

**Online
Spring
Conference
March 2021**

Federal England

Consultation Paper 144

A FEDERAL ENGLAND – WHAT DO YOU THINK IT SHOULD MEAN?

Background

This consultation paper is presented as the first stage in the development of new Party policy in relation to the position of England within a Federal UK. It does not represent agreed Party policy. It is designed to stimulate debate and discussion within the Party and outside; based on the response generated and on the deliberations of the working group a further proposals will be drawn up and presented to Conference for debate.

The paper has been drawn up by a working group appointed by the Federal Policy Committee and chaired by Lord Shipley. Members of the group are prepared to speak on the paper to outside bodies and to discussion meetings organised within the Party.

Comments on the paper, and requests for speakers, should be addressed to: Christian Moon, Policy Unit, Liberal Democrats, 8 - 10 Great George Street, London, SW1P 3AE. Email: policy.consultations@libdems.org.uk

Comments should reach us as soon as possible and no later than Friday 22nd April 2021.

Further copies of this paper can be found online at www.libdems.org.uk/policy_papers

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1. Liberal Democrats and a Federal United Kingdom

1.1 A modernised Federal United Kingdom has long been a key priority for Liberal Democrats - encompassing a fair voting system for all elections, reforming the House of Lords into a Senate, and developing a written constitution.

1.2 A Federal United Kingdom Parliament and Government would remain responsible for key national matters like foreign affairs and defence, the currency and the Bank of England, fiscal and macro-economic matters, immigration and nationality, pensions and most social security issues and a range of other UK-wide matters.

1.3 In Scotland, Wales and Northern Ireland, most domestic powers have already been allocated to their respective Parliaments and Assemblies. The purpose of this consultation on a Federal England is to enable us to make recommendations to the Autumn Conference on how substantial powers can be decentralised from Westminster and Whitehall to English Regions and, where this makes sense, to local councils.

2. Motion at the 2020 Autumn Conference - *The Creation of a Federal United Kingdom*

2.0.1 At the Federal Conference in September 2020, a motion entitled 'The Creation of a Federal United Kingdom' was passed. The purpose of this consultation paper is to develop the policy by asking for your views on what kind of federal England you would like to see. Whilst the motion itself related to a federal UK, it is for the Scottish and Welsh parties to decide how they wish a federal structure to apply in their countries. Since Federal Policy Committee (FPC) has responsibilities for both the UK and for England, it is in the latter context that it is asking for your views. You will find some questions at the end of this document.

2.0.2 Separately, we have produced a brief survey for completion by you and by other members who may not be attending Spring Conference. Please do complete it; you will find it on the Party's website here before the Spring Conference https://www.libdems.org.uk/making_policy

2.0.3 This consultation paper has been written by a policy group appointed by FPC to progress the work necessary for the following September Conference.

2.0.4 Group members may not agree with every aspect of what a Federal England could mean but all believe the party must urgently define its direction.

2.1 The Political Context

2.1.1 Liberal Democrats have long championed the cause of federalism, devolution, and decentralisation. We support home rule for the three nations - Northern Ireland, Scotland, and Wales. However, the English question has never been satisfactorily resolved. Is England a single entity with its capital in

London? Should the regions of England (however they are defined) be treated in the same way as Scotland or Wales or should they have different powers?

2.1.2 The Covid-19 pandemic has revealed serious shortcomings in the way England is administered. England is over-centralised and other countries with less centralised structures have shown better management of the pandemic. As we deal with the impact of Brexit alongside our wish to 'level up' the poorer parts of England, there are encouraging signs that other parties are waking up to the need for a new constitutional settlement across the UK. We must start to develop now the detail of what we mean by a federal England.

2.2 An England of the Regions

2.2.1 The motion passed in September 2020 represents an important foundation for the creation of an *England of the Regions*.

Conference notes that:

- A. *The future cohesion and existence of the United Kingdom is threatened by a sense of alienation and powerlessness amongst many of our citizens which has fuelled Brexit and the growth of nationalism.*
- B. *The COVID-19 crisis and Brexit have demonstrated both the value of the United Kingdom and the damaging inadequacies of its current constitutional arrangements.*
- C. *Most people across the United Kingdom have multiple identities which they recognise to varying degrees and which should be reflected in the institutions of government.*
- D. *There is growing support for constitutional reform across the nations and regions of the United Kingdom.*

Conference believes that:

- i) The constitution of the United Kingdom is not fit for the needs of a 21st century liberal democracy.*
- ii) The best way to ensure the continued union between Scotland, England, Wales and Northern Ireland is to create a truly federal United Kingdom, as long advocated by Liberal Democrats.*

Conference calls for:

- 1. A Declaration that the United Kingdom is a federal union that exists by the consent of the people of Scotland, England, Wales and Northern Ireland where the founding principles of the Union are:*
 - a) Democratic government based on liberal values in compliance with the European Convention of Human Rights and which fully respect the diverse identities of our people.*
 - b) An equitable distribution of resources between different parts of the United Kingdom based on their respective needs.*
 - c) A duty of co-operation on both the Federal and State governments to work for equality of opportunity, guarantee the essentials of a decent life for our citizens, tackle climate change and meet the challenges of a global economy.*
 - d) Subsidiarity so that the Federal Parliament does not have the power to legislate in areas of competence of the parliaments of the nations and regions of the Union without their consent and that the exercise of public responsibilities is decentralised as much as reasonably practicable.*
- 2. Early measures to implement the Federal Declaration including:*

- a) *Creating a Declaration of Rights as a foundation document of a Federal United Kingdom which includes a new, modern, inclusive definition of citizenship.*
 - b) *The enactment and endorsement of the Federal Declaration by Westminster and the Parliaments and Assemblies of Scotland, Wales and Northern Ireland.*
 - c) *The creation of a United Kingdom Constitutional Convention to lead the creation, on a wide civic and popular basis, of a codified written constitution for Britain.*
 - d) *The election of the House of Commons by Single Transferable Vote and replacement of the House of Lords by an Upper House with a proper democratic mandate on a basis that represents the nations and regions of the United Kingdom.*
3. *The creation of powerful institutions to encourage and enable co-operation between the governments and parliaments of the various parts of the United Kingdom that would include:*
- a) *Creating a United Kingdom Federal Council of Ministers to enable the governments and parliaments of the various parts of the Union to work better, building on the work of the joint Ministerial Committees.*
 - b) *A power for one government to request formally that another take specific necessary action to facilitate policy objectives in an area where the other government has the policy lead.*
 - c) *A duty on the Federal Government to consult with the governments of the particular parts of the Union on federal policies that would impact on their statutory responsibilities.*
 - d) *Reform of United Kingdom-wide institutions to enable them to serve all governments and parliaments within the United Kingdom.*
4. *The transfer of additional powers to the Senedd Cymru (Welsh Parliament) to create broad parity with the powers of the Scottish*

Parliament including the creation of Wales as a distinct legal jurisdiction.

5. *Liberal Democrats in positions of power or influence in the Scottish Parliament, Senedd Cymru and in local and regional government to collaborate in campaigning and using their influence to build a federal United Kingdom.*

What this Motion says

2.2.2 It sets out principles for the UK to become a union of its nations and regions. In relation to England, it says we believe in a truly federal United Kingdom with an equitable distribution of resources between different parts of the United Kingdom based on their respective needs. It refers to federal and state governments in which subsidiarity applies to the nations and regions of the Union and in which the exercise of public responsibilities is decentralised as much as is reasonably practicable. It says that the Upper House should become representative of the nations and regions of the United Kingdom and that there would be a federal Council of Ministers to enable the governments and parliaments of the various parts of the Union to work better, building on the work of joint ministerial committees.

What this Motion does not say

2.2.3 It says nothing about local government. It does not say how many English regions there should be, nor what exact powers they should have. It does not say anything about taxation or how resources would be redistributed. It implies each region can have ministers but not for which departments. Clearly, the detail needs to be filled in – hence this consultation.

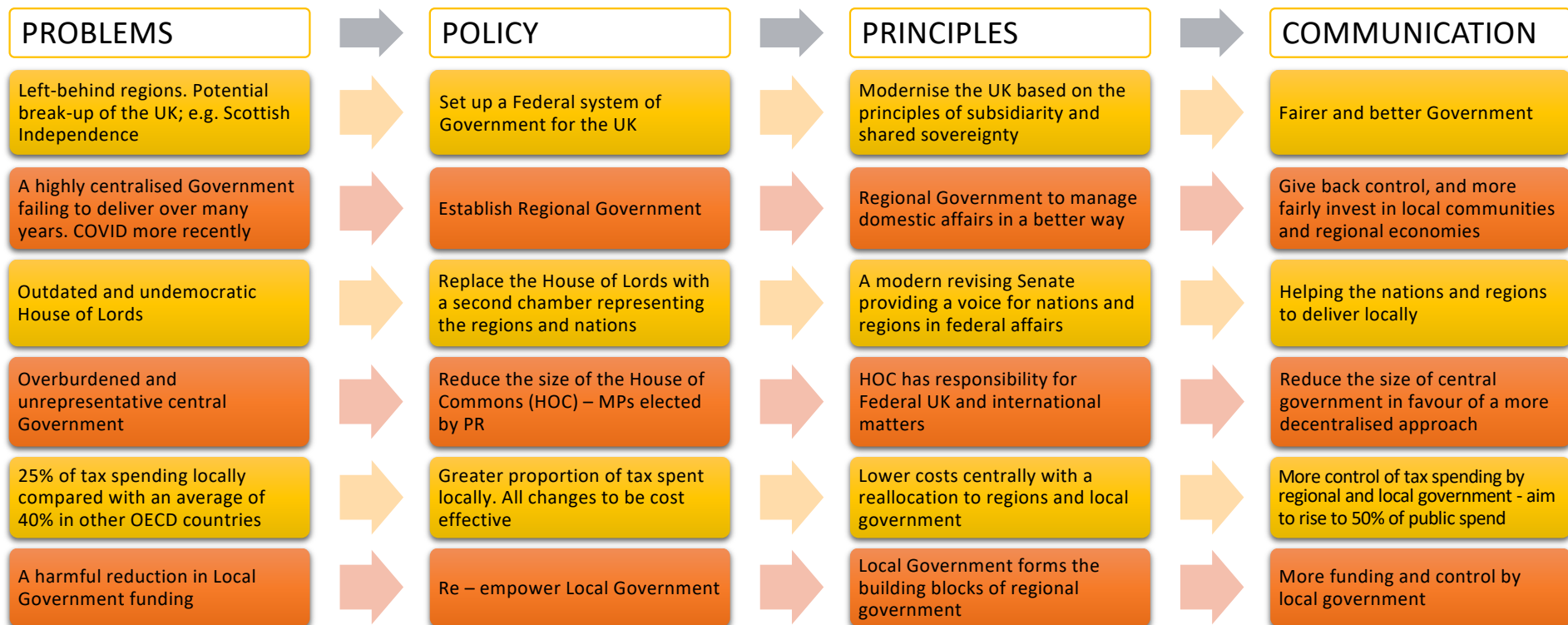
3. Our Policies since the 1960s

3.1 The Party's support for English federalism and devolution has been regularly restated since the 1960s. Other parties have sometimes adopted similar stances or have preferred more direct action from Whitehall (such as ministers with specific geographical responsibilities) but such models have been temporary. In 1998, the Labour government created nine Regional Development Agencies (RDAs) in England to promote investment in sectors, people, and places. They were abolished in 2010 because they were felt to be wasteful, too competitive, and insufficiently accountable. They were replaced by lower-key local enterprise partnerships which, though more local (there are 38), have had fewer resources. One of the aims of RDAs was to level up England. Yet, as we know, the gap between the richer and poorer parts of England continues to widen. England remains too over-centralised to address this problem effectively.

3.2 The electorate has been cautious about increasing layers of government. Labour's referendum in the North East in November 2004 ended up with a 78/22 vote against a regional assembly on a 48% turnout. That referendum failed partly because there were no additional powers for a regional assembly but more because voters did not understand what problems an assembly would solve. They wanted more devolution to their areas, but they did not want another layer of government distant from them. They were also suspicious of the implications for them of possible higher personal taxation.

3.3 The chart on pages 10-11 explains the principles that could underpin our approach to a federal England.

CHANGING THE SHAPE OF ENGLAND FOR A FAIRER AND BETTER GOVERNMENT



WRITTEN CONSTITUTION - ELECTED POSITIONS - PROPORTIONAL REPRESENTATION (PR)

3.4 It may help to define the words ‘federalism’ and ‘devolution’ so that we all have the same understanding of what they mean. We recommend the following definitions written by Jenny Chapman in *New Outlook* in 1976:

*“In a **federal** system, sovereignty is shared between different layers of government, State government and Federal government. Each has final powers in its own sphere, guaranteed by the Constitution ... though their powers may overlap and though there are an infinite number of ways in which powers and functions may be distributed in a federal system, the sharing of sovereignty is the fundamental principle.*

***Devolution**, on the other hand, involves different layers of government. Even if some legislative power is devolved, this can always be retracted by the central government, which has a monopoly of sovereignty.”*

3.5 It would also be possible to **decentralise** more public services with policy decided centrally but with the delivery a matter for local government.

4. Next Steps

4.1 In addition to the questions below, there is an online questionnaire on the Party's website for you to consider. Submissions can be made until April 22nd and we hope you will be willing to do so given the importance of the issues.

4.2 There are also likely to be consultative sessions with each regional party in England and through ALDC - both before the end of June. The Autumn Conference will consider a motion following the consultative process.

Some Questions to Consider

Q1. Do you think the chart earlier reflects what we need to do to 'change the shape of England'?

Q2. In a federal England, how many regions should there be?

Q3. What matters should continue to be handled at a UK level?

Q4. Do you think all citizens in England should have access to a minimum standard of public services whichever region they live in?

Q5. Do you agree that richer regions should support poorer regions?

Q6. Thinking of where you live, what additional powers regionally or locally would improve the quality of life?

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