

Hon. Mrs Ruth Kelly MP Secretary of State, DCLG Eland House Bressenden Place London SW1E 5DU

23rd January 2007

Cornwall & the Isles of Scilly

Dear Mrs Kelly,

I am writing on behalf of the Cornish Constitutional Convention to offer our view about the proposals which will be laid before you by Cornwall County Council as a submission under the rules of the Invitation to Local Authorities in Two Tier Areas, which was issued in tandem with the Local Government White Paper. We are also aware that a group of District Councils intend to place before you a 'Pathfinder' or alternative bid under the same rules.

The Convention was formed in 2000 to campaign for a Cornish regional assembly. At the time of its establishment proposals were developing which would lead to the Regional Assemblies Act. Your predecessor, Mr Raynsford MP, listened carefully to our proposals and was always careful to ensure that our voice was taken account of and our proposals carefully considered. This courtesy was also extended to us by your immediate predecessor, Mr Miliband.

Since the NE referendum we have been able to develop our thinking about the future governance of Cornwall. In 2004 we published a pamphlet – Devolution's Future. This posed a question and made a proposition. Throughout our campaign we have remained consistent in arguing that Cornwall and the Isles of Scilly is a natural region which has a distinct range of characteristics and profiles. We consider that the region has shown that it is able to deliver a transforming regeneration programme, sustain good quality public service delivery and make a positive, creative cultural contribution to the life of the UK. Where it succeeds is where it is able to exert critical strategic influence and to deliver in ways attuned to geographical and social realities in a rural and peripheral region.

However, we are also aware of deficiencies and we would like to see new governance arrangements emerging from the unique opportunity which you are bringing forward via the White Paper which would enable us to transform public service efficiency and democratic accountability, and to build a sustainable, modern and productive economy. This would enable Cornwall to fulfil its collective ambition to make a full and positive contribution to the well-being of the UK and to realise its economic potential.

As a peripheral region Cornwall found itself in the immediate post-War period, when the Attlee Government was forming the welfare state and putting in place the plans for our modern social infrastructure, at the end of the line. If you picture the effect of central planners developing a *radial* approach to provision then by the time they arrived at Cornwall the radial effect was becoming fragmented. This is a familiar characteristic of peripherality.

In Cornwall's case, whilst it has benefited greatly from social and welfare reform, and has become a vibrant and cherished home for over 500,000 people, that initial radial effect has left us with problems in public sector service delivery which need to be urgently addressed. In making its governance proposition the Convention has taken into account the need to achieve greater efficiency, cost effectiveness and productivity in service delivery. It has also considered how, following the example of economic development, we can address

peripherality by establishing a regional focus for Cornwall which would enable us to rationalise public service systems and infrastructure and to make them work effectively for Cornwall. This is why we see the White Paper as a unique opportunity, because, if you are willing to respond positively to our proposals, then we believe that we can transform public sector performance, sustainability and efficiency. We believe that the sustained public support for the Convention's campaign (referred to in previous correspondence) demonstrates that there is widespread public acknowledgement of the need for change, and that appropriate reforms would be widely welcomed.

During the transformational Objective 1 Programme, which was won for Cornwall by the Prime Minister and colleagues responding to a strong community-driven campaign almost immediately after assuming office, it has become clear that the most effective way of addressing peripherality is to acknowledge that it cannot be overcome. We need to work to the strengths it offers (such as distinctiveness; different connectivities), putting in place infrastructure designed to stimulate creativity and energy – an effect rather like creating a new cell! So, as we establish the innovative and excellent Combined Universities in Cornwall, we find Cornwall and the Isles of Scilly developing a knowledge-based economic drive, building on key environmental assets, and assuming a role more normally associated with cities – as you point out in the White Paper.

Equally, we see a region which belies the tag of mere rurality by building a diverse economic profile with a strong emphasis on value-added activity, manufacturing and technological innovation running alongside a strongly productive agricultural sector and a high quality tourism industry, recently enhanced by the Government's advocacy in support of the Cornish Mining Landscapes World Heritage Site ascription. Cornwall has also recently been voted Britain's favourite holiday destination. It is not complacent and is developing work to penetrate new markets, including Japan and the USA. Again, we suggest that such dynamism and diversity is more closely akin to the profile of a city.

Most importantly, in this context, Cornwall has a strong and positive international brand, which already makes it an important contributor to the national economy. We believe that, by addressing the infrastructural and systemic shortcomings in public sector we can enhance this brand and thereby improve Cornwall's contribution to national wealth. Such a brand finds its equivalents in major cities. It is an important national asset.

We are also conscious that deprivation remains a significant factor in Cornwall, and that contrasts between poverty and wealth, with all their respective consequences, again bear comparison with a more metropolitan area.

We therefore consider that, if we are to achieve the best for the people of Cornwall and the Isles of Scilly, and if we are to fulfil our potential in a creative and sustainable way, then we need to perceive of Cornwall & the Isles of Scilly as a rural and peripheral equivalent of a city region – a dispersed, rural city. Bearing in mind the approach heralded in the White Paper, we believe that it is appropriate to characterise Cornwall & the Isles of Scilly as playing the role of a strong city, with a different settlement pattern and a range of key environmental and geographical advantages, within a geophysical area affected as much by seaward and cultural connectivities as by more landward linkages.

Our geography also offers a further opportunity – it makes Cornwall an eminently observable and measurable place. In examining innovative developments, such as a new approach to governance aimed at ensuring that all parts of the Country can experience an equable standard and quality of governance if you achieve your objective of establishing city-regions, Cornwall offers a unique and unmissable opportunity which we urge you to consider seriously.

The Cornish Governance Proposition

Vision

To achieve optimum efficiency, cost-effectiveness and democratic accountability in public service delivery whilst stimulating a strong, sustainable and productive economy by driving regeneration and promoting Cornwall and Cornish products.

Objective

To reform public sector governance in Cornwall (and the Isles of Scilly, if it wishes to participate) and to improve Cornwall's advocacy at national and international level, so that Cornwall can maximise productivity and achieve value for money in public sector delivery.

Proposition

To form a single organisation which incorporates the whole range of public sector service delivery focused on Cornwall, bonded by three key principles:

Separate strategy from delivery Embed democracy Promote subsidiarity

1. To establish an elected Over Arching Body with five key functions:

Strategy – Commissioning – Budget – Performance Management – Advocacy/Promotion

The Overarching Body would embody strategic responsibilities for Health, Education, Local Government and other services.

- 2. Establish an area-based delivery structure for all services, with an elective democratic focus, including strong delegation to, and with, Parish and Town Councils.
- 3. Form a Working Conference with all public sector agencies, authorities, quangos represented, which would be joined by the Government, to form an operational, systemic and business plan for the new organisation. The Government would be invited to commit to transferring appropriate functions, duties and responsibilities necessary to make the new approach work.
- 4. Open discussion with the Isles of Scilly and HMG about the formation of a Multi-Area Agreement between Cornwall and the Isles of Scilly.
- 5. Form a Cornwall Development Company, bringing together the ethos of the Camborne-Redruth Urban Regeneration Company, the public sector-owned Cornwall Enterprise Co, and Business Link (and other agencies as appropriate).
- 6. Explore a more incisive role for the Cornwall Strategic Partnership, including perhaps developing a scrutiny role to the Over Arching Body in line with the principle of *'the citizen as scrutineer'*.

By developing a common set of systems between different public sector services we suggest that sustainable efficiencies and savings can be achieved through improvement and rationalisation. We also believe that new approaches to service delivery, building on the acclaimed Local Area Agreement, can be realised.

Our object in taking this approach is to consider the needs and perceptions of service users and tax payers by providing a structure which is designed to promote complementarity and which responds effectively to geographical and social realities. We also wish to sustain and develop the economic transformation, and to ensure that public services are affordable and suited to the needs of Cornwall as it evolves. We feel that the combination of accountability and subsidiarity will give Cornwall the right approach to tackle the challenges of globalisation, climate change energy development.

As we asked in our pamphlet – Devolution's Future – if the Government wishes to develop 'city-regions' then what happens elsewhere? Surely, all parts of the Country have a right to equable and quality governance. We offer his proposition not simply as a proposal for Cornwall (and the Isles of Scilly), but also as a model which might provide a solution for other places.

Cornwall's response to the White Paper

The Convention is disappointed that, in taking the lead in responding to the White Paper, the local authorities have failed to find a common set of principles and proposals upon which to base a single proposition for Cornwall backed by a consensus.

We believe that this is because both tiers have failed to respond to campaigns and colleagues, including Members of Parliament, and have chosen to submit bids within the tight parameters of the Invitation to Local Authorities. It is clear that, by working within the 'Invitation' template, consensus is virtually impossible, even though all feedback from all sectors, stakeholders and surveys suggests that change is widely welcomed and a single bid for Cornwall would be best.

We also regret that a MORI Poll was not commissioned by a partnership of the two tiers and was not more objectively formulated to provide a fair picture of public opinion.

We also feel that the 'Invitation' was not considered in the context of being applied to the distinctive circumstances which pertain in a rural, peripheral and island region such as Cornwall. This means that remaining within the limitations of the Invitation has not enabled local authorities to address major systemic, organisational and partnership challenges which we actually face.

We find in each of the primary bids, Cornwall Council's and the District Councils', that there is a clear expression of aspiration to move beyond the 'Invitation' limitations and to form a single organisation for the whole public sector, to broach a new partnership with the Isles of Scilly, to form a Cornwall Development Company and to respond to the objectives set out in para 4.10 of the White Paper. We also welcome the recognition emerging in the joint review of subnational economic development, that the needs of rural, peripheral and island regions will probably require distinctive arrangements in order to maximise potential and to sustain it.

We believe that this is a key moment in the development of public sector service delivery in Cornwall when a single organisation could be formed, and its benefits be quickly experienced. The Department of Health is both exploring local management and concerned about the pressures present in Cornwall (as evidenced by the visit of Mrs Hewitt in Autumn 2006 after 30,000 people demonstrated seeking democratic accountability in the health service).

There is anxiety in Education about the growing importance of Further Education (evidenced by the raising of the skill base and reductions in unemployment during Objective 1) and the need for developing greater local accountability. This is also a concern in relation to the Police.

Cornwall has found it difficult to adequately affect either the Regional Spatial Strategy or the Regional Economic Strategy and it is widely held that each will not greatly assist regeneration or social development, and that some outputs may be counter-productive if applied in Cornwall and the Isles of Scilly, where the geo-economic circumstances are distinctive and need distinctive policy and strategy. We would consider it appropriate for these (and other) functions to be realigned to ensure that outcomes can be effective in sustaining transformation and developing accountability.

We have asked both tiers, if each aspires to what we advocate, why, with only one opportunity to achieve dialogue with the Government about change, they do not come together, outside the limitations of the 'Invitation', and make a proposition to the Government rooted in the direction of travel of the White Paper, which is widely supported and held to be common sense, and which would form a single, consensually supported proposition.

To be frank, the deferential tone of the responses to our inquiry is disappointing, and we suspect that it will be disappointing to you and your Ministerial colleagues. We feel that there is a far better and more challenging opportunity achievable in Cornwall which will find the consensual backing of stakeholders, partners, private and voluntary sectors and the general

community. We consider that there is great value to the Government and to Cornwall and the Isles of Scilly in exploring the potential further.

We therefore strongly encourage you to communicate with the principal councils in Cornwall and to seek their cooperation in developing a single submission founded upon the concept outlined above. It is a concept to which they each aspire but which, with the engagement of the Government, could be translated from the aspirational to the achievable.

We strongly believe that, if this course is pursued, then the Government will achieve a payback in terms of sustainable productivity and excellent public service delivery. We also suggest that, in developing the model outlined above, the Government will have the opportunity to consider a model which may be applicable elsewhere and which will assist in stimulating productivity and achieving cost-saving efficiencies in public service delivery, thereby complementing the developmental reforms proposed in Chapter 4 of the White Paper in economic geographies beyond the major cities.

Yours sincerely

Bert Biscoe Chair, Cornish Constitutional Convention