

Independence and dependence in central-local relations: multilevel governance in England since the 1970s

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Abstract

We draw on secondary analyses of central-local relations in England over recent decades to suggest that conflicting perspectives on what local government should be *for* – its role in the UK state - have resulted in an unstable and incoherent governance landscape, hampered strategic thinking, and made it more difficult for public bodies to address pressing challenges. Specifically, ministerial efforts to use local authorities primarily as a mechanism for achieving national policy priorities have created a context of local *dependence* and central control, which militates against local desires for greater *independence* and autonomy to shape places. These opposing views lead towards mutual distrust and hinder attempts at greater vertical *interdependence*, despite broader recognition that more joined-up approaches can increase the capacity of the state to achieve its objectives. We suggest that recent reforms outlined in the English Devolution and Community Empowerment Bill will leave these tensions unresolved.

Impact on Practice

Previous policy agendas around localism and autonomy, coupled with financial austerity, have highlighted conflicting perspectives on the role of English councils in the UK governance system and weakened their overall capacity. We argue that the UK state needs to be more vertically integrated, underpinned by a more *interdependent*, rather than *dependent* or *independent* relationship between the UK government and English local authorities. Coupled with more equitable and longer-term local government funding arrangements based on need, greater vertical integration would help to improve policy coherence, enable councils to plan ahead and allocate resources appropriately, and increase the state's ability to achieve common objectives.

Keywords

Local Government, Multilevel Governance, Public Finance, Public Policy, England

1. Introduction

Decades of administrative reforms have led to the fragmentation and disaggregation of different elements of the UK state (Elliott et al., 2022), and left it ill-equipped to address contemporary societal challenges (Newman et al., 2024). At the same time, the distractions of Austerity, Brexit and Covid-19 – which were quite literally the ABC of what many public servants in the UK needed to focus on for over a decade – have left key public bodies in a very poor condition. This was particularly the case for local government in many ‘left-behind’ areas of England’s north and midlands, which were disproportionately affected by funding cuts from 2010 onwards (Gray and Barford, 2018).

We suggest that this fragmentation and neglect have hampered strategic thinking about what government should seek to achieve and how it can realise its objectives. In particular, a lack of vertical integration between central and local government in the UK has led to poor coordination and low levels of state capacity, and this disconnect has been underpinned by contrasting perceptions of the role of Local Authorities (LAs) within the British state.

We draw on Eckersley’s (2017) conceptualisation of multilevel governance relationships operating along a continuum ranging from *independence* to *dependence* (with *interdependence* located in the middle of this spectrum) to illustrate our argument. We understand *interdependence* as being analogous to greater collaboration and coordination between societal and political actors, as encapsulated in the governance literature (Kooiman 2003). Specifically, we suggest that – contrary to some of its policy rhetoric around the need for greater *interdependence* – the UK government has sought primarily to harness and use English LAs in the pursuit of central policy objectives, and thereby create a more *dependent* relationship between tiers. In contrast, LAs have often reacted by trying to exert their *independence* from the centre. Ostensibly, the Labour government elected in 2024 tried to address this conflict

through its English Devolution and Community Empowerment (EDCE) Bill, which is likely to become an Act in summer 2026. However, we suggest that some parts of this legislation are likely to reinforce the hierarchical and dependent nature of central-local relations, and prolong tensions with municipalities that wish to exercise greater independence.

We begin by setting out the scholarly context for the rest of the paper, namely, how the degree of interdependence between tiers of government influences policy coordination and the overall capacity of the state to achieve its objectives. Following that, we trace developments in central-local government relations in England over recent decades, to illustrate how conflicting understandings of what local government should be *for* have influenced funding and policy arrangements during this period. We conclude by looking forward to how the multilevel governance landscape is likely to evolve following the EDCE Bill, cautioning that although this legislation contains some elements of greater vertical interdependence, it risks sidelining local interests, needs and priorities. As such, it may well exacerbate existing problems of poor coordination and thereby fail to address the core issue of low state capacity.

2. Multilevel governance and state capacity

Scholars of (public) management in the mid-20th century suggested that organisations should seek to internalise activity in order to maximise control, reduce duplication and minimise transaction costs (March and Simon, 1958; Lindblom, 1965). In more recent decades, however, others emphasised the importance of interdependency for organisational survival (Pfeffer and Salancik, 1978). These insights heralded the literature on ‘governance’, which suggested that a more integrated approach to governing, in which the various actors involved in policymaking and implementation seek to coordinate their activities, is more likely to result in governments achieving their objectives (Pressman and Wildavsky, 1984; Kooiman, 2003).

The governance literature does not really suggest that greater interdependence between governing actors is a choice for governments: instead, it is a *de facto* mode of governing, through which contemporary societies seek to achieve political objectives (Kooiman, 2003). This is particularly the case in the era of ‘wicked issues’ that cross over traditional departmental, sectoral and agency boundaries, affect different actors in different ways and defy easy solutions (Head and Alford, 2012). Since many (perhaps most) contemporary policy problems fall into this category, we can see how greater integration, knowledge-sharing and coordination can help to mobilise activity and increase societal capacity to address contemporary challenges - such as the climate emergency, demographic change, or migration - more effectively. Although interdependence within governance networks often refers to greater collaboration between the state and private actors, closer integration among public bodies is perhaps even more important, because sharing resources and coordinating policymaking across tiers of government can increase the power of the state to fend off private interests and thereby make it easier to act on behalf of the wider public (Pierre and Peters, 2012).

In the UK context, we can see how greater interdependence would represent a shift away from Bulpitt’s (1980) characterisation of the country as a ‘dual polity’, in which central government assumed responsibility for the ‘high politics’ of national defence, taxation and foreign affairs, whilst LAs focused on the ‘low politics’ of waste collection, street cleansing, housing and social care. Instead, it points towards a more vertically-integrated state, in which different tiers of government recognise the importance of collaboration and work together to achieve common goals. Drawing particularly on Rhodes’ (1981) analysis of central-local government relations in the UK, Eckersley (2017) posited that relationships between governing actors can be located on a spectrum ranging from *independence*, through *interdependence*, to *dependence*, according to the extent to which each organisation needs to rely on others to achieve its objectives. A key part of this model argues that public bodies tend to be less reliant on private actors in policy

delivery if they are highly integrated with each other, share resources and can coordinate their activities effectively. Such higher levels of interdependence should enable the state to function more independently of private interests, because – collectively – state actors possess a greater share of the resources necessary to generate public value (Pierre and Peters, 2012). Whilst this is perhaps easier to achieve in some areas (for example, where there is a broad consensus around policy goals, and/or when the state is dealing with a sudden crisis, Bergström et al., 2022), we suggest that the principle holds more generally.

Conversely, if public organisations operate more autonomously (i.e., *independently* of each other), they often need to rely on private actors for the necessary resources to achieve their objectives - and therefore become increasingly *interdependent* with, and possibly even *dependent* on, external organisations. Such an eventuality may weaken state capacity and be detrimental to the achievement of public value. For example, public bodies involved in outsourcing arrangements may become highly reliant on specialist suppliers to deliver complex services, and struggle to replace them if the provider goes bust or walks away from the contract (Greasley, 2019). To complete the picture in terms of vertical governance, we can also see that local authorities may become highly *dependent* on central government for resources if they are subject to financial or legal constraints and national ministers can exert substantial influence over their funding and activities.

Based on these theoretical considerations, we can see that an integrated multilevel framework, in which different tiers of government – national, regional and local – work together to achieve common goals, may be more likely to result in effective policy delivery than more fragmented governance arrangements. Yet, despite ministers, academics and policymakers in the UK recognising the importance of ‘joined-up government’ from the 1990s onwards (Ling, 2002), the country’s public institutions have become increasingly fragmented, partly because of its embrace of New Public Management ideas such as privatisation, outsourcing and

agencification (Elliott et al., 2022). In particular, relations between the UK government and English councils have been marked by tensions and mutual suspicion during this period, which has led to incoherence throughout the policy chain and exacerbated regional inequalities (Newman et al., 2024). We suggest that the UK's lack of vertical interdependence may partly be due to central and local government having different perceptions about the role of English LAs within the UK state, and illustrate our argument by tracing developments in central-local relations over recent decades.

3. Research context

The UK does not have a codified constitution, and public bodies such as local authorities only exist as 'creatures of statute' within its governance framework (Barnett and Chandler, 2023). In other words, the overriding principle of parliamentary sovereignty means that ministers can create or abolish LAs relatively easily through primary legislation, on the assumption that the government commands a majority within the House of Commons. This holds both within the devolved nations (in that the Scottish Parliament, Welsh Senedd and Northern Ireland Assembly have legal jurisdiction over local government within their respective territories), as well as across the wider UK (where the Westminster Parliament has responsibility for English LAs).

This arrangement means that the UK government has substantial scope to decide on the nature of central-local relations in England, and also to determine what LAs should prioritise in terms of policy (Barnett and Chandler, 2023). Indeed, as the experience of New Public Management-inspired reforms in municipalities from the 1980s onwards suggests, UK governments have the power to introduce fairly radical changes to LAs more easily than in other countries, based on what they think might prove most effective (Elliott et al., 2022). Yet, although the constitutional landscape can result in a highly asymmetric and hierarchical central-local relationship,

ministers might – conversely - seek to work in partnership with local authorities, particularly in areas of mutual concern. Undoubtedly, this flexible context has contributed towards sudden swings in public administration and governance over recent decades, as ministers have sought to implement institutional arrangements that they feel are most likely to achieve their policy objectives – whatever these objectives may be.

At the same time, however, LAs in England – in common with municipalities in most other industrialised democracies – have a long history of acting as the democratic embodiment of specific communities, by operating as what Copus et al. (2017) characterised as the ‘sovereign council’. The lack of a codified constitution means that ministers can largely ignore this principle and prioritise central government concerns – if Parliament consents – even though central actors have often stressed the importance of local democracy, at least at the rhetorical level (Wilson and Game, 2011). Nonetheless, we can see how this perspective of local democratic representation, autonomy and power could potentially conflict with central government’s desire to harness local public bodies in the pursuit of national policy objectives. Ultimately, a lack of consensus over what local government should be *for* – its primary purpose within the UK state – has contributed to dynamism and tensions in central-local relations that have yet to be resolved (Muldoon-Smith et al., 2024).

This uncertainty means that we might expect central-local relations in England to have undergone substantial change over recent years and decades. UK government ministers, empowered by the principle of parliamentary sovereignty, are well-placed to design a multilevel relationship that would enable them to achieve their political objectives more effectively. Depending on the policy sector and goal in question, as well as the views of central actors about the utility of collaborating with local government, we can see how they might seek to introduce reforms that locate these relationships at various places along the interdependence spectrum to try to achieve it. At the same time, LAs may try to assert their independence by

not doing the bidding of central actors. Numerous studies, beginning with Pressman and Wildavsky (1984), have stressed that ‘top-down’ hierarchical systems rarely result in seamless and coherent implementation, and Rhodes (1981) highlighted how local authorities always possesses certain resources – such as knowledge of the local context – that national governments lack, but nonetheless need to rely on to deliver their goals.

As such, we can see how the constitutional and governance context could lead to a dynamic, unstable relationship between the UK government and English LAs. Indeed, the lack of effective coordination across tiers came under particular scrutiny during the Covid pandemic (Diamond and Laffin, 2022), and other central policy initiatives such as ‘localism’ and ‘levelling-up’ have also shone a light on the occasionally dysfunctional nature of central-local relations (Tomaney and Pike, 2020; Newman et al., 2024). With this in mind, we traced the evolution of central-local relations over recent decades and drew on this analysis to suggest how they might develop in the future. We focused particularly on how changes to funding and policy often reflected ministerial preferences for a relationship in which local government is largely dependent on a controlling centre, which contrasts with local preferences for greater independence. Since we cover a fairly long period and adopt a broad-brush approach to identifying high-level changes, we rely largely on archival data and secondary sources (both ‘grey’ policy literature and academic analyses) for the purposes of this paper. Although both authors have also conducted extensive primary research on the English local government finance system and policy landscape over the last fifteen years, we do not draw extensively on these data for the purposes of this paper.

We proceed with our historical analysis in chronological fashion, beginning in the 1970s, progressing through Thatcherism, New Labour, the austerity of the 2010s, and culminating in ‘levelling-up’. In line with Bulpitt (1980), we suggest that assessing central-local relations over many decades helps to generate a robust case for our argument that conflicting views about the

role of local government within the UK state have become endemic, and have weakened state capacity. We then set out how a more integrated framework for multilevel governance, for which some of the ingredients are present in the EDCE Bill, might help to reverse this trend. At the same time, we caution that the Bill is designed to advance central government priorities around economic growth, house building and infrastructure development, as well as reduce the number of LAs in England; it does not aim to respond to local interests and needs. This leads us to suspect that the Bill will fail to resolve continued conflicts between central government's preference for more dependent LAs on the one hand, and local government's view that it should operate more independently on the other. The ensuing lack of interdependence and mutual trust between tiers is likely to result in policy that is not as coherent or effective as might otherwise be the case.

4. Dependence, independence and interdependence in central-local relations since the 1970s

4.1 The 1970s: Growing local-central dependence

Following on from the Redcliffe-Maud Report of 1969, which proposed a radical reorganisation of LAs (including the establishment of a single tier of much larger municipalities than had previously existed), the 1970s heralded a major shift in central-local relations. In the end, the specifics of the 1972 Local Government Act bore little resemblance to Redcliffe-Maud's recommendations – partly because most LAs were hugely opposed to the proposed reforms on the grounds that they would weaken their independence from the centre. Nonetheless, this landmark piece of legislation established much larger authorities and cut the number of principal LAs in the UK from 1,300 to just over 400 (Jones, 1973). This reduction in their number made it much easier for central government to monitor the activities of municipalities (Dearlove, 1979). As such, we can see ministers created a context in which they

could control and steer increasingly dependent LAs towards the fulfilment of central objectives. In the aftermath of the 1972 Act, the 1974 Layfield Report argued for central-local relations to be put on a firm statutory footing, particularly with respect to revenue and expenditure. Notably, however, ministers did not adopt its recommendations. Indeed, after the UK borrowed \$3.9 billion from the International Monetary Fund to head off a currency crisis in 1976, the government was keen to increase its oversight of local authority finances in order to reduce overall public spending and keep within the conditions of its loan. By the end of the decade, notable scholars observed that a constitutional convention had been established in which central government was permitted to control local spending, and that councils should report back to departments about how they allocated central grants (Jones and Stewart, 1983).

4.2 1979-1997: Thatcherism and increasing central-local conflict

The 1980s are often cited as a high point in central-local conflicts, characterised as they were by ministers granting council tenants the ‘right to buy’ their homes at huge discounts (whilst preventing municipalities from reinvesting the proceeds in new housing), introducing a ‘cap’ on increases in local rates, centralising responsibility for education, training and skills, and abolishing the London County Council and metropolitan county councils (Wilson and Game, 2011). Other policies, notably the introduction of compulsory competitive tendering at the beginning of the decade, and the poll tax towards the end, embodied the neoliberal preferences of government ministers and illustrated most clearly how they sought to use municipalities as a mechanism for implementing central priorities – in this case, the introduction of NPM, market-based reforms to public services (Copus et al., 2017). Whilst prominent urban authorities such as Liverpool and Sheffield fought against these changes and tried to assert their independence from the centre, they were ultimately unsuccessful, and local government became increasingly dependent on ministerial whim (Wilson and Game, 2011; Barnett and Chandler, 2024). Indeed, although the poll tax proved to be extremely short-lived, other

elements of the 1988 Act that introduced it – most notably the legal requirement for LAs to produce balanced revenue budgets – are still in force and have severely constrained councils’ fiscal independence (Ferry and Eckersley, 2015). Additionally, ministers substantially increased the share of LA budgets that relied on direct central grants when they replaced the poll tax with the Council Tax in 1991, thereby increasing their control over municipalities and exacerbating the level of local dependence on the centre. More rationalisation of local government units followed, with a 1992 Act introducing the first wave of unitary authorities and reducing the number of county and district councils (Copus et al., 2017).

4.3 1997-2010: New Labour and performance inspection

Ostensibly, the New Labour era of 1997-2010 suggests that ministers recognised the importance of local government for delivering policy and sought to mobilise activity across different tiers (Ling 2002). Additionally, funding for local government increased substantially during this period, and – at least in the earlier years – authorities had much greater freedom to increase Council Tax above the level of inflation, without being subjected to ministerial ‘caps’. Nevertheless, when juxtaposed with the government’s wider agenda – particularly ‘ring-fenced’ funding schemes and target-based performance inspection regimes such as Best Value and Comprehensive Performance Assessment, as well as the establishment of meso-level regional institutions to try to coordinate policy delivery – we can see how this landscape betrays an overriding focus on using local authorities to deliver central priorities (Wilson and Game, 2011). Indeed, although New Labour commissioned former council chief executive Sir Michael Lyons to undertake an inquiry into the functions and funding of local government, ministers largely ignored his report and its core recommendations to bolster municipalities’ ‘place-shaping’ role within local communities and reduce their dependence on the centre (Copus et al., 2017).

4.4 2010-2019: Austerity localism

After the Coalition Government took office in 2010, successive ministers framed their policy of ‘localism’ as a strategy to devolve power and promote local autonomy (UK Government, 2010). Most notably, the Localism Act 2011 granted LAs a ‘general power of competence’ – that is, the *de jure* freedom to undertake any activity, provided existing laws do not already forbid it. Alongside the dismantling of monitoring frameworks such as CPA, the eventual abolition of the Audit Commission, and the ‘un-ring fencing’ of some central grants, this theoretically granted local authorities more independence from the centre, and the local government sector broadly welcomed this shift in tone at the time (Local Government Association, 2010).

However, these reforms occurred in parallel with sharp and sustained reductions in central government funding, which particularly affected areas that were economically deprived and more reliant on these grants (Gray and Barford, 2018). These austerity cuts meant that LAs’ *de facto* capacity to exploit these new-found freedoms and operate independently was extremely limited (Eckersley and Tobin, 2019). At the same time, the abolition of an entire tier of (albeit unelected) public bodies within England, especially the regional development agencies and regional government offices, limited the mechanisms and channels through which central and local bodies could coordinate activity and pursue common goals interdependently (Anderson and Arnold, 2025).

On paper, therefore, LAs appeared to have been granted greater independence, particularly in the areas of budget-setting, strategy and service delivery. In practice, however, the reforms of the 2010s exposed their previous dependence on central government for funding – most notably through mechanisms such as the core Revenue Support Grant, which was reduced from £9.9 billion in 2015/16 to just £2.2 billion by 2019/20 (Dom, 2024). Ministers also enforced tight constraints on the use of capital receipts and ring-fenced grants, and renewed their desire to limit Council Tax increases, thereby preventing LAs from exercising genuine fiscal autonomy

and from adapting their resources flexibly to meet rising demand. With respect to Council Tax, ministers determined a percentage threshold every year that was roughly in line with inflation, and those authorities that wished to increase the tax above this threshold were required to demonstrate public support for doing so in a local referendum. The regressive nature of Council Tax, together with the fact that it is based on a property valuation exercise that was conducted in 1991, means that LAs in less affluent areas can raise significantly less revenue than their wealthier counterparts and are particularly dependent on the central funding system (Muldoon-Smith et al. 2024).

We can see how these changes reflected the Coalition government's primary objective to cut public spending, ostensibly to reduce levels of public debt. Indeed, given that the Coalition's first Queen's Speech began by stating that the government's overriding priority was 'to reduce the deficit and restore economic growth' (Johnson et al., 2024), it is perhaps not stretching things to say that ministers were less concerned about what LAs did (or did not) do, provided they spent less money. Yet, by adopting a hands-off approach to local authorities, leaving them to manage growing pressures with minimal support, the government created a weaker vertical institutional context for coordinated and interdependent policymaking.

In response to reductions in central grants, LAs increased their reliance on income generated from local sources - primarily council tax, business rates, and sales, fees, and charges. These sources accounted for just 26% of revenue budgets in 2012/13, but had risen to 49% by 2019/20. However, the funding cuts were so substantial that councils were still operating with far smaller budgets at the end of the decade than they were in 2010 (Dom, 2024). Moreover, a simultaneous growth in demand for adult social care, children's services and homelessness – statutory functions that LAs must provide *on behalf of central government* – meant that they had to devote increasing shares of their budgets to these areas and illustrates the lack of independence they were able to exercise in terms of policy choice. In contrast, spending on local discretionary

services that can promote placemaking, social cohesion and wellbeing – such as culture, leisure and youth services – declined substantially (Rex and Campbell, 2022).

For some LAs, the financial pressures proved insurmountable. Collectively, English LAs issued a total of twelve Section 114 notices– the statutory declaration of effective insolvency – between 2018 and 2023 (Hoddinot, 2023), marking the most intense period of financial distress in modern local government history. In response, the government introduced the Exceptional Financial Support (EFS) scheme, which allowed councils to borrow to finance revenue spending, but this was a temporary fix that failed to address the structural imbalance in local government finance and underscored the ongoing fragility of the sector. The sustained financial crisis reflects not only the scale of austerity but also the absence of a coordinated, long-term strategy to develop local capacity and build a constructive, interdependent relationship between central and local government. As a result, by the end of the 2010s, LAs were in a very weak position to re-establish themselves as independent leaders in shaping local places.

4.5 2019-2024: Post-Brexit and ‘Levelling-Up’

Following the Brexit referendum in 2016, and particularly after Boris Johnson became Prime Minister in July 2019, the UK government’s policy rhetoric shifted towards the idea of ‘levelling-up’ those parts of England that had become ‘left-behind’ – and, particularly, had voted to leave the European Union (Tomaney and Pike, 2020). Ministers appeared to recognise the important role that local authorities need to play in implementing central policies. The lengthy Levelling Up White Paper set out twelve ‘missions’ across four overarching objectives, which together comprised “the overall policy regime for the UK Government”, and emphasised the need to work with local authorities and the devolved administrations to achieve these goals (DLUHC, 2022, p. 159).

However, ‘levelling-up’ was beset with controversy over how central government allocated grants to local authorities, not least because individual councils had to bid through competitive processes for total sums that represented only a small proportion of the funding they had lost during the austerity cuts of the Coalition era. Moreover, decisions around allocating grants through the Towns Fund, which was supposed to underpin the levelling-up agenda, were based more on ‘pork-barrel’ political concerns than socioeconomic need, thereby exacerbating local resentment towards the UK government in many areas (Hanretty, 2021). As a result, the levelling-up agenda largely failed to reshape central-local relations in more collaborative and interdependent terms following the previous shocks of austerity. Instead, it left us with a brittle model of fragmented multilevel governance, in which formal independence masks persistent dependence, and where the overall capacity of the state to respond to social challenges has become weaker.

One other notable policy from this era relates to the extension of combined mayoral authorities into other parts of England. During the mid-2010s, metropolitan areas such as Greater Manchester and the West Midlands had established these institutions after agreeing ‘deals’ with central government, through which they receive funding to undertake specific functions (Sandford, 2017). Whilst their potential role in the levelling-up agenda was not spelt out clearly, the fact that these institutions emerged from negotiations between LAs and ministers suggests that they could lead to a more vertically interdependent approach to governance. Crucially, however, these authorities have no revenue-raising powers and are therefore entirely dependent on central government for funding. Although these funding pots are not insubstantial, we can see how this new layer of institutions are – like ‘traditional’ LAs – creatures of statute and therefore their future activities and very existence are potentially subject to ministerial whim and unpredictable ‘deal-making’. This unclear constitutional status risks leading to a situation in which “local institutions get swept up in the gameplay of national politics, and ultimately

develop strategies based on the funding they might and do win, rather than the needs and specialisms of the local place” (Newman et al., 2024, p. 889).

5. Discussion and outlook: towards a more integrated multilevel governance framework?

Perhaps partly in response to this vertical state fragmentation, some LAs in England have responded with reactive and *horizontal* forms of interdependence to try to increase their capacity to achieve policy objectives. These are often based on formal or informal partnerships with neighbouring councils, and/or collaborations with private companies, community organisations, universities and other ‘anchor institutions’. However, these efforts have generally remained limited in scale and strategic depth, and risk undermining the influence of the council at the expense of private interests (Pierre and Peters, 2012). Moreover, because the UK government has far more resources at its disposal than local partners can muster, formalised vertical arrangements that foster the sharing of funding, expertise, knowledge and legal competences across tiers have the potential to deliver far more benefits than greater horizontal interdependence. Since the UK still lacks a coherent and stable multilevel governance framework, which institutionalises joint planning, resource sharing, and long-term accountability across levels of government, LAs continue to operate in a cycle of constrained independence and reluctant dependence, which risks jeopardising the achievement of public value. Whilst such technical details about the functionality of the UK state may not always grab the attention of citizens, we suggest that they are fundamental to the implementation and operationalisation of policy.

Recent UK government announcements around reinstating multi-year financial settlements and allocating central grants based on an updated needs-based formula suggest that ministers recognise the need for change (MHCLG, 2025a). Additionally, however, we suggest that these

changes need to go hand-in-hand with a re-shaped model of multilevel governance to (re-)establish productive interdependence between central and local government. The EDCE Bill offers a partial foundation for this shift, acknowledging the importance of partnership and joint working (i.e. interdependence) across tiers of government, to mobilise activity and ensure that actors are all pulling in the same direction. Other innovations, such as the UK Council of the Nations and Regions that seeks to foster improved relations between the Westminster government on the one hand, and the devolved administrations and regional mayors on the other, are cut from similar cloth and could have similar benefits (Anderson and Arnold, 2025). The EDCE Bill also envisages rolling out the combined authority mayoral model to all parts of England, renaming these institutions ‘strategic’ authorities, and – for those that meet a set of eligibility criteria – allocating them ‘integrated settlements’ that provide greater flexibility around spending. We can see how this framework could lead towards a more coherent and consistent approach to subnational governance, and one that facilitates greater institutional coordination, resource pooling, and vertical strategic alignment.

Crucially, however, central policy objectives around stimulating economic growth, improving productivity, investing in infrastructure and overseeing a rapid increase in housebuilding – issues that are likely to result in ministers overruling local planning priorities - remain at the core of the government’s agenda for LAs and strategic authorities. The Local Government Outcomes Framework announced in July 2025 also suggests that central government will keep a close eye on how councils are performing against these goals (MHCLG, 2025b). Additionally, the proposed reorganisation of local government to abolish ‘two-tier’ district and county areas has distinct echoes of previous attempts to reduce the total number of LAs and thereby make it easier for government departments to oversee and control their activities. The White Paper that preceded the EDCE Bill proposed that “new unitary councils must be the right size to achieve efficiencies, improve capacity and withstand financial shocks. Initial discussions around ...

this will mean creating councils with a population of 500,000 or more” (MHCLG, 2024, p. 100). In other words, ministers propose redrawing the boundaries of local government units according to assumptions about administrative efficiency, rather than recognisable local place identities. Previous experience of reforms that prioritise these issues over local democratic legitimacy and responsiveness suggests that they often entrench asymmetrical dependence and erode the foundations of public trust, as well as weaken citizens’ attachment to their council (Ebinger et al., 2019). Discussions around where the new boundaries should be drawn have proved controversial, and highlighted the potential conflicts between central objectives and local, place-based priorities. Indeed, the EDCE Bill risks reinforcing the principle that the overriding purpose of English councils is to implement centrally-driven policies, rather than operate as democratic institutions that shape places according to local priorities and democratic choice (Barnett and Chandler, 2023). By not proposing to define or set out central-local relations on a statutory footing, the Bill is unlikely to defuse conflicts between tiers of government.

With this in mind, the absence of a meaningful mechanism for local voice and input in shaping governance arrangements risks a further centralisation of decision-making, even though ministers frame the Bill as being about devolving power. This tension raises deeper concerns about how governance reform is conceptualised and implemented. Genuine interdependence, where central and local actors collaborate as mutually reliant partners, requires more than institutional redesign; it requires those involved to recognise the importance of local knowledge, capacity, and agency. Additionally, it must be rooted in shared goals and equitable resourcing, and not to be imposed through a model that equates structural consolidation with capacity-building.

Table 1 summarises how UK government ministers have sought to harness LAs in the pursuit of central policy objectives since the 1970s. At face value, some reforms did seek to stem the

tide towards greater dependence on the centre – most notably, increases in funding during the New Labour era, localism in the 2010s, and the more recent rollout of combined, strategic authorities. However, these initiatives have always sat alongside other agendas that restricted LAs' ability to act independently (or, indeed, interdependently with the centre), such as the expansion of performance frameworks and inspections during the 2000s, the austerity cuts of the 2010s, and the current government's pursuit of economic growth and housebuilding.

Overall, the table points to a deeper structural tension in the English governance system: a persistent lack of vertical alignment and consensus. While individual reforms (such as devolution deals or institutional reorganisation) may be well-intentioned, their centralised conception and implementation undermine the prospect of sustained interdependence within a mutually-agreed multilevel framework. Coordination across levels of government remains limited, and local authorities continue to oscillate between constrained independence and reluctant dependence. This fragmented dynamic not only diminishes the legitimacy of the governance system as a whole, but also limits the effectiveness of public policy. For example, inconsistent funding frameworks, short-termism, and top-down interventions frequently prevent local authorities from pursuing long-term, joined-up solutions to complex societal challenges (Newman et al, 2024).

Era	Primary central government policy objective	Operationalisation through reforms to local government	Characterisation of central-local relations on the interdependence spectrum
1970s	Improve central oversight of local government	Local government reorganisation to substantially reduce the number of LAs. Central government exerts greater control over local spending after the IMF bailout	Local resistance to Redcliffe-Maud proposals for reorganisation has some success and illustrates a degree of independence. However, a major rationalisation of LAs and greater oversight of local spending results in more dependence.
1979-1997	Introduce market-based reforms to public services	Privatisation, compulsory competitive tendering, capping increases in rates and Council Tax, and local government reorganisation	Increasing control and dependence, particularly after the abolition of the poll tax, means LAs rely much more on central funding. LAs that try to resist central control and seek greater independence are abolished and/or ignored
1997-2010	Monitor and improve public service performance	Increase in funding, combined with performance and inspection regimes	Some attempts at interdependence through funding streams and performance frameworks to deliver ministerial policy goals. But LAs are still subject to central control, oversight and direction
2010-2019	Reduce public spending	Substantial cuts in central funding, combined with increased legal and regulatory autonomy and the introduction of combined authorities	Greater <i>de jure</i> autonomy for LAs through localism, but financial constraints reduce <i>de facto</i> capacity to act independently. New combined authorities are dependent on ministers granting funding and responsibilities through deals
2019-2024	‘Level-up’ places that were ‘left-behind’	Targeting of competitive grant funding to politically sensitive areas	Greater dependence on competitive central grants; independence is still limited due to capacity constraints
2024-	Increase the rate of economic growth and housebuilding	Centralisation of planning decisions and reduction in the number of LAs. Perhaps some more financial flexibility?	LAs and strategic authorities are viewed as important actors in delivering ministerial priorities, but are financially constrained and dependent on the centre, and increasingly too exhausted to push for greater independence

Table 1: Dependence and independence in central-local relations in England since the 1970s

6. Conclusions

The role of English local government within the UK state remains unclear. In particular, conflicts between the ministerial perspective that councils should be *dependent* on the centre on the one hand, and the local authority desire for more *independence* on the other, have not been resolved. Greater *interdependence* between tiers, which appears to offer a compromise solution between these polar perspectives – and one that appears to be underpinned by both academic research on multilevel governance and policymaking rhetoric around ‘joining-up’ – remains a chimera.

We caution that if this disconnect persists, there is a significant risk that future policy will continue to lack the coherence and responsiveness required to address the pressing challenges facing local communities. Without genuine consensus between central and local actors – grounded in shared priorities, mutual accountability, and equitable resource allocation – interdependent multilevel governance will remain aspirational rather than operational. The literature warns that in such contexts, public institutions struggle to mobilise collective capacity and deliver consistent outcomes across sectors and regions (Head and Alford, 2015; Pierre and Peters, 2012; Newman et al., 2024). Rather than enabling innovation and resilience, the governance framework becomes a constraint. Additionally, reforms need to prioritise not only structural changes but also the relational and procedural mechanisms that foster trust, dialogue, and strategic alignment across all tiers of government. We can only create a more coherent, effective, and accountable public sector through genuine interdependence between different elements of the state. Crucially, this relates to: (a) the funding system; (b) decision-making processes; and (c) the resulting policies and strategies – namely, the inputs, throughputs and outputs of governance arrangements. These reforms would need to be embedded in a new constitutional settlement, which clarifies the role of local government within the UK state and addresses the long-standing question of what the municipal level should be *for*.

Our study is not without its limitations. Our broad-brush approach to tracking the evolution of central-local relations in England over recent decades relies primarily on secondary sources rather than primary data and invariably misses out some details. The focus on England also limits the direct applicability of our findings and recommendations in other contexts, for example, in federal countries that have more rigid constitutional frameworks to underpin intergovernmental relations. Generally, we would contend that the principle of greater vertical interdependence between tiers, in terms of both funding and policymaking, increases the likelihood that governing actors will achieve their objectives. However, we also recognise that there should be a limit to this integration: too much interdependence can blur responsibilities and accountabilities, and result in decision-making becoming unnecessarily cumbersome and bureaucratic (Scharpf, 1988). With this in mind, we would welcome future studies that explore how the UK's disaggregated and fragmented institutional arrangements shape the performance of public bodies in greater depth, ideally by comparing them to similar institutions in more vertically integrated contexts. Such research should provide a better understanding of how different institutional frameworks shape public policy, and – ideally – help policymakers create structures that are more likely to operate effectively.

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