The Control Mirage

A field guide to the control-delivery mismatch — and how the UK can place power where reality actually is

The UK does not lack ambition — it lacks the ability to place control where reality actually is. This report diagnoses a control-delivery mismatch produced by administrative hollowing, the Treasury trap, and the English Question, and proposes Trailblazer Regions 2.0 as the concrete first step.

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Executive Summary

The same government announces 8,500 new mental health workers while local authorities in Nottingham, Birmingham, and Croydon are effectively bankrupt, cutting the very social infrastructure — youth services, community centres, housing support — that prevents mental health crises from developing. The centre adds capacity with one hand while the hollowed-out periphery loses it with the other. The system runs harder to stay in the same place. This is the lived reality of "taking back control," and it is the control-delivery mismatch in a single community.

The core diagnosis: The United Kingdom does not lack ambition, democratic legitimacy, or policy ideas. It suffers from a **control-delivery mismatch**: decision-making authority is concentrated where context is weakest, and context is richest where capacity to act is weakest. Decades of centralisation — under governments of both major parties — have produced a governance architecture that looks coherent from Westminster and feels incoherent everywhere else.

The cultural anchor: The British political tradition has historically celebrated pragmatic, non-ideological adaptation — "muddling through" — as a genuine strength. This report argues that muddling through worked when problems were smaller than institutions. Now the problems — regional inequality, social care, housing, mental health, climate adaptation — have outgrown the institutions, and the cultural habit of incremental adaptation prevents the architectural redesign the situation requires.

The signature pattern: the Centralise-Fail-Centralise Loop. Central ambition → centralised design → local mismatch → partial or failed delivery → political pressure → further centralisation (more targets, more oversight, more ring-fenced funding) → further hollowing of local capacity → declining outcomes → new central ambition. Failure produces *more* centralisation, not less. This is the trap.

The stress-distribution failure: In any complex social system, there must be mechanisms for absorbing and processing stress — families, communities, workplaces, shared narratives. When these weaken, stress has nowhere to go. It is routed to the individual nervous system. The rise in mental health presentations is not merely a consequence of more stressors. It is a consequence of fewer buffers between those stressors and the individuals who experience them. The UK's response — 8,500 more clinicians — reduces suffering at the individual level but treats the nervous system as the site of the problem rather than the site where systemic stress becomes visible.

The temporal mismatch: The UK's deepest problems operate on 20–50 year timescales. Its political system operates on 5-year cycles with effective decision windows of perhaps 18 months. This is not short-termism as a cultural failing. It is a structural mismatch between problem timescales and decision timescales that no amount of better leadership can overcome without institutional redesign.

The NHS as microcosm: The National Health Service is simultaneously the most loved institution in British life and a system that has been centrally managed, target-driven, and reform-exhausted for thirty years. Each reorganisation — the 2012 Act, its reversal, the integrated care systems — consumes enormous administrative energy, resets institutional memory, and leaves underlying problems untouched. The NHS is the centralise-fail-centralise loop at its most visible and most human.

Six structural mechanisms produce the control-delivery mismatch. *Administrative hollowing* — the progressive erosion of local institutional capacity over decades, while Whitehall itself has shifted from a high-capability policy engine to a thinner coordinating core. *The Treasury Trap* — the spending review cycle, the preference for ring-fenced project funds over general capacity grants, and the short-term value-for-money framework systematically defund local capacity while appearing fiscally responsible. *The English Question* — Scotland, Wales, and Northern Ireland have devolved governance; England, 84% of the population, has none, creating a permanent confusion of scales at Westminster. *The decoupled regions* — London and the South East operate as a global city-state attached to a medium-sized European nation, while post-industrial regions follow a different economic logic, weakly held together by centrally managed redistribution. *The adversarial temporal structure* — first-past-the-post elections, confrontational parliamentary culture, and a media ecosystem that rewards visible action over invisible architecture. *The post-Brexit sovereignty paradox* — between 2016 and 2023, Brexit created a massive new administrative burden that consumed Whitehall bandwidth precisely when it was already strained, while restoring sovereignty to Westminster, not to communities.

What building control-delivery alignment looks like. The UK does not need to become less ambitious. It needs to place control where reality actually is — rebuilding the local institutional capacity that translates national intention into lived outcomes. The upgrade involves seven interconnected shifts: from centralised targets to distributed capacity, including multi-year funding settlements, genuine fiscal autonomy, workforce investment, and safe-to-fail experimentation authority for local institutions; from the Treasury Trap to Treasury transformation, with a presumption in favour of general capacity grants, value-for-money frameworks that measure long-term outcomes, and multi-year settlements that escape the annual spending review cycle; the construction of translation layers between Whitehall and the ground, building on the combined authority model; temporal redesign through independent commissions with statutory authority, multi-parliament funding settlements, and standing citizens' assemblies for long-horizon decisions; an English governance settlement that gives England's regions the same governance capacity that Scotland, Wales, and Northern Ireland already possess; a shift from throughput metrics to outcome metrics that measure delivery fidelity, stress-distribution indicators, and institutional capacity; and investment in stress-distribution infrastructure — the community spaces, youth services, housing support, and care networks that absorb stress before it reaches the individual nervous system.

The transition architecture works with the grain of British institutions. Greater Manchester's decade-long experiment in integrated, place-based governance is the proof of concept — it has demonstrated that aligning health, social care, skills, and economic development under a single, democratically accountable institution

produces better outcomes than centrally managed fragmentation. **Trailblazer Regions 2.0** would extend this model: a networked set of combined authorities granted structured experimentation authority, genuine fiscal autonomy, multi-year funding settlements, and the capacity-building support to translate new powers into sustained improvements. A National Learning Loop would capture and disseminate what works. Scaling would occur by attraction, not central mandate — regions choosing to adopt the model because they have seen it work, not because Whitehall has ordered them to.

The political immune system will resist. The *visibility trap* — the structural confusion of the appearance of control with the effectiveness of control — means that central announcements are rewarded while invisible institutional rebuilding is ignored. The *sovereignty reflex* identifies control exclusively with Westminster, reinforced by Brexit. The *Treasury orthodoxy* treats local spending as a risk to be managed. The *media-adversarial complex* punishes failure instantly and rewards visible action over invisible architecture. The narrative strategy is to frame the upgrade not as surrendering control but as placing it where it can actually deliver — completing the promise of "taking back control" by ensuring control reaches the communities that voted for it.

The series meta-pattern. This report is the final national case in a series spanning Germany, France, Sweden, India, and the European Union. A common pattern has emerged: Germany cannot execute. France cannot integrate. Sweden cannot sense. India cannot synchronise. The EU cannot cohere. The UK cannot deliver. Each is a different failure mode under complexity, but they share a common structure — the governance architecture was designed for a simpler version of the problem it is now facing. The UK is the proof that even a sovereign, unitary state with high nominal control can fall into the same attractor state. The way out is not to centralise further. It is to align — to place control where the problems are, matched with the capacity to act, and held accountable for outcomes by the people who experience them.

Britain does not lack control. It lacks the ability to place control where reality actually is. The centralise-fail-centralise loop is stable but not eternal. Greater Manchester has already shown that a different way is possible. The architecture can be rebuilt. The question is whether the pragmatism that built the institutions now under strain still has the courage to upgrade them.

1. The Control Mirage

1.1 The Two Hands of the State

In the same budget cycle, a mental health trust in the Midlands is told it will receive funding for thirty new therapists. The announcement is made by the Secretary of State for Health, framed as evidence that the government is tackling the mental health crisis with the seriousness it deserves. The press release is clear. The commitment is real.

A few miles away, the local authority covering the same communities — responsible for youth services, community centres, housing support, and the preventative social infrastructure that determines whether people fall into crisis in the first place — is preparing another round of cuts. Its core funding from central government has fallen in real terms for over a decade. The youth centre that kept teenagers off the streets and connected them to mentors will close. The housing support service that prevented evictions and kept families stable will reduce its hours. The community centre that was the only warm space in a deprived neighbourhood will lose its outreach worker.

The centre adds capacity with one hand. The periphery loses it with the other. The net effect is not thirty new therapists making a dent in the crisis. The net effect is a system running harder to stay in the same place — treating the consequences of stressors while the institutions that used to absorb those stressors before they became clinical are quietly dismantled.

This is the lived reality of "taking back control," six years after the slogan that reshaped British politics. It is the control-delivery mismatch in a single community. And it is not an anomaly. It is the normal operating condition of the British state.

1.2 Muddling Through — The Cultural Anchor

The British political tradition has a phrase for how it governs. It is not a term of insult but of quiet, self-deprecating pride: **muddling through.** It describes a pragmatic, non-ideological, incremental approach to problems — the instinct to adapt, to compromise, to avoid grand designs in favour of what works. It is the operating system of a nation that built an empire and a welfare state through improvisation rather than doctrine, that prides itself on being ruled not by abstract principles but by the accumulated wisdom of precedent and practice.

For a long time, muddling through worked. It worked because the problems the British state faced were, in important respects, smaller than the institutions it had inherited. The post-war settlement — a strong civil service, empowered local government, a mixed economy with clear lines of accountability — provided a

capable institutional substrate on which incremental adaptation could reliably deliver. The state could afford to improvise because the machinery was robust enough to absorb improvisation without breaking.

That world has changed. The problems the UK now faces — profound regional inequality that has widened over decades, a social care system in permanent crisis, a housing market that transfers wealth from the young to the old while producing homelessness and insecurity, a mental health epidemic that cannot be treated faster than it is being generated, the infrastructure demands of climate adaptation, the administrative complexity of post-Brexit regulatory divergence — are not smaller than the institutions. They are larger. They operate on timescales that exceed any single parliament. They cut across the boundaries of central departments and local authorities. They require not improvisation but redesign.

The cultural habit of muddling through, once a genuine strength, has become a structural constraint. It provides the emotional and intellectual justification for the centralise-fail-centralise loop: when a problem resists solution, the instinct is not to ask whether the architecture is wrong, but to apply more of the same — more targets, more ring-fenced funds, more central oversight — in the belief that pragmatic adjustment will eventually prove sufficient. The belief is sincere. It is rooted in a national story about competence and common sense. But it is no longer true.

1.3 The Centralise-Fail-Centralise Loop

The control-delivery mismatch has a signature pattern, and it is as recognisable to anyone who has worked in or around British public services as the Negotiation-Dilution Loop is to a Brussels insider or the Drift Loop to a Swedish municipal official.

It begins with a political commitment, often announced with genuine ambition and public support. A government, of whichever party, identifies a deep structural problem — regional inequality, NHS waiting times, social care funding, housing affordability — and pledges to address it. The commitment is real. The money, initially, is allocated.

The policy is then designed in Whitehall. The design process is intellectually rigorous, drawing on the expertise of a civil service that remains, despite decades of hollowing, among the most capable in the world. But the design is produced at a distance from the contexts in which it will be implemented. The officials crafting a regional development strategy work in London, not in Sunderland or Blackpool or Merthyr Tydfil. The data they use is aggregated, retrospective, and stripped of local texture. The framework they produce is coherent on paper but brittle in reality.

The policy is then rolled out. It encounters the patchwork of local institutions — combined authorities, local councils, NHS trusts, academy chains — through which all British public policy must ultimately be delivered. Some of these institutions are capable and well-led. Many are exhausted, underfunded, and stripped of the administrative capacity that decades of centralisation have eroded. The policy that looked

coherent in Westminster arrives on the ground refracted through institutional weakness, incompatible data systems, conflicting local priorities, and the sheer friction of making anything work in a complex, under-resourced delivery environment.

The results are partial. The targets are partially met, partially missed. The political pressure that the original announcement was designed to relieve returns — often intensified, because the gap between promise and delivery is now visible and measurable. The government's response is not to ask whether the delivery architecture was adequate to the ambition. It is to tighten control: more targets, more oversight bodies, more ring-fenced funding streams with more compliance requirements. The underlying problem — that the periphery lacks the capacity to deliver what the centre demands — is not addressed. It is reinforced.

This is the centralise-fail-centralise loop. It is not a product of any single government's incompetence or malice. It is the predictable output of an architecture that concentrates decision-making authority in Westminster while progressively hollowing out the institutional capacity everywhere else. And it is stable. Each iteration of the loop provides its own justification for the next. The failure of centralised delivery is interpreted as evidence that centralisation has not gone far enough, rather than as evidence that centralisation is the problem.

1.4 The NHS as Microcosm

Every report in this series has benefited from one institution that contains the whole diagnosis in miniature. For the UK, the National Health Service is that institution. It is simultaneously the most loved public service in British life — an object of genuine, cross-generational affection that no political party can afford to be seen as threatening — and a system that has been centrally managed, target-driven, and reform-exhausted for thirty years.

The cycle is familiar to anyone who has worked within it or studied it from outside. A crisis emerges — waiting times lengthening, staff shortages intensifying, financial deficits accumulating. A government responds with a structural reorganisation. The Health and Social Care Act 2012 was the most sweeping such reorganisation in NHS history, dismantling primary care trusts, creating clinical commissioning groups, and introducing a market-based architecture that was intended to drive efficiency through competition. It consumed several years of administrative energy, cost billions of pounds, and was followed — within a decade — by its effective reversal, as integrated care systems were introduced to do what the 2012 architecture had made harder: coordinate care across organisational boundaries.

Each reorganisation resets institutional memory. Experienced managers who understand how to make a complex system function are replaced or reassigned. Relationships between organisations that took years to build are severed. The new architecture is rolled out with urgency, and before it has had time to stabilise, the next crisis prompts the next restructuring. The underlying problems — workforce shortages that require a

decade of training and recruitment to address, an aging estate that requires capital investment on a scale no government has been willing to commit, a funding settlement that lags behind demand in real terms — are not solved by reorganisation. They are worked around, absorbed, and deferred.

The NHS is the centralise-fail-centralise loop at its most visible and most human. The targets that are set in Whitehall — the four-hour A&E standard, the eighteen-week referral-to-treatment target, the cancer waiting time guarantees — are not unreasonable. They are expressions of what citizens should be able to expect from a modern health service. But they are set without reference to the capacity of the institutions that must meet them. When they are missed — as they increasingly are — the response is more targets, more oversight, more performance management. The clinical context in which a doctor in Burnley or a nurse in Plymouth is trying to deliver care is rich, specific, and local. The targets that govern their work are uniform, abstract, and central. The gap between the two is the control-delivery mismatch in its most consequential form.

1.5 The Temporal Mismatch

Beneath the centralise-fail-centralise loop lies a deeper structural problem: the mismatch between the timescales on which the UK's problems operate and the timescales on which its political system makes decisions.

Regional inequality in the United Kingdom has been widening for at least four decades. It is the product of deindustrialisation, the financialisation of the economy, the gravitational pull of London and the South East, and successive waves of policy that have, at best, partially compensated for these dynamics without reversing them. Closing that gap — rebuilding the productive capacity of the North, the Midlands, the coastal communities, the post-industrial towns — is a project measured in decades, not parliaments.

The social care crisis is similarly deep-structured. The population is aging. The workforce that provides care is underpaid, undervalued, and increasingly scarce. The funding model — a means-tested system in which those with assets lose them while those without assets receive state support — is widely acknowledged to be broken but politically impossible to reform without sustained cross-party consensus. The transition to a sustainable care system is a twenty-year project. The political system operates on an eighteen-month decision window before the next election begins to dominate.

The housing crisis, the mental health crisis, the infrastructure demands of climate adaptation — all operate on timescales that exceed the electoral cycle by an order of magnitude. The institutions that could bridge this gap — independent commissions with statutory authority, multi-parliament funding settlements, deliberative processes that build public consent for long-term decisions — exist in embryonic form or not at all.

This is not short-termism as a cultural failing, though it is often described that way. It is a structural mismatch between problem timescales and decision timescales that no amount of better leadership, greater political will, or more enlightened public opinion can overcome without institutional redesign. A politician

who announces a twenty-year programme of regional renewal will be out of office before the first milestone is reached, and their successor will have every incentive to rebrand, restructure, or abandon the programme rather than inherit the political risk of a project they did not design. The system punishes the long view. It rewards the visible intervention. And the visible intervention — the new fund, the new target, the new reorganisation — is precisely what the centralise-fail-centralise loop is optimised to produce.

1.6 The UK's Genuine Strengths

Before proceeding to the diagnosis, it is worth pausing to recognise what the United Kingdom has going for it — not as a diplomatic courtesy, but because an honest diagnosis of the control-delivery mismatch requires acknowledging the genuine capacities that the mismatch constrains.

The British civil service, for all the hollowing it has experienced, remains one of the world's most capable bureaucracies. Its tradition of political neutrality, analytical rigour, and institutional memory — while eroded — has not been destroyed. The UK's universities are globally competitive. Its scientific research base is, relative to its size, among the strongest in the world. Its armed forces and intelligence services remain genuinely capable. Its legal system, commercial law, and regulatory frameworks are trusted internationally. English is the global lingua franca, and London — for all the distortions its dominance creates — is one of the world's great cities, a hub of finance, culture, and innovation that generates wealth and attracts talent from across the planet.

The UK also possesses a political system that, for all its adversarial excesses, retains the capacity for decisive action when consensus aligns. The vaccine procurement and rollout during the pandemic — whatever else may be said about the broader response — demonstrated that the British state can move with speed and effectiveness when the institutional pathways are clear and the political will is overwhelming. The question is not whether the UK is capable. It is whether its architecture allows that capability to reach the places it is most needed — the left-behind towns, the exhausted public services, the communities for whom the state is less a guarantor than an intermittent, often unintelligible presence.

The UK also has an advantage that the European cases in this series lack: as a unitary state, it has the constitutional flexibility to redesign its governance architecture without the negotiation costs and veto points that constrain Germany, France, or the European Union. The combined authority model — pioneered in Greater Manchester and extended to other city-regions — demonstrates that institutional innovation is possible within the existing constitutional framework. The raw material for the upgrade this report describes already exists. What has been missing is the political permission to build on it.

1.7 The Real Question

At this point, a familiar impatience may arise.

So what should the UK do? Devolve more? Abolish the House of Lords? Write a written constitution?

The argument of this report is that the very form of these questions reflects the architecture they seek to address. They assume that the solution is another central initiative — another act of parliamentary sovereignty, another Whitehall-designed reform, another Westminster-generated answer to a problem that Westminster's dominance has created. The centralise-fail-centralise loop is powered by the conviction that the centre can and should fix what is broken. That conviction is the trap.

The real question is not "What should the UK government do?" It is "How does the UK become capable of placing control where reality actually is — rebuilding the local institutional capacity that translates national intention into lived outcomes, creating the missing middle between Whitehall and the ground, and redesigning the political incentives that reward visible central action over invisible architectural work?"

The rest of this report is devoted to that question. It diagnoses the control-delivery mismatch in its structural mechanisms: administrative hollowing, the Treasury trap, the English Question, the decoupled regions, the adversarial temporal structure, the post-Brexit sovereignty paradox, and the stress-distribution failure that routes systemic pressure to individual nervous systems. It describes what building control-delivery alignment would look like in practice — not through a single grand reform, but through a set of specific, incremental shifts that work with the grain of British institutions. It names the political immune system that will resist: the visibility trap, the sovereignty reflex, the Treasury orthodoxy, the media-adversarial complex. And it proposes a concrete first step: Trailblazer Regions 2.0, built on the Greater Manchester experiment, where genuine fiscal autonomy, multi-year settlements, and the freedom to integrate health, housing, skills, and social care can be tested, demonstrated, and allowed to spread.

Britain does not lack control. It lacks the ability to place control where the problems are. That is not a failure of ambition, or of resources, or of political will in the abstract. It is a failure of architecture. And architecture can be rebuilt.

This ends Section 1. If the tone and depth feel right, we can continue with Section 2, "The Control-Delivery Mismatch: A New Diagnosis."

2. The Control-Delivery Mismatch: A New Diagnosis

2.1 What "Control-Delivery Alignment" Means

The term "control-delivery alignment" is not a standard concept in British political discourse. But it names something that anyone who has worked in or around British public services will recognise immediately: the relationship between where decisions are made and where the capacity to implement them actually lives.

In a well-aligned governance system, decision-making authority sits close to the context in which decisions take effect. The people designing a policy have access to the local knowledge — the institutional realities, the community dynamics, the operational constraints — that determines whether the policy will work. The people implementing the policy have the resources, the discretion, and the institutional capacity to adapt it to the specific conditions they face. The feedback loop between design and implementation is short, honest, and consequential.

In a misaligned system, these relationships break down. Decision-making authority is concentrated far from the contexts it affects. The people designing policy work with aggregated data, abstract models, and the assumptions that survive the journey up the reporting chain. The people implementing policy are handed frameworks, targets, and ring-fenced funding streams designed by people who have never visited the places where the work will be done. The feedback loop is long, filtered, and easily ignored.

The United Kingdom has become, over several decades and under governments of both major parties, one of the most misaligned governance systems in the democratic world. Control has been progressively centralised in Westminster and Whitehall. The capacity to deliver has been progressively hollowed out everywhere else. The gap between the two is the control-delivery mismatch, and it is the underlying condition from which the centralise-fail-centralise loop emerges.

2.2 Administrative Hollowing

The centralisation of the British state is not recent. England, unlike Scotland, Wales, and Northern Ireland, has been governed directly from Westminster for centuries. What changed, particularly from the 1980s onward, was the systematic stripping of institutional capacity from every level of governance below the centre.

The abolition of the metropolitan county councils in 1986 removed a tier of regional government that had provided strategic coordination for England's largest urban areas. The progressive erosion of local government fiscal autonomy — through the centralisation of business rates, the capping of council tax, and the shift from general grants to ring-fenced funding streams — left local authorities with responsibility for

some of the state's most complex functions while progressively removing their ability to raise and allocate resources independently. The atrophy of regional development infrastructure — the Regional Development Agencies, created in 1999 and abolished in 2010, then partially recreated in different forms under different names — meant that the institutional memory and strategic capacity needed to address regional inequality was repeatedly built, dismantled, and rebuilt from scratch.

The result is a governance landscape in which local authorities are simultaneously responsible for more and equipped with less. They deliver social care to an aging population while their core funding from central government has fallen in real terms for over a decade. They manage the frontline of the housing crisis while their ability to build social housing has been constrained by borrowing caps, right-to-buy discounts, and the absence of a sustained capital programme. They coordinate the local response to complex, multi-agency challenges — youth offending, public health, community cohesion — while their planning, data-sharing, and analytical capacity has been eroded by years of budget compression.

The hollowing is not only local. Whitehall itself has changed in ways that compound the problem. The civil service, while still capable, has been progressively thinned — its policy expertise replaced in part by consultancies, its institutional memory disrupted by churn and restructuring, its capacity to think beyond the immediate spending review cycle diminished by the permanent pressure of the political timetable. The centre can still announce. It can still set targets. It can still launch new funds and new initiatives. But its ability to sustain attention on a problem across multiple parliaments, to accumulate genuine expertise about the places its policies affect, and to coordinate effectively across departmental boundaries — these capacities have been eroded in parallel with the erosion of local government.

The result is a system that is neither genuinely centralised nor genuinely devolved. It is a thin coordinating core managing a fragmented delivery ecosystem — capable of launching initiatives, incapable of seeing them through.

2.3 The Treasury Trap

If administrative hollowing is the general condition, the Treasury is the specific mechanism through which that condition is reproduced. HM Treasury is structurally the most powerful department in Whitehall. Its control over public expenditure — exercised through the spending review cycle, the fiscal rules that constrain total government borrowing, and the value-for-money frameworks that govern individual spending decisions — gives it an effective veto over almost every area of domestic policy. No department can act without Treasury approval. No local authority can plan beyond the current funding settlement. No long-term investment can be committed without navigating a framework designed to prioritise short-term fiscal control.

The Treasury's operating logic is not malicious. It is the product of a legitimate institutional mandate: to ensure that public money is spent prudently and that the government's fiscal position remains sustainable. But that mandate, applied consistently over decades, has produced a specific set of structural consequences that actively undermine control-delivery alignment.

The spending review cycle — typically covering three to five years, but subject to revision and emergency adjustment — means that local authorities, NHS trusts, and other public bodies cannot plan with confidence beyond the current settlement. Long-term investments in prevention, in workforce development, in the slow, patient work of institutional capacity-building — these are systematically disadvantaged relative to short-term, visible, politically defensible spending. The Treasury does not set out to destroy local capacity. But the framework it operates makes local capacity harder to build and easier to cut.

The preference for ring-fenced project funding over general capacity grants — visible in the proliferation of competitive bidding funds such as the Levelling Up Fund, the Towns Fund, and the UK Shared Prosperity Fund — has a particularly corrosive effect. Each new fund arrives with its own application process, its own compliance requirements, its own reporting obligations, and its own timetable. Local authorities must divert scarce administrative capacity from delivering services to bidding for money. The funds that are won come with strings attached that constrain how the money can be used, often preventing the kind of flexible, integrated, locally-adapted spending that complex challenges require. The funds that are lost represent administrative effort wasted — and a further widening of the gap between the authorities that can afford dedicated bid-writing teams and those that cannot.

The short-term value-for-money framework — which requires spending proposals to demonstrate measurable returns within the spending review period — systematically disadvantages investments whose returns accrue over longer timescales. A programme that reduces youth offending over a decade will struggle to demonstrate value for money in three years. A preventative mental health service that keeps people out of crisis care will show its benefits in reduced hospital admissions over five to ten years, not in the current year's budget. The Treasury's framework, applied honestly, will favour the acute over the preventative, the visible over the structural, the immediate over the durable. And because the Treasury's framework is the framework within which all other departments must operate, this bias propagates throughout the system.

The Treasury Trap is this: the institution responsible for ensuring that public money is well spent is structurally configured to favour patterns of spending that, over time, make public money harder to spend well. The local capacity that enables effective delivery is systematically defunded by the very mechanisms designed to ensure fiscal responsibility. The result is not austerity in the crude sense of spending cuts alone. It is a more subtle, more durable condition: a system that is permanently under-investing in its own ability to deliver.

2.4 The English Question

If administrative hollowing and the Treasury Trap are the vertical dimensions of the control-delivery mismatch, the English Question is its horizontal dimension. It is the unresolved constitutional asymmetry that sits at the heart of the British state.

Scotland has a parliament with primary legislative and tax-varying powers. Wales has a Senedd with significant devolved authority. Northern Ireland has an Assembly — when it is sitting — with its own legislative competence. England, which contains 84% of the United Kingdom's population, has none of these. It is governed directly from Westminster, where Members of Parliament from Scottish, Welsh, and Northern Irish constituencies can vote on matters that affect only England, while English MPs have no equivalent authority over devolved matters in the other nations.

This asymmetry creates a permanent confusion of scales. The Westminster Parliament is simultaneously the legislature for the United Kingdom as a whole and the de facto legislature for England. When it debates health policy, it is deciding the framework for the NHS in England while the devolved administrations make their own arrangements. When it allocates regional development funding, it is making decisions that affect English regions while equivalent decisions for Scotland, Wales, and Northern Ireland are made in Edinburgh, Cardiff, and Belfast. The machinery of government is not designed to switch cleanly between these roles, and the result is that English regional policy — the policy that most directly affects the communities the centralise-fail-centralise loop has left behind — is made by an institution that is simultaneously trying to govern the entire United Kingdom and manage its own internal coherence.

The absence of an English governance settlement means that there is no institution with the democratic mandate, the geographic focus, and the institutional capacity to address English regional inequality at the scale it requires. The combined authorities — Greater Manchester, the West Midlands, the North of Tyne, and others — represent the most significant attempt to fill this gap. They have real achievements. But they remain creatures of central government, dependent on negotiated devolution deals that can be expanded, constrained, or bypassed at Westminster's discretion. They have limited fiscal autonomy, limited borrowing powers, and limited scope to integrate the full range of public services that coherent place-based governance demands.

The English Question is not a nationalist grievance. It is a structural observation about what happens when 84% of a country's population lacks the governance infrastructure that the other 16% already possesses. The result is not only unfairness to English regions. It is a constitutional operating system failure that overloads Westminster with responsibilities it cannot effectively discharge while leaving the communities most in need of coherent governance without the institutions that could provide it.

2.5 The Decoupled Regions

The English Question would be challenging enough if England were a relatively homogeneous territory whose regions differed only in degree. It is not. London and the South East operate, in economic and institutional terms, as a global city-state loosely attached to a medium-sized European nation. Their economy is financialised, globally connected, and driven by asset appreciation — particularly in housing — that bears little relationship to the productive economy of the rest of the country. Their labour market attracts talent from across the world. Their public services, while under strain, benefit from a concentration of resources, expertise, and political attention that no other region can match.

The post-industrial regions of the North, the Midlands, and the coastal communities operate on a different logic. Their economies were built around industries — manufacturing, mining, shipbuilding, fishing — that declined over generations and have not been replaced by equivalents of comparable scale and stability. Their housing markets are weaker, their wage levels lower, their health outcomes poorer, their educational attainment more uneven. They have been the primary recipients of successive waves of regional policy — enterprise zones, city deals, levelling up funds — each of which has delivered some benefits, none of which has altered the underlying trajectory.

These are not merely unequal regions. They are regions operating on partially decoupled trajectories. The economic growth that London generates does not automatically translate into prosperity in Sunderland or Blackpool or Merthyr Tydfil. The institutional capacity that London attracts does not diffuse outward. The political attention that London commands — as the seat of government, the media, and the financial sector — means that policies designed for London conditions are often applied to places with fundamentally different realities.

The decoupling is reinforced by the UK's unusually financialised economic structure. The British economy rewards asset ownership over productive investment, financial services over manufacturing, and the South East's gravitational pull over the rest of the country's centrifugal needs. National economic policy — interest rates, tax incentives, regulatory frameworks — is calibrated to the stability of the financial system and the health of the London-centric economy. The consequences for places that operate on a different logic are treated as distributional side-effects to be compensated through transfers, rather than as structural signals that the architecture of the economy itself needs to be rebalanced.

2.6 The Adversarial Temporal Structure

If the mechanisms described so far are the spatial and institutional dimensions of the control-delivery mismatch, the temporal dimension is the political culture within which all of them operate.

The British political system is configured to reward short-term, visible action and to punish long-term, invisible architectural work. The features that produce this configuration are not superficial. They are embedded in the constitutional and institutional design of the state.

First-past-the-post elections produce single-party majority governments with the formal authority to act decisively. But they also produce a permanent adversarial dynamic in which the opposition's role is to oppose, and in which the government's incentive is to demonstrate visible achievement within the electoral cycle. The parliamentary culture — Prime Minister's Questions, the daily combat of the news cycle, the media's preference for conflict over complexity — reinforces this dynamic. The politician who invests political capital in a reform that will bear fruit in ten years receives no credit for a decade and significant blame in the interim. The politician who announces a new fund, a new target, or a new initiative receives a headline tomorrow.

This is not a cultural failing that better leaders could overcome through force of character. It is a structural incentive system. And it produces a specific consequence for governance: the systematic under-supply of institutional investment relative to the scale of the problems the institutions are asked to address.

The temporal mismatch — the gap between the 20-to-50-year timescales on which the UK's deepest problems operate and the 18-month decision windows that the political system provides — is the most damaging expression of this dynamic. Regional inequality, social care, housing, mental health, climate adaptation: these are not problems that can be solved within a single parliament, or two, or three. They require sustained, cross-party commitment over decades. They require institutional architectures — independent commissions, statutory long-term funding settlements, deliberative processes that build public consent — that can hold a problem steady while the slow work of resolution proceeds. These architectures exist in embryonic form. The Office for Budget Responsibility provides independent fiscal oversight. The Climate Change Committee sets legally binding carbon budgets that span multiple parliaments. The Greater Manchester Combined Authority has demonstrated that place-based integration across health, social care, and economic development is possible.

But these are exceptions. The dominant logic of the system remains adversarial, short-term, and oriented toward the visible. And that logic is self-reinforcing: the more the system rewards visible action over invisible architecture, the less architecture is built, and the more the problems that only architecture can solve continue to fester.

2.7 The Post-Brexit Sovereignty Paradox

The United Kingdom's departure from the European Union was, among other things, a vote to restore control. The slogan — "take back control" — captured a genuine and widespread sense that decisions affecting British communities should be made by British institutions accountable to British voters. The

sovereignty that was reclaimed was parliamentary sovereignty: the right of the Westminster Parliament to make and unmake any law, without external constraint.

But between 2016 and 2023, Brexit also created a massive new administrative burden that landed on Whitehall at precisely the moment when Whitehall's capacity was already strained. The customs declarations, the regulatory divergence frameworks, the subsidy control regimes, the international trade negotiations — these required an enormous investment of civil service time, political attention, and institutional energy. The bandwidth consumed by Brexit implementation during this period is genuinely relevant to understanding why other policy areas — social care reform, regional development, mental health — drifted. The government was not inactive. It was busy. But its attention was absorbed by the administrative consequences of a constitutional change that, whatever its merits, did not come with a corresponding investment in the administrative capacity to manage it.

The deeper paradox is this: the control that was reclaimed was control at the centre. Westminster now has more sovereign authority than it did as an EU member. It can set subsidy rules, negotiate trade agreements, and design regulatory frameworks without the constraints of EU law or the European Court of Justice. But the delivery architecture through which that authority must be exercised — the local government, the health trusts, the combined authorities, the regional institutions — is weaker than before. The centre gained power. The periphery lost capacity. The sovereignty that was restored was not distributed to the communities that had felt its absence most keenly. It was concentrated in the institution they had voted against — the Westminster establishment — while the local institutions that might have given substance to control remained starved of resources and discretion.

This is the sovereignty paradox in its most acute form. You can win back the right to decide while losing the capacity to deliver. You can reclaim control at the level of the nation-state while the local institutions through which that control must be made real continue to atrophy. The vote for Brexit was not, for most of those who cast it, a vote for stronger central government. It was a vote for more control over the forces shaping their lives. The centralise-fail-centralise loop ensures that the control they gained did not reach them.

2.8 Mental Health as Stress-Distribution Failure

Every governance system generates stress. Economic restructuring disrupts livelihoods. Housing markets produce insecurity. Public services, when they fail, produce frustration and fear. Communities fragment. Identities are threatened. Uncertainty about the future becomes a background condition of daily life.

In a healthy system, this stress is absorbed and distributed by a dense architecture of intermediary institutions. Families provide emotional and practical support. Workplaces offer stability, identity, and social connection. Community organisations — churches, sports clubs, youth centres, residents' associations — create networks of mutual obligation that catch people before they fall. A functional welfare state provides a

floor that prevents economic shocks from becoming personal catastrophes. Shared narratives — about national identity, about social progress, about the meaning of a good life — provide a framework within which individual hardship can be understood and endured.

When this architecture weakens, the stress that it once absorbed has nowhere to go. It is routed to the individual nervous system. The factory closure that a generation ago would have been cushioned by trade union solidarity, extended family networks, and a functioning system of unemployment benefits now arrives as a direct blow to mental health. The housing insecurity that a generation ago would have been stabilised by social housing and regulated tenancies now manifests as chronic anxiety. The social isolation that a generation ago would have been mitigated by dense community life now presents as depression.

This is the stress-distribution failure that underlies the UK's mental health crisis. It is not that there are more stressors in absolute terms — though in some dimensions, such as economic precarity and digital overload, there are. It is that the buffers between those stressors and the individuals who experience them have been systematically eroded. The community centres that closed. The youth services that were cut. The housing support that was defunded. The extended families that have been thinned by geographic mobility and economic pressure. The stable employment that has been replaced by gig work and zero-hours contracts. Each individual loss seems manageable in isolation, a regrettable but necessary efficiency. The cumulative effect is a society that has progressively transferred stress from its institutional architecture to its citizens' nervous systems.

The response — 8,500 more mental health clinicians, expanded talking therapies, earlier intervention — is not irrational. It reduces suffering at the individual level. Therapy works. Medication helps. Early support can prevent escalation. But it treats the nervous system as the site of the problem rather than the site where systemic stress becomes visible. It is the equivalent of a factory where more workers are collapsing from heat exhaustion each year, and the response is to hire more paramedics for the factory floor while leaving the furnaces running at full blast.

The paramedics are useful. They are not solving the problem. The problem is the furnaces. And the furnaces — the economic precarity, the housing insecurity, the social fragmentation, the institutional erosion — are being stoked by the same centralise-fail-centralise loop that the clinicians are being hired to compensate for. The stress-distribution failure is not a separate issue from the control-delivery mismatch. It is the control-delivery mismatch made visible in human bodies.

2.9 How the Mechanisms Reinforce Each Other

The mechanisms described in this section are not independent problems. They interact, and their interaction is what makes the centralise-fail-centralise loop so stable.

Administrative hollowing creates the basic condition: the periphery lacks the capacity to deliver what the centre demands. The Treasury Trap reinforces that condition year after year, through spending review cycles that cut general capacity and ring-fenced funds that consume the administrative resources they are supposed to supplement. The English Question ensures that there is no democratic institution with the mandate and the focus to address regional inequality at scale. The decoupled regions mean that national policy, designed for the London-centric economy, is systematically misaligned with the needs of the places it most affects. The adversarial temporal structure prevents the long-term institutional investment that could rebuild capacity, because no politician is rewarded for work that pays off beyond the electoral cycle. The post-Brexit sovereignty paradox concentrates authority further at the centre while adding administrative burdens that consume the bandwidth needed for domestic reform.

And the stress-distribution failure — the progressive transfer of systemic pressure from institutional buffers to individual nervous systems — ensures that the consequences of all these interacting mechanisms are felt, personally and painfully, by millions of people. The mental health crisis is not an unfortunate side-effect of the UK's governance architecture. It is the architecture's most direct human output.

When the centre responds to a crisis in mental health by adding clinical capacity — more therapists, more psychiatrists, more nurses — it is responding to the symptom of the architecture while leaving the architecture intact. The stress-distribution failure continues. The buffers continue to erode. The nervous systems continue to carry the load. And the centralise-fail-centralise loop tightens.

The next section describes what breaking that loop would look like: not a single grand reform, but a set of specific, incremental shifts that address each mechanism at its root, and that together would rebuild the alignment between where control sits and where delivery happens.

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3. What Building Control-Delivery Alignment Would Look Like

The control-delivery mismatch carries a practical implication: if the UK's core problem is not a shortage of ambition, legitimacy, or ideas, but a structural gap between where decisions are made and where the capacity to implement them lives, then the central task is not to produce another White Paper or launch another fund. It is to rebuild the institutional architecture so that control and capacity are aligned — so that the people designing policy are close enough to the context to design well, and the people implementing policy have the resources, the discretion, and the institutional muscle to deliver.

This is not a call for a single grand reform. The centralise-fail-centralise loop has been tightening for decades, and it will not be unwound by a single Act of Parliament or a single reorganisation. What is needed is a set of interconnected shifts, each addressing a specific dimension of the mismatch, each building on institutions and experiments that already exist, and each designed to create the conditions under which the next shift becomes possible.

The UK does not need to become less ambitious. It needs to become more capable of making its ambitions real.

3.1 From Centralised Targets to Distributed Capacity

The first and most fundamental shift is from a system that governs through targets set in Whitehall to a system that governs through capacity built at the level where delivery happens.

This is not simply an argument for devolution, though devolution is part of it. Devolution without capacity rebuilding would simply relocate failure — transferring responsibilities to local institutions that lack the resources, the expertise, or the institutional stability to exercise them effectively. The hollowing described in Section 2 has left many local authorities and combined authorities in a state of permanent overload, managing complex, interlocking crises with shrinking budgets, high staff turnover, and limited analytical capacity. Granting them new powers without a corresponding investment in their ability to use those powers would be an act of institutional abandonment, not empowerment.

Genuine capacity-building requires four things.

First, **multi-year, predictable funding settlements** that allow local institutions to plan beyond the current spending review cycle. The Treasury's annual and three-year cycles are calibrated to the rhythm of Westminster politics, not to the timescales on which institutional capacity is built. A local authority that cannot commit to a ten-year programme of preventative social care, or a combined authority that cannot invest in the transport infrastructure that will serve its region for a generation, is an institution prevented

from acting strategically. Multi-year settlements — of the kind already provided to the devolved administrations, and increasingly demanded by combined authority mayors — would give local institutions the planning horizon they need to rebuild.

Second, **genuine fiscal autonomy.** Local government in the UK raises a smaller proportion of its own revenue than almost any comparable system in the developed world. Council tax is capped, business rates are partially centralised, and the majority of local funding comes through grants from Whitehall, many of them ring-fenced for specific purposes. The result is a system in which local democratic accountability is decoupled from fiscal responsibility: councils are blamed for service failures that are ultimately driven by funding decisions made in Westminster, while Westminster claims credit for local successes funded through grants it designed. Restoring a meaningful connection between local taxation and local spending — through reformed council tax, locally retained business rates, or new revenue-raising powers — would not only provide resources. It would restore the democratic link between what citizens pay and what they receive, making local government genuinely accountable for outcomes rather than compliance.

Third, **workforce investment** at a scale commensurate with the challenges. The crisis in social care, in mental health, in children's services, in planning departments — these are not primarily crises of policy design. They are crises of people. The staff who deliver these services are underpaid, undervalued, and increasingly scarce. Recruitment is difficult. Retention is worse. The institutional memory that enables effective public service — the experienced social worker who knows how to navigate a complex family situation, the planner who understands the local housing market, the public health director who has built relationships across organisations over a decade — is being lost to burnout, early retirement, and the private sector. Rebuilding that workforce requires sustained investment in pay, training, career pathways, and working conditions — the unglamorous institutional work that no ribbon-cutting ceremony celebrates.

Fourth, **experimentation authority.** Local institutions need the freedom to try approaches that differ from the national template — and the protection to fail honestly without being punished. The combined authority model already permits some variation, but the scope is narrow, and the centre's instinct to intervene when things go wrong remains powerful. A formal safe-to-fail framework — modelled on the regulatory sandboxes used in financial services — would give local institutions the permission to innovate, the resources to evaluate, and the protection to learn from failure without triggering the centralise-fail-centralise loop's characteristic response.

3.2 From the Treasury Trap to Treasury Transformation

The Treasury Trap described in Section 2 is not a problem that can be solved by abolishing the Treasury or stripping it of its powers. HM Treasury performs essential functions — controlling inflation, managing the government's fiscal position, ensuring that public spending is subject to democratic oversight — that any

modern state requires. The question is not whether the Treasury should exist. It is whether its operating logic can be reformed to support, rather than undermine, the institutional capacity on which effective public spending depends.

Three shifts would constitute the beginning of that reform.

First, **a presumption in favour of general capacity grants over ring-fenced project funds.** The proliferation of competitive bidding funds — the Levelling Up Fund, the Towns Fund, the UK Shared Prosperity Fund, and their predecessors — has generated a vast administrative overhead while delivering uncertain results. Each fund requires local authorities to divert staff time from delivering services to writing bids. The funds that are won come with restrictive conditions. The funds that are lost represent effort wasted. A presumption in favour of general grants — allocated on the basis of need, with accountability for outcomes rather than compliance with input specifications — would reduce administrative waste and give local institutions the flexibility to allocate resources where they are most needed.

Second, **value-for-money frameworks that measure long-term outcomes.** The Treasury's Green Book — the manual that governs how public spending proposals are evaluated — has been criticised for decades for its systematic bias against investments whose returns accrue over long timescales or take non-monetary forms. Preventative health interventions, early years programmes, community development initiatives — these are precisely the kinds of spending that a narrow, short-term, monetised cost-benefit analysis struggles to justify. Reforming the Green Book to give appropriate weight to long-term, non-monetisable benefits — and to require explicit consideration of the capacity-building effects of spending decisions — would shift the institutional logic from controlling costs to enabling value.

Third, **multi-year departmental and local government settlements that escape the annual spending review cycle.** The current rhythm of public spending — budgets set every three to five years, with annual adjustments and in-year emergency measures — makes strategic planning nearly impossible for the departments and local authorities responsible for complex, long-term challenges. Infrastructure projects take longer than a spending review period to plan and deliver. Workforce strategies require a decade of sustained investment. Preventative services show their returns over a generation. A shift to longer funding cycles — with statutory commitments that survive changes of government, modelled on the multi-year defence and science settlements — would give the institutions that deliver public services the stability they need to deliver them well.

These reforms are not politically impossible. The Treasury has already shown some flexibility — the move to multi-year settlements for the NHS, the creation of the UK Infrastructure Bank, the experimentation with outcome-based budgeting in some policy areas. The task is to extend and institutionalise these exceptions until they become the norm.

3.3 The Missing Middle: Translation Layers Between Whitehall and the Ground

If distributed capacity and Treasury reform address the vertical dimensions of the control-delivery mismatch, the next shift addresses the horizontal dimension. Between the national policy designed in Whitehall and the local reality in which it must be implemented, the UK lacks a reliable translation layer — an institutional middle that can adapt, interpret, and embed policy in specific contexts without requiring constant central direction.

The combined authorities — Greater Manchester, the West Midlands, the North of Tyne, and others — represent the most significant attempt to build this layer. They bring together multiple local authorities to coordinate transport, skills, economic development, and, in some cases, health and social care. They have directly elected mayors with a democratic mandate and a geographic focus that Westminster cannot provide. They have demonstrated, in Greater Manchester's integration of health and social care, that place-based coordination can produce measurable improvements in outcomes and efficiency.

But the combined authorities remain institutionally fragile. Their powers are negotiated individually with central government rather than established as a general constitutional settlement. Their funding is precarious, dependent on deals that can be renegotiated or bypassed when political priorities shift. Their scope is limited — they do not yet have authority over the full range of public services that coherent place-based governance demands, from skills and housing to police and courts.

The upgrade is to transform the combined authority model from a set of ad hoc deals into a **general constitutional settlement for English regional governance.** This would mean:

- A standing legal framework that gives combined authorities defined powers, duties, and revenue sources, rather than requiring each new authority to negotiate its own bespoke deal.
- A presumption that new policy initiatives will be routed through combined authorities where they exist, rather than bypassing them through separate funding streams managed directly from Whitehall.
- The extension of combined authority coverage to the whole of England — not through compulsion, but through a systematic offer that makes the model available to any region willing to accept the governance and accountability requirements.
- Genuine fiscal autonomy, including the ability to raise revenue through reformed council tax, business rate retention, and new local taxes or charges approved by local referendum.

This is not a proposal to abolish local authorities or to create a new tier of remote regional government. It is a proposal to build on the institutions that already exist — the combined authorities that have already demonstrated their value — and to give them the stability, the resources, and the democratic legitimacy to function as genuine translation layers between national policy and local delivery.

3.4 Temporal Redesign: Institutions That Can Hold Problems Longer Than an Electoral Cycle

The temporal mismatch — problems measured in decades, politics measured in months — is the most resistant dimension of the control-delivery mismatch. No single institutional reform can make the political system take the long view. But a set of specific, proven mechanisms can lengthen the effective decision horizon of the state, creating space for the kind of sustained attention that complex problems require.

The UK already possesses some of these mechanisms. The Office for Budget Responsibility provides independent fiscal oversight that constrains the government's ability to manipulate the public finances for short-term political advantage. The Climate Change Committee sets legally binding carbon budgets that span multiple parliaments and provides independent assessment of progress against them. The Office for National Statistics operates at arm's length from government, providing data that cannot be politically massaged. These institutions work — not perfectly, but well enough to demonstrate that it is possible to embed long-term thinking within the machinery of the state.

The next step is to extend this logic to the domains where it is most urgently needed.

A Social Care Funding Commission, modelled on the Climate Change Committee, with the statutory authority to recommend long-term funding settlements for adult social care, independent of the electoral cycle. The commission would produce publicly available assessments of the adequacy of current funding, the sustainability of the workforce, and the quality of outcomes. Government would be required to respond publicly to its recommendations, creating a political cost for inaction that the current system — in which social care reform is perpetually deferred to the next parliament — does not impose.

An Infrastructure and Housing Commission with a similar remit: to assess long-term infrastructure needs, to recommend multi-parliament funding envelopes, and to provide independent scrutiny of government delivery against those commitments. The National Infrastructure Commission already performs some of these functions, but its recommendations are advisory and can be ignored. A statutory commission with defined powers and a formal government response obligation would create a stronger institutional anchor for the long-term investments that housing, transport, and energy transition demand.

Standing Citizens' Assemblies on long-horizon issues — the future of the NHS, the transition to net zero, the reform of the social care system — that give citizens the time, information, and facilitation to deliberate on complex trade-offs and produce recommendations with democratic legitimacy. The UK has experimented with citizens' assemblies on climate change and social care, with promising results: ordinary people, when given the conditions for serious deliberation, are capable of grappling with complexity and reaching nuanced conclusions that command public trust. Making these assemblies permanent — with a statutory right to a

government response and a defined role in the policy process — would supplement representative democracy with a mechanism for building public consent on the long-term decisions that electoral politics struggles to address.

These institutions would not depoliticise governance, nor should they. Political choices about values, priorities, and trade-offs are irreducibly democratic and must remain subject to electoral accountability. What these institutions would do is create a structural counterweight to the perpetual short-termism of the electoral cycle — a set of institutional voices whose job is to insist that the twenty-year problem cannot be solved by the eighteen-month fix.

3.5 The English Governance Settlement

The English Question, described in Section 2, is not a separatist grievance. It is a structural gap in the governance architecture of the United Kingdom — the absence of any democratic institution that speaks for England as a whole, or for its regions, with the authority and capacity to govern.

Filling that gap does not require a single English Parliament on the Westminster model — though that is one option. What it requires, at minimum, is a constitutional settlement that gives England's regions the same capacity for self-governance that Scotland, Wales, and Northern Ireland already possess.

The building blocks of such a settlement already exist. The combined authorities, with their directly elected mayors and their growing responsibilities for transport, skills, and economic development, are embryonic regional governments. The devolution deals negotiated over the past decade have established the principle that different places can have different governance arrangements suited to their different needs. Greater Manchester's integration of health and social care, the West Midlands' coordination of housing and infrastructure, the North of Tyne's investment in clean energy — these are not just individual successes. They are proofs of concept.

The English governance settlement would extend and constitutionalise these arrangements. It would establish a **presumption of devolution** — not as a concession grudgingly negotiated between Whitehall and individual localities, but as the default condition of English governance, with centralised control as the exception that must be justified. It would provide combined authorities with defined powers and revenue sources, established in statute and not subject to unilateral revision by the centre. And it would create a clear pathway for any region of England that wishes to form a combined authority — or to deepen the powers of an existing one — to do so without requiring a bespoke political negotiation.

This is not an argument for breaking up the United Kingdom. It is an argument for completing its constitutional architecture — giving the 84% of the population that lives in England the same governance infrastructure that the other 16% already enjoys.

3.6 From Throughput Metrics to Outcome Metrics

A system that measures the wrong things will optimise for the wrong outcomes. The UK's governance system is saturated with metrics — targets, indicators, performance frameworks, league tables — but the vast majority of these measure activity, not results. They count how many patients were treated, not whether they got better. They count how many homes were granted planning permission, not whether communities became more affordable. They count how many training places were offered, not whether people found sustained employment.

The shift from throughput metrics to outcome metrics is not technically difficult. The data exists. The analytical capacity exists. What has been missing is the political will to make outcomes visible, because visible outcomes create accountability — not just for the institutions that deliver services, but for the governments that set their budgets.

A reformed metrics framework would have three properties.

First, it would measure **delivery fidelity** — the gap between what national policy intended and what local implementation actually produced. When a new fund is launched, an independent evaluation would track not just how much money was spent and how many projects were approved, but whether the outcomes matched the promises. This would make the control-delivery mismatch visible — and politically uncomfortable — in a way that the current system of self-reported compliance data does not.

Second, it would measure **stress-distribution indicators** — not just the prevalence of mental health conditions, but the strength of the institutional buffers that prevent stress from becoming pathology. Community cohesion, social isolation, access to green space, stability of housing, reliability of income — these are the upstream determinants of mental health, and they are currently invisible to the metrics that drive policy. Making them visible would shift attention from treating the consequences of stress to rebuilding the architecture that absorbs it.

Third, it would measure **institutional capacity** — not as a box-ticking exercise, but as a genuine assessment of whether the organisations responsible for delivering public services have the workforce, the expertise, the data, and the stability to do their jobs effectively. A local authority that is losing staff faster than it can recruit them, or an NHS trust whose capital estate is deteriorating, or a combined authority whose analytical team has been hollowed out by budget cuts — these are institutions in distress, and the metrics should make that distress visible before it produces service failure.

3.7 Stress-Distribution Infrastructure

The final shift addresses the mechanism that Section 2 described as the most direct human output of the control-delivery mismatch: the progressive transfer of systemic stress from institutional buffers to individual nervous systems.

Rebuilding the stress-distribution architecture means investing in the social institutions — the community spaces, the youth services, the housing support, the care infrastructure, the networks of mutual obligation — that absorb stress before it becomes clinical. This is not a social programme. It is a systemic stabiliser — the institutional equivalent of the shock absorbers that prevent a vehicle from being shaken apart by a rough road.

The investment is not primarily in new buildings or new organisations. It is in the people and the relationships that make existing institutions effective. The youth worker who knows every teenager on the estate and can spot the one who is being drawn into a gang. The community organiser who connects isolated elderly people to local volunteers. The housing officer who intervenes before an eviction becomes a homelessness crisis. The general practitioner who has known a family for twenty years and can tell when the stress is becoming unmanageable. These are not frontline workers in the conventional sense. They are the distributed nervous system of a healthy society, and their effectiveness depends on the density and quality of the institutional fabric within which they operate.

Rebuilding that fabric requires a reversal of the Treasury logic that has systematically defunded it. It means protecting preventative services from the cuts that always fall hardest on the non-acute, the non-urgent, the non-visible. It means recognising that a youth centre is not a discretionary amenity but a pressure valve that reduces demand on the criminal justice system, the mental health system, and the child protection system years down the line. It means funding the care economy — the paid and unpaid relational work that holds families and communities together — not as a residual of the welfare state but as a foundational investment in systemic stability.

This is not a call for unlimited public spending. It is a call for spending that recognises the true cost of the alternative. Every pound not spent on preventative social infrastructure is a pound that will eventually be spent — with interest — on acute services, crisis interventions, and the long, slow, expensive work of repairing damage that could have been prevented. The Treasury Trap, with its preference for short-term, measurable returns, systematically undercounts the cost of inaction. The stress-distribution failure is the bill coming due.

What unifies these seven shifts — distributed capacity, Treasury reform, translation layers, temporal redesign, the English settlement, outcome metrics, and stress-distribution infrastructure — is that they are all investments in alignment. They do not call for the centre to abdicate responsibility, or for the periphery to be left to sink or swim on its own. They call for a deliberate, sustained effort to close the gap between where control sits and where delivery happens — to rebuild the institutional architecture that decades of centralisation have eroded, and to create the conditions under which British governance can be as effective as British ambition deserves.

The next section confronts the forces that will resist any such effort: the political immune system that has made the centralise-fail-centralise loop so stable, and that will not yield without a fight.

4. The Political Immune System: Why the UK Centralises

4.1 The Visibility Trap

Every political order develops defences against change. In Germany, the immune system is bureaucratic inertia — the multiplication of veto points that makes decisive action difficult. In France, it is the national political spectacle — an arena that amplifies conflict and consumes reform before it can take root. In Sweden, it is satisfied competence — the belief, grounded in strong aggregate performance, that the machine is already working well enough. In India, it is the permanent noise of competitive democracy and the widening gap between high-capacity and low-capacity states. In the European Union, it is sovereignty-as-veto — the right of any member state to block collective action.

In the United Kingdom, the immune system is a more specific configuration. Its first and most powerful mechanism is what might be called the **visibility trap**: the structural confusion of the appearance of control with the effectiveness of control.

The British political system is optimised to produce visible action. A Prime Minister announces a new initiative at the despatch box. A Secretary of State launches a new fund with a press release and a factory visit. A White Paper is published with a foreword promising transformation. The machinery of government is extraordinarily good at generating the signals of activity — the announcements, the targets, the reorganisations, the funding streams — that constitute political delivery in the eyes of the media and the electorate.

What the machinery is far less good at is converting those signals into sustained improvements in the conditions they are meant to address. The announcement is made. The fund is launched. The reorganisation is implemented. But the underlying problem — regional inequality, NHS waiting times, social care funding, mental health — continues to deepen, because the architecture through which the announcement must be translated into action is the same architecture that the centralise-fail-centralise loop has been hollowing out for decades.

The visibility trap is not a conspiracy of cynical politicians deceiving a gullible public. It is a structural condition. The politician who announces a new fund receives a headline tomorrow. The politician who invests in rebuilding the institutional capacity of a struggling local authority — a process that takes years, produces no photo opportunities, and may fail — receives no credit for a decade and significant blame in the interim if things go wrong. The incentive gradient is steep, and it points relentlessly toward the visible.

The media ecosystem reinforces the trap. A new funding announcement is news. A reorganisation is news. A target missed is news. The slow, patient, unglamorous work of rebuilding institutional capacity — the multi-year workforce strategy, the preventative investment that shows returns in reduced hospital admissions five

years from now, the painstaking coordination across organisational boundaries that never produces a press release — is not news. It is invisible. And in a system where visibility drives political reward, the invisible is systematically under-supplied.

The visibility trap is the engine of the centralise-fail-centralise loop. When a problem resists solution, the pressure on politicians to demonstrate that they are acting is immense. The most readily available form of action is the central announcement — the new initiative, the new target, the new oversight body. These actions are visible. They demonstrate responsiveness. They buy time. But they do not address the architectural conditions that caused the problem, and by adding new layers of central control, they often make those conditions worse. The visibility trap ensures that the response to delivery failure is not a quiet rebuilding of local capacity but a loud reassertion of central authority. The loop tightens. And the gap between the visible activity of government and the lived experience of citizens widens.

4.2 The Sovereignty Reflex

The second mechanism of the immune system is older than the visibility trap, and in some respects more fundamental. It is the conviction — deeply embedded in British political culture and reinforced by the constitutional doctrine of parliamentary sovereignty — that control means Westminster control.

The British constitution, famously unwritten, is organised around a single principle: the Crown-in-Parliament can make or unmake any law whatsoever. No Parliament can bind its successors. No court can strike down primary legislation. No regional authority has powers that Westminster cannot revoke. This is a doctrine of immense flexibility — it allows the British state to adapt without constitutional crisis — but it also embeds a specific understanding of what it means to govern: to govern is to command from the centre.

The sovereignty reflex activates whenever a proposal shifts significant authority away from Westminster. It does not announce itself as a defence of institutional privilege. It speaks the language of democratic accountability, of national unity, of the indivisibility of the realm. It warns that devolution will create a postcode lottery, that local politicians cannot be trusted with significant resources, that the breakup of the United Kingdom will follow any concession to regional autonomy. These are not necessarily bad-faith arguments. Some of them reflect genuine risks. But they function, in practice, as an immune barrier that prevents the rebalancing of control and capacity.

Brexit reinforced the sovereignty reflex dramatically. The campaign to leave the European Union was, at its emotional core, a campaign to restore control — to bring decisions back from Brussels to Britain. The control that was restored was parliamentary sovereignty, and the political energy that achieved it strengthened the identification of control with Westminster. Any proposal that now suggests distributing

authority away from Westminster — to combined authorities, to regional mayors, to local councils — must contend not only with the institutional resistance of the centre but with the cultural legacy of a political project that defined taking back control as concentrating it in the sovereign Parliament.

The sovereignty reflex is not irrational. It reflects a legitimate democratic principle: that those who exercise power should be accountable to those over whom it is exercised, and that the ultimate guarantor of that accountability is the elected national legislature. But the principle, applied without discrimination, prevents the very adaptations that would make sovereignty meaningful in practice. A Parliament that insists on controlling everything directly ends up controlling nothing effectively — because the span of its control exceeds the reach of its capacity. The sovereignty reflex protects formal authority while eroding substantive capability. It is the constitutional dimension of the control-delivery mismatch.

4.3 The Treasury Orthodoxy

If the visibility trap is the engine of the centralise-fail-centralise loop and the sovereignty reflex is its constitutional backbone, the Treasury is its institutional enforcer. HM Treasury is not merely one department among many. It is the department that controls the money, and through the money, it controls the parameters within which every other department and every local institution must operate.

The Treasury's mandate — to ensure the sustainability of the public finances and the value for money of public spending — is legitimate and necessary. No modern state can function without an institution that performs these functions. But the Treasury's interpretation of that mandate, developed over decades and embedded in its institutional culture, has produced a specific operating logic that actively undermines control-delivery alignment.

The logic has several components. First, a deep institutional preference for central control over distributed discretion. The Treasury trusts its own frameworks — the spending review process, the Green Book appraisal methodology, the value-for-money assessments — more than it trusts the judgment of local actors. This preference is not based on evidence that centralised control produces better outcomes. It is based on the Treasury's constitutional role as the guardian of public money, which creates an institutional incentive to minimise risks that could be attributed to lax oversight. The safest decision, from the Treasury's perspective, is the one that maintains the tightest central grip. The fact that this grip may systematically undermine the capacity of local institutions to deliver is a cost that falls outside the Treasury's decision framework.

Second, a structural bias against preventative investment. Preventative spending — on youth services, on community development, on early intervention in health and social care — produces returns that are real but diffuse, long-term, and difficult to attribute to a specific budget line. Acute spending — on hospitals, on crisis interventions, on the immediate consequences of failure — produces costs that are visible, immediate, and politically unavoidable. When budgets are tight, as they have been for most of the past fifteen years, the

Treasury's decision framework systematically favours the acute over the preventative. The acute cannot be cut without immediate and visible consequences. The preventative can be cut quietly, its absence felt only years later, when the crisis it would have prevented arrives — at which point the Treasury will fund the acute response, because it must. The cycle is fiscally perverse but institutionally rational. The Treasury is not acting against the public interest. It is acting within a framework that defines the public interest too narrowly to capture the true cost of its choices.

Third, an approach to local government finance that treats councils as delivery agents for centrally determined priorities rather than as democratic institutions with their own mandates and accountabilities. The shift from general grants to ring-fenced funds, the proliferation of competitive bidding processes, the capping of council tax, the centralisation of business rates — these are not the product of a deliberate strategy to undermine local democracy. They are the accumulated consequence of a Treasury worldview in which local spending is a risk to be managed rather than an investment in the institutional fabric that makes public services work.

Reforming the Treasury is one of the hardest tasks in British governance, precisely because the Treasury's power is so deeply embedded and its institutional identity so closely tied to its control functions. But reform is not impossible. The creation of the Office for Budget Responsibility in 2010 demonstrated that it is possible to shift fiscal oversight functions to independent institutions without losing the benefits of central coordination. The devolution of health and social care budgets to Greater Manchester demonstrated that the Treasury can, under the right political conditions, accept a model of place-based spending that deviates from its standard framework. The task is not to abolish the Treasury's control functions but to redefine them — to build an institutional culture in which the Treasury sees its role not as the guardian of centralised fiscal discipline but as the steward of distributed institutional capacity. That is a generational project. But it is one on which the viability of British governance depends.

4.4 The Media-Adversarial Complex

The fourth mechanism of the immune system operates not within the state but in the space between the state and the public. The British media ecosystem — the newspapers, the broadcasters, the digital platforms — is among the most competitive and adversarial in the democratic world. It exposes failure relentlessly. It rewards conflict. It compresses complex stories into simple narratives of triumph and disaster. It is, in many respects, a genuine democratic asset: a watchdog that no government can ignore and no institution can escape.

But the same adversarial energy that scrutinises power also shapes what kind of governance is possible. The media ecosystem is structurally configured to reward the visible and punish the invisible. A new funding announcement is a story. A reorganisation is a story. A missed target is a story. The slow, patient work of institutional capacity-building — the multi-year workforce strategy, the preventative investment that will not

show returns for years, the complex coordination across organisations that produces incremental improvement — is not a story. It has no dramatic arc. It generates no compelling footage. It cannot be compressed into a headline.

The result is a political culture in which the incentive to produce visible action is overwhelming, and the incentive to invest in invisible architecture is almost nonexistent. The politician who announces a new fund is rewarded with coverage. The politician who quietly rebuilds the capacity of a struggling institution receives no coverage at all — until something goes wrong, at which point the coverage is exclusively negative. The asymmetry is extreme, and it channels political energy relentlessly toward the short-term, the visible, and the central.

The media-adversarial complex interacts with the visibility trap to create a self-reinforcing cycle. Politicians, anticipating media scrutiny, prioritise the visible over the structural. The media, observing the resulting gap between announcement and delivery, intensifies its scrutiny of failure. Politicians, responding to intensified scrutiny, reach for further visible action. The cycle tightens. The architecture remains unaddressed. The underlying problems deepen. The scrutiny intensifies further. No single actor in this cycle is acting irrationally. Every actor is responding to the incentives they face. The aggregate result is a system that is progressively less capable of the long-term, structural work that governance requires.

The media environment is not something that can or should be reformed by government. Press freedom is a constitutional principle, and the adversarial function of journalism is a democratic necessity. But the interaction between the media ecosystem and the governance architecture can be modified — not by constraining the media, but by creating institutional mechanisms that make invisible work more visible. The independent commissions, the long-term funding settlements, the citizens' assemblies proposed in this report — these are not just mechanisms for improving governance. They are mechanisms for changing the information environment within which governance occurs. An independent commission that publicly assesses progress against a twenty-year target creates a story that the media can report. A citizens' assembly that deliberates on social care reform generates coverage that is about substance, not just conflict. The task is not to silence the watchdog. It is to give it something worth watching that extends beyond the daily combat of parliamentary politics.

4.5 The Narrative Strategy

Given the immune system described above, the way the control-delivery alignment agenda is

talked about

is not peripheral to its success. It is central.

A reform proposal that announces itself as a repudiation of the British tradition of centralised governance — that frames the combined authorities as a rejection of Westminster, the Treasury reforms as a curbing of fiscal discipline, the English governance settlement as a step toward federalism — will trigger every immune response simultaneously. It will be painted as a threat to the Union, a surrender to parochialism, and an abandonment of the national interest to local incompetence.

The task, therefore, is to frame the coherence agenda not as a rupture but as a **completion** — the fulfilment of promises that the current architecture, for all its centralised ambition, has failed to keep. The argument is not that Westminster should surrender control. It is that Westminster should exercise control more effectively — by placing it where the problems actually are, and by matching it with the capacity to deliver.

This framing speaks to multiple constituencies. To the Brexiteer who voted to take back control, it says: *the control you voted for was taken back by Westminster, not by your community. The next step is to ensure that control reaches where you live — in the towns, the regions, the communities that Parliament represents but cannot govern directly.* To the Remainer who feared the consequences of leaving the European Union, it says: *the governance gap that Brexit created cannot be filled by re-joining. It can only be filled by rebuilding the domestic institutions that make sovereignty meaningful in practice.* To the Treasury official who has spent a career guarding the public finances, it says: *the current framework is not fiscally conservative. It is fiscally perverse — saving money in the short term while generating costs that compound over decades. The truly conservative approach is to invest in the institutional capacity that prevents crises rather than paying for them after they have happened.* To the citizen who has given up expecting the state to deliver, it says: *the problem is not that government does not care. It is that government is architecturally incapable of making care reach you. The architecture can be changed.*

The core message is deceptively simple:

> *Britain does not lack control. It lacks the ability to place control where it can actually make a difference. The centralise-fail-centralise loop is not the result of bad leaders or bad intentions. It is the output of an architecture that concentrates authority at the centre while starving the periphery of the capacity to deliver. The upgrade is not a rejection of British governance. It is the continuation of the pragmatic, evidence-based tradition that built the institutions now under strain — applied to the architecture of the state itself.*

The political immune system is powerful, but it is not omnipotent. The control-delivery alignment agenda described in this report is designed to work with the grain of British institutions rather than against it — building on the combined authorities that already exist, respecting the sovereignty of Parliament while redirecting its exercise, and addressing the legitimate concerns of the Treasury while reforming the framework that constrains it. The next section describes the transition architecture that makes these upgrades politically feasible: the concrete mechanisms through which control and capacity can be realigned without triggering the immune responses that would consume them.

5. Working with the Grain: Transition Architecture for the UK

5.1 The Principle: Build on What Britain Already Does Well

Every transition architecture must be matched to the immune system it navigates. In Germany, the strategy is to bypass bureaucratic inertia — to build capacity beneath the threshold of political controversy. In France, it is to bypass the national spectacle — to start in low-visibility zones where results can be demonstrated before the arena consumes them. In Sweden, it is to work with existing trust rather than against it. In India, it is to build on the platforms that already work — the digital infrastructure, the federal laboratory, the competitive energy of states. In the European Union, it is to make variable geometry explicit and institutionalised.

In the United Kingdom, the strategy is different again. It is to build on the institutions that have already demonstrated that alignment is possible — the combined authorities, the devolved administrations, the experiments in place-based integration that have survived the centralise-fail-centralise loop and produced genuine, measurable results.

The UK possesses an advantage that many of the other systems examined in this series lack. As a unitary state with a flexible constitution, it has the capacity to redesign its governance architecture without the negotiation costs and veto points that constrain federal systems. The principle of parliamentary sovereignty, for all its centralising force, also means that Parliament can create new institutional arrangements, grant new powers, and establish new fiscal frameworks through ordinary legislation. The combined authority model was created in this way — not through a grand constitutional convention, but through a series of specific, negotiated devolution deals backed by Acts of Parliament. What has been built can be extended.

The principle is straightforward: **don't replace. Extend.** The UK does not need to invent a new governance architecture from scratch. It needs to take the most successful elements of the architecture it already has — Greater Manchester's integration of health and social care, the West Midlands' coordination of skills and infrastructure, the devolved administrations' experience of fiscal autonomy — and make them the norm rather than the exception.

This principle has a practical consequence. Reform should be framed not as a critique of Westminster but as the **logical next step** in a tradition of pragmatic institutional innovation that is genuinely British. The same willingness to adapt institutions to circumstances that created the NHS, the combined authorities, and the devolved parliaments — an evolution achieved not through revolutionary rupture but through specific, incremental, evidence-led change — is the willingness that must now be applied to the control-delivery mismatch.

5.2 Greater Manchester: The Proof of Concept

Every report in this series has benefited from a concrete proof of concept — an existing experiment that demonstrates the alternative is not purely theoretical. For Germany, it was the Adaptive Governance Pilot Regions. For France, it was the *Territoires d'Intégration Adaptative*. For Sweden, it was the *Framtidskommuner*. For India, the digital public infrastructure and the regulatory sandboxes. For the European Union, the macro-regional strategies.

For the United Kingdom, the proof of concept is Greater Manchester.

The Greater Manchester devolution deal, agreed in 2014 and deepened in subsequent years, is the most developed example of genuine place-based integration in England. Under a directly elected mayor, the Greater Manchester Combined Authority has taken control of a integrated health and social care budget — the first and still the most ambitious arrangement of its kind in the country. It has coordinated transport investment across ten local authorities. It has developed a spatial framework for housing and economic development. It has built a skills strategy linked to the needs of the regional economy. It has done all of this not as a temporary pilot but as an established, ongoing governance arrangement, now in its second decade.

The results are measurable and encouraging. The integration of health and social care has produced faster discharge from hospital, reduced emergency admissions, and more effective preventative services — outcomes that the centrally managed NHS struggles to replicate. The coordination of transport and housing investment has enabled more coherent spatial planning than the fragmented, centrally directed alternatives that prevail elsewhere in England. The democratic accountability provided by the directly elected mayor has given the region a visible, accountable leader who can negotiate with Whitehall on equal terms and who answers to a defined electorate for the outcomes of that negotiation.

Greater Manchester is not perfect. Its fiscal autonomy remains limited. Its powers are narrower than those of the devolved administrations, and they depend on a devolution deal that could in principle be revised or reversed by a future government. But it has demonstrated, over a sustained period, that place-based governance works — that integration across policy silos produces better outcomes than centrally managed fragmentation, that local democratic accountability improves decision-making, and that institutions given genuine authority and stable funding can deliver results that centrally directed programmes cannot match.

It is the foundation on which the transition architecture can be built.

5.3 Trailblazer Devolution Deals as Trojan Horses

The term "Trojan Horse" has been used throughout this series to describe a specific strategy: a reform initiative whose surface appearance is legible and acceptable to the existing system, while its deeper logic builds the missing connective tissue. In the UK, the most effective Trojan Horses are the **trailblazer devolution deals** — agreements between central government and individual combined authorities that grant deeper fiscal and administrative autonomy in exchange for stronger accountability and transparent evaluation.

The precedent already exists. The "trailblazer" deals negotiated with Greater Manchester and the West Midlands in 2023–24 gave those combined authorities greater control over transport funding, skills budgets, and housing investment, alongside a single, multi-year funding settlement — a departure from the ring-fenced, project-by-project model that prevails elsewhere. These deals were not presented as a fundamental reordering of the British state. They were presented as pragmatic extensions of existing arrangements — a continuation of the devolution journey that began under successive governments of both major parties. The language was administrative modernisation, not constitutional revolution. The payload was a genuine shift in where control sits.

The trailblazer model should be extended, deepened, and systematised. A **Trailblazer Regions 2.0** programme would offer every combined authority in England the opportunity to negotiate a deeper devolution settlement, with the baseline being the powers already granted to Greater Manchester and the aspiration being genuine fiscal autonomy, multi-year funding certainty, and the authority to integrate health, social care, skills, housing, and economic development into a single governance framework.

The deals would be negotiated individually, respecting the different capacities, needs, and ambitions of different regions. They would include explicit investment in institutional capacity — talent pipelines, shared services platforms, analytical teams — to ensure that devolved authority is matched by the capability to exercise it effectively. They would be subject to transparent evaluation, with results published openly and used to inform the next round of negotiations. And they would be voluntary. No region would be required to take on powers it did not want. The dynamic is attraction, not compulsion.

The trailblazer deals are Trojan Horses because they do not announce themselves as a rebalancing of the British state, even though that is what they collectively achieve. They announce themselves as pragmatic, evidence-based extensions of arrangements that already exist and that have already demonstrated their value. They speak the language of British institutional evolution — incremental, specific, grounded in what works — while carrying a payload that addresses the control-delivery mismatch at its root.

5.4 A National Learning Loop

Devolution without learning is fragmentation. The centralise-fail-centralise loop is partly sustained by the absence of reliable mechanisms for capturing and disseminating what works. When a combined authority develops an innovative approach to integrating health and social care, or a local authority pioneers a new model of preventative community support, the knowledge stays local. Other regions do not learn from it, because there is no institutional mechanism for making the learning visible, accessible, and actionable. The centre does not learn from it, because the centre's primary mode of engagement with local institutions is compliance monitoring rather than knowledge transfer.

The UK needs a **National Learning Loop** — a dedicated institutional mechanism for capturing, evaluating, and disseminating the results of place-based experimentation. The model exists in other governance systems. The What Works Centres — the What Works Centre for Local Economic Growth, the Early Intervention Foundation, the Education Endowment Foundation — already perform some of these functions for specific policy domains. But they are fragmented by sector, limited in scope, and not connected to the devolution process in a systematic way.

The National Learning Loop would consolidate and extend these functions. It would be an independent institution, funded by central government but operating at arm's length, with a mandate to:

- Rigorously evaluate the outcomes of trailblazer devolution deals and other place-based experiments.
- Make the results publicly available in accessible, comparative formats — dashboards, annual reports, peer-learning workshops.
- Facilitate structured knowledge exchange between combined authorities, local authorities, and the devolved administrations.
- Feed findings back into the policy design process in Whitehall, so that the centre learns from the periphery rather than simply broadcasting to it.

The Learning Loop would not replace democratic accountability. Elected mayors and local councils would remain responsible for decisions and accountable to their electorates for outcomes. But it would create the feedback infrastructure that the current system lacks — a mechanism through which the experimentation that already occurs across the UK's diverse governance landscape becomes a shared resource rather than a series of isolated events.

5.5 Scaling by Attraction

The traditional model of British governance reform is parliamentary sovereignty followed by uniform implementation. A government decides on a new institutional arrangement — a combined authority model, a local government structure, a health service reorganisation — enacts it through legislation, and applies it across the country. This is the replication-by-mandate model. It is consistent with the Westminster doctrine of central authority. It is also, as the centralise-fail-centralise loop demonstrates, a reliable generator of implementation failure — because what works in Greater Manchester may not work in a region with different geography, different economic conditions, and different institutional history, and because institutions that are forced to adopt a model they did not choose rarely implement it with the commitment that genuine ownership requires.

The alternative is **scaling by attraction.** Instead of mandating that every region adopt the trailblazer model, the centre makes the trailblazer model visible, transparent, and accessible. Its results — the outcomes achieved in Greater Manchester, the West Midlands, and the other early adopters — are published through the National Learning Loop. Its methods are documented and made available to other regions. Its leaders are supported to share their experience with peers. The centre's role shifts from commander to enabler: it offers every region the opportunity to negotiate a deeper devolution deal, provides technical assistance and capacity-building support to those that wish to pursue one, and celebrates the successes that result.

Scaling by attraction is slower than scaling by mandate in the short term. It does not produce a dramatic political announcement or a uniform national framework. But it is far more durable. A region that chooses to pursue a deeper devolution deal after seeing it work in a neighbouring region is far more likely to implement it effectively, to invest in the necessary institutional capacity, and to persist through difficulties than a region that is ordered to adopt a new governance model by a circular from Whitehall. The immune system is not triggered, because the system is not being attacked. It is being offered an upgrade that it can evaluate on its own terms.

Over time, as more regions adopt the trailblazer model and adapt it to their own conditions, what began as an isolated experiment becomes a norm. The centre's role evolves from guardian of uniform national policy to coordinator of a diverse but coherent network. The governance architecture spreads not because Parliament decrees it but because enough regional actors have experienced its value that the old way of governing becomes harder to justify.

This is a theory of change that requires patience — perhaps the scarcest commodity in British politics. It asks Whitehall to tolerate diversity, to accept that some regions will move faster than others, and to resist the temptation to convert a successful trailblazer into a premature national mandate. These are not instinctive postures for a system shaped by decades of centralised control. But they are the postures of a system that wants to learn. And learning, in the end, is what the control-delivery mismatch most fundamentally obstructs.

The transition architecture described here — building on Greater Manchester, trailblazer deals as Trojan Horses, a National Learning Loop, scaling by attraction — is not a formula for painless transformation. Any significant shift in how the United Kingdom governs itself will generate resistance, contestation, and moments of visible failure. These mechanisms are not a way to avoid those responses. They are a way to work with them — to channel the UK's immense institutional talent into the slow, patient construction of a system that can align control with capacity.

The next section moves from architecture to action: the concrete first step — Trailblazer Regions 2.0, built on the Greater Manchester experiment and designed to demonstrate that a different way of governing is possible, practical, and superior to the centralise-fail-centralise loop that has held the country in its grip for so long.

6. A Concrete First Step: Trailblazer Regions 2.0, Built on Greater Manchester

6.1 The Logic of the Pilot

A framework without a first step is a thought experiment. The control-delivery alignment described in this report — distributed capacity, Treasury reform, translation layers, temporal redesign, an English governance settlement — cannot be built everywhere at once. Attempting to impose it nationally through a single Act of Parliament would be to commit the very error this report diagnoses: another grand design conceived in Whitehall, broadcast uniformly, and consumed by the centralise-fail-centralise loop before it has a chance to prove itself.

The wiser path is to begin with the institutions that have already demonstrated that alignment is possible — the combined authorities, and above all Greater Manchester — and to deepen, extend, and systematise their powers. This section proposes **Trailblazer Regions 2.0**: a networked set of combined authorities, anchored by Greater Manchester's proven model, granted structured experimentation authority, genuine fiscal autonomy, and the capacity-building support to translate their new powers into sustained improvements in the lives of their citizens.

The proposal is not speculative. It builds on the trailblazer devolution deals already negotiated with Greater Manchester and the West Midlands, on the accumulated evidence from a decade of combined authority governance, and on the emerging consensus — across both major parties — that deeper devolution is necessary. What has been missing is not the recognition that the current architecture is inadequate, but the willingness to grant local institutions the full suite of powers — fiscal, administrative, and democratic — that genuine alignment requires.

Trailblazer Regions 2.0 is not an alternative to the broader shifts described in this report. It is the experimental space where those shifts can be tested, refined, and demonstrated at a scale that is manageable, visible, and legitimate. It is the first step, not the final destination.

6.2 The Foundation: Greater Manchester's Quiet Revolution

Greater Manchester is not a theoretical model. It is a living experiment in place-based governance that has been running for over a decade. Its achievements are measurable, its limitations are documented, and its trajectory — from a negotiated devolution deal to an integrated health and social care system to a deepening fiscal settlement — provides the template for what Trailblazer Regions 2.0 would extend.

The integration of health and social care under a single budget and a single governance framework — unique in England — has produced outcomes that the centrally managed NHS struggles to replicate. Hospital discharge is faster. Emergency admissions are lower. Preventative services — community health, social prescribing, integrated care teams — have been strengthened precisely because the institution that funds them is also the institution that benefits from the reduced acute demand they produce. The financial logic that everywhere else in the English NHS separates the preventative from the acute, and systematically underfunds the former because its returns accrue to a different budget, has been partially overcome through structural integration. Greater Manchester has not solved every problem. But it has demonstrated that the control-delivery mismatch can be narrowed when control and delivery sit within the same accountable institution.

The directly elected mayor provides a visible, accountable leader with a mandate that no appointed official or Whitehall department can replicate. When something goes wrong in Greater Manchester's health system, citizens know whom to hold responsible — and the mayor knows that re-election depends on demonstrating results. This is the democratic logic of alignment: control placed where context is rich, matched with the capacity to act, and subject to the direct accountability of those affected by the outcomes.

Greater Manchester's limitations are equally instructive. Its fiscal autonomy, while greater than that of any other English combined authority, remains narrow by international standards. It cannot raise significant revenue independently. Its borrowing powers are constrained. Its ability to coordinate the full range of public services — from skills to justice to housing — remains partial, because key budgets and decision rights remain in Whitehall. It is a proof of concept, but it is an incomplete one.

The task of Trailblazer Regions 2.0 is to complete it — to give Greater Manchester, and the other combined authorities that follow, the full suite of institutional capacities that genuine control-delivery alignment requires.

6.3 Selection and Scope

The first cohort of Trailblazer Regions 2.0 should be selected not by central government picking winners, but through an open process in which combined authorities apply for deeper devolution settlements based on their demonstrated capacity and ambition. The selection criteria would be transparent, publicly justified, and designed to ensure that the pilot covers the diversity of English regional conditions.

Demonstrated governance capacity. The combined authority must have a track record of effective financial management, service delivery, and cross-sector coordination. This is not about rewarding the wealthiest or most advantaged regions. It is about ensuring that the institutions granted deeper powers have the capability to exercise them responsibly. Greater Manchester, the West Midlands, and the North of Tyne are obvious

candidates. But a combined authority in a less prosperous region that has built effective governance capacity through its existing devolution deal — the Liverpool City Region, South Yorkshire, or the Tees Valley, for example — would be equally eligible.

A credible integration plan. The combined authority must present a proposal for how it would use expanded powers to integrate health, social care, skills, housing, and economic development into a single governance framework. The plan must be specific, costed, and demonstrate understanding of the institutional challenges involved. It must include a workforce strategy, a data-sharing framework, and a public accountability mechanism.

Multi-partisan political commitment. The combined authority's member councils and elected mayor must demonstrate genuine, cross-party commitment to the deeper devolution settlement. The settlement must be durable enough to survive changes of political control — locally and nationally. If only one party supports the deal, its opponents will dismantle it when they gain power. The trailblazer must be owned by the region, not by a particular political faction.

Willingness to be evaluated transparently. The combined authority must commit to independent, public evaluation of its outcomes, with data shared openly and results published in accessible formats. The trailblazer is not a reward. It is a responsibility — to generate the evidence that will inform the next wave of devolution.

The first cohort should include at least three combined authorities: Greater Manchester as the anchor and most developed example; the West Midlands as a different regional economy with its own integration challenges; and at least one combined authority from a less prosperous region, where the contrast between the trailblazer model and the centralise-fail-centralise status quo will be most stark. This diversity ensures that the evidence generated is relevant to the full range of English conditions, not just to the most favourable cases.

6.4 Core Design Features

Each Trailblazer Region would negotiate a settlement tailored to its specific conditions, but all would share a set of core design features that embody the control-delivery alignment framework.

A single, integrated budget across health, social care, skills, housing, and economic development. The budget would be provided as a multi-year block grant, not as a collection of ring-fenced funding streams. The combined authority would have the freedom to allocate resources across policy domains according to local priorities, within a framework of agreed outcomes and minimum standards. This is the fiscal dimension of the alignment shift: resources follow needs, not Whitehall specifications.

Genuine revenue-raising authority. The combined authority would have the power to raise additional revenue — through a reformed council tax supplement, business rate retention, land value capture mechanisms, or new local taxes approved by referendum — to supplement the block grant. The democratic logic is straightforward: if citizens want better services, they should have the means to fund them, and their elected representatives should be accountable for the choice. The current system, in which local government is funded primarily through central grants, severs the link between spending decisions and democratic accountability. Restoring that link is essential to making devolution meaningful.

Integrated governance mandate. The combined authority would have the authority to coordinate the full range of public services within its territory — not just the services it directly funds, but also those delivered by NHS trusts, academy chains, further education colleges, and other public bodies that currently operate in separate institutional silos with separate lines of accountability to Whitehall. This does not mean abolishing those institutions or centralising them under the mayor's office. It means giving the combined authority the convening power, the data-sharing infrastructure, and the democratic mandate to align them around shared outcomes for the region.

A standing citizens' assembly. Each Trailblazer Region would establish a permanent deliberative body, composed of randomly selected citizens from across the region, with a formal role in shaping the region's priorities, scrutinising its performance, and building the public consent that long-term governance requires. The assembly would not replace the elected mayor or the combined authority board. It would supplement representative democracy with a mechanism for structured, informed public deliberation on the complex trade-offs that regional governance entails.

A dedicated capacity-building fund. Each Trailblazer Region would receive a specific, ring-fenced allocation for institutional capacity-building — recruitment, training, data infrastructure, analytical teams, and the administrative backbone that effective governance requires. This would be separate from the integrated block grant, precisely because it is the investment in institutional muscle that the Treasury Trap has systematically underfunded, and that must be protected from the pressure to divert resources to immediate service delivery. Devolution without capacity-building is abandonment. The fund ensures that capacity-building is not an afterthought but a core component of the trailblazer design.

Embedded independent evaluation. Each Trailblazer Region would be paired with an independent research consortium responsible for documenting its progress, evaluating its outcomes, and feeding findings back into the National Learning Loop. The evaluation would be formative — designed to help the region learn and adapt in real time — as well as summative. Results would be published openly, in accessible formats, creating a public evidence base for the devolution process as a whole.

6.5 Budget, Governance, and Legal Basis

Budget. The integrated block grant for each Trailblazer Region would be calculated based on an independently assessed formula reflecting population, deprivation, health needs, and economic conditions — not on the historical accident of which ring-fenced funds the region happened to secure. The total quantum would be comparable to the funding that the region currently receives through the fragmented, centrally managed streams that the block grant replaces, plus a premium to reflect the additional responsibilities and the transition costs of integration. The capacity-building fund would be a separate, protected allocation of approximately £50–100 million per region over the first five years. The total additional cost to the Exchequer would be modest — a fraction of the administrative overhead currently consumed by the competitive bidding and compliance processes that the trailblazer model replaces.

Governance. Each Trailblazer Region would be governed by its existing combined authority structures — the directly elected mayor and the council leaders — with enhanced powers, enhanced accountability, and enhanced transparency obligations. The centre's role would shift from day-to-day oversight to strategic partnership: negotiating the initial settlement, agreeing the outcomes framework, and providing the technical assistance and capacity-building support that the region needs to succeed.

Legal basis. The trailblazer settlements would be authorised through individual Acts of Parliament — as the existing devolution deals have been — with a general enabling framework established through a **Trailblazer Regions Act** that sets out the scope of permissible devolution, the accountability requirements, and the evaluation framework. The Act would include a sunset clause: after ten years, the trailblazer settlements would be reviewed, and the model would either be extended, reformed, or wound down based on the evidence generated. The temporary nature of the legal basis is politically protective; it assures sceptics that the experiment is bounded and reversible, while giving the experiments enough time to demonstrate results.

6.6 How to Measure Success

The Trailblazer Regions should be evaluated in terms that connect directly to the control-delivery mismatch diagnosis, not just to traditional output metrics.

Delivery fidelity measures the gap between what the trailblazer settlement intended and what was actually achieved. When a combined authority integrates health and social care, how much faster is hospital discharge, how much lower are emergency admissions, and how much more effective are preventative services compared to non-trailblazer regions with similar demographic profiles? The baseline would be established at the start of the pilot and tracked transparently over time.

Institutional capacity trajectories track whether the combined authority's administrative capability — workforce stability, analytical capacity, data infrastructure, cross-sector coordination — is strengthening or weakening. This would be measured through a combination of quantitative indicators (staff turnover, vacancy rates, training completion, data integration milestones) and qualitative assessments conducted by the independent evaluation partner. The capacity-building fund's effectiveness would be assessed against these trajectories.

Stress-distribution indicators measure the strength of the institutional buffers that prevent systemic stress from routing to individual nervous systems. Community cohesion, social isolation, access to green space, stability of housing, reliability of income, youth service provision — these are the upstream determinants of mental and physical health, and they are currently invisible to the metrics that drive policy. The Trailblazer Regions would pioneer their systematic measurement.

Democratic engagement measures whether citizens in the trailblazer regions feel more connected to the governance of their region — whether they know who their elected mayor is, whether they participate in the citizens' assembly, whether they trust the combined authority to act in their interests. This would be tracked through regular surveys and through analysis of turnout in mayoral elections.

Adoption by other regions is the ultimate metric of success. If the trailblazer model produces visible, credible results — shorter hospital stays, more effective preventative services, higher citizen trust — other combined authorities will want to adopt the same settlement. The rate at which this occurs, without central mandate, is the measure of whether scaling by attraction is working.

The evaluation would be published in accessible, visual formats — public dashboards, annual learning reports, peer exchange workshops — designed to make the trailblazers' experience legible to other regions, to central government, and to the public. Transparency is the engine of scaling by attraction. The more visible the learning, the harder it becomes for the centralise-fail-centralise loop to dismiss it.

The Trailblazer Regions are a proposal, not a demand. They do not require every combined authority to seek deeper powers simultaneously. They do not require Westminster to surrender sovereignty in the abstract. They require only that a few regions — anchored by Greater Manchester, diverse in their conditions, willing in their commitment — be given the genuine fiscal autonomy, the integrated governance mandate, and the capacity-building support to demonstrate that a different way of governing is possible. And they require that the rest of the country be given the opportunity to watch, learn, and, when the evidence is compelling, follow.

That is how Britain's most successful institutional innovations have always spread — not through grand constitutional design, but through the patient accumulation of demonstrated success, the quiet spread of what works from one region to another, and the gradual recognition that power placed where the problems are is power more effectively exercised than power hoarded at the centre.

7. Coda: From Centralising to Connecting

7.1 The Wealth That Matters

The United Kingdom is rich in sovereignty, in talent, in institutional tradition. Its civil service, for all its hollowing, remains one of the most capable in the world. Its universities are globally competitive. Its legal system is trusted internationally. Its armed forces and intelligence services are genuinely formidable. Its democratic culture, for all its adversarial excesses, retains the capacity for peaceful transfers of power, for the scrutiny of authority, and for the slow, stubborn insistence that government should be accountable to the governed.

These are not small things. They are the accumulated capital of centuries — the institutional legacy of a nation that built parliamentary democracy, the rule of law, and the welfare state, and that exported these innovations, for better and sometimes for worse, across much of the world.

But wealth, in the sense that matters for a polity's long-term flourishing, is not the stock of what has already been built. It is the capacity to build again — to sense what is emerging, to align what is fragmented, and to deliver what is promised. On that measure, the United Kingdom has been drawing on inherited capital for decades. Its governance architecture — the centralised sovereignty of Westminster, the hollowed-out periphery, the Treasury's short-term fiscal logic, the adversarial political culture that rewards visible action over invisible architecture — is progressively less capable of delivering the outcomes that British citizens have a right to expect.

The centralise-fail-centralise loop is the mechanism through which this depreciation occurs. Each iteration of the loop produces a slightly weaker periphery, a slightly more overloaded centre, and a slightly wider gap between what government announces and what citizens experience. The loop is stable. It will continue to produce the same pattern — bold central commitments, fragmented local delivery, declining outcomes, political pressure, further centralisation — until the architecture that generates it is changed.

7.2 The Shift

The shift this requires is subtle but profound. It is not a shift in resources, though resources will need to be allocated differently. It is not a shift in political will, though political will is necessary. It is a shift in how the United Kingdom understands the relationship between control and delivery — between where decisions are made and where the capacity to implement them actually lives.

For decades, the instinct of British governance has been that when a problem resists solution, the answer is more control from the centre: more targets, more oversight, more ring-fenced funds, more accountability structures that report back to Whitehall. This instinct is not irrational. It reflects a genuine commitment to national standards, to equal treatment, to the principle that a citizen in Blackpool should receive the same quality of public service as a citizen in Westminster. But it has produced the opposite of what it intends. The uniformity it imposes ignores the diversity of conditions in which policies must operate. The oversight it creates consumes the administrative capacity it was meant to ensure. The centralisation it pursues strips the periphery of the ability to deliver what the centre demands.

The alternative is not abandonment. It is alignment. It is a deliberate, sustained effort to close the gap between where control sits and where delivery happens — to place decision-making authority closer to the contexts it affects, to match that authority with the institutional capacity to act, and to hold local institutions accountable not for compliance with central targets but for the outcomes they achieve for the communities they serve.

This is not a departure from the British tradition of pragmatic governance. It is a return to it — a recognition that the institutions built by the post-war generation, from the NHS to the welfare state to the system of local government, were not designed to be managed from the centre. They were designed to be governed from the places they served. The centralisation that has occurred since is not a continuation of that tradition. It is an aberration from it — and one that can be corrected through the same pragmatic, evidence-based institutional craftsmanship that built the original institutions now under strain.

Greater Manchester has already shown that the correction is possible. A place-based, integrated, democratically accountable governance model can deliver outcomes that centrally managed fragmentation cannot match. The task is not to invent something new. It is to extend what already works.

7.3 The Series Meta-Pattern

This report is the final national case in a series that has spanned Germany, France, Sweden, India, and the European Union. An emerging pattern has become visible across all of them — a pattern that the United Kingdom both exemplifies and, in its specific way, completes.

Germany cannot execute. Its administrative machinery is fragmented by federalism, its permitting processes stretch to a decade, and its fiscal capacity cannot translate into physical outcomes at the speed its challenges demand.

France cannot integrate. Its hyper-centralised state can decide with impressive speed and intellectual clarity, but the connective tissue between national intention and local legitimacy is absent, and reforms repeatedly unravel on contact with the street.

Sweden cannot sense. Its high-trust, consensus-oriented model filters out disturbing signals until they have accumulated into crises that can no longer be ignored, and its institutions assume that disruptions will revert to a stable mean even when the mean itself has moved.

India cannot synchronise. It possesses extraordinary pockets of capacity, sensing, and democratic legitimacy — but it cannot align them across its vast scale, and the brilliance at its frontier does not pull the rest of the system forward.

The European Union cannot cohere. It agrees on shared intentions but cannot arrive together, in time, because its 27 sovereign members each retain the veto power to block, dilute, or delay the collective action that their interdependence demands.

And the United Kingdom cannot deliver. It concentrates control at the centre while starving the periphery of the capacity to act, and the resulting loop — centralise, fail, centralise again — produces a system that is perpetually active and perpetually ineffective.

Each is a different failure mode under complexity. But they share a common structure: the governance architecture was designed for a simpler version of the problem it is now facing. The aggregation that makes large-scale governance manageable — the centralisation of authority, the standardisation of policy, the compression of local knowledge into national averages — is the same aggregation that makes it unresponsive, blind, and disconnected from the distributed reality it governs.

This is not an argument against scale. Some problems genuinely require coordination at national, continental, or global levels. Climate change, financial stability, pandemic response — these cannot be governed by local institutions alone. The argument is not for fragmentation. It is for alignment: for the deliberate, architectural work of matching the scale of governance to the scale of the problem, of ensuring that control sits where the relevant knowledge lives, and of investing in the institutional capacity that makes control meaningful in practice.

The United Kingdom is the proof that even a sovereign, unitary state with high nominal control can fall into the same attractor state as more fragmented systems. Centralisation is not the solution to the failures of centralisation. It is the mechanism that produces them. The way out is not to centralise further but to distribute — to build the missing middle between Whitehall and the ground, to give local institutions the resources and the discretion to govern the places they know, and to trust that control placed where the problems are is control more effectively exercised than control hoarded at the centre.

7.4 A Final Word

Britain does not lack control. It lacks the ability to place control where reality actually is.

The centralise-fail-centralise loop is the accumulated consequence of decades of institutional choices, made under governments of both major parties, each individually defensible, each collectively producing an architecture that is progressively less capable of delivering what the British people have a right to expect. The loop is stable. It will not break on its own. But it is not eternal. The architecture can be rebuilt.

The raw materials are already present. Greater Manchester has demonstrated that place-based integration works. The combined authority model provides a constitutional foundation that can be deepened and extended. The trailblazer devolution deals have established the principle that different places can have different governance arrangements suited to their different needs. The National Learning Loop, the Treasury reforms, the temporal redesign, the capacity-building investments proposed in this report — these are not utopian abstractions. They are specific, incremental, achievable steps that build on institutions and experiments that already exist.

The question is not whether the UK is capable of governing more effectively. It is. The vaccine rollout demonstrated that when the institutional pathways are clear and the political will is aligned, the British state can act with speed and effectiveness that few of its peers can match. The question is whether that capability can be made the normal condition of British governance rather than the exception — whether the state that can deliver vaccines in a crisis can also deliver social care, mental health services, regional development, and the preventative social infrastructure that prevents crises from arising in the first place.

The answer depends on a choice. The choice is not between centralisation and fragmentation. It is between persisting with an architecture that concentrates control at the centre while starving the periphery of the capacity to deliver — and building an architecture that aligns control with capacity, that places power where the problems are, and that trusts the people closest to the ground to govern the places they know.

The centralise-fail-centralise loop is the product of the first choice. The trailblazer regions are the beginning of the second. The fragments of a more aligned architecture are already visible. The question is whether the United Kingdom has the confidence to build on them — not because the old model failed, but because the world it was built for has changed, and the architecture must change with it.

Britain has been muddling through for decades. It has served remarkably well, until it stopped serving. The problems have outgrown the institutions. The institutions can be rebuilt. The only question is whether the pragmatism that built them still has the courage to upgrade them.

Appendix A: Value Systems and Policy Mindsets — A Guide for the UK Context

A Note on This Appendix

The main body of this report avoids specialised terminology from developmental psychology or cultural theory. It speaks the language of governance architecture, control-delivery alignment, and institutional design. This appendix offers a complementary lens for readers who wish to understand the deeper value-system dynamics at play in British governance. It is optional, but it makes the report's underlying logic fully transparent.

A.1 The Basic Insight

Different institutions and political cultures tend to operate from different centres of gravity in how they think about governance, resources, and change. These are not personality types or party affiliations, though they correlate loosely with both. They are underlying value systems — ways of constructing what feels real, legitimate, and important.

Each value system represents a coherent response to particular life conditions. None is "better" in any absolute sense. Each has characteristic strengths that emerge under certain conditions and characteristic blind spots that emerge under others. The challenge of governance in a complex, multi-level system is to integrate the legitimate concerns of multiple value systems without being captured by any single one.

The framework used here draws on Spiral Dynamics integral theory. What follows is a simplified map of the systems most relevant to contemporary British governance.

A.2 The Value Systems in the British Arena

Order and Stability (sometimes called "Blue") — the Constitutional Order. In the UK context, this mindset expresses itself through the doctrine of parliamentary sovereignty, the rule of law, the civil service's tradition of political neutrality, and the deep respect for precedent and procedure that characterises British public administration. Strengths: institutional memory, procedural integrity, and a framework of rights and duties that has evolved over centuries. Blind spots: rigidity, a tendency to elevate process over outcome, and an instinct to preserve existing structures even when their function has degraded. The sovereignty reflex — the conviction that control means Westminster control — is an expression of this mindset operating without sufficient integration from others.

Achievement and Efficiency (sometimes called "Orange") — the Market and Managerial State. This mindset drives the UK's financial services sector, the entrepreneurial energy of London, the competition and consumer choice frameworks, and the managerial culture of targets, metrics, and performance management that reshaped the public sector from the 1980s onward. Strengths: innovation capacity, global competitiveness, and a results-oriented pragmatism. Blind spots: externalities that fall outside market metrics, inequality that growth does not automatically address, and a tendency to treat organisational efficiency as a substitute for systemic coherence. The Treasury's value-for-money framework and the visibility trap — both central to the control-delivery mismatch — are expressions of this mindset.

Inclusion and Care (sometimes called "Green") — the Welfare State Tradition. This mindset expresses itself through the NHS, the social care system, the commitment to universal public services, and the civil society organisations that advocate for marginalised communities. Strengths: empathy, solidarity, and a genuine commitment to ensuring that no one is left behind. Blind spots: consensus-dependency, difficulty with hard trade-offs, and a tendency to treat the expression of inclusive values as a substitute for achieved outcomes. The stress-distribution failure diagnosed in this report is partly a consequence of this mindset's institutions being systematically undermined by the managerial state's focus on efficiency over resilience.

Integrative and Systemic (sometimes called "Yellow") — the Alignment Architect. This mindset prioritises functional fit, systemic awareness, and the capacity to integrate multiple perspectives without being captured by any of them. Strengths: flexibility, whole-systems thinking, comfort with uncertainty and experimentation. Blind spots: can appear detached, overly intellectual, or politically unworkable to those operating from other mindsets. In the UK, this mindset is nascent — visible in the Greater Manchester devolution experiment, in the What Works Centres, and in the emerging discourse on place-based governance — but not yet institutionalised.

A.3 The Control-Delivery Mismatch as a Value-System Clash

The British governance system is dominated by the interplay of the first three mindsets. The constitutional Blue insists on parliamentary sovereignty and procedural integrity. The entrepreneurial Orange builds financial markets and managerial frameworks that reward efficiency and measurable returns. The caring Green demands universal public services and protection for the vulnerable. Each has made essential contributions to British governance. But the system lacks the integrative architecture that would allow them to cohere rather than collide.

The control-delivery mismatch is partly a product of Orange managerial logic (targets, ring-fenced funds, value-for-money frameworks) being applied to institutions that were built by Blue constitutional traditions and Green welfare commitments — without the Yellow integration capacity that would allow these different logics to work together. The Treasury Trap is an Orange framework that systematically undermines the Blue institutional integrity of local government and the Green preventative capacity of social infrastructure. The stress-distribution failure is the human cost of this unresolved clash.

The alignment architecture proposed in this report — distributed capacity, Treasury reform, translation layers, temporal redesign, the English settlement, outcome metrics, stress-distribution infrastructure — speaks to all three mindsets. It offers Orange measurable improvements in efficiency and innovation diffusion. It offers Blue enhanced institutional integrity and procedural coherence. It offers Green genuine investment in the social infrastructure that protects the vulnerable and the preventative services that reduce suffering. The Trailblazer Regions are the spaces where this integration can be attempted — not by imposing a "higher" mindset, but by building an architecture that honours the strengths of all three while compensating for their blind spots.

Appendix B: International Analogues and Precedents

The proposals in this report are not without precedent. The following examples illustrate existing implementations of alignment-oriented governance reforms across multiple countries.

B.1 Germany: Federalism and the Subsidiarity Principle

Germany's federal architecture distributes significant fiscal and administrative authority to the

Länder

and municipalities, providing a long-standing example of how a wealthy, complex democracy can govern through distributed capacity rather than centralised control. The German experience demonstrates both the strengths of subsidiarity — local adaptation, policy experimentation, robust implementation — and the risks of fragmentation when coordination mechanisms are weak. The UK's combined authority model, while operating within a unitary constitution, can learn from Germany's example of constitutionally protected local autonomy without replicating its coordination challenges.

B.2 France: Regional Reform and the Centralisation Trap

France's experience with territorial reform — the creation of

régions

, the slow and contested devolution of powers from Paris — provides a cautionary parallel. France, like the UK, has a strong centralist tradition, and its attempts to distribute authority have repeatedly been undermined by the sovereignty reflex and the political spectacle. The French case demonstrates that formal devolution without genuine fiscal autonomy and cultural acceptance of local decision-making is insufficient — a lesson directly relevant to the UK's incomplete devolution journey.

B.3 Sweden: Municipal Autonomy and the Competence Trap

Sweden's

kommuner

enjoy constitutional protection and significant fiscal autonomy, providing a model of local governance that the UK's combined authorities could, over time, approach. However, the companion report in this series on Sweden identifies a "competence trap" — the tendency of high-trust, high-capacity systems to suppress disturbing signals and delay adaptation. The UK's Trailblazer Regions should learn from Sweden's experience: autonomy is necessary but not sufficient; it must be paired with robust feedback mechanisms and a culture that tolerates experimentation and honest failure.

B.4 United States: Interstate Compacts and Treasury Parallels

The United States Constitution provides for interstate compacts — binding agreements between states that create shared governance arrangements for specific purposes such as water management, transportation, and environmental protection. The compact model demonstrates that sovereign jurisdictions can pool authority for functional purposes without sacrificing their constitutional identity — a relevant precedent for the Trailblazer Regions' integration of services across multiple local authorities. Additionally, the US federal government's experience with block grants — general-purpose funding allocated to states with broad discretion — provides a parallel to the shift from ring-fenced funds to integrated block grants proposed in this report.

B.5 Greater Manchester: The UK's Own Precedent

The most significant precedent for the Trailblazer Regions 2.0 proposal is the Greater Manchester devolution experiment itself — a functioning, decade-long demonstration that place-based integration of health, social care, skills, and economic development produces measurable improvements in outcomes. Greater Manchester is not an external analogy. It is a domestic proof of concept, and the transition architecture described in this report is built on its foundation.

Appendix C: The Governance as Engineering Connection

C.1 The Architectural Foundation

This report draws on a deeper body of work: the Governance as Engineering series, a set of formal analyses that model governance institutions as feedback control systems using standard mathematics from control theory, information theory, and cybernetics. The series is technical; this appendix summarises its core findings in non-technical language and shows how they underpin the control-delivery mismatch diagnosis.

C.2 The Five Papers in Brief

Paper I — Governance Stability Simulator demonstrates that centralised governance systems operating on aggregated signals destroy spatial information. A central controller observing only the national average cannot see which regions are in distress and which are stable. Its interventions are simultaneously too weak for the crisis locations and too disruptive for the healthy ones. This is the formal basis for the control-delivery mismatch: when Westminster designs policy based on national averages, it destroys the local information needed for differentiated implementation.

Paper II — Fractality as Stability demonstrates that no single-scale controller can stabilise a system facing simultaneous fast, medium, and slow disturbances. The only stable architecture is a fractal hierarchy of controllers matched to their disturbance timescales. This is the formal basis for the argument that the UK needs governance layers at the national, regional, and local levels, each handling what its latency and signal fidelity allow — rather than a single Westminster controller attempting to manage all frequencies simultaneously.

Paper III — The Observability-Democracy Connection demonstrates that citizen preferences cannot be reliably transmitted through representation chains deeper than two or three layers. The UK's representation chain — citizen to local councillor to MP to minister — is among the deeper in the democratic world, particularly for citizens whose local government has been hollowed out. This is the formal basis for the argument that placing control closer to citizens, through empowered combined authorities and citizens' assemblies, would improve the fidelity of democratic preference transmission.

Paper IV — Requisite Variety and the Commons demonstrates that governance systems with low-dimensional observation cannot stabilise high-variety resource systems. This is the formal basis for the stress-distribution failure: the UK's centralised governance system observes mental health through a narrow clinical lens (diagnoses, waiting times, treatment outcomes) while failing to observe the upstream social and economic conditions that generate mental distress. The variety of the problem exceeds the variety of the observation system.

Paper V — The Coordination Failure Tax demonstrates that the four failure modes do not add — they multiply. A governance system exhibiting all four simultaneously is categorically incapable of the functions it claims to perform. This is the formal basis for the urgency beneath the calm tone of this report: the centralise-fail-centralise loop is not a temporary phase but a compounding structural dynamic that will progressively deepen the gap between what the UK's government announces and what its citizens experience.

C.3 From Engineering Analysis to Institutional Design

The Governance as Engineering series provides the mathematical proof that the architectural constraints this report diagnoses are real and structural. The series does not prescribe specific institutional designs; it identifies the parameters that any viable design must satisfy.

This report translates those parameters into a concrete proposal for the UK: reduce the control-delivery mismatch by placing decision-making authority closer to the contexts it affects, increase observation dimensionality by measuring stress-distribution indicators alongside clinical outcomes, shorten the representation chain through empowered combined authorities and citizens' assemblies, and distribute governance authority across the scales at which disturbances actually occur. The Trailblazer Regions are the institutional expression of these engineering requirements. They are not the only possible design, but they are a design that satisfies the constraints the formal analysis identifies.

Appendix D: Anticipated Objections

D.1 "This is just another devolution argument. The UK already tried devolution and it didn't solve everything."

Devolution in the UK has been real but incomplete. Scotland, Wales, and Northern Ireland have genuine political autonomy, but English regions — containing 84% of the population — have received only the limited, negotiated powers of the combined authority model. More importantly, devolution has rarely been accompanied by the capacity-building investment, the fiscal autonomy, or the constitutional protection that would make it durable. The Trailblazer Regions 2.0 proposal is not "more devolution" in the abstract. It is a specific, evidence-based upgrade that addresses the conditions under which devolution succeeds: genuine fiscal autonomy, multi-year funding certainty, integrated governance mandates, and explicit investment in institutional capacity. Devolution without capacity rebuilding would simply relocate failure. The proposal ensures that capacity-building is not an afterthought.

D.2 "Doesn't this threaten the Union? Stronger English regions could undermine the United Kingdom."

The English Question — the absence of any democratic institution that represents England or its regions — is already a source of structural instability. Scotland, Wales, and Northern Ireland have governance institutions that give their populations a voice. England does not. The result is a lopsided Union in which English grievances are channelled through Westminster's overloaded machinery and can be exploited by those who would prefer to break the Union apart. Giving England's regions genuine governance capacity — through combined authorities with democratic legitimacy, fiscal autonomy, and the power to act — strengthens the Union by making it more coherent, not less. It addresses the legitimate demand for local control that, left unmet, becomes fuel for separatist movements.

D.3 "The Treasury will never agree to any of this."

The Treasury has already shown flexibility when political will and evidence align. The creation of the Office for Budget Responsibility, the negotiation of trailblazer devolution deals with Greater Manchester and the West Midlands, and the experimentation with outcome-based budgeting in some policy areas all represent departures from the Treasury's traditional operating logic. The reforms proposed in this report are not a demand for the Treasury to abandon its role. They are an invitation to the Treasury to fulfil it more effectively — by recognising that short-term, ring-fenced, compliance-heavy funding frameworks systematically undermine the institutional capacity on which effective public spending depends. The truly fiscally conservative position is to invest in the capacity that prevents crises, not to pay for crises after they have happened.

D.4 "Local government doesn't have the capacity to handle these responsibilities. This is just setting councils up to fail."

The capacity deficit in local government is real, and it is precisely what the Trailblazer Regions 2.0 proposal is designed to address. The proposal includes a dedicated capacity-building fund — protected from the pressure to divert resources to immediate service delivery — specifically to rebuild the institutional muscle that decades of centralisation have atrophied. It does not transfer responsibilities overnight. It transfers them in phases, matched to demonstrated capacity, with transparent evaluation and technical support. The alternative — continuing to load responsibilities onto local institutions without the resources or the discretion to meet them — is the status quo. That is what is setting councils up to fail. The proposal is designed to reverse that dynamic, not to accelerate it.

D.5 "The UK's problems are about money, not architecture. Just spend more."

The UK already spends heavily on public services, and it has increased spending on the NHS, on welfare, and on regional development through successive governments. The spending has produced real benefits. But it has not closed the gap between the centre's ambitions and the periphery's capacity to deliver, because the delivery architecture has been progressively hollowed out even as spending has increased. The control-delivery mismatch is not primarily a problem of resource scarcity. It is a problem of resource allocation — of how money is channelled to the front line, of how much is consumed by the bidding and compliance overheads of ring-fenced funds, of how little is invested in the institutional capacity that makes spending effective. More money without architectural reform would, at best, produce more of the same outcomes. Aligned architecture with existing resources would produce better outcomes. Aligned architecture with adequate resources would transform them.

D.6 "This sounds like a think tank report that will gather dust. What makes this different?"

The centralise-fail-centralise loop is itself the explanation for why good ideas don't get implemented. Reforms that would redistribute control away from the centre are precisely the reforms that the centre's immune system — the visibility trap, the sovereignty reflex, the Treasury orthodoxy — is configured to resist. This report does not pretend that the resistance can be overcome by the quality of its arguments alone. It proposes a transition architecture — Trailblazer Regions, scaling by attraction, a National Learning Loop — that is designed to build the evidence base for reform from the ground up, creating constituencies of support in the regions that benefit, and making the case for broader change through demonstrated success rather than central advocacy. That is how the most durable British institutional innovations have always spread. The report is not a demand. It is a field guide to the first step.

Appendix E: About the Author and Method

The Author

This report was written from a position of sustained comparative engagement with British governance, but not from within the UK's institutional core. The author is not a former minister, a senior civil servant, or an accredited expert on British public administration. The perspective offered here draws on a deep engagement with complexity science, developmental psychology, governance theory, and the comparative analysis of political systems across multiple continents — pursued with the conviction that the most valuable diagnoses sometimes come from outside the system being diagnosed, where questions can be asked that insiders have learned not to hear.

The distance from institutional power is both a limitation and a resource. It limits access to the granular, day-to-day texture of British policy-making. But it also enables a freedom of diagnosis that proximity to power often discourages. The report does not claim insider knowledge. It claims a coherent lens — one that may prove useful to those who do hold institutional positions and are searching for frameworks that make sense of what they are experiencing.

Feedback, criticism, and dialogue are welcomed. The argument is offered in the spirit of collaborative sense-making, not definitive pronouncement.

A Note on Method

This report was developed through a structured, multi-model synthesis process. Several large language models were engaged in parallel, each prompted to approach the UK's situation from its own angle. Their contributions were woven together and shaped by the author's own systems-thinking framework into the final argument. The AI served as a research partner and a perspective engine; the editorial judgment and the intellectual responsibility are entirely human.

This method is an experiment in cognitive amplification: using AI to facilitate analysis and to deliberately juxtapose multiple strategic intelligences, surfacing patterns and tensions that might otherwise remain invisible. The report is richer for that polyphony. It is also, like any work of synthesis, provisional. It makes no claim to finality. It claims only that the lens it offers merits testing against reality — and that the testing, in the end, is what matters most.

The Country Reports Series

This report is the sixth in a series of Country Reports for Systemic Change. The first examined Germany through the lens of an execution deficit. The second examined France through the lens of an integration deficit. The third examined Sweden through the lens of a feedback deficit. The fourth examined India

through the lens of a synchronisation deficit. The fifth examined the European Union through the lens of a coherence deficit. Together, the six reports form a global diagnostic framework covering the full spectrum of adaptive capacity: the inability to *execute*, *integrate*, *sense*, *synchronise*, *cohere*, and *deliver* — the six dimensions that determine whether governance systems can meet the complexity of the 21st century. The series does not claim to be complete. It claims to be a foundation on which further analysis, deeper testing, and better design can be built.