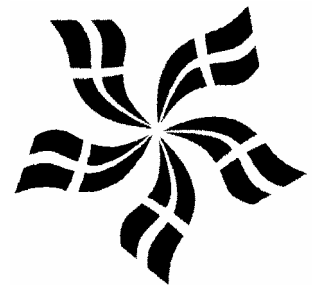


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**Cornish  
Constitutional  
Convention**  
**SENEDH KERNOW**

Sir Michael Lyons  
Room 3/12,  
1. Horse Guards Road  
London SW1A 2HQ

8<sup>th</sup> March 2006

Dear Sir Michael,

Pursuant to recent telephone conversations with members of your staff I am writing on behalf of the Cornish Constitutional Convention in response to your request for information and ideas about the reform of local governance.

### ***Cornish Constitutional Convention***

1. The Convention was formed in 2000. It was a response to Mr Prescott's effort to try and establish regional government as part of the Government's drive for devolution. It was formed because, for many years, Cornwall has been seeking a means of developing how it is governed in a way which would deliver efficient and effective services and leadership, and, at the same time, respond to Cornwall's long-standing constitutional distinctiveness<sup>1</sup> in a manner which is both practicable and enables good modern governance.
2. Formation was also motivated by an awareness in Cornwall that inclusion in a south west macro-region would prove to be counter-productive. Benchmarks, practice and analysis would tend to exclude, diminish or simply ignore Cornish priorities and needs, as the character of the two regions is so markedly different. This has been proved correct in a number of ways – for instance, the SW analysis of its knowledge economy connect5ed by motorway and how it fits into the national picture simply left Cornwall & the Isles of Scilly 'off the map'<sup>2</sup>.
3. Without a conscious and responsive practice built in to systems, strategy-making and delivery which acknowledges peripherality, identity and culture (as these affect the socio-economic profile) then the centralising tendency of macro-units such as SW will always be unfavourable to places like Cornwall.
4. The Convention's position was that, if the Government intended to establish regions led by directly elected assemblies, then Cornwall and the Isles of Scilly should be one of those regions.
5. Cornwall & the Isles of Scilly is a peripheral region which is currently the subject of a European Union Structural Funds Objective 1 regeneration programme, and will become a 'Convergence Region' in the next round<sup>3</sup>. The cause of this focus is the distinct character of the area's economy, a profile which clearly distinguishes it from the

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<sup>1</sup> Cornwall is a Duchy, as recognised by Kilbrandon and enshrined in the Duchy Charter 1337. It has been treated as a county for the purposes of local government since 1889, a year later than the County Councils Act, a delay caused by the need to seek the agreement of the Duke to such administrative arrangements being instituted. The Duchy retains significant and discrete powers and responsibilities in respect of Cornwall. It is also the major landowner in the Isles of Scilly. Further information is available.

<sup>2</sup> At the time Cornwall was completing a new university, building a medical school, delivering a unique Broadband network to its rural economy (including the Isles of Scilly), forming digital cooperatives and leading Globally on various aspects of climate change and environmental management – not bad for a place which doesn't have a knowledge economy because 'its not connected by motorway'!

<sup>3</sup> Announced immediately after the December 2005 agreement on the EU Budget.

economic profile of the South West so-called region. This distinction is both historical and sectoral. Cornwall & the Isles of Scilly has found that, when approached as a regional unit, regeneration effort is remarkably successful. In contrast, previous SF Obj5b programmes, which 'married' Cornwall to Devon and West Somerset, made no sustainable progress.

6. It is important that any devolving or empowering undertaking recognises 'areas of competence', be they 'city-regions' or regions such as Cornwall & the Isles of Scilly, and seeks to work with them, rather than trying to impose a standard model. Flexibility in approach will achieve a wider achievement of national standards.
7. The drive for an Assembly for Cornwall gained force from the strong perception that, if the economic progress of the Objective 1 programme is to be sustained and developed, then Cornwall needs a different way of delivering public services, and stronger outward facing leadership to develop markets, to form partnerships and to bid successfully for future funds both from Central Government and the EU. Underpinning the economic imperative is a very strong sense of identity, founded upon a unique British culture which includes the Cornish language, a wide spectrum of expression, high levels of self-employment, strong partnership ethos, and a rich heritage, including distinctive ways of organising to enable successful delivery and development. There is a word for '*Cornwall*' in every European language. It has a unique and immensely valuable 'brand' which is international, founded upon a range of aspects of the Cornish experience through the centuries.
8. The campaign mounted by the Convention has been successful. It has a strong and positive profile in Parliament, where it has featured in a number of debates. When he was Minister for Local Government and the Regions at the ODPM Nick Raynsford visited Cornwall and met representatives of the Convention. Latterly, there has been correspondence between the Convention and Mr David Miliband and the Convention has submitted its pamphlet, *Devolution's Future*<sup>4</sup> to the Minister. We attended a plenary meeting with him at Newquay during a recent visit. We have also submitted a paper to the ODPM Select Committee. Mr Miliband has recognised that '*Cornwall has many aspects of a natural region*'.
9. The Convention has worked hard over the past 5 years to build public support and to broker a robust and sustainable consensus for change in Cornwall. There is much evidence that this is successful. In 2000 the Convention presented a 50,000 signature (audited) petition to the Prime Minister. In successive opinion surveys (in 2001 and 2003) showed a growth in support for the principle of establishing an Assembly for Cornwall from an initial 46% to 55% in 2003. There has been no subsequent survey. However, developments in opinion are reflected in two key occurrences:
  - i. In November 2005 the Liberal Democrats in Cornwall, who hold all five Parliamentary seats and the controlling majority at Cornwall Council, as well as significant influence in all district councils, voted strongly to campaign for the establishment of a Cornish Assembly.
  - ii. Cornwall Council submitted a paper to the ODPM select committee which clearly shows that there is significant convergence between the Council and the Convention's objective. Since November 2004 this convergence has strengthened.
10. It is important to add that, in 2004, the Labour Party in Cornwall voted in support of a call for a referendum in Cornwall. Over 50 parish and town councils have passed resolutions

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<sup>4</sup> *Devolution's Future*. Cornish Constitutional Convention 2004

calling for a Cornish Assembly since 2000. There is strong support amongst the voluntary sector (a resolution of the Cornwall VS Forum 2003). By and large the private sector is 'awaiting developments', but informal 'soundings' show a strong appetite for change along the lines advanced by the Convention, and latterly, Cornwall Council.

***Cornish Assembly – what is proposed?***

11. The Convention has developed a clear view of its objective in terms of both structures and functions/powers. It wishes to see a robust, effective process in order to define what is most practicable and efficient. It holds two fundamental principles, which are:
  - i. Democracy is best, and best achieved by direct elections
  - ii. Cornwall & the Isles of Scilly needs a focal, strategic, democratic body which commissions all public services in Cornwall, monitors, looks outward in terms of advocacy, marketing and bidding.
12. These views are set out in the pamphlet which accompanies this letter. The Convention holds that the development of a strategic commissioning body for Cornwall would offer a pilot and test-bed for the Government to assess how it might develop similar approaches elsewhere.

***Developing the proposal***

13. The Convention has evolved its thinking alongside the development of the Government's initiative. It supported the Government in seeking to establish elected assemblies but did not accept the rigid adherence to the nine-region template, arguing instead for a more flexible approach which responded to areas which reflect geographic, cultural or socio-economic identities. A variable approach to size, no matter how measured – whether by population, GDP or area – continues to be advocated by the Convention.
14. At the time, the Government asserted privately that it needed the nine-region template in order to advance the enabling legislation. Once in place it would be possible to turn to issues about flexibility, geography, identity and brand. We therefore find nothing inconsistent in the Government's present approach to the issue, and we welcome Mr Miliband's exploration of new thinking. His concern for function and outcome, for efficiency and productivity, enable a more constructive approach to defining identifiable and viable areas of competence. We welcome his commitment to democracy because the lack of it in the voluntary regional assemblies is a singular weakness, and the fundamental cause of their failure. We feel it important to stress that this failure is as much due to the scale and diversity of the geographical units of the nine-region template as it is the lack of democratic accountability.
15. The failure of the NE referendum strengthened the Cornish case.
16. We feel that, if the debate is to develop, it is important to define what is meant by the term 'local government'. It carries with it the obvious and prescriptive association of statutory bodies, councils, which have essentially local functions of service delivery and strategy formation. They can raise local tax and have some flexibilities, for instance in terms of forming arms-length companies and trusts. However, councils are constrained in being able to integrate with health and further/higher education and other public services, making it difficult to forge new approaches to delivery which are cost-efficient.
17. On the other hand, local government can also mean finding the best way to provide effective and responsive governance locally. We perceive that the debate has shifted towards the latter view.

18. Therefore, taking the latter context, Cornwall & the Isles of Scilly seeks a better way of providing good governance which is best suited to its needs as a discrete peripheral region, and can achieve ongoing improvement in public services which empower the citizen and mitigate the burden on the public purse. We wish to build on the good practice, high standards and positive culture of public services in Cornwall, and to integrate delivery across the spectrum, whilst separating strategy and commissioning from delivery.
19. In this sense, Cornwall perceives a need to establish a new form of local governance – a directly elected Body forming strategy and commissioning public services from a reformed network of service deliverers, with the ability to:-
  - set the budget for its area of competence (i.e. Cornwall & the Isles of Scilly),
  - bid for central funding across the spectrum of public sector service delivery,
  - monitor delivery
  - advocate for, promote and develop relationships on behalf of its area.
20. This is a body which cannot be fitted into the mould of 'local authority' – it is a leaner, more important entity, which can draw together the strategic role for its area from a range of sources – Government departments, quangoes, county and district councils, 'regional' authorities. It would have civil service bureaucracy and would be responsible for the whole public sector service delivery budget in its area, including local government, health, education and other services.
21. The infrastructure for such a body already exists. It would mean the dissolution of Cornwall Council, some restructuring or redeployment of GOSW, the devolution of 'local government' delivery functions to a newly formed delivery structure bringing together local government, health, education and other services, which would enable joined up and more user-friendly services.
22. Such a reform of delivery structures would clearly mean establishing a common infrastructure of office provision (utilising existing property and assets); reforming administration; training to develop new approaches to front-line delivery; information and record management; accounting systems and performance criteria.
23. Arrangements for the Isles of Scilly would remain as they are, although greater synergies with Cornwall, and an overarching strategy which takes clear account of the needs of the Isles, including recognition of their distinct identity, means that their position would be strengthened.
24. The question of how Cornwall & the Isles of Scilly (or any other 'unit of competence') embarks on a process of defining a new delivery structure is the big challenge. As we wish to see the whole public sector service delivery budget for the region managed by the new strategic/commissioning body then there is the opportunity for new or presently frustrated synergies to merge and to enhance their potential. This is particularly so in the area of adult care, highways management (where Highways Agency responsibilities should be devolved), waste and energy management, and many other service areas.
25. In establishing the new Body it would enable Cornwall & the Isles of Scilly to develop a new and tailored approach to governance based upon genuine subsidiarity, a strong

outward-looking lead, excellent systems and accountabilities. A strong democratic element would be built in throughout the new structure. Community partnerships would also form part of the structure, and the role of parish and town councils be enhanced<sup>5</sup>.

26. The Convention suggests that it is important in a settlement pattern like Cornwall's to avoid the conclusion that towns are de facto economic drivers. Towns rely upon the wealth generation in their catchments to sustain the services and goods they offer – that is where the customer/client-base is to be found. Towns need to compete with each other for business, but to also understand that the business comes predominantly from the rural catchments. Market towns do not necessarily drive local economies, but respond to the need for wealth generators to meet from time to time in the same place to trade their wares. The relationship is complex.
27. **The model outlined above needs a good deal of refinement. A business planning exercise would enable it to be tested fully. However, setting up the Body would be the best test, relying upon the very strong commitment in Cornwall to excellent public services backed by efficient administration, as well as the delivery-focused approach for which Cornwall & the Isles of Scilly is well known. It would enable best practice to be determined, lessons to be learned, and observations to be made.**

### **Conclusion**

28. We consider that Cornwall & the Isles of Scilly offers an opportunity for the Government to respond to the clear public support for a different sort of governance Body which has the democratic management of the whole public sector service delivery budget, can promote its region and be its outwards face; and is more readily accountable, and capable of calling to account public services on behalf of the consumer.
29. We hope that these ideas are of interest to you and that you may consider it worthwhile to explore them further with us, and to recommend that Cornwall provides a pilot scheme to test such a model, which we consider to be analogous with proposals for city-regions, but applied in a non-metropolitan and predominantly rural region.

If we can be of any further assistance, please don't hesitate to contact us.

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Bert Biscoe  
Chair, Cornish Constitutional Convention

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<sup>5</sup> There may be a role for clusters of parish councils. Towns will clearly benefit from greater self-management, and clear lines of accountability offered by the new Strategy/Commissioning Body. The Convention believes that parish councils will rise to challenges presented to them, and that nobody should hold back from presenting challenges because there may be doubt about capacity or willingness.

## **Annex 1**

### ***The strategic role of local government***

30. In addressing this question the dual meaning of the term 'local government' is key. For the sake of clarity we shall refer to statutory local authorities as 'councils' and to the local leadership of a particular area as 'local government'.
31. Councils are not best placed act strategically, because they are locally focused – strategic issues can easily be obscured or obstructed by parochial interests. There is an emerging realisation that blending strategy and delivery into a single local body can encourage inefficiencies, and can mean that one negatively affects the other at critical moments.
32. In a two-tier structure the potential for disagreement generated by parochial interests can lead to a lowest-common-denominator strategic approach which then results in under-achievement. Cornwall has suffered from this repeatedly since 1974.
33. However, in Cornwall, even if the two tier structure was removed, the ability to form cohesive strategy would be undermined by the fragmentation and duplication of administration and direction for the different public services, and by the constraints on councils. A unitary council would be an insufficient entity to be able to adequately address the challenges and opportunities, or to offer significant benefits either to the country as a whole or to the local community.
34. There are no differences between different sorts of council (except, perhaps, in scale); the constraint lies in the limited role they perform, and the laws prescribing their areas of function and accountability. These prevent councils from adopting a meaningful strategic role, and without a strategic focus places like Cornwall suffer because the advocacy and data are often insufficient to be competitive at the Centre.
35. If local government is to draw together public services and to drive efficiency and productivity then it will need a stronger professional support base. The incisive influence of the civil service, taking a regional perspective, would undoubtedly move things along more effectively. There is a great deal of talent in councils and other public service bureaucracies, and we should expect to see interchange between them and the civil service as a new governance perspective develops.

**Annex 2**  
**Regional strategy**

36. The strategic needs of a region such as Cornwall & the Isles of Scilly can be misunderstood and badly provided for if the area of competence of a strategic Body is too great. Cornwall has a lengthy and robust history of seeking a stronger form of 'regional' governance<sup>6</sup>.
37. Recent experience within the artificial and dysfunctional 'south west' shows that a clear and distinctive set of strategic drivers is needed for Cornwall & the Isles of Scilly. Spatial analysis has militated against this. It is difficult for a single institution to develop several ways of achieving the same objective. In a macro-region of such diversity as the SW, this is clearly necessary, whilst the macro-institutions are manifestly failing to adequately respond. Decisions made on a macro-regional basis can undermine investment and provision through seeking to drive a common approach in an area too diverse, too large, to cumbersome to have commonality.<sup>7</sup>
38. It is more efficient and democratically appropriate to enable areas of clear coherence, competence and identity, no matter their physical size, to develop as regional units. This may mean the Centre responding accordingly, but it is more likely to foster confidence and sustainable productivity, because it will be defining areas which feel good (and therefore democratically 'comfortable') about themselves.
39. There are many aspects of mutual interest between regional units, and these can be addressed through well-founded partnership and joint arrangements, such as those which presently exist between Cornwall and Plymouth over transport. Cornwall & the Isles of Scilly has a robust and practical approach to partnering which stands it in good stead in terms of building new, strategic relationships, both within the UK and more widely in Europe. The development of such relationships, their evaluation and fostering will be the responsibility of the strategic Body.
40. Seeing, or providing for, Cornwall & the Isles of Scilly as simply 'council' areas reduces the scope for public service reform, for economic leadership and for sustainability. The results of the Objective 1 programme suggest that a different approach, building on the regional entity, would provide markedly better results in terms of efficiency and productivity, and help to sustain economic growth and social development.
41. In terms of improvement it is the Convention's view that councils perform a valuable role in terms of service delivery, but the demands of delivery reduce the capacity of councils to act strategically. If improvement is to be achieved then the key lies in unburdening councils of their strategic role and focusing them on service delivery. For many councils the demands of the strategic role have encouraged them to find alternative means of achieving delivery. These tend to confuse the public and to foster a view that their taxes are being wasted in creating more organisations.

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<sup>6</sup> eg Kilbrandon 1967; Campaign for Cornwall 1994.

<sup>7</sup> 'Good' examples of this are emerging from initial regional transport and housing allocations, 2006/7; ornamented with statements of fine intent but not accompanied by resource! For instance, Cornwall has a unique rail infrastructure which is becoming increasingly important as minds focus on practical ways of combating climate change. Funding decisions based on strategies conceived for a wider area in which Cornwall's rail infrastructure is a minor aspect mean that important strategic opportunities are lost, which result in a reduction in quality and cost of living in Cornwall.