional governance and aligned spatial planning. The policy initiatives on inserting a sub-regional scale across three governments are summarised on Table 1. During this time, apart from the SNR, there were no overt policy narrative from any of the three governments in office. Rather each government built cumulatively on the policies and initiatives of the one before. The application of these policies has generally not been through an explicit top down application of government intention but a nudged compliance through competitive bidding by groups of local authorities for each type of initiative (except for city deals, which were negotiated).

The initial use of informal joint arrangements between local authorities in sub-regions or functional economic areas was through Multi Area Agreements (MAAs) introduced by the Labour Government

for some local authorities. The incoming Coalition Government in 2010 took this approach to the next level by inviting all local authorities to participate in a bidding war to set up Local Enterprise Partnerships (LEPs). Many local authorities assumed that this would be only for a few areas in England but it quickly became clear that the government wished to see LEPs include all local authorities, spending some time persuading reluctant authorities governed by their own party to comply. The focus was on the role of LEPs and bidding for funding through growth deals for infrastructure skills and regeneration. While there was no focus on mainstream planning policies or delivery, LEPs were asked to prepare Strategic Economic Plans (SEPs) including the identification of housing locations. These locations were broad and generally set in proximity to other SEP proposals for growth including infrastructure and economic development. The exception to this approach was that for city deals which did include some emergent approaches to working together on planning matters. However, again these focused on the delivery of housing rather than the preparation of strategic plans for the area of the deal.

Table 1

Government	Year	initiative	Department	Effects
Labour 2007-2010	2007	Sub National	HM Treasury	First
		review		identification
				of sub-region
				as scale of
				activity
	2007	Multi Area	Dept of	Informal
		Agreements	Communities	means of local
		(MAA)	and Local	authorities
			government	working
				together
				across sub
				regions
	2008	Functional	Dept of	Identified the
		economic market	Communities	relationship
		areas	and Local	between
			government	economic,
				spatial and

				democratic
				functions
	2009	Local Democracy	Dept of	Abolished
		etc Act	Communities	RDAs, GOs and
			and Local	RAs and RSS
			government	
Coalition 2010-	2010	Create Local	Dept of	Start informal
2015		Enterprise	Communities	realignment of
		Partnerships	and Local	local
			government	authorities to
			and Dept of	functional
			Business	economic
			Innovation	areas
			and Skills	
	2010	Abolish regional	Dept of	Removed last
		strategies (created	Communities	vestige of
		in 2009 Act)	and Local	formal
			government	regional tiers
	2011	Offer City Deals	Office of the	Reinforce FEAs
			Deputy Prime	thoigh
			Minister	informal
				state/local
				authority
				'contracts'
	2012	Offer combined	Dept of	Transfer
		authorities	Communities	informal FEA
			and Local	arrangements
			government	into
				democratic
				entities
Conservative mark	2015	Establish	Dept of	Honour
1 2015-2016		combined	Communities	promises of
		authorities	and Local	previous
			government	government

				through
				continued
				policy
Conservative mark	2016	Place orders for	Dept of	As above
2 2016-		combined	Communities	
		authorities	and Local	
			government	
	2017	Green paper on	Dept of	Reinforce role
		industrial strategy	business,	of sub-regions
			energy and	
			industrial	
			strategy	
	2017	Hold mayoral	Dept of	Implement
		elections	Communities	policy for first
			and Local	6 areas
			government	

Source: the author

Yet LEPs were always likely to be transitory institutions not least as the Coalition and subsequent Conservative governments refused to give them statutory backing and powers. The role of city deals appeared to be in part a mechanism for supporting relationships between local authorities and the government where they, rather than LEPs were in the lead. (Ward 2016). This was a means of encouraging a further step towards creating formal combined authorities with devolved powers and a directly elected strong leader. The delivery of this programme has been through competitive processes without any overarching narrative.

While it is possible to see policy persistence for new sub-regional governance arrangements starting with the informal and leading to the creation of new governance institutions, the role of spatial strategic planning in this has been marked by its absence. Planning has been primarily focused at the local level, including the completion of local plans and the development of new neighbourhood plans. However, the inclusion of the need to reflect the LEPs' SEPs in the local plans was a first step towards bringing these plans together. The role of SEPs in proposing locations for new housing development without reference to spatial plans has also been growing in importance and It is possible to see a

variety of housing initiatives in the devolution deal bids by those groups of authorities applying for combined authority status (Jones 2016).

When the new combined authority mayors start to exercise their powers for strategic planning following their election, some will have existing informal plans for their areas to draw upon. The specific planning powers available will also include mayoral development zones, compulsory purchase orders and the power of 'call in' for certain planning applications. The model for this approach may be the Mayor of London where planning powers have been devolved since 2000 and subsequently extended. The role of statecraft here has been to separate economic and spatial planning, having each led by different institutions and with almost a total absence of a relationship between them while a new scale of government has been created and inserted into the state.

2. Is there evidence of supra-institutional agreements for the new sub-regional strategic planning? While the OECD is frequently dismissed as an informal organization that has no direct power over the policies of its members, unlike the decisions of other international organizations such as the World Trade Organization (WTO) and the United Nations (UN), there is evidence that its influence on domestic economic policy is considerable (Sellar and Lingard 2014; Enkler et al 2016). The main working method of the OECD is through performance comparisons between its members and within specific policy arenas. The OECD has established influential performance indicators for areas such as education (PISA) and uses these to apply the methods of higher performing members to an examination of those performing less well. The OECD also advises other international bodies including the World Bank, the International Monetary Fund (IMF) and the European Union (EU). It is a prime location of policy formation and mobility between its members as 'external' OECD reports on domestic policy outcomes and institutional structures can be used to promote reforms that might otherwise be difficult to achieve.

The OECD has consistently been promoting the role of FEAs as main drivers of state economies and growth in GDP since 2001 (OECD 2001). While economic policy in most states is focussed on exports, the argument that trade within states is as important as trade between states has gained ground in international public policy (Krugman 1991, 2011). The success of this focus on the intra-urban contributions to state GDP has been further supported by research on the quality of local leadership and the economic effects of devolving responsibility (OECD 2015). In espousing this view, the OECD has embarked on an initiative to encourage all members to review their internal administrative boundaries and to align them with FEAs (Ahrend et al 2014). This is a significant and ambitious policy

approach for an organization that operates through soft power (Nye, 2004) but nevertheless by 2014, the OECD reported that over 50% of its members had started to reform internal governance at substate level (Gurria, 2014; Coughlan 2016; OECD, 2016).

While this policy has a global interest, all members of the EU are members of the OECD. This has provided a mutual benefit of policy reinforcement between the two institutions (Morphet 2015). If the EU supports the OECD policy then this can ensure a high percentage of policy application. From the EU's perspective, this approach can add to the economic performance of the member states. At the same time, it can also assist the EU's own major economic projects through the development of common government frameworks to support the Single European Market and the achievement of its core principles for social, economic and territorial cohesion. The role and influence of supra-national institutions on UK sub-state rescaling over ten years can be located primarily within the OECD and EU (Morphet 2015).

The EU's journey to develop a new approach to the alignment of economic and administrative space began with the Amsterdam Treaty (1999). The EC sought new powers over territory and aligned these with the evolving powers for subsidiarity within the EU. The inclusion of territorial cohesion as one of the core competences of the EU was finally agreed at the signing of the much-delayed Lisbon Treaty in 2007. Member states had been making some preparation for change before this period – in the UK this can be exemplified though the English Regions White Paper (DTLR and Cabinet Office 2002), the new approach to local spatial planning in England and Wales 2004, strategic development plans in Scotland in 2006, new localism in 2004 and further UK devolution marked by the St Andrews Agreement in 2006.

In practice, the delay in signing the Lisbon Treaty meant that the EC could not incorporate these changes within its cohesion programme 2006-2013 providing further time to consider the development of territorial policy and its integration with social and economic cohesion. Initially the definition of territorial cohesion was perceived as slippery (Mirwaldt et al 2009) until the Barca report (2009) allowed for a wider debate on the application of territorial cohesion policy in practice (Bachtler and Polverari 2017). Barca highlighted the principles of horizontal integration between administrative areas and across borders and vertical integration within states. As part of the development of the application of this policy, the OECD and the EU agreed a common set of definitions for cities (Dijkstra and Poelman 2012). In this the city region is defined by commuting zones that include rural peripheries and a city might be constructed through polycentric relationships between smaller cities and towns.

This method also addressed the issues of alignment with governance and the relationship with smaller constituent areas identified as communes or neighbourhoods.

The formal adoption of the EU policy to support the practical development and operation of FEAs and neighbourhoods was finally agreed in the EU Common Provisions Regulation (CPR) (EU) No 1303/2013 (CEC 2013a) and provides a new means of integrating sectoral and spatial policy (Faludi, 2013) and powers to enforce its application within each member state. The CPR provides common objectives, methodologies and institutional structures. These will inevitably be applied in culturally acceptable ways in each member state although the common backbone of legislation creates convergence over time. The CPR created two new devolved institutional models at different spatial scales for plans and programmes. At strategic level, this was through the Integrated Territorial Investment Strategy (ITI) (CEC 2014b) which was not defined as being mandatory. The UK government agreed could be used in Cornwall and extended to other areas in due course (CEC 2014; CIOSLEP 2016). The second was for was Community Led Local Development (CLLD) (CEC 2014a) plans for communities between 10,000 and 150,000 people. These were a mandatory part of the CPR and equate to neighbourhood and some local plans in England.

How have these policies been delivered in England? As shown on Table 2, there has been a consistent process of implementation. This started with the Conservative government's approach to quasi regionalism in 1992 that coincided with the subsidiarity principle that was part of the Maastricht Treaty, extended through to devolution deals in England in 2015 and directly elected mayors in Combined authorities in 2017 based on Labour, Coalition and Conservative government policies. This has also survived a change in Conservative Prime Minister in a mark 2 government in 2016 following the referendum on the UK leaving the EU, despite a reported policy wobble by the new leader.

Table 2 Territorial cohesion: policy agenda and policy windows in EU and UK

Time	EU agenda	Policy windows	UK agenda
period			
1992	Maastricht Treaty – enlargement;	General	Reorganize local government in Scotland
	subsidiarity; Committee of the regions;	election	and Wales in preparation for devolution;
	European Spatial Development		begin peace process in NI
	Perspective; mega regions e.g. Baltic		Create regional tier in England through
	Sea		GOs; RPGs

1996	Trans European Networks - Transport	Manchester	Identify Manchester as English role
		city centre	model for devolution
		bomb	
1997	Amsterdam Treaty	General	Devolution Scotland Wales and London;
		election	Good Friday agreement NI; RA and RDAS
2001		General	Regions White Paper
		election	
2004		Nations and	Failed NE referendum; Planning and
		London	Compulsory Purchase Act ; RSS; new
		elections	localism
2005		General	2006 More devolution St Andrews
		election	agreement
2007	Lisbon Treaty – insertion of territorial		Sub national review; 2009 Act; abolish
	cohesion power; adopt MLG as a policy		RA, RDAS state leaders Boards; MAAs
2009	Barca review of territorial cohesion		Reviews on sub-regional arrangements;
			definition of FEA; abolition of RPGs, RAs
			and reduced roles for RDAs in 2009 Act,
			introduce combined authorities
2010		General	Abolish existing regional structures;
		election	focus on sub-regions FEAs; create LEPs,
			growth deals, Citydeals
2014	Implement territorial cohesion		UK Partnership agreement initial
			submission and subsequent revision;
			identify Cornwall as first la with ITI
			agreement;
2015		General	Invite devo deals; more powers for Wales
		election	and London; create more combined
			authorities with directly elected mayors
			and strategic plans;
2016		Change in PM	Implement Combined Authorities;
			implement devolution deal for Cornwall
Source: t			

Source: the author

The delivery of these policies can be viewed as operating through policy windows, statecraft and scale craft. The policy windows for the delivery of CLLD aligned with the Coalition Government's election in 2010 and was delivered the introduction of Neighbourhood Plans in the Localism Act in 2011. The competitive ways in which local authorities were invited to bid for LEPs and then growth and devolution deals employed statecraft in place of policy making. The Coalition Government issued very few policy papers overall and no Green or White papers on these topics. It is possible to see the application of scalecraft in the successive moves from informal sub-regional alliances of local authorities in MAAs to LEPs and then city deals and combined authorities. The use of competitions offered to local authorities to achieve funding and additional devolved powers has assured several potential applicants for these new roles. While the introduction of strong local leader models, through directly elected local authority mayors, had been promoted in the 2000 Local Government Act, subsequent referenda in 2012 demonstrated that this was not a popular form of local governance for the electorate. However, by shifting scales and harnessing the requirement to have a directly elected mayor as part of a combined authority bid means that the referenda could be bypassed. It was therefore a decision by local politicians to have a directly elected mayor in exchange for additional powers and devolved funding.

# 3. Have these sub-regional scales been delivered in a depoliticised way?

Agenda setting theories suggest that there are both internal and external motors for policy persistence despite different modes of ideologically driven delivery. Within the UK, the development of new institutional structures in England including LEPs, City deals and Combined Authorities have been regarded as 'orphan' policies and domestic in their formation. Their ideological provenance has also been debated with arguments about their use in the government's austerity strategy (Konig 2016; Bevir and Rhodes 2016) which sits within a post-political frame of blame-shifting (McGuiness et al 2015; Shutt et al 2012). What has been less considered is the anchoring of sub-regional governance scalecraft externally within a wider international context. While there is a strong scalecraft frame for the cohesion policies of the EU set out in the Common Provisions Regulation (CPR) (CEC 2013a), there is also evidence of this governance reshaping in other parts of the world including Australia, Canada, the US and New Zealand – countries that are all members of the OECD (Zanon 2013).

A central tenet of depoliticisation (Burnham 2001) is the distancing of decision making and suggests that the policies that are being pursued do not have overt political connotations. In the case of

inserting sub-regional scales into democratic structures and strategic spatial planning, the persistence of the policies over three governments have reduced the potential alliance between these initiatives and any one political party. Indeed, three major British political parties have been involved in the delivery of this policy. Secondly, the insertion of sub-regional planning as part of the directly elected mayors' functions in combined authorities has not been discussed at all. Much of the focus of devolution has been on transport and funding for business development and skills. The strategic planning function has not been explained or procedures set out for its exercise. Further, little reference has been made to the similar powers already held by the Mayor of London (Gordon et al 2016).

Depoliticised policy-making frequently reflects a more technocratic approach (Wood and Flinders 2014) which is an aspect of statecraft. While the creation of combined authorities is treated as a policy act, the insertion of strategic spatial planning as part of the mayors' powers appears to be more of a technocratic inclusion rather than a positive statement of the role of the mayors in bringing together strategic spatial planning for the sub-regional areas they will be responsible for. These powers have been inserted in ways that have not attracted attention from the planning profession or local government yet any examination of the way that all three mayors of London have used their strategic planning powers since 2000 suggests that these have had significant effects on the spatial and planning programmes for the city, have been used to allocate resources and to pursue political preferences for outcomes. Have the new mayors' powers been depoliticised, and has statecraft been used to underplay their potential roles? Lastly, the insertion of devolved EU policies and OECD preferences for the alliance between strong political leaders and economic areas has been accomplished without any overt central government policy discussion of this outcome.

# 4. Has there been a positive rescaling to sub-regions to achieve wider scalecraft objectives?

While this state rescaling has been occurring in this depoliticised way, have there been any other objectives that have been pursued through the application of scalecraft? The abolition of regional spatial planning and the associated regional institutions have demonstrated a gap in strategic spatial planning rather than governance. However, there are arguments that this rescaling has been used to transfer the blame and the costs of austerity to another tier of government. Whilst central government has been able to cut the amount and means of direct funding to local authorities, in which planning has been one of the most severely affected services, it can be argued that it has used at subregional scales to reduce its own commitments to capital expenditure. Using the agreements that were made with the EU to apply subsidiarity and to insert new approaches to economic and local

governance, it has used the same process to reduce its own strategic programmes at the same time. Whilst devolving budgets it has been able to reduce them (Lowndes and Gardner 2016). This use of EU and OECD policies and programmes to implement austerity has been an unintended consequence and scalecraft used to re-finance the state. While the OECD is in favour of fiscal federalism, that is more local control over budgets and programmes, this process of rescaling has also been used to diminish budget size and thus potentially local control.

#### Conclusion

The consideration of agenda setting theory here is appropriate as several conditions have been met. In this case, the persistence of the sub-national state rescaling agenda has been consistent over three governments. This suggests that its provenance is external rather than internal to any government's agenda although the prevailing government ideology will frame its discourse and tools. There is also evidence of the use of policy windows, created by general elections, to shift governance scales significantly and that these policy windows have been used to accelerate and consolidate these changes. Statecraft and scalecraft have both been used to set and implement these with little overall policy narrative or explanation. While the initiatives work in a cumulative way in practice, there has been no overt discussion of their relationships and it has been for local authorities and other organizations on the ground to make them function together.

While some of these changes have used formal and hard methods of change, for example through the abolition of the regional institutions and plans, what has also been interesting to note, in terms of policy design, is the application of informal means to accelerate formal change. The introduction of Multi Area Agreements and LEPs were used to reshape formal administrative areas in ways that have notionally been derived from the bottom up. This is in stark contrast to previous rounds of local government reorganization. In 1972 and 1985, the creation and abolition of local authorities was a top down process. However, from 1991, competitive bids for new local authority structures were used to achieve a different end. The resulting chaos and delay encouraged a public perception that English local authorities were not able to manage greater devolution. From 2009 onwards, the same bottom up approach has been used to define these new administrative governance spaces, but this time using institutional incentivisation.

In England, the process of transitional territorialism continues. The Government's nudged approach to combined authorities, where administrative and economic boundaries are being aligned, is a whole

nation policy (Sandford 2016). Secondly, the development of strategic plans, owned and to be prioritised by new, directly elected mayors in the combined authorities, will eventually support the EU's approach to planning at this scale, using Integrated Investment Strategies (ITI). In the approved EU/UK Partnership Agreement (HMG 2014c and d), Cornwall was identified as an ITI demonstrating that this FEA policy is not confined to urban areas and one of the six new combined authorities is for a rural area in Cambridgeshire, Cambridge and Peterborough. Otherwise, the development of ITI may depend on behind the scenes support from government to combined authorities. However given the decision of the May Government (2015-6) to implement a 'hard' Brexit approach, following the referendum for the UK to leave the EU, why would it persist in this EU policy at all? While the OECD does not have any formal power to promote the application of its policies, the UK will see it as a strong ally in the future and while the OECD is able to demonstrate that this form of sub-national government is more beneficial to state GDP, then there are reasons for the Government to continue to support its implementation.

However, devolution will be challenging for government. Central government departments may be unwilling to progress these sub-regional spatial strategic plans, which will be used to deliver the projects determined at local level by the new mayors, in any meaningful way (Heseltine 2012; Randall and Casebourne, 2016). It is the responsibility of the directly elected executive mayors to achieve integration between key areas of policy, across borders and through the tiers of governance. Given that this is the focal point of integration there may be issues where central government will be concerned about losing control and the power for determining these priority shifts (Richards 2015). On the other hand, it could breed a new clientelism as mayors create relationships with government departments and act as their executors and advocates. There may also be consideration of the further use of funding by central government to nudge compliance at the strategic level In England, relationships may be developed through contracts and transfer of staff from central government to combined authorities in a hope to keep central agendas to the fore.

The use of the machinery of government in the UK, as a tool of agenda setting, to implement policies pooled in the EU is not unique to state rescaling or spatial planning but the use of policy windows and temporal policy space can inform both the understanding of change and establish known unknowns. Where are the next policy windows for strategic planning and what OECD and EC policies will they be used to implement? What will be outcome for mayoral devolution post Brexit? In the meantime, other policy windows may be found including a change in Prime Minister and Cabinet reshuffles. Will the whole of the England have democratic institutional arrangements for FEAs and associated strategic

plans by 2020? At the moment it seems unlikely, but the persistence of the underlying policy agenda suggests otherwise. Even as the UK embarks on Brexit, it retains membership of OECD which may become more important to the UK as a consequence. The introduction of strategic spatial planning within democratic leadership has been managed using statecraft. It has no policy anchors, no agreed outcomes and no considered methodologies. Will it be a tool for other policies delivered this way or is it an opportunity to create a set of new strategic spatial plans for England?

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