



University of Strathclyde
School of Government and Public Policy
European Policies Research Centre

UNCOVERING ACCOUNTABILITY IN DEVOLVED REGIONAL POLICY

**A comparative analysis of the evolution of European cohesion policy governance
and implementation in Tuscany and Scotland following devolution**

by

Laura Polverari

**A thesis presented in fulfilment of the requirements for the degree of
Doctor of Philosophy**

2011

This thesis is the result of the author's original research. It has been composed by the author and has not been previously submitted for examination which has led to the award of a degree. The copyright of this thesis belongs to the author under the terms of the United Kingdom Copyright Acts as qualified by the University of Strathclyde Regulation 3.50. Due acknowledgements must always be made of the use of any material contained in, or derived from, this thesis.

Signed:

Date:

ABSTRACT

The political and institutional context for accountability is in flux in many European countries. Radical changes have taken place in the allocation of powers and the constellation of actors involved in policy-making, characterised by the shift from ‘government’ to ‘governance’ and the multi-level nature of the latter. The period from the late 1990s to the early 2000s, in particular, has witnessed trends of decentralisation, deconcentration or devolution of competencies from the national levels to the sub-national levels in a variety of countries. These trends re-cast the subject, content and nature of accountability through new dynamics between decision-makers and decision-takers.

Implicit or explicit in many of the discussions about devolution is that by bringing the design and delivery of policy ‘closer to the people’, devolution increases policy accountability. This thesis puts this common assumption to the test, focusing on the implementation of European cohesion policy (ECP) in two meso-level territorial units with long-term experience in the implementation of this policy and with recent experience of devolution: Tuscany, in Italy, and Scotland, in the UK.

In doing so, the study also sheds new light on the concept of public accountability, allowing the derivation of important epistemological and methodological implications. Further issues and lines of inquiry, that had not been anticipated at the outset of the study, are also prospected but left to future investigation.

PREFACE AND ACKNOWLEDGEMENTS

I moved to Scotland in January 2000, at a time when the newly devolved Parliament and Executive were taking their first steps. Even though in my day job I was responsible for an entirely different area of research (Italian regional policy and the implementation of European cohesion policy), it immediately became clear to me that devolution in Scotland was a ‘big theme’, one that was close to the hearts of the Scottish people. At around pretty much the same time, some reforms were also passed in Italy that assigned more powers to the regional authorities, yet the political climate which led to the Italian reforms and the motivations behind them seemed to me to be considerably different. All of a sudden, virtually every political force in the Italian Parliament appeared to have embraced the devolution cause (with different, not always clear, understandings of what devolution should entail), and I was not sure that this move represented a response to real bottom-up demand from the majority of the Italian people. In what way would devolution in Italy represent an improvement, and what would the chances be for it to succeed, when many Italian regions were already struggling to deal with their existing responsibilities (as in the context of the implementation of cohesion policy)? It was in this context that, in starting to consider the possibility of undertaking a PhD, the idea emerged of assessing the change entailed by the devolution reforms on the way cohesion policy was being implemented. Narrowing down the research to cover the UK, particularly Scotland, and Italy was a natural choice.

Subsequently, and in discussions with my boss (who would also become my first supervisor), the idea emerged of linking this research to the accountability of cohesion policy. The concept of accountability intrigued me because it was quite new for me. It wasn’t a topic that I had covered in my political science studies back in the early/mid 1990s, nor was it a concept that I had encountered in my work as a policy-maker in the Italian administration. Accountability seemed to me to be a very meaningful notion, yet I could not think of an Italian equivalent and I was keen to learn more.

This is in brief how the research came about and although this choice of topic proved challenging – both because of the wide set of issues explored and because of the time that was needed for the reforms to have an impact on the policy-making processes – I still feel that I could not have picked a more interesting theme.

I have undertaken this PhD on a part-time basis, whilst working full time. This hasn't always been easy, and has required a lot of dedication and persistence. In this long journey, there have been a number of persons who have helped me in one form or another and I would like to thank them.

The first person who deserves a huge thank you is certainly my first supervisor (and boss) Professor John Bachtler. John followed this process from the formative stages to the end, including all the various ups and downs, and has been incredibly supportive, patient and, it goes without saying, helpful. I had to work hard to comply with his exacting standards and I am grateful for this. I am also grateful for the time he took to provide detailed feedback on my work in its numerous iterations. I know how hectic John's workload is and that he often had to read my drafts during weekends and evenings, and I am extremely appreciative of his commitment.

The second person that deserves a huge thank you is my second supervisor: Professor James Mitchell. James became involved in the process at a later stage, when the research was already underway, but his inputs have been essential to reinforce the quality of my work. I was touched by his dedication and I am very grateful for the constructive feedback and encouragement that I received from him. I have been very lucky with the quality of my supervisors and am very grateful for this.

I would like thank also Professor Douglas Yuill who has been my Head of Department for a number of years, up until summer 2010, and, in this role, has been incredibly supportive. I am sorry that I did not manage to complete the thesis before he retired last summer ... but I am sure that he will read it with great interest nevertheless!

A big thank you goes also to all the interviewees, in Italy, Scotland and in Brussels. They are all listed in the Annex and I want to thank them all for their time, openness

and for the precious information and views that they provided. They are all extremely busy people and I felt really privileged that they would speak to me. I am also particularly grateful to: Stefania Profeti, Associate Professor at Florence University, for sending me her unpublished PhD thesis (on the role of Italian regions in the implementation of cohesion policy) which was not just a precious source of information but also a model of what a truly excellent PhD thesis looks like; Professor Valeria Fargion, for allowing me to present the preliminary outcomes of the Tuscan case study at the 2009 Conference of the Italian Political Science Society (SISP, Panel 10.2 – Regions in Europe), as well as to all participants in the above panel for their helpful feedback, particularly Simona Piattoni, Professor at Trento University, who acted as discussant.

In addition to the official interviewees, my understanding of the Tuscan and, more generally, Italian system for implementing cohesion policy derives also from periodic conversations with Sabina De Luca, Head of the Structural Funds Division of the Department for Development and Economic Cohesion (Ministry of Economic Development), and Rossella Rusca, *dirigente* in the same department, and with Roberto Caioli (former Head of the ERDF programmes' Managing Authority/Secretariat), Daniela Doveri and Antonio Zollo (both officials in Regione Toscana with remit on the above programmes). I would like to thank them and also Lucia Cristofaro, from the Italian Evaluation Unit of Public Investments (Ministry of Economic Development), who sent me the data on Structural Funds allocations in Italy in the periods 1994-1999, 2000-2006 and 2007-2013.

The above is already a long list, but I could not omit thanking all of my colleagues at EPRC, all of whom gave me words of encouragement and, in some cases, also advice and who, more generally, rendered my life more pleasant by making EPRC such a great place to work in. A big thank you goes also to a former colleague, Dr. Katja Sarmiento-Mirwaldt, who read the whole semi-final draft of this thesis in the summer 2010 and provided useful feedback, and loads and loads of words of encouragement. I would also like to thank: David Paul for his help with some of the most complex diagrams (which he reproduced using Fireworks) and Alyson Ross, who sorted out a few stubborn formatting issues which I wasn't able to resolve. I am also grateful to

the European Policies Research Centre and the University of Strathclyde as institutions for making this research possible by waiving post-graduate degree course fees for members of staff.

It goes without saying that the completion of this work would not have been possible had it not been for the moral support I received from my family and friends. I have neglected all of my friends tremendously at times but, thankfully, they compensated by becoming themselves more 'proactive'. Beba, Ros and Fotoula were particularly supportive, and shared some of my joys and frustrations. On this last aspect I'd like to thank especially my sister Chiara who lives with me here in Glasgow and had to bear the costs of my extreme working patterns more than anyone else (not least taking up more than her fair share of household chores!).

Lastly, I would like to thank both my parents for being always and unreservedly encouraging about this project and, more generally, for a number of wider reasons. They are too many to mention but could perhaps be summarised with the fact that they have helped me become the person I am, having taught me important values and passed on a true passion for history, politics and civic engagement. Unfortunately, only one of them is here today to hear this thank you and it is for this reason that I dedicate this thesis, and all the hard work I put in it, to my father, as a credit to the fond memory that I have of him.

Laura Polverari, 31 January 2011

CONTENTS

List of tables.....	x
List of figures.....	xi
List of abbreviations.....	xii
1. INTRODUCTION.....	1
PART 1 – KEY CONCEPTS AND RESEARCH CASE.....	5
2. DEVOLUTION IN EUROPE.....	8
2.1 Devolution viewed from different perspectives.....	8
2.2 Drivers of devolved governance.....	14
2.3 Diverging views on devolution.....	15
3. DEVOLUTION AND EUROPEAN COHESION POLICY.....	24
4. DEVOLUTION AND ACCOUNTABILITY.....	33
4.1 The rise of the notion of public accountability.....	33
4.2 Accountability and changing forms of governance.....	36
4.3 Accountability in policy-making.....	44
4.4 Defining and theorising accountability.....	48
4.4.1 <i>Categorisations of accountability types</i>	51
4.4.2 <i>The tools of accountability</i>	59
4.4.3 <i>Accountability as a tool for performance</i>	61
4.5 Concluding remarks on accountability: implications for the present research.....	63
PART 2 - THE ANALYTICAL FRAMEWORK.....	66
5. A CRITICAL PERSPECTIVE ON THE LITERATURE REVIEWED: RESEARCH AGENDA.....	66
6. A HISTORICAL INSTITUTIONALIST APPROACH TO RESEARCH.....	72
7. THE ANALYTICAL FRAMEWORK.....	78
7.1 Adopting an operational definition of accountability.....	78
7.2 Focusing on the processes of the policy cycle.....	81
8. RESEARCH DESIGN.....	85
8.1 Comparative case study method.....	85
8.2 Defining the individual case studies.....	87
8.2.1 <i>Dependent and independent variables</i>	89
8.2.2 <i>Space and time</i>	91
8.2.3 <i>The research questions</i>	95
9. THE METHODOLOGY.....	98
9.1 Desk research.....	98
9.2 Field research.....	99
9.3 Methodological challenges.....	102

PART 3 – DEVOLUTION IN ITALY AND THE UNITED KINGDOM (SCOTLAND)	105
10. THE DEVOLUTION REFORMS IN ITALY	106
11. THE DEVOLUTION REFORMS IN THE UNITED KINGDOM (SCOTLAND).....	123
12. COMPARATIVE CONSIDERATIONS ON ITALIAN AND SCOTTISH DEVOLVED ARRANGEMENTS	136
PART 4 – EMPIRICAL RESEARCH	139
13. CASE STUDY 1: TUSCANY.....	139
13.1 Introduction.....	139
13.2 Changes in Tuscan governance following devolution.....	140
13.2.1 <i>The Tuscan ‘imprinting’</i>	142
13.2.2 <i>New dialectic between legislature and executive and within the executive</i>	151
13.2.3 <i>A new programming framework: operational, long-term, complex and (prospectively) territorialised</i>	156
13.2.4 <i>More emphasis on tools enhancing policy effectiveness</i>	161
13.2.5 <i>Evolving concertative tradition</i>	165
13.2.6 <i>An explicit attention to political minorities and the experimentation of participatory governance</i>	170
13.3 European cohesion policy support in Tuscany	175
13.4 Changes in management and implementation of European cohesion policy.....	180
13.4.1 <i>A different positioning of the ERDF programme in the regional programming system</i>	180
13.4.2 <i>A new approach to evaluation</i>	183
13.4.3 <i>An evolving role of the provincial authorities</i>	189
13.4.4 <i>Project appraisal and selection</i>	192
13.4.5 <i>Information and transparency</i>	193
13.5 Conclusions: devolution’s impact on the accountability of Tuscan European cohesion policy	196
13.5.1 <i>The impact of devolution on the different accountability types</i>	198
13.5.2 <i>Devolution a fundamental factor, but not the only one</i>	205
13.5.3 <i>Concluding case study assessment</i>	207
14. CASE STUDY 2: SCOTLAND	214
14.1 Introduction.....	214
14.2 Changes in Scottish governance following devolution.....	215
14.3 European cohesion policy support in Scotland.....	228
14.4 Changes in the management and implementation of European cohesion policy	242

14.4.1	<i>Systemic changes</i>	244
14.4.1.1	Increased parliamentary scrutiny.....	244
14.4.1.2	Centralisation of the policy process.....	250
14.4.1.3	More ministerial interest.....	261
14.4.1.4	Programme rationalisation.....	263
14.4.1.5	Subsuming European cohesion policy programmes under domestic policies	265
14.4.2	<i>Operational changes (organisation, management and delivery)</i>	267
14.4.2.1	Programme design	268
14.4.2.2	Project appraisal and selection.....	276
14.4.2.3	Monitoring and evaluation.....	285
14.4.2.4	Publicity and communication	290
14.5	Conclusions: devolution's impact on the accountability of Scottish European cohesion policy	291
14.5.1	<i>The impact of devolution on different accountability types</i>	293
14.5.2	<i>Devolution a fundamental factor, but not the only one</i>	297
14.5.3	<i>Concluding case study assessment</i>	299
PART 5: ASSESSMENT AND CONCLUSIONS		306
15.	Challenging the devolution better-accountability equation.....	306
16.	Empirical findings, inferences and explanations.....	310
17.	Theoretical considerations for the study of accountability.....	326
18.	Outlook	331
BIBLIOGRAPHY		342
18.1	Appendix to the bibliography - Website Directory	384
ANNEX I - LIST OF INTERVIEWS.....		386
Tuscany	386
Scotland	388
APPENDICES		390
Appendix I: Post-devolution changes		391
Appendix II: Causal factors		393
Appendix III: Meanings attributed to the word 'accountability' by interviewees.....		395

List of tables

Table 1: Literature ‘families’ and disciplines	6
Table 2: Difference between traditional federalism and devolution	13
Table 3: Evolution of Italian regional policy, 1950s to date.....	26
Table 4: Evolution of regional policy in the UK, from the 1930s to date.....	27
Table 5: The new regional policy paradigm	30
Table 6: Bertelsmann Foundation assessment of executive accountability in OECD Countries	47
Table 7: Romzek and Ingraham’s typology	55
Table 8: Bovens’ types of accountability.....	57
Table 9: The generic properties of successful/failed accountability: time x actors ...	58
Table 10: Exclusive and concurrent state competences.....	111
Table 11: Reserved and devolved matters	127
Table 12: The Italian and Scottish devolved systems: commonalities and differences	138
Table 13: Tuscan Presidents.....	143
Table 14: Structural Funds programme expenditure 1994-2013 (€ million) – ERDF programmes only.....	176
Table 15: Summary of changes detected and accountability implications	212
Table 16: Structural Funds programme expenditure 1994-2013 (£ million) - ERDF programmes only.....	232
Table 17 Scottish Parliament Inquiries, ongoing reviews, reports and papers on ECP 1999-2009	247
Table 18: Composition of the Scottish Structural Funds Forum (2003).....	256
Table 19: Comparison of composition of Programme Monitoring Committees – Objective 2 Eastern Scotland 2000-06 and RCE Lowlands and Uplands Scotland 2007-13 programmes	287
Table 20: Summary of changes detected and accountability implications	303
Table 21: Accountability impact of the changes observed in the period 1994-2009.....	317
Table 22: Post-devolution changes in Tuscan and Scottish governance and ECP management and implementation	391
Table 23: Causal factors for the changes observed in ECP design, management and implementation.....	393

List of figures

Figure 1: The processes of the programming cycle	83
Figure 2: The logical framework for case study investigation.....	88
Figure 3: Tuscan governance framework and accountability relations	150
Figure 4: Laws and regulations passed in the period 1995-2010 (laws) and 2000-2010 (regulations), i.e. in the VI, VII and VIII legislatures.....	154
Figure 5: The monitoring system for the Tuscan Regional Development Plan.....	162
Figure 6: Post-devolution Scottish governance framework and accountability relations.....	216
Figure 7: Boundaries of the Local Enterprise Companies and the Local Economic Fora	222
Figure 8: Scottish Council Areas	225
Figure 9: Overview of the Structural Funds process in 2000.....	238
Figure 10: Upstream and downstream ECP accountability (from a meso-level perspective) and wider accountability relationships	334

List of abbreviations

ANCI	<i>Associazione Nazionale Comuni Italiani</i> (National Association of Italian Municipalities)
SVIMEZ	<i>Associazione per lo sviluppo dell'industria nel Mezzogiorno</i> (Association for the development of industry in the Mezzogiorno)
CIPE	<i>Comitato Interministeriale per la Programmazione Economica</i> (Inter-ministerial Committee for Economic Programming)
CTP	<i>Comitato Tecnico della Programmazione</i> (Technical Programming Committee)
CEC	Commission of the European Communities
CPP	Community Planning Partnership
CSF	Community Support Framework
COSLA	Convention of Scottish Local Authorities
DPS	<i>Dipartimento per lo Sviluppo e la Coesione Economica, ex Dipartimento per le Politiche di Sviluppo e Coesione</i> (Department for Development and Economic Cohesion, formerly Department for Development and Cohesion Policies)
DTI	Department of Trade and Industry
DG	Directorate General
DAR	<i>Documento Attuativo Regionale</i> (Regional Implementation Document)
ESEP	Eastern Scotland European Partnership
EFPD	Economic Financial Programming Document (<i>Documento di Programmazione Economico Finanziaria, DPEF</i>)
EERC	European and External Relations Committee (of the Scottish Parliament)
ECP	European cohesion policy
COM	European Commission
EMU	European Monetary Union
EPRC	European Policies Research Centre
ERDF	European Regional Development Fund
EU	European Union
FAS	<i>Fondo Aree Sottoutilizzate</i> (Fund for Under-utilised Areas)
FDI	Foreign Direct Investments
FoI	Freedom of Information
HIE	Highlands and Island Enterprise
H&I	Highlands and Islands
HIPP	Highlands and Islands Partnership Programme
IRAP	<i>Imposta regionale sulle attività produttive</i> (Regional tax on productive activities)

IRPEF	<i>Imposta sul reddito delle persone fisiche</i> (Income tax for individuals)
IQ-Net	Improving the Quality of Structural Funds Programme Management Network
IDO	Integrated Development Operation
IAB	Intermediate Administration Bodies
IDB	Intermediate Delivery Body
IMF	International Monetary Fund
IGRUE	<i>Ispettorato Generale per i Rapporti finanziari con l'Unione Europea</i> (General Inspectorate for the financial Relations with the European Union)
IRPET	<i>Istituto Regionale Programmazione Economica della Toscana</i> (Regional Institute for Economic Programming of Tuscany)
UVAL	<i>Unità di Valutazione degli Investimenti Pubblici</i> (Public Investments' Evaluation Unit)
PASL	<i>Patto per lo Sviluppo Locale</i> (Local Development Pact)
LEF	Local Economic Forum
LEC	Local Enterprise Company
LUPS	Lowlands and Uplands Scotland
MA	Managing Authority
MEG	Monitoring and Evaluation Group
MEP	Member of the European Parliament
MP	Member of Parliament
MSP	Member of the Scottish Parliament
MTE	Mid-term evaluation
NHS	National Health Service
NCPI	National Programme of Community Interest
NSD	National Strategic Document
NPM	New Public Management
OP	Operational Programme
OECD	Organisation for Economic Cooperation and Development
PCI	<i>Partito Comunista Italiano</i> (Italian Communist Party)
GPB	Pound Sterling
PISL	<i>Progetti Integrati per lo Sviluppo Locale</i> (Integrated Local Development Projects)
PIUSS	<i>Progetti Integrati Urbani per lo Sviluppo Sostenibile</i> (Integrated Urban Projects for Sustainable Development)
PManC	Programme Management Committee
PME	Programme Management Executive
PMC	Programme Monitoring Committee
PC	Programme/Programming Complement
RCE	Regional Competitiveness and Employment
RDP	Regional Development Plan

	<i>(Programma Regionale di Sviluppo, PRS)</i>
RIP	Regional Integrated Projects <i>(Progetti Integrati Regionali, PIR)</i>
R&D&I	Research & Development and Innovation
SCO	Scotland
SCDI	Scottish Council for Development and Industry
SCVO	Scottish Council for Voluntary Organisations
SDA	Scottish Development Agency
SEPA	Scottish Environment Protection Agency
SNP	Scottish National Party
SO	Scottish Office
SPD	Single Programme/Programming Document
SME	Small and Medium Enterprise
S.c.a.r.l	Società consortile a responsabilità limitata
SoSEP	South of Scotland European Partnership
SDB	Strategic Delivery Body
SEA	Strategic Environmental Assessment
SEP	Strathclyde European Partnership
SWOT	Strengths Weaknesses Opportunities and Threats
SIGMA	Support for Improvement in Governance and Management
TOS	Tuscany
UNCEM	<i>Unione Nazionale Comuni Comunità Enti Montani</i> (National Union of Mountainous Municipalities and Communities)
UPI	<i>Unione Province Italiane</i> (Union of Italian Provinces)
UK	United Kingdom
US	United States of America
VAT	Value Added Tax
WWII	Second World War

‘La disperazione più grave che possa impadronirsi di una società è il dubbio che vivere onestamente sia inutile.’¹

Corrado Alvaro (quoted by Roberto Saviano in *La Repubblica*, 20 March 2010)

1. INTRODUCTION

The political and institutional context for accountability is in flux in many European countries. Radical changes have taken place in the allocation of powers and the constellation of actors involved in policy-making, characterised by the shift from ‘government’ to ‘governance’ and the multi-level nature of the latter. This potentially re-casts the subject, content and nature of accountability through new dynamics between decision-makers and decision-takers (Held, 2004). Italy and the UK, as countries illustrative of recent devolution processes (Keating, 2010 and 2009; Mitchell, 2009; Baldi and Baldini, 2008; Hopkin, 2008), provide a laboratory for investigating these dynamics. This thesis explores the effect of devolution on the accountability of European cohesion policy (ECP) in these two countries, through an investigation of the mechanisms of policy design, implementation and delivery.

The period from the late 1990s to the early 2000s has witnessed trends of decentralisation, deconcentration or devolution of competencies from the national to the sub-national levels in a variety of countries and in spheres that go well beyond regional development (Ventura, 2008; Pollitt and Bouckaert, 2007; O’Dwyer, 2006). Implicit or explicit in many of the discussions about devolution is that it brings the design and delivery of policy ‘closer to the people’, increasing accountability in terms of characteristics such as transparency, legitimacy and responsiveness.

¹ This sentence can be translated as follows: ‘the gravest desperation that can take hold of a society is the doubt that living honestly is useless’, Corrado Alvaro, quoted by Roberto Saviano, in *La Repubblica*, ‘Per un voto onesto servirebbe l’ONU’, 20 March 2010.

Accountability has thus become a topical theme in policy and academic debates over recent years.

In this context, a key question is whether the new, devolved institutional framework in which ECP operates is more or less conducive to accountability. There are several important issues here. First, although research on accountability is substantial, this has been found to be hampered by insufficient conceptual clarity (Mashaw, 2006), methodological rigour (Bovens, 2010) or empirical anchoring (Bovens, 2010). Second, whilst significant research has been carried out on the *modus operandi* and policy styles of the new, devolved institutions, and on the impact of devolution on policy innovation and divergence (Greer, 2001 and 2007; Keating, 2005 and 2010), not much research has been conducted specifically on the impact that devolution has had on public accountability. Third, the accountability of ECP remains relatively unaddressed. This topic has only seldom been investigated, and assessments have generally focused on the issues of partnership, inter-institutional relations (e.g. between EU, national and sub-national level) and additionality (Bachtler and Mendez, 2007; Bache, 2004; Rhodes, 2003; Svensson and Östhol, 2001), neglecting the processes through which regional policy is delivered – such as programme design, project selection, monitoring and evaluation – which have fundamental bearings on accountability. Lastly, whilst extensive research has been undertaken on the impact of EU developments on domestic policy-making (Europeanisation research), not much has focused on how domestic developments are affecting the implementation of EU policies, notably ECP.

The present research aims to explore the above topic. In so doing, it aims to shed light on the accountability of a public policy that, with its multi-level character, is in many respects distinctive from other public policies. **The main thesis is that devolution has had, and indeed continues to have, an impact on the nature of the accountability of ECP. The research aims to comprehend the full extent and scope of such impact and how it has occurred.**

The key questions that the research aims to address are therefore two-fold:

- *What* has been the impact of devolution on the accountability of ECP? And,

- *How* has the accountability of ECP been affected by devolution?

To answer these questions, three different sets of issues are explored:

- First, what have the devolution reforms entailed and how have they affected the way ECP is designed, managed and implemented? How have the reforms impacted on the types and roles of institutions and actors involved in the design, management and implementation of the policy?
- Second, what does the concept of accountability mean and how does it apply to ECP?
- Lastly, how has the accountability of ECP changed following devolution? How have the subjects and mechanisms of accountability changed in this policy following devolution? And, ultimately, has change enhanced or hindered the accountability of this policy?

In order to address these questions, the research takes a case-study approach, focusing on two territorial units with long-term experience of ECP implementation and which have experienced recent devolution: Tuscany, in Italy, and Scotland, in the UK. By concentrating on these two meso-levels, the study aims to establish and assess the changes that occurred to ECP design, management and implementation before and after devolution and their associated impact on accountability.

The research relies on an operational definition of accountability that could be applied consistently across the two case studies. As discussed in Chapter 4 – where the meaning of accountability is discussed and a critique of the existing literature on this topic is presented – accountability has multiple connotations, not least depending on the contexts in which it is used (Day and Klein, 1987; Oliver, 1991; Hogwood and McVicar, 1996; Mulgan, 2000 and 2003; Dubnick, 2002; Blackman and Ormston, 2005; Bovens, 2005, 2007 and 2010; Dowdle, 2006; Benz *et al*, 2007; Gregory, 2007). In addition, it is a concept that is more characteristic of the common law policy tradition of Scotland than of the ‘continental’ constitutional and administrative systems of Toscana (Ziller, 2001).

To overcome this lack of a common baseline, in reviewing the changing accountability of ECP in the two case studies, a definition of accountability is adopted based on a distinction between decision-makers and decision-takers (Held, 2004), and on three particular elements of the relationship between these two groups: first, the ability for stakeholders (the decision-takers) to have a say in the decisions that are taken, linked to an obligation for decision-makers to take into account such views and preferences; second, the obligation for decision-makers to give account of the actions taken and of the outcomes of such actions; and, third, the opportunity for decision-takers to express dissent, dissatisfaction and request changes to the course of action adopted (Mezlev, 2003), a precondition for which is the availability of relevant information. These key elements, which have been summarised as information, dialogue and rectification (Mulgan, 2003, p. 30), are explored in detail Sub-section 8.2.3 of this thesis.

This work comprises five parts: Part 1 explores the study's key concepts and illustrates the research case; Part 2 presents the analytical framework, utilising a historical institutionalist approach; Part 3 reviews the main characteristics of the devolution processes that have taken place in Italy and in the United Kingdom (with particular focus, in this latter case, on Scotland). The empirical research is presented and discussed in Part 4, which includes the two case studies; whilst the overall conclusions from the work are drawn in Part 5. The bibliography and list of interviewees are presented at the end of the thesis.

PART 1 – KEY CONCEPTS AND RESEARCH CASE

The starting point for the research was to conduct a comprehensive literature review to clarify the definitional and conceptual debates concerning the themes of devolution, ECP and accountability. Following the methodological approach recommended by Hart (1998), the key goals in undertaking the literature review on these three topics were as follows: to gather the key sources relating to these topics; to understand the origins and definitions of the themes, giving particular attention to the contested subject of accountability; to review the key theories, concepts and ideas on each topic; to develop a comprehensive picture of the main debated issues and the main standpoints on these issues; and to examine the main questions and problems addressed to date and identify gaps in the existing knowledge. The review was also used to generate ideas for the formulation of hypotheses and to define a heuristic approach to the research (Strauss and Corbin, 1991).

The research comprises three very specific topics, each of which can be linked to one or more ‘families of literature’ and related to a range of disciplines, as illustrated in Table 1:

- The topic of *devolution* is predominantly the subject of public law and constitutional studies, and regionalisation studies. In disciplinary terms, the investigation of devolution is generally undertaken in the fields of political science and public/constitutional law.
- The theme of *European cohesion policy* (ECP) can be linked to the literature on regional policy, a specific branch of economic development policy and economic policy more broadly. Depending on the perspectives from which this topic is approached, ECP can be the subject of research within a number of fields² and

² For instance, Europeanisation studies, multi-level governance and new modes of governance (when the focus is on the allocation of responsibilities and processes for the design, management and implementation of policy) or sectoral studies (such as employment policy, industrial/entrepreneurial development policy, environmental policy etc., when the focus is on the content and instruments employed).

lends itself well to cross-disciplinary investigation, ranging from economic geography and regional economics to political science and public policy.

- Lastly, the theme of *accountability* is primarily the subject of public administration, public sector reform, public/administrative law and public management studies, and it can be the focus, with different emphases, of a range of disciplines including political science, management studies and organisational sociology.

Table 1: Literature ‘families’ and disciplines

Topic	Literature of reference	Disciplines
Devolution	<ul style="list-style-type: none"> • Regionalisation • Multi-level governance • Europeanisation/European integration 	<ul style="list-style-type: none"> • Constitutional studies • Public law • Political science
ECP	<ul style="list-style-type: none"> • Regional policy/Economic development policy • Europeanisation/European integration • Multi-level governance/new modes of governance • Policy networks 	<ul style="list-style-type: none"> • Political science • Public policy • Economic geography • Regional economics • Organisational sociology
Accountability	<ul style="list-style-type: none"> • Public management/Public sector reform (e.g. New public management, good governance) • Public/Administrative law 	<ul style="list-style-type: none"> • Political science • Administrative sciences/public administration • Management studies • Organisational sociology

Source: own elaboration.

The wide scope and disjointed nature of the academic research to be reviewed and the cross-disciplinary nature of the research topics investigated rendered the literature review a complex and wide-ranging task. In addition, for ECP – with a view to obtaining a more comprehensive picture of the processes through which this policy is designed, managed and implemented – the research extended beyond the academic field to include policy studies, such as evaluations and commissioned reports, and policy documents, such as governmental strategies, policy papers, investment programmes and legislation, from both regional and national levels. Covering such a comprehensive range of sources necessitated a step-by-step approach.

As a starting point, a review of past research on the topic of accountability in public policy was conducted, so as to understand the fundamental characteristics of this concept that could be applied to the analysis of regional policy processes in the two selected case study regions (Chapter 4).

Second, it was necessary to understand the content, scope and process of devolution that had taken place in the two countries under investigation – placing them in the context of wider European trends – and to explore the specific links between this and the design and implementation of ECP. Policy documents in both Italy and the UK have sometimes referred to devolution as a key element of policy formulation and implementation – for example, the 2003 UK Regional Policy White Paper declared that ‘modern regional policy must be locally led, which means substantially devolved’ (HM Treasury *et al.*, 2003, iii) – but what this meant remained unexplained and thus the actual extent and mechanisms of this were unclear. To this end, a wide range of academic articles on constitutional change and devolution, as well as specific academic publications on devolution in the UK and Italy (and in Scotland and Tuscany), were reviewed. They are discussed in Chapters 2, 10, 11 and 12.

Lastly, the study deals with a specific, *niche* area of economic policy that is known as *regional policy*. In simple terms, regional policy is the sub-set of economic policy that focuses specifically on overcoming intra-national, regional disparities (and, since 1975, infra-European regional disparities). However, definitions of what constitutes regional policy vary (e.g. McCrone, 1969; Artobolevskiy, 1997; Keating, 1997; Yuill *et al.*, 1999; Leonardi, 2005) and the actual content of such policy has shifted significantly over the last few decades. Thus, to explore public accountability in this specific field, and to do so from a comparative perspective, it was necessary to adopt a clear-cut definition of regional policy that would be used to delimit the scope of analysis and ensure comparability between the two case studies. This led this thesis to focus on the strand of regional policy co-funded by the European Union, known as ECP. The reasons for this choice are discussed in detail in Chapter 3.

2. DEVOLUTION IN EUROPE

Simultaneously to the processes of decentralisation, deconcentration and devolution that have taken place over the past two decades in a number of EU member states, the investigation of the mechanisms and effects of such processes has gained prominence in academic research in recent years. Thus, at least since the beginning of the 1990s, the topic of devolution has attracted a considerable amount of interest in the European academic community, focused on the causalities, mechanisms, outcomes and possible future evolution of the new devolved settlements.

2.1 Devolution viewed from different perspectives

First, there has been increasing interest in the evolution of the *role and powers of the meso-level authorities* and on the modalities through which these have tackled the challenges thrown up by devolution. This is the case in so-called *regionalism* studies, e.g. by authors such as Jones (Jones *et al.*, 2005; Jones and Keating, 1995), Keating (Keating, 1995, 1997, 2005 and 2010; Keating and Loughlin, 1997) and Loughlin (e.g. Loughlin, 2000).³ One of the outputs of this strand of research is the differentiation of countries based on their degree of centralisation or regionalisation, categorisations that transcend the traditional dichotomy between unitary and federalist countries. Loughlin, in particular, distinguishes unitary states as either regionalised, decentralised or centralised (Loughlin, 2000, pp. 26-27). In his typology, *federal countries* are those where the regions have the right to participate in national policy decision-making, display wide-ranging legislative, fiscal and budgetary powers (which are placed in the hands of elected regional parliaments) and, often, have a certain degree of control over sub-regional authorities. He includes Austria, Belgium and Germany in this category. In *regionalised unitary states*, the regions also have elected representative bodies with legislative capacity but a more limited budgetary and/or fiscal power (this category includes Italy and the UK – with

³ It is not within the scope of this study to enter the debate on what is or should be the definition of ‘region’. For a critique on this topic, see Benneworth, Hardill, Baker and Budd, 2006.

the exception of England - alongside France and Spain). *Decentralised unitary states* are those countries where the regions, whilst often having elected assemblies, have more restricted political powers and limited budgetary powers based on substantial transfers from the central government and limited fiscal capacity (this category encompasses the Nordic Countries and the Netherlands). Lastly, *centralised unitary states* are those where even with a limited degree of administrative regionalisation, there are no political bodies or associated powers (i.e. no legislative, fiscal and budgetary powers – this is the case, in Loughlin’s categorisation, of England, Ireland and Portugal).

The validity of such approaches lies particularly in acknowledgement of the complexity of intra-state power relations and in the fact that even outside federal countries there is a varied degree of separation and integration of functions across levels of government, namely between regional and national tiers. For the purpose of the present research, a limitation of this approach is that it focuses predominantly on what Sharpe has called the ‘meso’ level of government in Europe (Sharpe, 1993; Keating and McEwen, 2005, p. 413), leaving aside the implications that the regionalisation process has for sub-regional entities. However, as illustrated in more detail in Part 2 of this thesis, an investigation of the effects of the devolution of regional policy cannot neglect the ways in which the transfer of policy-making competences affects the sub-regional tiers of government, as it is at this level that this policy is largely delivered.

Second, together with the investigation of the new role of the regional-level authorities, the *new role of the state as well as sub-state actors* has become a core area of investigation, particularly in studies on so-called *multi-level governance* (e.g. Bache, 1998 and 2004; Bache and Flinders, 2004; Gualini, 2004; Hooghe, 1998; Marks and Hooghe, 2004; Rhodes, 1996). Stemming from the acknowledgement that in most European countries a multi-tiered, networked and non-hierarchical form of power allocation has replaced the state-centred attribution of competences – a transition signified by the very replacement of the word government with

governance⁴ – this research strand investigates the new role of the state actor, no longer perceived as a regulating authority but rather as a gate-keeper/facilitator (Bache, 1998; Gualini, 2004, p. 38), and the complex set of interrelations between public and private authorities that the new, multi-level framework entails (e.g. Svensson and Östhol, 2001). ECP is a prime example of multi-level governance and indeed much of the multi-level governance literature stems from the analysis of this policy field. Since its introduction by Marks (Marks *et al.*, 1996), the concept of multi-level governance has become extremely popular – albeit not uncontested⁵ – and it has been adopted in the policy lexicon of EU institutions, not least the European Commission (CEC, 2000).

One benefit of this literature, as it applies to the field of ECP, is that it accounts for the complexity and variation of policy-making, overcoming the traditional hierarchical relations to encompass consideration of the role of a variety of vertical and horizontal actors, for example through the study of policy networks (e.g. Rhodes, 1996 and 2003; and with specific reference to ECP, Ansell, 2000). It has been noted, for instance, that there are two distinct forms of regionalisation: regionalisation resulting from a formal process of power attribution from the central state to the regions, and regionalisation resulting from increased importance of the regional territorial levels ‘as a consequence of the rise of the network economy’ (Svensson and Östhol, 2001, p. 26).

This strand of literature has been found to be particularly interesting for the present study, first, because of the frequent adoption of ECP as the field of investigation (e.g. Bache, 1999; Gualini, 2004; Piattoni, 2010) and, second, because of its focus on the sub-national tiers of government and on the roles of a variety of intra- and extra-governmental actors in policy-making and implementation (Rhodes, 2004). Consideration of the role of a broader group of actors, at a lower territorial scale, is

⁴ A useful definition of governance is the following: ‘the interaction between political institutions and civil society in the management of formal public policies ... that go[es] beyond the realm of the formal government institutions’ (Leonardi, 2005, pp. 13-14).

particularly crucial in a study such as the present one, which is focused on accountability and hence, as anticipated in the introduction, on the relationship established between policy-makers and policy-takers (Held, 2004); in a multi-level framework such as ECP, this assumes entirely new connotations.

Lastly, the *role of the European level* has also been an area of increasing investigation, especially in so-called *Europeanisation studies* (Börzel and Risse, 2000a, 2000b; Radaelli, 2000, 2001, and 2004; Green Cowles, Caporaso and Risse, 2001). Europeanisation studies look at the effects that European policies and legislation have on national policies and politics, considering both policy content and processes (Töller, 2004). The devolution of powers and responsibilities in the sphere of ECP is perhaps one of the main areas in which such effects are considered most apparent. However, as pointed out by Leonardi (2005, p. 17), a weakness of this approach is that it suggests that there is a full separation of the policy-formulation stage (at the European level) and its adaptation and integration in domestic policy processes (at national levels); whereas, if one looks at the field of ECP, the two levels interact at both stages to an extent that can make it difficult to separate the contributions of each level.

Whatever the orientation from which devolution is considered, the literature on the radical changes in the vertical attribution of policy competences that have taken place since the beginning of the 1990s in Western European countries is vast. To express it in the words of Keating and Loughlin, ‘the “regional question” is once again on the social science and political agendas in Europe and North America’ (Keating and Loughlin, 1997, p. 1).⁶

⁵ For instance by Keating, in his lecture on “The Territorialisation of Interest Representation in Europe”, EPRC, University of Strathclyde, 12 May 2010.

⁶ Evidence of the prominence of devolution in political and academic debates can be found in the fact that the British Economic and Social Research Council (ESRC) – the top UK funding agency for economic and social research – launched a research programme in 1999 on ‘Devolution and Constitutional Change’, with an investment of £4.7 million, generating a wide array of academic publications on this topic (e.g. Hardill *et al.*, 2006; *Regional Studies* volume 39, issue 4, 2005; Jones *et al.*, 2005).

It is important to clarify at this stage what is meant by the word ‘devolution’. Devolution refers to the process of ‘transformation of a unitary state’ (Keating, 2005b, p. 462) and involves ‘the transfer of power from a superior to an inferior political authority’ (Bogdanor, 1999, p. 2) ‘from the nation state downward to other units of government and governance’ (Jones *et al.*, 2005, p. 398). However, it does not equate with traditional federalism, because of the differences illustrated in Table 2 below.

The most important of these differences lies in the presence, in federal systems, of a written, rigid Constitution that defines the repartition of competences between federal and federated states (federation and federated units) and according to which the revision of such repartition is carried out with the involvement of the federated units (Groppi, 2009, p. 41). Further elements that distinguish a federal state from a unitary or devolved state are: (i) the faculty of the federated units to approve own constitutions (constitutional autonomy); (ii) the latter’s fiscal autonomy; (iii) the existence of a second chamber of Parliament representing the federated units (through which they participate in decisions over federal affairs); (iv) the residual attribution of competences not listed in the Constitution to the federated units; (v) the presence of a Supreme or Constitutional Court to redeem conflicts over competence attributions between the two levels; (vi) the ‘right of territory’ of the federated states, according to which the federal state cannot modify a federated state’s boundaries without its consent; and, lastly, (vi) the faculty of the federated units to sign international agreements (Ventura, 2008, pp. 7-26; and Groppi, 2009, p. 41).

Devolved states, on the contrary, generally entail an asymmetric distribution of competences and this is due to the piecemeal nature of the process of devolution (Jeffery, 2009), which is characterised by logics that differ from case to case (Mitchell, 2009, p. 6). These are normally embodied in bilateral agreements between the central state and the devolved units (Ventura, 2008).

In practice, the distinction between federal and devolved states is not always straightforward. Whilst the UK is the archetype of a devolved state, Italy – despite the popularity of the English word ‘devolution’ in this country in recent years (mainly thanks to the political rhetoric of the Northern League) – is more difficult to

categorise as either federal or devolved. This is because of the coexistence of elements that are typical of federal systems – notably, the definition of competences via a supreme, written and rigid Constitution; the existence of a Constitutional Court to settle controversies; the statutory autonomy of the regional authorities, and, in future, their fiscal autonomy – with features that are typical of devolved systems (particularly the lack of a federal chamber of Parliament). These and other characteristics inherited from the previous system, such as the important role acknowledged to sub-regional authorities, render the Italian system a hybrid, ‘polycentric system, founded on the principle of subsidiarity’ (Groppi, 2009, p. 44).

Table 2: Difference between traditional federalism and devolution

Traditional federalism (by association)	Devolution (new federalism by devolution)
Written, supreme and rigid constitution that codifies the competences reserved for the federal state, assigning residually all non-listed matters (symmetrically) to the federated unit (i.e. the ‘agreement that generated the new state’, Ventura, 2008). This constitution is above the constitutions and legislation of federated units, and it can be modified only with the involvement of both the federal and federated governments.	Generally, asymmetric attribution of competences to the different federated units due to: <ul style="list-style-type: none"> • bottom-up pressures from sub-national groups to see their diversities recognised in a diversified institutional asset and competences distribution (particularly in multi-national states such as the UK); • national-level willingness to preserve unity, in acknowledgement of national diversities; • bilateral negotiations between central and federated units; and • incremental and intermittent nature of devolution reforms (leaving room for the emergence of new asymmetries).
Constitutional autonomy of the federated units.	-
Fiscal autonomy of the federated units and fiscal policies based (nowadays) on substantial direct and indirect federal taxation and, for the federated units, a mix of local taxes and transfers from the centre.	Limited fiscal autonomy of federated administrations (though in the context of an upward trend).
A high/federal chamber representing the federalised units (on a basis of parity, as in US and Switzerland, or with overrepresentation of smaller units, as in Germany).	Partial or absent representation of federalised units (i.e. no federal chamber).
Federal competences listed in the Constitution, leaving residual competences for the federated units.	Competences attributed to the devolved units by bilateral agreements between central state and devolved institutions.
Supreme or Constitutional Court that resolves conflicts over the attribution of competencies between the two levels.	-
Impossibility for the federal state to modify the territorial boundaries of the federated units without their consent (‘territorial right’ of the federated state).	-
Faculty of the federated units to sign international agreements.	-

Source: own elaboration based on Ventura, 2008, pp. 7-26, and Groppi, 2009, p. 41.

2.2 Drivers of devolved governance

If one considers the drivers of devolved governance, three main factors can be identified as institutional, political and economic in nature. From an institutional perspective, the emergence of a European *modus operandi* and the introduction of the principle of subsidiarity with the 1992 Maastricht Treaty and 1993 Structural Funds regulations represented a turning point. The concept of subsidiarity is ambiguous in many respects (Jones and Keating, 1995, p. 294), but it vaguely implies ‘taking decisions as close as possible to the people affected’ (CEC, 1999, p. 12). In more practical terms, since the Structural Funds reforms of 1993 and 1999, this principle has been translated into a system whereby the implementation of ECP has been based on multi-annual programmes drawn up by national and regional state administrations, which are adopted by the European Commission after a process of negotiations.⁷

In this framework, the role of sub-national authorities – initially in the implementation and subsequently in the design of programmes – has steadily widened, broadening the range and number of institutions involved, changing the patterns of vertical interrelations between them, and determining ‘new sectoral and inter-sectoral dynamics’ (Balme, 1997, p. 72). The new policy-making and implementation practices matured through ECP have gradually spilled over to other domains of public policy, determining a regional differentiation of tailor-made strategies for economic development, increasingly linked to the perceived strengths and weaknesses of each region and the development of more routinised institutional cooperation patterns, both vertical and horizontal; it also developed an increasing emphasis on networking within and outwith the regions (Bachtler, 1997, pp. 86-87).

⁷ Until 2006, for the larger programmes, i.e. those of the so-called Objective 1, this has normally entailed a Community Support Framework (CSF) that outlined the strategic objectives of the funding and a series of sectoral or regional Operational Programmes (OPs) describing the detailed measures and delivery arrangements. For the smaller programmes, these two levels of programming were generally combined in a Single Programming Document (SPD) (Bachtler and Polverari, 2007, p. 110). The Structural Funds general regulation for the period 2007-13 reformed this architecture by introducing a single approach for all Member States, disregarding the financial entity of programmes and their eligibility, based on National

From a political perspective, the period starting in the late 1980s has been a phase of resurgence of political pressures for regionalisation and/or regional independence. This was certainly the case for Italy and the UK. In Italy, the political crisis of the 1990s, the corruption allegations over much of the leading political class and the so-called ‘clean hands’ investigations, went hand-in-hand with the affirmation of independence movements in the north and with the birth (and success) of the Lega Nord (Northern League) political party (Desideri, 1995; Gilbert, 1993). In Britain, the change of government in 1997 put the regionalisation question strongly onto the political agenda, when the Labour Party embraced devolution to the nations, not least in an attempt to appease more radical, independence pressures (for example, by the Scottish National Party) (Mitchell, 1998; Benneworth, 2006).

From an economic point of view, on the other hand, devolution was supported by the emergence of a new economic rationale based on endogenous development (OECD, 2003; Camagni, 2007) and the belief that devolving powers on economic matters to the regions would deliver an ‘economic dividend’ (Rodríguez-Pose and Sandall, 2008; Rodríguez Pose and Gill, 2005). Bottom-up policy started to be seen positively, in acknowledgement of the fact that ‘regional and local governments can harness detailed information on their detailed territories in order to design appropriate, innovative development strategies’ (Ferry, 2003, p. 2). This new economic *credo* suggested that the regions, not least to rise to the challenges of globalisation, would have to strengthen and exploit their existing assets and potentials, rather than rely on subsidies, a task that was increasingly considered to be more achievable at the regional level (OECD, 2003).

2.3 Diverging views on devolution

Notwithstanding the considerable academic interest in the topic of devolution, the literature is divided on whether devolution has led to innovative politics and policies

Strategic Reference documents and on a single tier of Operational Programmes (Regulation (CE) No.

(for instance, on whether devolution has increased policy divergence, see Bradbury and Mitchell, 2001; Keating, 2005b; Greer, 2001, 2004 and 2007; Greer and Jarman, 2008; Jeffery, 2005 and 2009; Mitchell 2009) and on whether the devolution of economic and regional development is actually conducive to achieving increased regional growth and convergence (e.g. Rodríguez-Pose and Ezcurra, 2010; Rodríguez Pose and Gill, 2004; Morgan, 2006). In this respect, it has been suggested that there is a variety of devolutions (from weaker to stronger forms) and that the different scope of powers of devolved governments each entail specific strengths and weaknesses (Cooke, 2003).

Authors such as Keating (2005b and 2010) and Mitchell (2009) underline some positive effects of devolution. With respect to Scotland, they underline that devolution has led to the adoption of innovative policies *vis-à-vis* the rest of the UK - e.g. the introduction of the no-smoking ban (subsequently followed by the rest of the UK), the abolition of upfront tuition fees for higher education students, the introduction of free long-term healthcare for the elderly and of a proportional electoral system for local elections (Keating, 2010) - and that it has contributed to restore the legitimacy of government at this level (Mitchell, 2009). Looking at devolution in the UK more generally, Keating, in discussing whether UK devolution has determined increased policy divergence across the 'Nations', argues that 'devolution may promote ... cycles of innovation, in which innovation produces divergence, followed by reconvergence on the new idea' (Keating 2005b, p. 462). This reconvergence, he observes, 'might be considered one of the greatest contributions of devolution, in encouraging experimentation and learning from best practice' (Keating, 2010, pp. 256-257).⁸ Another author goes to the extent of arguing that 'strong' devolution may stimulate imaginative and 'visionary' policy (Cooke, 2003).

1083/2006 of the Council, 11 July 2006).

⁸ Whilst at the same time also stressing that, because of the financing system foreseen by the Barnett formula, 'the main domestic policy actor within the United Kingdom is the government in London, which has usually set the agenda, with the devolved administrations obliged to react' (Keating, 2010, p. 257), and

In terms of processes, it has been emphasised that devolution has led to increased participation of marginal groups in policy-making. Hardill *et al.*, for example, argue that devolution in the UK has allowed for enhanced participation of women in social, political and economic life (Hardill, Gray and Benneworth, 2006). This view is echoed, with particular respect to Scotland, by Lord Steel of Aikwood, who has pointed to the positive impact that the more family-friendly working hours of Holyrood compared to Westminster have had on the number of women MSPs. Policy-making in Scotland has also been assessed as being more open to the public (Mitchell, 2009; Lord Steel of Aikwood, 2009; Thomson, 2009).

However, elements of criticism have not been lacking, be it against devolution or for more radical reforms. The main criticisms of devolution relate generally to policy coordination and direction, which are felt to be threatened by devolution. Policy coordination is increasingly considered a challenge in the current devolved UK system (Mitchell, 2009), linked to the piecemeal character of the devolution process in the UK (Jeffery, 2009). In this context, policy coordination is considered to have worked largely thanks to the same party governments that have ruled, until recently, at both UK and national levels, but with the anticipation that problems would arise once this condition fell, because of a lack of effective mechanisms for intergovernmental collaboration (Mitchell, 2008). This is a particularly crucial issue for regional policy, where policies implemented in one region are bound to have consequences for others (Armstrong and Taylor, 2000; Rordriguez-Pose and Gill, 2005).

This issue of the spillover consequences of devolution outwith the devolved nations also has relevance beyond the confines of regional development. According to Mitchell (2006b), the question of legitimacy is a case in point. He observes that whilst the devolution reforms were introduced to tackle legitimacy issues in the UK nations and have been largely successful in doing so, at least in Scotland and Wales,

that on the whole ‘devolution has not sparked off the policy innovation that might have been expected’ (Keating, 2010, p. 258).

‘restoring legitimacy in the components of the UK has created new problems of legitimacy in the UK as a whole’ (Mitchell, 2006b).

Policy efficiency is also an element of concern, for example linked to the issue of the multiplication and repetition of tasks or to the supposed inadequacy of regional capabilities (a contested issue in Italy, as emphasised by the debate on the number of National Operational Programmes to be established for the period 2007-13) (Polverari *et al.*, 2006). As noted by Pike and Tomaney, “‘devo sceptics’ point to additional bureaucracy and costs, the incoherence or irrelevancy of the regional level and the need for a strong redistributive centre’ (Pike and Tomaney, 2004, p. 2091).

Similarly, in 2001, Lovering predicated that as devolution was being rolled out, some of its shortcomings were becoming increasingly evident, for example the perception of unfair treatment across regions, the consolidation of regional élites, the reproduction of top-down mechanisms from the region down, the creation of ‘market-oriented’ regional identities, and the concentration of power and of material and immaterial advantages in the regional capitals (Lovering, 2001, p. 349).

Scepticism on devolution is not confined to the political and academic spheres: it has been noticed how ‘historically, various business interests in Britain have tended to view devolution as something of a threat’, for example linked to fears of increased public spending, associated with the costs entailed by devolution and the potential duplication of public action, as well as concerns of a decline of public sector efficiency (Valler and Wood, 2004, p. 1841), allowing for a more neutral stance only once it becomes clear that accepting devolution is inevitable.⁹

Looking at devolution from the perspective of regional policy, some scholars have argued that devolution and devolved regional policy would be detrimental to the goal of assisting disadvantaged territories within a country and, related, to territorial equity. In the UK, Morgan (2006) criticises both the regional policy approach

⁹ See also Nicholson M. (2000, May 8) Companies begin to accept government from Edinburgh. *The Financial Times*, p. 2.

pursued in post-devolution UK by New Labour – centred on the goal of growth within the regions, but not accompanied by a significantly positive discrimination for less developed territories in terms of spending allocations – and the not-needs-based mechanisms through which public expenditure is allocated to the different nations. He argues that this approach would ‘do little or nothing to redress the territorial inequalities at the heart of the North-South divide’ (Morgan, 2006). Along similar lines, Amin *et al.* develop the argument that devolution is not sufficient to defeat regional inequalities:

*Though the promise looks impressive, devolution alone will not help to tackle regional inequality, because it will leave untouched the spatial grammar of politics – the pull of London and its elite – that has sustained this inequality. It will not give the regions a say on national affairs (or indeed over other regions), it will not secure regionalisation of national institutions, it will not in itself engender a fairer allocation of national capabilities and resources, it will not challenge the embedded power of the South, it will not alone ensure better guardianship of the local economy, and it might actually divert attention from the imperative of a dispersed national polity [...]. Devolution’s logic of government of the regions by the regions – if that is all that happens – keeps intact the logic of government of national affairs from London (Amin *et al.*, 2003, pp. 33-34).*

As discussed in Chapter 3, with respect to regional policy, the dominant economic paradigm has until recently been one that sees regional-level policy design and implementation conducive to regional growth and catching-up, because it allows the regions to exploit their ‘territorial capital’ (OECD, 2003; Camagni, 2007; see also Zonnenveld and Waterhout, 2005, and Waterhout, 2007).¹⁰ However, Amin *et al.* (2003) are not alone in contesting the link between regional convergence and devolved government. Economic evidence on the relationship between devolution and regional convergence is provided by Rodríguez-Pose and Gill (2004), who conducted research on the evolution of regional disparities and decentralisation processes in a number of countries across the world (namely Brazil, China, India, Mexico, Spain and the US). They argue that notwithstanding the many benefits

¹⁰ In the UK, this is set to change following the election of a new Government. The announced abolition of the Regional Development Agencies in England is a sign of more reforms to come.

delivered by devolution on a political, social and even economic level, the empirical evidence gathered throughout their analysis leads them to reject any causal link between devolution and territorial equity, observing that, in the countries investigated, devolution has contributed to maintain and even worsen existing disparities, suggesting that territorial disparities would be reduced only with ‘substantial inter-territorial fiscal equalisation systems’ (Rodríguez-Pose and Gill, 2004, p. 2115). In a more recent work, Rodríguez-Pose and Ezcurra (2010) find no correlation between devolution and the evolution of regional disparities, and instead they identify a country’s level of development, infra-national disparity and fiscal redistribution as determinant factors.

Another criticism is presented by Fothergill who, in his comprehensive and detailed critique of UK regional policy, argues that the new regional policy approach of the UK, which prioritises devolved decision-making within a common framework of rules and goals, could *de facto* be penalising less prosperous regions. He observes that in treating all regions in the same way, based on the assumption that local players are better able to deliver regional development than so far has been the case under national leadership, devolution risks undermining territorial equity, as

[i]t is hard to see how the UK’s weakest regions can be expected to catch up economically with the stronger regions without a major element of positive discrimination in their favour. ... The roots of the desire to decentralize are entirely laudable. ... There is however a potential confusion of purpose. ... Crucially, if the five drivers of productivity were to be pursued with equal vigour in all regions, this would not really be a ‘regional’ policy at all (Fothergill, 2005, p. 665).

This reasoning is much in line with Morgan’s, who also highlights that this regional policy rationale has led to the perverse effect that each English region ‘planned to grow faster than the national average – a statistical impossibility’ (Morgan, 2006, p. 202).

Similar concerns about the impact that devolution is likely to have on regional convergence can be found in the Italian literature. Cassese, for example, emphasises how the federalist reforms debated in Italy in the early 2000s – aiming to attribute increased competences to the regions over health, education and policing – were

clearly and explicitly the expression of a political force that opposes the south of the country and that ‘uses federalism in an anti-South key’ (Cassese, 2004, p. 996) [own translation from Italian]¹¹. Similarly critical views can be found in a range of publications by SVIMEZ, the prestigious research institute on the development of the Mezzogiorno (e.g. SVIMEZ, 2001a, pp. 456-468; Moro, 2002, pp. 737-744; Padovani, 2003, pp. 43-46). SVIMEZ voiced strong concern over the dual relationship that the constitutional reform of 2001 envisaged, for example with respect to the fiscal federalism introduced to fund health policy, where strong and weak regions are competing, leaving no equalisation scope for the central state (SVIMEZ, 2001a, p. 464). Another Italian scholar, La Spina, also emphasises that the regionalisation introduced by the reform of Title V of the Italian Constitution in 2001 may prove harmful to the economic development of the most disadvantaged regions, as they may be forced to operate to even-out pre-existing budget deficits (potentially through introducing local taxes) to the detriment of both public and private development investments (La Spina, 2003, pp. 355-356). This, added to the alleged ‘myopia’ of the leading, local political class – and its preference for short-term, vote-inducing measures over longer-term development investments – and to the inefficiency of local bureaucracy, leads him to consider that

to assign the mission of development promotion solely to the choice of a federalism which is ‘competition-based’ and ‘with no safety net’, exposes the South over the medium term to the further worsening of internal disequilibria which are not always positive, and at the very least makes the achievement of the desired objective uncertain, at the same time shifting it to a future so far ahead and undefined, that makes [this policy] incompatible with the stated objective of overcoming the gap in a contained time-frame (La Spina, 2003, p. 258).

Leaving aside the diverging views on the merits and demerits, strengths and weaknesses of devolution, both per se and as a mechanism for territorial development, the literature reviewed also presents mixed – often implicit – views regarding the linkages between devolution and accountability. If one considers the

¹¹ This quote and all other quotes from Italian sources that are presented in subsequent parts of this thesis were translated by the author unless otherwise stated.

definition of accountability proposed in the introduction, there are a number of points that arise in the literature that support the thesis that devolution should deliver increased accountability. Boccia *et al.*, in their critique of ECP implementation in Italian regions, argue that nowadays policy-making for economic development entails the elaboration of development needs and ideas emerging from the ‘territory’, the transformation of these into viable projects, and the identification of financing sources (Boccia *et al.*, 2003, p. 102). The ‘territory’, intended as the plurality of actors (institutions, interest groups and stakeholders) that operate in a locality, becomes core to this new policy-making method. At the same time, this results in a diminution of the role of the central state and of public institutions in the management of the economy, as well as an increase in the weight of the regions, which now address new coordination (of the actors operating in each territory) and stimulus functions (of new ideas).

A similar emphasis on the closer linkages between policy-makers and policy-takers can be found in studies on devolution in the UK. Investigations into Scottish devolution emphasise that the process has shifted influence not just vertically (from the level of the Union and that of the Scottish Government), but also horizontally, creating a more open Scottish legislative system than prevails at UK level (Keating, 2004). Similar studies on devolution in Wales underline how the creation of a regional Parliament and new institutional forms such as the Partnership Councils allow for more active involvement of local governments and interest groups in policy-making (Loughlin and Sykes, 2004).

Along similar lines, other authors have emphasised how devolution can have an impact on the participation of key, albeit generally marginalised, groups in social, economic and political life. As noted above, Hardill *et al.* argue that devolution has had a positive effect on women’s participation in politics in all devolved nations, as the proximity of the new institutions allows them to balance political and family commitments, because political processes are less adversarial at regional/local level (often based on committee structures), or because of the more local nature of women’s networks and the opportunities to mobilise them at a regional level (Hardill *et al.*, 2006).

However, one might add, being involved does not necessarily mean being heard, as a recent study has shown, particularly regarding the application of the partnership principle in the ECP of fourteen EU member states (Polverari and Michie, 2010; 2009). Other authors are thus more cautious and note, for example, that in Scotland whilst the creation of a national Parliament has increased the scrutiny of the Executive, ‘the extent to which this ... has been effective in terms of improving accountability is less certain’ (Mitchell, 2004, p. 39).

On the whole, the literature reviewed suggests that the most fundamental change that has been delivered by devolution in Scotland, as far as accountability is concerned, relates to an increase in ‘political accountability’ (defined subsequently in this thesis in Sub-section 8.2.1). Keating, for instance, observes that

Scottish politics is transparent as never before, politicians are accountable and they face much more intense political competition than those in Westminster. This no doubt enhances the quality of democracy and is another advance on before (Keating, 2010, p. 260).

This view is echoed by Mitchell, according to whom

Devolution’s most significant impact has been in terms of representative democracy. The lack of legitimacy that marked the years before devolution was restored, and the transition was remarkably smooth (Mitchell, 2009, p. 141).

The present research aims to contribute to this debate, focusing in particular on a specific policy: ECP. Before this, however, the next section summarises the main characteristics that differentiate this policy from other public, notably sectoral, policies, which might have important implications for accountability and the study of it in this policy.

3. DEVOLUTION AND EUROPEAN COHESION POLICY

The subject of this research is regional policy, in particular the strand of regional policy that is implemented in European Union member states and regions with the support of the EU Structural Funds, nowadays referred to as ECP. Whilst definitions of regional policy vary (McCrone, 1969; Artobolevskiy, 1997; Keating, 1997; Bache, 1999; Armstrong and Taylor, 2000; Bachtler, 2001; Leonardi, 2005), the delimitation of what constitutes ECP – at least as far as the operation of the policy is concerned – is rather straightforward, thanks to the easily identifiable discriminating element represented by the co-financing from the European Union's budget (the European Structural Funds and Cohesion Fund).

As illustrated in Table 3 and Table 4, both Italy and the UK have a long-standing regional policy tradition,¹² but in both countries regional policy was radically overhauled following the introduction of ECP. This led to the introduction of new development goals, types of intervention, spatial orientation, policy instruments and an altogether new method for policy implementation. So, what is ECP and what are

¹² In Italy, although some forms of equalisation measures were already introduced by the liberal governments of the post-unification period and in the fascist period, a proper regional policy came to the fore only with the reconstruction following the Second World War and the significant resources coming from the Marshall Plan, launched in June 1947. These led to the creation, in 1950, of a special agency modelled on the American Tennessee Valley Authority – the *Cassa per il Mezzogiorno*, later denominated *Agenzia per il Mezzogiorno* – with the exclusive task of planning and implementing large-scale investments for the development of the underdeveloped South of Italy (La Spina, 2003; Yuill *et al.*, 1999). Here, in other words, and until the beginning of the 1990s, the focus of policy was on a single lagging macro-region (the Mezzogiorno), the goal being its convergence with the rest of the country. The exclusive instruments and resources (the Cassa and its finances) devoted to this task were not available to the remainder of the Country. In the United Kingdom, on the other hand, a forerunner of regional policy was the creation, in 1928, of the Industrial Transference Board, which had the task of re-training and moving workers from areas in decline to areas with growing industries. It was only after the 1929 crisis that a proper regional policy was inaugurated, namely with the 1934 Special Areas Act – which designated four areas of high unemployment and industrial decline for special assistance: South Wales, North East England, West Cumberland and Clydeside/North Lanarkshire in Scotland – and the creation, in 1936 by the Bank of England, of the Special Area Reconstruction Association (McCrone, 1968). After the war, the support for (re-designated) special areas was continued with financial incentives to locate in these regions and development constraints imposed on London. Regional policy in the UK continued broadly along these lines until the beginning of the 1980s when it stalled, before picking up again around a decade later, but with a changed emphasis (bottom-up regional development strategies) (Yuill *et al.*, 1999; Bachtler, 2001).

its distinctive characteristics compared to the domestic policies implemented in the two countries under review?

Table 3: Evolution of Italian regional policy, 1950s to date

1950 to early Nineties <i>Special intervention for the Mezzogiorno</i>	Early/late 1990s <i>Ordinary intervention for 'depressed areas'</i>	2000 - 2006 <i>New regional policy paradigm ('valorisation' of underexploited potential)</i>	2007-13 <i>'Unitary' regional policy</i>
Policy Objectives			
<p>Equalisation (exogenous approach) Socio-economic re-balance and development of the Mezzogiorno, to be implemented through large-scale, additional interventions for the promotion, strengthening and development of productive activities, infrastructure and services for the productive system in order to guarantee employment, especially of youths (art 1, law 651/1983). Focus is on the creation of artificial development poles (<i>nuclei di sviluppo industriale</i> and similar).</p>	<p>Retained the objective of equalisation (exogenous approach) Create employment and attract inward investments by providing grants to industrial firms for investment projects in the so-called 'depressed areas', characterised by transparent and open selection procedures and certainty of timing.</p>	<p>To overcome market failures and develop the competitiveness of firms and territories (endogenous approach). To create the conditions for closing the relative gap of the southern economy by improving the economic, social and environmental context of the Mezzogiorno, activating a development process aimed at the attraction of mobile (private) resources and at the full exploitation of endogenous resources. Employment creation and tackling social disadvantage (2000-06 CSF). Renewed emphasis on the Mezzogiorno and on infrastructure, including intangible. Commitment to gradual reduction of incentives and more selectivity/targeting of remaining ones; implementation of interventions integrated in territorial systems (e.g. integrated territorial programmes/local development projects).</p>	<p>2007-2013 National Strategic Document launches a new 'unitary regional policy' that merges both strands of regional policy - EU and domestic (recently hampered by budget cuts) - into a single, 7-year strategic framework. Endogenous, place-based approach retained, with territorial emphasis on the Mezzogiorno, for which 85% of the domestic fund for regional development is reserved (intended as wider than the areas eligible to the Convergence Objective of Cohesion policy). New devolved context implies different national role: coordination and overview to avoid interregional competitiveness and divergence of orientation of policies.</p>
Main policy instruments			
<p>Main instruments: very large subsidies for large infrastructure projects and provision of utilities; incentives for mobile investments attraction; programming contracts and incentives for young entrepreneurs (both introduced 1986).</p>	<p>Main instruments: incentives to firms for productive investments, both as capital grants (Law no. 488/1992, implemented since 1986) and fiscal concessions (Law no. 341/1995); programming contracts maintained and incentives for young entrepreneurs updated (Law no. 95/1995 and Law no. 236/1993).</p>	<p>More targeting of incentives: Law no. 488/92 extended to tourism, commerce and handicraft, and reformed to respond to local priorities; Integrated Aids Package (PIA) introduced to integrate grants for investments with support for RTDI, training and networking (Objective 1). National and regional schemes for RTDI, financial engineering, young entrepreneurs etc. 2000-06 CSF: integrated mix of interventions for creating the conditions for the endogenous development of the Mezzogiorno. Strengthening of 'negotiated programming' (Programming Contracts, plus newly established Territorial Pacts and Area Contracts).</p>	<p>Restrictive fiscal policies and public finance constraints entail a reduction (and even suspension for some) in the use of incentives: focus on large-scale industrial grants (the Industrial Innovation Projects) and on smaller-scale fiscal concessions (the fiscal concessions for investments and employment creation, and of new incentives for urban free zones and others). Resource availability problems and delays with approvals of implementation procedures, however, mark a delay in the operationalisation of most schemes in 2009-2010.</p>

Source: own elaboration (based on Polverari, 2000 to 2010).

Table 4: Evolution of regional policy in the UK, from the 1930s to date

1920s to late 1950s <i>State control of investments' location</i>	The 1960s <i>State control of investments' location</i>	1983-late 1990s <i>Grants for investment projects in assisted areas</i>	Late 1990s-late 2000s <i>Regional strategies</i>	2010+ <i>Local growth and private jobs</i>
Policy Objectives				
<p>Employment (social case, equity). Regional policy emergence in response to 1930s depression, targeting employment. First regional policy law in GB of 1934 focused on four industrial areas ('special areas'): stabilisation of old industries, infrastructure provision, and staff retraining.</p> <p>Post-war expansion of regional policy (1945-1960): employment in 'development areas', i.e. traditional-industrial/problem areas in the North and West, including parts of Scotland (1945, 1950, 1958 Distribution of Industry (DoI) Acts, and 1960 Local Employment Act, replacing DoI Acts).</p>	<p>1963 legislation replaces 'development areas' with 'development districts' based on narrow unemployment thresholds. Criticised as anti-economical and for lack of predictability of support, though supplemented, in Central Scotland and North-East England, by growth strategies (focused on growth areas/zones).</p> <p>1966-67 policy reorientation on growth and wide-scale 'development areas', but also special status to 'special development areas' (1966-67). On the whole, rationale still based on social case (equity).</p>	<p>Equity: key goal to deliver long-term reduction of regional imbalances in employment (1983 White Paper <i>Regional Industrial Development</i>).</p> <p>Since 1995, greater emphasis on economic competitiveness, linking regional policy to wider regeneration policy.</p>	<p>Reorientation of policy from 'equity' to 'equity and efficiency' (i.e. from employment to productivity), pursued through an 'all-regions' rather than spatially-selective approach:</p> <ul style="list-style-type: none"> • 2001 White Paper on Enterprise, Skills and Innovation, <i>Opportunity for all in a World of Change</i>; • 2002 White Paper on regional governance, <i>Your Region, Your Choice: Revitalising the English Regions</i>; • 2003 consultation document, <i>A Modern Regional Policy for the United Kingdom</i>. <p>In England, increasing emphasis on policy efficiency, via Public Service Agreement (PSA) target.</p>	<p>Growth and private sector job-creation, especially in areas dependent on the public sector (White Paper, <i>Local Growth: Realising every Place's Potential</i>).</p>
Main Policy Instruments				
<p>State-built or converted factories and industrial estates; state control of industrial locations/relocation (via Industrial Development Certificates, introduced in 1947); direct financial assistance to companies for investments (grants and loans).</p>	<p>As before, but also discouragement of investments in the London metropolitan region and other conurbations (since 1963) and smaller-scale incentives (e.g. Regional Employment Premium, grants for training, grants for reclamation of derelict areas).</p>	<p>In GB, Regional Selective Assistance (RSA, 1972 Industry Act), a capital investment grant for different types of assisted areas. Until 1996, also a Regional Investment Grant for firms with fewer than 25 employees in Development Areas, and a Regional Innovation Grant for firms with fewer than 50 employees in Development Areas and Intermediate Areas, for product/process development. Measures for the business climate (e.g. business infrastructure, science parks). Different policy measures in Northern Ireland (e.g. Selective Financial Assistance).</p>	<p>With devolution and creation of English RDAs, new emphasis on regional development strategies. RSA devolved and reoriented towards knowledge-based economy, skilled jobs, quality projects (1998 White Paper, <i>Our Competitive Future: Building the Knowledge-Driven Economy</i>); coordination via 1999 Memorandum of Understanding on financial assistance to industry. Venture capital funds, Enterprise Grant and other schemes for SMEs. Regeneration policy (various instruments, e.g. New Deal for Communities, New Single Regeneration Budget, New Towns initiative). Continuation of Northern Ireland differentiation.</p>	<p>Anticipation of a new Regional Growth Fund, assigned through competitive bidding; new local-level enterprise partnerships (to lever private funds); regional policy tied to labour market reform, local finance reform and reorganisation of the planning system.</p>

Source: own elaboration based on Artobolevskiy, 1997; Ferry, 2004 and 2010; Ferry and Raines, 2003; HM Government, 2010; McCrone, 1969; Raines, 2000 and 2001; Yuill *et al*, 1999.

The policy was already foreseen by the Treaty of Rome (1957) that instituted the European Economic Community. The Treaty assigned it the goal of supporting the balanced and harmonious development of the economic activities of the member states. However, the policy was effectively inaugurated only in 1975, with the creation of the European Regional Development Fund, as the funding instrument devoted to support the economic development of lagging regions and regions in need of economic restructuring, so as to ensure that all countries that were part of the European Community would benefit from the process of economic integration.¹³

ECP steadily gained in importance with the progressive enlargements of the Community and the need to prepare the conditions for the Single Market. Having acquired constitutional status with the Single European Act in 1986, it was radically reformed in 1988 and then revamped in each subsequent programme period (in 1993, 1999 and 2006). Since 1988 it represents the second-largest heading within the EU budget and thus one of the most important EU policies (see Box 1).

Box 1: Milestones in the rise of European cohesion policy

1975 – Creation of the European Regional Development Fund (Regulation (EEC) No 724/75 of the Council of 18 March 1975 establishing a European Regional Development Fund). ERDF support is largely project-based, channelled through domestic investment programmes, schemes and projects.

1984-86 – 1984 marks the first ERDF reform which sees part of the fund reorganised in mainstream programmes. The first programmes for regional development – the Integrated Mediterranean Programmes (IMPs) – are introduced in 1985, followed by National Programmes of Community Interest in 1986. They are precursors of the programming approach that will be introduced by the first landmark reform of ECP in 1988. Meanwhile, in 1986, the Single European Act adds a whole new Title on ‘economic and social cohesion’ to the Treaty of Rome, in acknowledgement that such a goal within the Community is an essential prerequisite for the success of the Single Market.

1988 – Introduction of the first major reform of the Structural Funds to enhance effectiveness in the use of community resources. The principles of programming, additionality, concentration and partnership are introduced. EU allocations to the policy are doubled from ECU 7.2 million in 1987 to ECU 14.5 billion in 1993 (1988 prices).

¹³ A more contingent, political reason for the introduction of this instrument was the desire to reduce the role of the Common Agricultural Policy in the EU Budget and to develop a European policy that would benefit the UK, which had joined the Community in 1973, as a net contributor to the EU Budget (Allen, 2010, p. 231).

1992 – The Maastricht Treaty strengthens the Community's involvement in regional development: economic and social cohesion becomes one of the Union's promoted objectives (Art. 2). The Treaty also redefines the aims of the interventions of the Structural Funds and anticipates the establishment of the Cohesion Fund (established in 1994).

1993 – Second major reform of the Structural Funds. Financial allocations for the 1994-99 period rise to an average of ECU 23.6 billion per year (1992 prices). The Cohesion Fund is set up (providing a further ECU 12.5 billion for the four countries with a GDP per capita lower than 90% of the Union's average: Greece, Ireland, Portugal and Spain). Broadening of the coverage (to 51.6 percent of the EU population) and scope (5 and, following the inclusion of the Nordic Countries, 6 priority objectives) of Community intervention.

1999 – Agenda 2000: strengthening of the principle of concentration (three Objectives instead of six), progressive reduction of the resources allocated to Structural and Cohesion policies in the member states, with an allocation of €195 billion (1999 prices) to the Structural Funds in the EU15 member states, and annual spending declining from €29.4 billion in 2000 to €26.7 billion in 2006 (plus a further €18 billion allocated to the Cohesion Fund and €47 billion to the applicant countries of Central and Eastern Europe for pre-accession aids: Phare, Tacis and Ispa). Spatial coverage of the funds is also reduced from 52.1 to 40.2 percent of the EU population.

2006 – Following the 2004 enlargement of the Union to 25 member states and with the prospect of a further enlargement in January 2007 (to include Bulgaria and Romania), the 2007-13 EU budget allocates just over €308 billion to ECP, in absolute terms the highest ceiling ever reached. The new regulations place emphasis on increased coherence and coordination (achieved through EU Strategic Guidelines and national strategic documents), improved simplification and strategic emphasis on the objectives of growth and jobs of the re-launched Lisbon agenda.

2007 – Launch of the 2007-13 National Strategic Reference Frameworks and Operational Programmes across the EU27.

2009-2010 – Start of the debates on the reform of the policy for the period 2014-2020. Contrasting scenarios, including one that favours a radical rescaling of the policy, to allow the EU budget to be focused on the new key challenges faced by the Union (European Commission, 2010b). At the time of writing, there appear to be consensus emerging over the fact that the policy should continue to be present across the entire Union (all EU regions and MS) and that it should focus on the goals outlined in the Commission's Strategy Europe 2020 (European Commission, 2010c) whilst continuing to concentrate financially on the least developed regions (views confirmed by the Commission in its Fifth Cohesion Report, which it published on 10 November 2010, European Commission, 2010a).

Sources: Allen, 2010; Bachtler and Mendez, 2010; Polverari, 2009a; Profeti, 2006a; Bachtler with Jossierand and Michie, 2002.

The implementation of the policy has been enforced through a comprehensive set of common rules and procedures across the Union's territory (which in itself is a good reason for selecting this policy for comparative analyses such as the present study) and has also determined a cultural change with respect to the conception and delivery of regional policy in the recipient countries. This has contributed to the establishment

of a new regional policy paradigm and method for policy design and implementation, as summarised in Table 5.¹⁴

Table 5: The new regional policy paradigm

Criteria	Classical regional policy	Modern regional policy*
CONCEPTUAL BASIS		
	Industrial location theories. Key factors are regional attributes, e.g. production costs, availability of workers	Learning region theories. Key factors are regional capabilities e.g. innovative milieus, clusters and networks
POLICY CHARACTERISTICS		
Aim(s)	Equity <i>or</i> Efficiency	Equity <i>and</i> Efficiency
Objectives	Employment creation Increased investments	Increased competitiveness (e.g. entrepreneurship, innovation, skills)
Sphere of Action	Narrow (economic/industrial)	Broad (multi-sectoral)
Mode of Operation	Reactive, project-based	Pro-active, planned, strategic
POLICY STRUCTURE		
Spatial focus	Problem areas	All regions
Analytical base	Designation indicators Regional exporting	Regional SWOT analysis
Key instrument	Incentive scheme	Development programme
Assistance	Business aid Hard infrastructure	Business environment Soft infrastructure
ORGANISATION		
Policy development	Top-down, centralised	Collective/negotiated
Lead organisation	Central government	Regional authorities
Partners	None	Local government Voluntary sector, Social partners
Administration	Simple/rational	Complex/bureaucratic
Project Selection	Internalised	Participative
Timescale	Open-ended	Multi-annual planning periods
EVALUATION		
Stage(s)	<i>Ex post</i>	<i>Ex ante, interim, ex post</i>
Outcomes	Measurable	Difficult to measure

Source: Bachtler, 2001, p. 19.

* Modern regional policy is in essence ECP.

¹⁴ This has included spillover onto the domestic regional policies of Member States and their administrative systems/public management practices. See the abundant Europeanisation literature on this topic (Bache, 1998; Leonardi, 2005; Fargion *et al.*, 2006) and the recent *ex post* evaluation on the 2000-06 programmes (Bachtler *et al.*, 2009a and b).

On a conceptual level, ECP has supported the consolidation of the move from redistributive to endogenous development approaches, focused on regional competitiveness, to be achieved through the full exploitation of local assets and resources (OECD, 2003; Bachtler, 2001; Bachtler and Raines, 2002). This is in line with the view promoted by the OECD,¹⁵ according to which the maximisation of productivity in the regions, and thus of regional competitiveness, can be obtained through the full mobilisation of local, endogenous resources: human, social, cultural and environmental. The structure of the local economy, the quality of life and the attractiveness of the regions for inward investors are all factors in this framework that can contribute (or hinder) development. Accordingly, the policy becomes ‘place-based’ (Barca, 2009) and focused on local capabilities and the mobilisation of ‘a more effective use of public and private resources rather than direct intervention’ (Bachtler and Raines, 2002). As a result, the sphere of action of regional policy has become broader and increasingly cross-sectoral, expanding from the purely industrial vocation of early regional policies to the multi-disciplinary breadth of current ECP, producing a varying policy-mix of industrial, economic, innovation, social, labour-market and environmental policies.

A corollary of this conceptual shift has been the affirmation of a model of implementation that relies on regional and local inputs for both policy formulation and delivery (Bachtler, 2001; Bachtler and Yuill, 2001; Bachtler and Raines, 2002). As policy does not rely any more on the sole combination of business aid and hard infrastructures, as was typical of the post-war period (e.g. in both Italy and the UK), but is focused on the full exploitation of the regions’ endogenous potential, the involvement of local actors in the preparation and implementation of policy measures becomes essential, leading to the meso-level becoming the key level for strategy

¹⁵ A recent OECD study, for example, states: ‘Acknowledgement that, in some circumstances at least, convergence is not assured through market mechanisms has provided a justification for regional policies based on re-distributive subsidies and financial incentives. Since these policies were first introduced, however, evidence suggests that they have had a limited impact on regional competitiveness. Between 1980 and 2000, less than 25 per cent of the lagging regions in OECD countries, the lowest quintile in terms of GDP per capita, improved their position relative to the national average. Over three-quarters of all lagging regions have remained “trapped” in a position of low competitiveness.’ (OECD, 2003, p. 4).

formulation and implementation, and to the policy becoming articulated through comprehensive, cross-sectoral development programmes (Bachtler and Raines, 2002). These programmes are multi-annual (of seven years duration), have clear and defined financial plans, and are based on evaluation evidence and prepared with input (albeit to variable degrees) from local socio-economic stakeholders (following the principles of programming, subsidiarity and partnership) (Bachtler, 2001).

The key role in defining and implementing the programmes is generally attributed to the regional authorities or other territorial bodies (where existing capacities at these levels make it possible), which are responsible for the identification of the appropriate strategy and policy mix, and for the correct implementation of the programmes. In countries that have recently experienced processes of decentralisation, deconcentration and devolution, ECP has in a sense been a precursor of these processes, having already been devolved before the domestic systems.

ECP is administered across the EU in accordance with a common set of rules established in the regulations governing the Structural Funds (general regulation and Fund-specific regulations).¹⁶ Thus, for the purpose of the present comparative research, focusing on the implementation of this policy appeared to be an ideal basis for comparison across the two selected regions, allowing the isolation of changes that were not driven by the European regulatory framework and making the identification of devolution-induced change more straightforward.

¹⁶ The general regulations for the period observed in this research are as follows: Regulation (EEC) No. 2052/1988 of the Council of 24 June 1988; Regulation (EEC) No. 2081/1993 of the Council of 20 July 1993; Regulation (EC) No. 1260/1999 of the Council of 21 June 1999; and Regulation (EC) No. 1083/2006 of the Council of 11 July 2006. The specific regulations governing the European Regional Development Fund are: Council Regulation (EEC) No. 2083/1993 of 20 July 1993 amending Regulation (EEC) No. 4254/1988 laying down provisions for implementing Regulation (EEC) No. 2052/898 as regards the European Regional Development Fund; Regulation (EC) 1783/1999 of the European Parliament and of the Council of 12 July 1999 on the European Regional Development Fund; Regulation (EC) No. 1080/2006 of the European Parliament and of the Council of 5 July 2006 on the European Regional Development Fund and repealing Regulation (EC) No. 1783/1999; and Regulation (EC) No. 397/2009 of the European Parliament and of the Council of 6 May 2009 amending Regulation (EC) No. 1080/2006 on the European Regional Development Fund as regards the eligibility of energy efficiency and renewable energy investments in housing.

4. DEVOLUTION AND ACCOUNTABILITY

4.1 The rise of the notion of public accountability

To investigate the degree to which the accountability of ECP implemented in Italy and the UK has changed as a result of devolution has necessitated questioning the meaning of the concept of accountability. A difficulty encountered in this task was that accountability has multiple connotations, ‘which vary according to context and between scientific disciplines’ (Benz *et al.*, 2007, p. 441; similar considerations appear in Oliver, 1991; Hogwood and McVicar, 1996; Dubnick, 2002; Mulgan, 2000 and 2003; Blackman and Ormston, 2005; Dowdle, 2006; Bovens, 2005, 2007 and 2010; Gregory, 2007).

Accountability is described in the English language as the quality of being accountable and the liability to give account of, and answer for, the discharge of duties or conduct (Oxford English Dictionary, 1989), i.e. an obligation or willingness to accept responsibility and to account for one's actions (or inaction). A Public Administration Dictionary defines accountability as ‘a condition in which individuals who exercise power are constrained by external means and by internal norms’ (Chandler and Plano, 1988, quoted in Koppell, 2005, p. 94). Along similar lines, accountability has been defined as entailing

being liable to be required to give an account or explanation of actions and, where appropriate, to suffer the consequences, take the blame or undertake to put matters right if it should appear that errors have been made (Oliver, 1991, p. 22)

and as

a relationship between an actor and a forum, in which the actor has an obligation to explain and to justify his or her conduct, the forum can pose questions and pass judgements, and the actor may face consequences (Bovens, 2007, p. 450).

These definitions imply acknowledgement of the existence of two actors (or groups of actors), one of whom is in the position of making decisions that will bear consequences for the other. However, this distinction between these two groups of actors – the decision-makers, on the one hand, and the decision-takers, on the other

hand (Held, 2004) – is not sufficient to define the concrete meaning of what being accountable should entail.

There are different, often interdependent, types of accountability, depending for example on:

- the *context or setting* of the action of account-giving, e.g. legal, organisational, professional or political (Dubnick, 2002);
- the *types of actors* upon whom the obligation to give account is placed, e.g. individuals, officials or civil servants, or organisations (Bovens, 2007), and to whom accountability is bestowed, e.g. politicians, the public, the courts, or administrative bodies (Oliver, 1991);
- the *kinds of relationship between actors* in the accountability system, e.g. hierarchical versus collaborative types of relations (Mulgan, 2003);
- the *object* of the account-giving activity (for instance whether it is on inputs, procedures, outputs or performance);
- the predominant *goal/s* of the accountability relationship, e.g. justice, performance, democracy and ethical behaviour (Dubnick, 2002); and
- the differing *emphases* placed on the preventative, learning or punitive aspects of accountability (Demke *et al.*, 2006; Walker, 2006; Mulgan, 2003; Romzek and Ingraham, 2000; Fuhrman, 1999; Barberis, 1998).

Because of the many ways in which the term is used, the notion of accountability has been considered as ‘a slippery, ambiguous term’ (Day and Klein, 1987, p. 26) and to entail ‘a contestable set of concepts’ (Hogwood and McVicar, 1996) that, for the purpose of this research, must be specified and discriminated.

In democratic systems, where the ‘demos’ is attributed with the capacity to express preferences that should be taken into account in policy-making,¹⁷ accountability has been linked to the legitimate exercise of political power, with the effect that decision-

¹⁷ A principle enshrined in the Italian Constitution, in art. 1(2), where it states that ‘[t]he sovereignty belongs to the people who exert it in the forms and in the limits of the Constitution’.

makers must be answerable for their actions or inactions and must be responsive to the needs expressed by those affected by their choices.

Considered from the perspective of democratic theory, accountability can be regarded as a constitutive, albeit not sufficient, element of modern democracy¹⁸ and linked to the final point of Dahl's institutional guarantees to qualify a democratic system: the existence of institutions that make government decisions, dependent on votes and other expressed preferences (Lijphart, 1988, p. 12), meaning that accountability needs to be institutionalised to work effectively (Schmitter, 2004, p. 48). In this context, the concept is intimately linked to the notion of legitimacy (Benz *et al.*, 2002).

Political accountability has been extensively analysed by political scientists and has been defined as

a relationship between two sets of persons or (more often) organizations in which the former agree to keep the latter informed, to offer them explanations for decisions made, and to submit to any predetermined sanctions that they may impose. The latter, meanwhile, are subject to the command of the former, must provide required information, explain obedience or disobedience to the commands thereof, and accept the consequences for things done or left undone. Accountability, in short, implies an exchange of responsibilities and potential sanctions between rulers and citizens, made all the more complicated by the fact that a varied and competitive set of representatives typically interposes between the two (Schmitter, 2004, p. 47).

In this light, the issue of accountability applies also to the activity of the public administrations and other bodies – such as agencies and quangos – which are responsible for implementing the policies of the ‘rulers’, in that it is through these

¹⁸ Modern democracy has been defined as ‘a system of governance in which rulers are held accountable for their actions in the public realm by citizens, acting indirectly through the competition and cooperation of their elected representatives’ (Schmitter and Karl, 1991, p. 1). However, accountability is a necessary but not sufficient element of democratic systems, since other types of political, non-democratic regimes also have some forms of accountability: ‘All stable political regimes probably have some predictable form of accountability to some type of constituency. Sultanistic autocracies have their coteries and cadres. Military dictatorships have their juntas and deals among the different armed services. Even absolute monarchs are supposed to be accountable to God – not to mention more earthly dynastic and marital concerns’ (Schmitter, 2004, pp. 47-48). For an example of accountability in non-democratic regimes, see Day and Klein's analysis of accountability in feudal England (Day and Klein, 1987).

that the democratically-determined decisions of policy-makers take concrete shape. This is not to say that accountability is a concept that is confined to the public sphere; as will be seen, the accountability of private, commercial and third-sector organisations has also been subject to extensive research. However, the present study focuses on public accountability (specifically with regard to the implementation of ECP).

In the context of public policy, accountability has been understood as the response to people's tendency to place their own interest above that of those whom they are intended to serve and the public's interest at large (Mulgan, 2003, p. 14), as 'a means for organizing control and to prevent powerholders from wrongdoing' (Puntscher-Riekman, 2007, p. 124) and as

the solution to the problem of fallibility ... around which the liberal-democratic tradition has been built up: if nobody is infallible and no particular substantive policy can be assumed to be right, then it is essential that the constitution and the processes – the rules of the game – that it entails recognize these factors and provide safeguards against bad government (Oliver, 1991, p. 22).

4.2 Accountability and changing forms of governance

Previous research on accountability in the field of public policy is extensive but relatively recent, spanning over thirty years overall and becoming particularly prominent in the last decade (some of the most salient contributions include Day and Klein, 1987; Oliver, 1991; SIGMA, 1999; Mulgan, 2000 and 2003; Romzek and Ingraham, 2000; Considine, 2002; Dubnick, 2002; Harlow, 2002; Rhodes, 2003; Gormley and Balla, 2004; Held, 2004; Mezlev, 2003; Blackman and Ormston, 2005; OECD, 2005; Demke *et al.*, 2006; Dowdle, 2006; Bovens, 2010, 2007 and 2005; Gregory, 2007; Papadopoulos, 2007; Bovens *et al.*, 2008). Crucially, with regard to the present study, it is also largely concentrated – albeit less so – in English-speaking

countries, notably the US,¹⁹ Australia, New Zealand and the UK. It was in these countries, in fact, that the modern concept of public accountability emerged in parallel with the introduction of public sector reforms that became known under the label of New Public Management (discussed in Box 2).

Box 2: New Public Management

The successful label ‘New Public Management’, coined by Hood in 1991, indicates a reform trend that first emerged during the 1980s in New Zealand, Australia, North America and the UK in response to a growing concern over the efficiency, cost and value-for-money of public sector activity (Lynn L E Jr, 2007; Radin, 2007; Tarschys, 2005). The economy at this time was still recovering from the crises of the 1970s and the pursuit of the interventionist approaches that had characterised Western democracies since the Second World War was taking a toll on public budgets. This led to a ‘crisis of the traditional bureaucratic model processes that were unable to restrain public expenditure and enable transparency in the sector’ (Kustec-Lipicer and Kovač, 2008) and to governments introducing administrative reform measures to reduce the growth and increase the efficiency of public spending (Light, 1997; Talbot, 1999; Levitt and Joyce, 1987). In the UK, in particular, this translated into an openness by the Conservative Governments of 1979-1997 ‘to generic management thinking, and to ideas injected into government by the private sector’ (Pollitt and Bouckaert, 2004). Overall, the salient character of NPM reforms included:

(i) the privatisation of civil service functions and liberalisation of services and goods provision (Kolthoff *et al.*, 2007; Pollitt and Bouckaert, 2004; Savoie, 1994);

(ii) the decentralisation or deconcentration of functions to sub-national bodies (Kolthoff *et al.*, 2007; Kustec-Lipicer and Kovač, 2008);

(iii) a general introduction to the public sector of management techniques derived from the private sector, such as subcontracting and competitive bidding systems, and the pursuit of collaboration with the private sector, notably in the form of public-private partnership (Kolthoff *et al.*, 2007; Pollitt and Bouckaert, 2004; Savoie, 1994);

(iv) the measurement of the performance of public sector bodies (central and devolved authorities, and agencies) through regular performance assessments, performance measurement techniques, and the establishment of *ad hoc* bodies to oversee efficiency improvements and identify opportunities for saving (Tarschys, 2005; Modell, 2004; Pollit and Bouckaert, 2004; Jackson, 2001);

(v) the modernisation, reorganisation, rationalisation and performance management of the civil service (through business-like contractual arrangements, the introduction of performance targets and indicators, a shift from direct authority to indirect control) and the use of external temporary workers (Kolthoff *et al.*, 2007; Fry, 1984);

¹⁹ The emphasis placed on accountability in the US political-administrative systems is testified by the renaming of the US General Accounting Office as ‘Government Accountability Office’ in 2004 (Walker, 2004). A change made to reflect the real scope of activities of the Office, whose ‘first priority is to improve the performance of the federal government and ensure its accountability to Congress and the American people’ (Walker, 2004, p. 3). GAO activities include programme evaluations, policy analysis, legal opinions and other tasks, going ‘beyond the question whether federal funds are being spent appropriately to ask whether federal programs and policies are meeting their objectives and the needs of society ... As a strong advocate for truth and transparency in government operations, GAO is committed to ensuring that recent accountability failures, such as Enron and Worldcom, are not repeated in the public sector’ (Walker, 2004, p. 1).

(vi) strategic planning, what Kolthoff *et al.* call the ‘planning-and-control cycle’, i.e. output budgeting, based on the use of performance information and feedback on results (Kolthoff *et al.*, 2007; Rubin and Kelly, 2007), and, at a later stage,

(vii) the adoption of service quality improvement schemes and quality management (McNary, 2008; Kustec-Lipicer and Kovač, 2008) and emphasis on the ‘notions of service and good governance’ (Blaug, Horner and Lekhi, 2006; Goldschmidt *et al.*, 2005; Independent Commission on Good Governance in Public Services, 2004; CEC, 2001).

During the 1990s, NPM-derived reforms gradually permeated administrative culture of European countries beyond the UK too, albeit with differing emphases and nuances, informing the so-called ‘European administrative space’ (SIGMA, 1999). In Italy, in particular, the 1980s witnessed a trend with respect to the promotion of ‘a corporate, managerial culture in bodies such as regional and local authorities and hospitals and health care units’, leading to a ‘strange mélange of traditional, French-derived administrative doctrines and NPM ideas’ (Pollitt and Bouckaert, 2004, p. 264).

As has already been discussed, many of these features can be found in the management principles and rules of ECP (Chapter 3), which in Italy, was a vehicle for channelling new ideas on financial management, monitoring and evaluation of domestic public expenditure (Pollitt and Bouckaert, 2004, p. 264).

During the latter part of the twentieth century, when the concept of public accountability emerged in the English-speaking countries (Bovens, 2007, p. 449), it was absent in other countries that were still anchored on a special body of administrative law and centred on a traditional style of public administration. This is witnessed by the fact that in all roman languages the English word ‘accountability’ has no equivalent and is often translated as ‘responsibility’ or ‘account-giving’, words that cannot adequately convey the full meaning of the notion. To quote just a few examples, the Spanish version of the World Bank 2004 Development Report uses the word ‘responsibility’ (*responsabilidad*) in place of ‘accountability’ in the English version. Campos (1990) draws attention to the lack of an equivalent term in the Portuguese language; and in French, accountability has been translated as *rendre compte* or *redevabilité* (Mer, 2004, pp. 6-7). Dubnick talks about the incommensurability of the term, noting that accountability ‘has proven extremely difficult to translate into other languages, and by extension to other political and administrative cultures’²⁰ (Dubnick, 2002, p. 4).

These latter countries, which include Italy, have opened up to the notion only recently (and also to others such as responsiveness, performance and, lately, value-

²⁰ Dubnick distinguishes between ‘accountabilityW’ (accountability-the-word) and ‘accountabilityC, accountability-the-concept. The quote refers to the first of the two notions.

for-money), but nowadays the English word ‘accountability’ is increasingly being used in these countries too; however, it is not always used with sufficient conceptual clarity or consistency (as the evidence from the Tuscan case study, presented in Appendix III, clearly illustrates).

Nevertheless, despite the above noted incommensurability and notwithstanding the deferred appearance of this notion in European countries beyond the UK, the concept of accountability has come to acquire increasing significance, becoming core to European political and cultural debates (Nicolia, 2005, p. 3) and, related, to academic investigation. Illustrative of this shift are the studies recently carried out under the Connex research programme, funded by the European Union as part of the Sixth Framework Programme of Research.²¹ This shift can be linked to a number of factors:

- first, the permeation of NPM reform agenda themes ‘imported’ from the Anglo-Saxon tradition of government and the related transition, domestically and at EU-level as a whole, from a ‘legal-bureaucratic’ to a ‘managerial’ approach in public administration (Olsen, 2003, p. 510);
- second, the emergence of stratified/multi-level and networked forms of governance (Piattoni, 2010; Benz *et al.*, 2007; Harlow and Rowling, 2007; Papadopoulos, 2007; Bache and Chapman, 2008; Bache and Flinders, 2004; Rhodes, 2003);
- third, the process of European integration, where accountability emerged as a necessary dimension of legitimacy in the light of the Union’s democratic deficit and insufficient scrutiny (related to which, the fall of the Santer Commission in 1999 can be considered as turning point, as observed by Metcalfe, 2001), in response to the acknowledgement of the shortcomings of European decision-making processes,

²¹ See the 2010 special issue on accountability and European governance in West European Politics and the 2007 special issue on accountability in EU multi-level governance in the European Law Journal.

which are complex and essentially technocratic (Benz *et al.*, 2007; Curtin, 2007; Nicolia, 2005; Harlow, 2002);

- fourth, globalisation, with its shift of decision-making powers to transnational actors, which transcends the jurisdiction of domestic accountability systems (Dowdle, 2006, p. 1); and,
- lastly, a generalised increase in public interest and concern on this issue (Gregory, 2007), due not least to advances in standards of education and communication technologies (Mulgan, 2003, p. 2; Walker, 2004, p. 1).

Further factors determined the rise of the notion of accountability in Italy, notably the fiscal pressure generated by the process of European integration, linked to the need to meet Maastricht criteria for the EMU, and the indignation and anti-corruption sentiments fuelled by the political scandals of the early 1990s (Marconi, 1997, p. 3). All of the above trends have contributed to eroding the traditional, hierarchical/bureaucratic accountability mechanisms and generated a search for new accountability systems (e.g. Dowdle, 2006). This has led to increasing academic but also policy attention to this topic. The first two of the trends outlined above appear as the most significant for the present research and merit more in-depth consideration (below).

According to some scholars, the NPM reform agenda was somewhat intertwined with an accountability reform agenda (Mulgan, 2003; Mulgan and Uhr, 2000). The transfer of private sector approaches into public policy management and implementation overcame the classical dichotomy between bureaucracy and profit-making organisations, typical of traditional public administration studies pioneered by authors such as Weber²² and Von Mises.²³ By preserving the basic assumption that the public sector is answerable to different stakeholders and pursues different

²² Weber M. (1964) *The theory of social and economic organization*, New York, Free Press (translated by A.M. Henderson and Talcott Parsons; edited with an introduction by Talcott Parsons).

²³ von Mises, L. (1946) *Bureaucracy*, Yale University Press, New Haven.

goals than the private sector (e.g. Curristine, 2005; Barton, 2006), it placed public sector accountability high on the agenda.²⁴ Some authors note that ‘while the main rationale of the new public management reforms has been to increase value-for-money (efficiency) and to improve the quality of outcomes (effectiveness), some weight has also been given to accountability, both as a value in its own right and as a means of improving efficiency and effectiveness’ (Mulgan, 2003, p. 154).

NPM reformers argued that the public sector was deficient in terms of accountability, because it operated largely without clear and quantifiable objectives and because the monopolistic position of public administration rendered it unresponsive to the public. In addition, public sector organisations were considered to place emphasis on the wrong elements of accountability – on inputs and procedures rather than on outputs and outcomes. Reforms were therefore passed to introduce measures to tackle such deficiencies, aimed at strengthening accountability by objectives (for instance through outsourcing and contracting-out), reinforcing independent monitoring or regulatory bodies and accountability to the public directly (e.g. through freedom of information acts), and reducing political accountability to allow more freedom and flexibility to public managers in line with private sector practice. Attempts were also made to reduce input and procedure-related accountability (Mulgan, 2003, p. 151-187).²⁵ In parallel, there also emerged a ‘fear that privatization and globalization’ would ‘break down the traditional accountability arrangements’ (Dowdle, 2006, p. 1). Thus, ‘what started as an instrument to enhance the effectiveness and efficiency

²⁴ In reality, this approach has not been linear. It was only in a second wave of reforms that awareness of the difference in role and purpose of the public actor re-appeared, in response to the failures of the unmediated adoption of private sector approaches. ‘If the public sector reforms of the 1980s were steeped in the language of management, this new perspective stresses notions of service and good governance’ (Blaug, Horner and Lekhi, 2006). A new desire for legitimacy emerged, implying that certain ethical norms should be observed by the public agent (Denhardt and Vinzant Denhardt, 2000), such as accountability, democracy (i.e. decentralised decision-making, engagement of citizens, consultation) and fairness (de Montricher, 1998). Indeed, the growing public dissatisfaction during the 1990s with respect to the quality and scope of public services has led to a shift in the most recent literature from NPM to ‘good governance’.

²⁵ However, Mulgan argues, these reforms were only partially successful, because new forms of accountability tended to complement, rather than replace, more traditional ones, and because of the shortcomings of applying private sector approaches to public policies, given their politically contested nature (Mulgan, 2003, pp. 151-187).

of public governance, has gradually become a goal in itself ... first in the USA ... but increasingly also in the EU' (Bovens, 2007, p. 449).

By emphasising the 'managerial concern about governance performance', some authors have argued that NPM reformers have indirectly caused neglect in the topic of the 'quality of our democracies' of which 'the democratic accountability of governance structures' is a key element (Papadopoulos, 2007, p. 470). More generally, the upsurge of this concept in academic research, legislation and policy documents has exacerbated the conceptual ambiguity of the notion, leading a notable scholar to call rhetorically for a 'defence of a concept that is threatened by its popularity and undermined by those who use it most' (Dubnick, 2002, p. 1).

As for the second factor, i.e. the emergence of multi-level and networked forms of governance, increased attention to the theme of accountability has emerged from the awareness that new modes of governance and decision-making – breaking from traditional approaches and introducing flexible, multi-tiered, inclusive and networked forms of decision-making – have led to questioning the traditional approach to accountability, anchored in the principal-agent theory, and to a search for new accountability mechanisms (Hogwood and McVicar, 1996). As observed by Rhodes,

the traditional mechanisms of accountability in representative democracy were never designed to cope with multi-organizational, fragmented policy systems (Rhodes, 2003, p. 21) ... [P]articipation in a network can be open but without being formally accountable ... [T]he assumption of institutional hierarchy which underpins so many discussions of bureaucratic accountability no longer holds (Rhodes, 2003, pp. 58-59).

There ensued a widespread criticism of the lack of accountability in the new governance, 'whether through the alleged emasculation of local authorities, the erosion of ministerial accountability by agencies, or the growth of non-elected, special-purpose bodies and patronage appointments' (Rhodes, 2003, p. 21).

Paradoxically, however, the above-discussed new governance, whilst having contributed to raising the profile of the notion of accountability, generating increased academic and policy interest in this topic, and extending its sphere of relevance

geographically, has also ended up posing a number of unprecedented challenges to its effective realisation and associated assessment.

With respect to the multi-level and networked aspect of the new ‘governance’, accountability has been found to be hampered by the very complexity of the governance arrangements, most notably:

the difficulty of attributing to any one actor in particular responsibility for the final decision (the problem of ‘many hands’) – and by particularly long chains of spurious delegation (Curtin, 2007) – as well as by the simultaneous existence of multiple forums to which the actors must give account (the problem of ‘many eyes’) ... The segmented nature of MLG arrangements allows only to a moderate degree for responsibility to be assigned to where it belongs (Piattoni, 2010, p. 225).²⁶

These considerations link to the difference between collective and individual responsibility and to the problem that arises when collective actions are not imputable to a clear individual or organisation (Mulgan, 2003, p. 23): when the responsibility for collective outcomes is diffused, attributing accountability to any one individual or organisation can be an arduous task.

The lack of visibility and ‘uncoupling from the democratic circuit’ of decision-making procedures in multi-level, network governance, i.e. the fact that actors in the networks may have distinct agendas from the elected decision-makers, and the prevalence of softer, ‘peer’ forms of accountability, based on indirect mechanisms such as moral or social pressure that ‘risk of being ‘toothless’’, pose further challenges to accountability in this context (Papadopoulos, 2007, pp. 470 and 487). In a multi-level, networked setting, moreover, the accountability system is more dispersed and fragmented (Papadopoulos, 2007, p. 484).

Further, networks operate largely based on trust (a concept somewhat antithetical to accountability, in the sense that where trust is high there is less need for accountability) and as such are often based on informal relationships between

²⁶ The problems of ‘many hands’ and ‘many eyes’ are conceptualisations of Bovens (2007), quoted elsewhere in Piattoni’s text.

members and can lack clear stable, collegiate objectives (Mulgan, 2003, p. 235), given that ‘although each organization affiliated with a network undoubtedly has its own goals, the goals of the network itself evolve over time through a process of give-and-take’ (Gormley and Balla, 2004, p. 115). To work effectively, accountability needs clarity at the level of either ends or means, but in networks ends and means can both be obscure or vague (Mulgan, 2003, p. 235). Finally, networks can also become self-referential and even self-serving, and they can pursue (more or less overtly) conflicting goals, arising from the contrasting self-interests of members. This can blur further accountability by favouring opaque forms of deliberation and non-transparent procedures.

The challenges to accountability posed by the new – managerial, multi-level and networked - governance make understanding whether accountability is effectively delivered in this new context particularly crucial but, quite evidently, also more difficult to ascertain.

4.3 Accountability in policy-making

The increasing popularity of accountability is witnessed not just by the proliferation of academic research, as discussed above, but also by an equivalent trend in policy, testified by various studies on this theme undertaken in the last few years by a number of supranational and national institutions. In this context, the focus on accountability is linked to the emergence of the new concept of ‘good’ or ‘global’ governance, promoted by the World Bank, the IMF, the OECD and the Council of Europe (Harlow, 2002), of which accountability is a key element.

In 2003, a United Nations’ report on improving public sector effectiveness included a number of recommendations on mechanisms through which the accountability of public action could (and should) be strengthened. The World Bank has also produced a range of publications on the topic of accountability with respect to different policies in developing and transition countries. The OECD’s Public Governance Committee investigated the topic of public accountability in 2005 as part of a review of the evolution of government in its member countries. In that case, the justification

for the analysis was linked to the awareness that ‘technological innovations, changes in the size and structure of government, and the introduction of performance budgeting and management’ were altering the mechanisms through which governments are held to account (OECD, 2005, p. 84).

Within the EU, the rising importance of the topic of accountability is confirmed by the 2001 Commission’s White Paper on European Governance, launched by Romano Prodi following the scandals of the Santer Commission (Benz *et al.*, 2007; Harlow, 2002; Metcalfe, 2001). The White Paper enumerated accountability as one of five key principles of ‘good governance’, the other four being openness, participation, effectiveness, and coherence (CEC, 2001, p. 10). Accountability implied that

[r]oles in the legislative and executive processes need to be clearer. Each of the EU institutions must explain and take responsibility for what it does in Europe. But there is also a need for greater clarity and responsibility from Member States and all those involved in developing and implementing EU policy at whatever level (CEC, 2001, p. 10).

The paper did not provide a more exact definition of the concept, however, and it has been found wanting in this respect because, by particularly emphasising ‘the prospective notion of participation in rule- and policy-making’, it did not adequately distinguish between accountability, responsiveness and responsibility (Harlow, 2002, p. 185).

The concept of accountability had surfaced onto the policy agenda of the EU already before the production of the White Paper, particularly through the OECD SIGMA work carried out to support the public administration reform process in the twelve Central and Eastern-European member states in preparation for their accession to the European Union. This work also contributed to raising the profile and understanding the concept of public sector accountability within the EU member states. In acknowledgement of the lack of *acquis communautaire* on standards of systems of governance and national public administrations, the SIGMA initiative theorised some ‘key components of good governance’ that included the rule-of-law principles of:

reliability, predictability, accountability, transparency, technical and managerial competence, organisational capacity, and citizens' participation (SIGMA, 1999, p. 5). The SIGMA report provides a definition of accountability;²⁷ however, from the perspective adopted in this research, it must be considered as partial. It relates only to the accountability of administrative bodies, leaves out of the equation the public as one of the potential actors towards whom accountability may be owed and, more importantly, neglects the dimension of 'rectification' (Mulgan, 2003; Oliver, 1991). As will be seen, rectification is an essential component of any accountability relationships, as intended in the present study.

In addition, accountability – specifically, executive accountability – was the focus of a study on sustainable governance across the OECD countries, carried out over the period 2005-07 and published in 2009 by the Bertelsmann Foundation. The study, which is set to be updated biannually, assessed executive accountability considering 'the extent to which actors outside the core executive, such as parliament, political parties, associations and other civil society actors inform, communicate with and monitor the government, thus contributing to the improvement of its knowledge base as well as its level of normative reflection' (Bertelsmann Stiftung, 2009a, p. 13). A summary of the key questions regarding accountability in the study is presented in Table 6 to follow, which also indicates the assessment of the Italian and British political systems with respect to each dimension considered.²⁸

²⁷ 'Generally, accountability means that one person or authority has to explain and justify its actions to another. So in administrative law it means that any administrative body should be answerable for its actions to other administrative, legislative or judicial authorities. Accountability also requires that no authority should be exempt from scrutiny or review by others' (SIGMA, 1999, p. 12).

²⁸ The study assessed and ranked the 30 OECD Countries according to 149 criteria, grouped in two main indexes: a 'status index' that measures a country's quality of democracy and economic and policy-specific performance, and thus indicates a country's need for reform, and a 'management index' that assesses executive capacity and accountability, and thus provides an assessment of a government's capacity to carry out reform. For each country and each aspect assessed, a 1-to-10 numerical score is accompanied by a brief description of the reasons justifying the score. The complexity of the study requires in-depth reading to fully appreciate the assessments made relating to cross-country comparisons (for example, countries with overall similar values in one or the other index can present considerable variations regarding the different aspects considered). Keeping this in mind, it can nevertheless be noted that Italy has emerged as fifth-bottom in both indexes (followed only by Poland, Greece, Mexico and Turkey for the status index, and by the Czech Republic, Turkey, Poland and Greece for the management index), whilst the UK was in a middle-ranking position (thirteenth as regards the status index and sixteenth with respect to the

A similar international ranking, but with a focus on global organisations rather than governments – intergovernmental, non-governmental and corporations – is produced annually by the One World Trust, a charity whose mission is to support global organisations to become more accountable to the communities they affect (Bovens, 2010; Lloyd *et al.*, 2007; Lloyd *et al.*, 2008; Blagescu and Lloyd, 2006). Their Global Accountability Framework assesses the selected organisations based on an index articulated on four key criteria: transparency, participation, evaluation, and complaint and response mechanism (Lloyd *et al.*, 2007 and 2008; Blagescu and Lloyd, 2006).

Table 6: Bertelsmann Foundation assessment of executive accountability in OECD Countries

Report	Criterion	Question (IT and UK rating out of 10)
<i>Citizens</i>	Policy knowledge	To what extent are citizens informed of government policy-making? (IT 6; UK 6)
<i>Parliament</i>	Obtaining documents	Are parliamentary committees able to ask for government documents? (IT 8; UK 9)
	Summoning Ministers	Are parliamentary committees able to summon Ministers for hearings? (IT 9; UK 8)
	Summoning experts	Are parliamentary committees able to summon experts for committee meetings? (IT 9; UK 10)
	Task area coincidence	Do the task areas of parliamentary committees and ministries coincide? (IT 7; UK 6)
	Audit office	To what extent is the audit office accountable to the parliament? (IT 7; UK 10)
	Ombuds office	Does parliament have an ombuds office? (IT 2; UK 7)
<i>Intermediary organisations</i>	Media reporting	Do the main TV and radio stations provide substantive information on government decisions? (IT 5; UK 9)
	Party competence	Do the major parties propose plausible and coherent policies in their electoral programs? (IT 6; UK 9)
	Association competence	To what extent do interest associations propose reasonable policies? (IT 5; UK 8)
	Association relevance	Are interest association proposals considered relevant by the government? (IT 7; UK 5)

Source: Bertelsmann Stiftung, 2009b, 2009c and 2009d (Accountability – Citizens, Parliament and Intermediary Organizations Reports).

management index). In both rankings, the first positions are occupied by the Nordic countries and New Zealand (in different orders). Country reports provide a more in-depth narrative of the situation in each country.

Lastly, in more recent years the concept of accountability has appeared also in policy documents by – or studies for – some EU member states. For instance, in 2006 during the Austrian Presidency of the European Union, the Austrian Federal Chancellery commissioned a survey on decentralisation and accountability, considered as ‘central themes of public administration modernisation across all EU Member States, the Accession States and the European Commission’ (Demke *et al.*, 2006, p. 9). Similarly, a 2004 report by an Independent Commission on Good Governance in Public Services in the UK identified accountability as one of ‘six core principles of good governance that are common to all public service organisations’ (Independent Commission on Good Governance in Public Services, 2004) [henceforth Independent Commission, 2004]. Starting from the acknowledgement that government bodies have multiple accountabilities ‘to the public (citizens) and to those who have the authority, and responsibility, to hold them to account on the public’s behalf’, it defined accountability as:

an agreed process for both giving an account of your actions and being held to account; a systematic approach to put that process into operation; and a focus on explicit results or outcomes. Real accountability is concerned not only with reporting on or discussing actions already completed, but also with engaging with stakeholders to understand and respond to their views as the organisation plans and carries out its activities (Independent Commission, 2004, p. 23).

This is a comprehensive definition that takes into account both the *ex ante* and *ex post* dimensions of the accountability relation, but one which, once again, does not include the key aspects of ‘rectification’.

4.4 Defining and theorising accountability

Within the domain of public policy, the concept of accountability has been investigated in a broad range of policy areas: education, higher education and training (Courty and Marschke, 2007; di Gropello, 2004; Gormley and Balla, 2004; Schwarz, 2000; Furham, 1999; Abelmann and Elmore, 1999; Day and Klein, 1987); healthcare (Brinkerhoff, 2004; Kickbush, 2000; Bennett *et al.*, 1996; Day and Klein, 1987); policing (Walker, 2006; Reiner, 2000; Oliver, 1987; McLaughlin, 1992; Day

and Klein, 1987); defence (Bryer, 2008; Romzek and Ingraham, 2000); infrastructure privatisation and regulation (Barton, 2006; Kessides, 2005); and environmental protection, biodiversity conservation and climate change (Breachin *et al.*, 2002).

Previous academic research has discussed public accountability from a range of perspectives, including not just the accountability of state, sub-national government bodies and executive agencies (Gormley and Balla, 2004), but also the accountability of non-profit and non-governmental organisations (Ebrahim, 2005) and of global, supranational and international institutions (Koenig-Archibugi, 2010; Buchanan and Keohane, 2006; Held and Koenig-Archibugi, 2005; Herz and Ebrahim, 2005; Held, 2004), including the European Union and its governance (Kohler-Koch, 2010; Wille, 2010; Busuioc, 2008; Puntischer-Riekmann, 2006 and 2007; Curtin, 2007; Arnall and Wincott, 2002; Harlow, 2002).

In the news and amongst the public, but also in the academic literature to an extent, the discussion of accountability is frequently linked to prevention and response to crises, generally after something has gone wrong (Gregory, 2007), because

accountability seems to be one of those political concepts, like legitimacy, that usually becomes apparent only when it is defective or absent. When the accountability process is working well not much seems to be happening, and one could reach the false conclusion that it makes no contribution to improving the various qualities that a democracy should display (Schmitter, 2004, p. 55).

Thus, perhaps it is true that *oportet ut scandala eveniant*.²⁹ Indeed, scandals or contested governmental action in controversial circumstances, such as the war on terrorism of the Bush/Blair administrations (Haque, 2002), the US government response to Hurricane Katrina (Cigler, 2007), the Enron and Worldcom cases (Walker, 2004) and, more recently, the materialization of the global financial and economic crisis, have all generated great debate. The debates focused on: (i) whether they could have been prevented; (ii) whether the wrong decisions had been taken and, if so, who was responsible for them (and whether those individuals should be

²⁹ This sentence means 'it is opportune that scandals occur'.

sanctioned); (iii) whether there had been failings in the existing control systems and, if so, how they should be addressed to prevent future such shortcomings; and, lastly, (iv) what form of corrective action should be implemented.³⁰

However, many references to the accountability principle in governmental documents (including, as has been seen, the 2001 European Commission White Paper), in the press and in the public parlance rely on assumed, implicit definitions of what this term should mean that lend themselves to different interpretations. So, even though the concept of accountability has become increasingly popular in the last few decades, as discussed above (and as noted by authors such as Mulgan, 2003 and 2000; Harlow, 2002; Dubnick, 2002; Bovens, 2007, and Gregory, 2007)³¹, there is a generalised consensus over the fact that accountability is a

word which a few decades or so ago was used only rarely and with relatively restricted meaning [but which] now crops up everywhere performing all manner of analytical and rhetorical tasks and carrying most of the major burdens of democratic 'governance' (itself another conceptual newcomer) (Mulgan, 2000, p. 1).

By being ‘a golden concept’ (Bovens, 2007), a ‘hurra-word’ (Bovens, 2005), a concept ‘that no one can be against’ (Bovens, 2005 and 2007) – because of its ‘evocative powers’ (Bovens, 2007) and because it lends itself well to symbolic, ‘rhetorical or iconic use’ (Dubnick, 2002) – accountability has become an over-stretched concept, whose meaning can vary considerably depending on the context to

³⁰ Similar recent UK examples of this attention to accountability in the face of political failings include the death of infants and social care (e.g. Victoria Climbié in 2000 and ‘Baby P’ in 2008), the consequences for agriculture and public health from the BSE outbreak (Mulgan, 2003, p. 166), and the terrorist attacks in London on 7 July 2007. In each case, there was extensive debate about the different types of government investigation and public inquiry required to ensure accountability and on the measures to be taken to prevent similar occurrences in future. In Italy, recent examples include the insolvency of the Parmalat group in 2008 with its impact on thousands of savers, and the waste emergency in the region of Campania in 2009/2010; or it has been related to the alleged misuse of public funds or abuse of power, as with the bankruptcy of the national airline company, Alitalia, in 2008/2009, the use of public funds in works carried out in preparation for the July 2009 G8 meeting in La Maddalena, and the reconstruction of the town of L’Aquila after the devastating earthquake of April 2009 (though, in many respects, the Italian public seems far more inclined to ignore or forget than the British public, perhaps as a consequence of the nature of the media system in that country).

³¹ So much so that accountability has also been mentioned in the Queen’s speeches at the State Opening of Parliament (in 2002 and 2007).

which it is applied and on the subjective interpretations of users (Dowdle, 2006). For this reason, accountability as a word has successfully been described as a ‘chameleon-like’ term (Mulgan, 2000, 1) that ‘embraces a number of different meanings and is commonly used in close associations with other ideas, particularly responsiveness, answerability, fault and blame’ (Gregory, 2007, p. 339) or equated with other, non-synonymous concepts, such as ‘responsibility, transparency, answerability and responsiveness’ (Oliver, 1991, p. 22). Its meaning, in sum, is ‘elusive’ (Koppell, 2005, p. 94; Bovens, 2007, p. 448).

Perhaps for this reason, a considerable amount of the research on this topic appears to focus on the characteristics of accountability and on discreet, case-specific definitions, rather than on the elaboration of a universally-applicable definition.³² This is generally performed by focusing on a set of differentiations between types, dimensions or mechanisms of accountability. The following paragraphs review some of the most interesting categorisations proposed by scholars from a variety of disciplines, discuss the ‘dimensions’ of accountability, and explore the tools through which accountability is delivered in different settings.

4.4.1 Categorisations of accountability types

Considine - who defines accountability as ‘the legal obligation to respect the legitimate interests of others affected by decisions, programmes and interventions’ (Considine, 2002, p. 22) - operates a distinction between **vertical accountability**, referring to the formal hierarchical attribution of responsibilities within and between organisations, based on the concepts of mandate and authorization, and **horizontal accountability**, applicable to processes based on consultation and cooperation and where accountability can be perceived as a structural contingency problem, which requires constant adaptations and adjustments to suit the dynamic environment of relations and co-responsibilities.

Another common distinction, proposed by Considine and other authors, is that between formal and informal accountability (Considine, 2002; Abelman and Elmore, 1999). **Formal accountability** can be referred to as that which is fulfilled through formal requirements (e.g. submission of periodic reports, audit procedures, respect of pre-set decision-making procedures and processes etc.) and in response to legal obligations; whereas **informal accountability** refers to all the information flows, cooperation patterns, consultation and similar activities that are based more on the creation of a converging commitment towards common objectives, rather than on compulsory obligations. The two are clearly not mutually exclusive; however, it can be argued that the transition from traditional forms of government to new forms of governance may contribute to the second type of accountability gaining weight. Equally, accountability can relate to the individual public administrator or to an organisation as a whole (**individual** versus **organisational accountability**, Demke *et al.*, 2006, p. 79).

A further distinction is between **managerial** and **political accountability**:

the latter is assumed to apply particularly to governments who are accountable to their electors for the authority granted to them whereas the former applies to managers being made accountable for the responsibilities delegated to them ... Political accountability is implied to be more open-ended and less detailed whilst managerial accountability is more closed and defined (Broadbent and Laughlin, 2001, p. 1).

Managerial accountability can apply to both private and public sectors actors and organisations (in this case it is also referred to as bureaucratic accountability, e.g. Hunold, 2001). Political or democratic accountability, on the other hand, relates to the public sphere and can comprise both **electoral, indirect, mediated accountability**, such as the accountability owed and delivered by elected bodies (parliaments, governments, regional and local authorities) and **participative accountability**, relative to decision-making processes based more on partnership and consultation. These two forms of democratic accountability often coexist (and

³² Notable exceptions include the work of Bovens (2007) and Mulgan (2003).

indeed both elements can be found, for example, in the Commission's 2001 White Paper on governance, CEC, 2001, p. 4).

A distinction has also been made between **external** and **internal** accountability, depending on whether the targets/recipients of the accountability function are outwith or within the organisation responsible for the actions (Mulgan, 2003; Romzek and Ingraham, 2000; Fuhrman, 1999). As individuals and organisations alike are generally subject to both types of accountability at the same time, tensions can occur between the two systems, resulting in potential idiosyncratic responses. For instance, Fuhrman provides the example of diverging accountabilities in schools, where the a tension might emerge from the need for teachers to increase schools' average scores in league tables (external accountability), while at the same time either being obliged to comply with internal school regulations indicating the imperative to support lagging students or perceiving a personal, moral imperative to do so (different types of internal accountability) (Fuhrman, 1999, pp. 9-10).

Accountability can have an **economic** connotation, related to the economical use of resources and performance achieved, or a **legal** connotation (Considine, 2002), when it focuses on the formal respect of a defined chain of commands and on the fulfilment of procedural rules for the actions to be accounted for. It has been argued that the emphasis on performance and compliance of traditional accountability theories is now being replaced with an accent on network relations and trust, characteristic of more modern theories of 'organisational convergence' (Considine, 2002). This argument is also followed by Zapico Goñi, who distinguishes between **traditional** and **performance-based accountability**: the first is compliance-based, reactive and intermittent; the second is proactive and on-going (Zapico Goñi, 1997, pp. 1-2). The scholar argues that Spain is still characterised by a traditional model of accountability, despite the changes introduced by subsequent constitutional and administrative reforms. Similar to Goñi's 'traditional' accountability is West's **procedural accountability**, which he defines as the requirement for administrators 'to solicit and address public comments on the merits of individual policy decisions' (West, 2004, p. 66).

More sophisticated typologies of accountability can be found in the work of Oliver (1991), Brinkerhoff (2004), and Romzek and Ingraham (2000). Oliver, in her analysis of the British governmental system, elaborates a categorisation of accountability types based on the kind of actor towards whom accountability is bestowed, in which: (i) **political accountability** is the accountability to parliament, parliamentary committees and ministers; (ii) **public accountability** is the accountability to the general public or its sections (interest groups); (iii) **legal accountability** is the accountability to courts, linked to the duty to obey the law and the related enforcement of non-compliance; and (iv) **administrative accountability** is the accountability to non-political administrative bodies, such as the National Audit Office (Oliver, 1991, pp. 23-28). Clearly, Oliver's interpretation of legal accountability is different from that given by Considine, as discussed above (Considine, 2002): different authors adopt different perspectives in their analysis of accountability, for instance starting by considering the accountability recipients rather than the accountors, and therefore the same denomination can be used to signify different concepts.

Brinkerhoff, in his analysis of health systems, distinguishes between financial, performance and political/democratic types of accountability, where (Brinkerhoff, 2004, pp. 375-6):

- **financial accountability** places emphasis particularly on control and assurance of elimination of waste, fraud and corruption (through a compliance focus, based on set procedures and standards, with measures to ensure the efficiency of resources use and control cost);
- **performance accountability** places emphasis on assurance and improvement and learning, focusing on the adherence to legal, regulatory and policy frameworks and through instruments such as set procedures, standard-setting quality audits, benchmarking, quality management, monitoring and evaluation; and
- **political/democratic accountability**, like financial accountability, emphasises particularly aspects of control and assurance, based on the principal-agent

relation, information dissemination, and adherence to quality standards, norms and societal values.

Along similar lines, Bovens *et al.* (2008, p. 233) propose an understanding of accountability based on three perspectives: **democratic** (where the key concern is the control of executive power), **constitutional** (where the focus is on preventing abuse of authority) and **learning** (where the key concern lies in the effectiveness and responsiveness of public authorities' action).

A seminal classification of accountability types was developed by Romzek and Ingraham (2000), distinguishing between **hierarchical** (or bureaucratic), **legal**, **professional and political** types of accountability, a typology based on the 'source of control (internal or external) and the degree of control (high or low) exerted over public agents' (Roberts, 2002, p. 658). In their analysis, hierarchical accountability is characterised by little autonomy and close supervision from within; legal accountability is based on detailed control by external bodies, such as parliaments or courts; professional accountability is defined by high autonomy, based on 'internalized norms of appropriate practice' (Romzek and Ingraham, 2000, p. 242); and political accountability is characterised by the responsiveness to key stakeholders or client groups and is often accompanied by hierarchical and legal types of accountability relationships (see Table 7). Clearly, in reality 'these distinctions are not always borne out' (Gormley and Balla, 2004, p. 10).

Table 7: Romzek and Ingraham's typology

Type of Accountability	Source of control	Degree of autonomy	Value emphasis	Behavioural expectation
<i>Hierarchical</i>	Internal	Low	Efficiency	Obedience to organisational directives
<i>Legal</i>	External	Low	Rule of law	Compliance with external mandates
<i>Professional</i>	Internal	High	Expertise	Deference to individual judgement and expertise
<i>Political</i>	External	High	Responsiveness	Responsiveness to key external stakeholders

Source: Adapted from Romzek and Ingraham, 2000, p. 342.

Denhardt and Vinzent Denhardt propose a further categorisation of the meaning attributed to accountability, related to three possible evolutions of public

administrations: Old Public Administration, New Public Management and New Public Service (their own construct). In the first, the approach to accountability is predominantly **hierarchical**: administrators are accountable to democratically elected political leaders, and public servants are responsive to constituents and clients. In the New Public Management phase, accountability is **market-driven** and civil servants are responsive to the public as a customer (whereby ‘the accumulation of self-interests will result in outcomes desired by broad groups of citizens’). In the last conceptual evolution of public administration – New Public Service – accountability is ‘**multifaceted**’, thus basically plural, as civil servants have to balance and respond to a plurality of elements, such as ‘law, community values, political norms, professional standards, and citizens interests’. Here, the citizen becomes the key holder of accountability (Denhardt and Vinzent Denhardt, 2000, pp. 553-557).

An interesting typology on the ‘dimensions’ of accountability is proposed by Koppell, who defines accountability according to the following five aspects: **transparency** (to give account of actions and performance); **liability** (to face consequences for actions and performance); **controllability** (to be subject to controls regarding the alignment of the actions taken to the indications received); **responsibility** (to adhere to law, rules and norms); and **responsiveness** (to deliver ‘substantive expectations’ on clients/stakeholders’ demands and/or needs) (Koppell, 2005). In contrast, Gregory (2007) disaggregates accountability into four constituents: **responsibility, control, prevention and assurance/answerability**.

Lastly, Bovens (2007) offers a further typology of accountability based on the analysis of the nature of: (i) the forum to whom accountability is owed (i.e. the decision-taker in the terminology adopted in the present study); (ii) the accountable actor (the decision-taker); (iii) the conduct for which accountability is to be given; and (iv) the obligation to give account (i.e. why the decision-maker gives account, and whether she is obliged to do so or not). It is summarised in the table below.

Table 8: Bovens' types of accountability

Based on the nature of the forum	<ul style="list-style-type: none">• Political accountability• Legal accountability• Administrative accountability• Professional accountability• Social accountability
Based on the nature of the actor	<ul style="list-style-type: none">• Corporate accountability• Hierarchical accountability• Collective accountability• Individual accountability
Based on the nature of the conduct	<ul style="list-style-type: none">• Financial accountability• Procedural accountability• Product accountability
Based on the nature of the obligation	<ul style="list-style-type: none">• Vertical accountability• Diagonal accountability• Horizontal accountability

Source: Bovens, 2007, p. 461.

In reviewing the characteristics of accountability, the **time dimension** must also be taken into account. This is not an aspect on which there is consensus amongst the scholars of the topic. On the one hand, it has been underlined that accountability has a before and an after dimension, entailing 'procedures allowing for *ex ante* and *ex post* scrutiny' (Puntscher-Riekmann, 2007, p. 126), in that, as has already been recalled, it implies: (i) the capacity and possibility to input effectively in decision-making; (ii) the need for those in charge of decision-making to account for their choices; and, (iii) the possibility for stakeholders to express dissent and dissatisfaction and to request changes to the course of action adopted (Mezlev, 2003; also Mulgan, 2003).

Other authors, however, notably Bovens, argue that accountability in the strict sense has only an 'after' dimension. Whilst acknowledging that '[t]he line between retrospective accounting and proactive policy making can be thin in practice', this scholar adopts a definition that is exclusively retrospective, according to which '[a]ctors are to account to a forum after the fact' (Bovens, 2007, p. 453). For reasons illustrated in detail in the analytical framework sections (Part 2), this thesis takes into account both the prospective and the retrospective dimensions of accountability.

An author who has placed particular emphasis on the time dimension of accountability is Schmitter. In his work on political accountability in democratic systems, this eminent scholar proposes an analytical framework for the comparative

assessment of political accountability based on the behaviour of citizens, representatives and rulers in the ‘before’, ‘during’ and ‘after’ phases of the policy-making cycle. In this framework, the ‘before’ represents the phase of agenda-setting, the ‘during’ the phase of deliberation (e.g. of a law or regulation), and the ‘after’ the phases of implementation and subsequent impact generation (including intended and unintended outcomes, and further evolutions of the measure, such as a possible court review). The framework is based on a cross-tabulation of ‘the temporal aspect of the decision-making process with the type of actor whose behaviour is being evaluated’ (Schmitter, 2004, p. 54). As illustrated in Table 9, this results in a rather complex set of nine criteria, where each criterion is to be assessed through a system of associated, simple yes/no questions (of which the author provides only a few indicative examples).

Table 9: The generic properties of successful/failed accountability: time x actors

	Before	During	After
Citizens	Participation/ Abstention	Attention/Indifference	Obligation/Resentment
Representatives	Mobilisation (for and against)/Mobilisation (against)	Competition/ Obstruction	Compliance/ Resistance
Rulers	Accessibility/ Exclusion	Deliberation/ Collusion	Responsiveness/ Imposition

Source: Schmitter, 2004, pp. 54-55.

There would be no point in dwelling further on Schmitter’s analytical framework, given that it is proposed with a different purpose than the present analysis (large-scale comparative assessments of democratic systems); nevertheless, the example is an interesting one because it is illustrative of an alternative view of accountability, one based on a temporal interpretative key, rather than on the more traditional ‘spatial metaphor that political scientists have traditionally used when discussing political accountability’ that ‘stresses the ‘vertical’ power relations between citizens, representatives and rulers’ (Schmitter, 2004, p. 52).

4.4.2 The tools of accountability

The considerations on the time dimension also lead to the topic of the **tools** or instruments through which public accountability is delivered. The wide array of possible means through which accountability can be delivered, the need to reconcile accountability and efficiency, and the necessity to ensure that delivering accountability implies no distortive effects on goal delivery (discussed below) mean that there are no off-the-shelf, ‘one-size-fits-all’ approaches. These accountability tools have been found to be a function of a range of factors, for instance: (i) the predominant emphasis of the accountability relationships on punishment or prevention/learning; (ii) the type of public administration systems (e.g. traditional Weberian, compliance-orientated versus performance/results-orientated); (iii) the role of the state *vis-à-vis* private actors in the provision of public services and goods (e.g. Keynesian versus liberal approaches; state provision versus outsourcing); (iv) the prevailing human resource system in a country’s public administration (e.g. career-based versus position-based, Demke *et al.*, 2006); and even a country’s size (Demke *et al.*, 2006). An indicative classification of the wide range of accountability tools proposed in a number of contributions reviewed is presented below (Demke *et al.*, 2006; Walker, 2007; Mulgan, 2003; Romzek and Ingraham, 2000; Fuhrman, 1999; Barberis, 1998).

- **Prevention/learning types of accountability tools** include: foreseeing standards of practice, codes of conduct, ethical standards, guidelines, norms and rules (e.g. on procedures); the introduction of incentives for correct administration (e.g. promotions or symbolic awards) as well as sanctions for incorrect behaviour (e.g. disciplinary action); internal and external supervision (e.g. routine hierarchical supervision and internal/external audits); informal networks, soft coordination and control mechanisms (networks for knowledge-sharing and best-practice dissemination); procedural and financial monitoring and reporting; consultations; and training and other capacity-building measures.
- **Performance type of accountability tools** comprise: the introduction of performance assessment devices (e.g. target-setting and periodic reviews) linked

to performance management systems (e.g. salary bonuses, performance-based promotions/gratifications, regular performance evaluations); formative types of internal audits/risk management procedures; formative types of evaluations and self-assessments; monitoring systems with early warning mechanisms to timely detect problems.

- **Control/punitive types of accountability tools** include: internal or external supervision, control and audit based on rigid chains of command or institutional responsibilities (e.g. through Accounting/Audit Offices or internal audit divisions); the introduction of regulatory bodies, ombudsman-type structures or watchdogs; the undertaking of investigations (e.g. parliamentary investigations) and public inquiries; procedures to detect and act upon misconduct through sanctions (e.g. internal controls).

All these tools entail a degree of scrutiny by one actor upon another. Given that ‘effective scrutiny implies access to information’ (Day and Klein, 1987, p. 22), **horizontal types of accountability tools** and procedures can also be identified, consisting of all transparency and information measures, e.g. the provision of legislation to ensure access to information (such as FoI acts); the introduction of the requirement for the public administration to identify the ‘responsible administrator’ for each administrative act (as in Italy, following reforms introduced with law 241/1990); all sorts of dissemination activities, for instance through the publication of implementation reports and similar, not least through the use of the Internet – for example, Walker underlined that ‘virtually every GAO report and congressional testimony is posted on the Internet on the day it was issued’ (Walker, 2004, p. 1). The media can also perform a powerful accountability function (Gregory, 2007; Mulgan, 2003), provided that the information supplied is unbiased and with the known caveats relating to the potential for manipulation by the government and to the fact that the media can pursue their own and their owners’ agendas, rather than act in the public interest (Mulgan, 2003, p. 73).

Not all of the above tools would necessarily fulfil an accountability function if not endowed with specific characteristics. The accountability role of evaluation has been widely acknowledged, for example (Newcomer, 2004; Polverari and Bachtler, 2004;

Anselmo *et al.*, 2004; Casavola and Tagle, 2003; Stern, 2003); nonetheless, evaluation per se does not necessarily deliver accountability. For this to be the case, ‘it is necessary to determine obligations and the responsibilities of individuals and organisations, and know if they have really fulfilled these obligations ... so as to ensure that the recommendations are really implemented on the ground’ (Mezlev, 2003, p. 79) [own translation from French]. In other words, evaluation, like other accountability tools, needs to be linked to a mechanism of follow-up and rectification that ensures that the changes advocated by evaluators, if agreed upon, are implemented.

In the reality of facts, different tools from across the above categories can coexist. Different types of accountability are addressed with different tools, and, just as ‘different forms of accountability co-exist and complement each other’ (Held and Koenig-Archibugi, 2004, p. 127), so do the tools. ‘[T]he PAs apply a set of these instruments in order to cover all types of accountability that are relevant in the specific administrative contexts’ (Demke *et al.*, 2006, p. 84). However, the point should be made that no situation will present itself as ideal in terms of accountability, in the sense that this is one of many pressures faced by the public agent, implying the need to balance opportunities/costs (Barberis, 1998, p. 464) in the names of efficiency and effectiveness (Mulgan, 2003, p. 237).

4.4.3 Accountability as a tool for performance

This leads to the final issue in this brief review of existing research on accountability: the issue of the effectiveness of current public accountability mechanisms, both independently and as performance tools. Mulgan, for instance, in his review of government accountability in Australia, New Zealand, the UK, Canada and the US, concludes that key factors for the effectiveness of accountability include the availability of plural accountability mechanisms or contact points, and of effective **compounded accountability**, i.e. mechanisms through which the controllers are accountable to others (2003, p. 198 and pp. 229-230). He also suggests that governmental accountability is stronger where the executive does not

wholly control the legislature, as in the case of minority governments in parliamentary systems (2003, pp. 60-61), as incidentally is the case at present in Scotland (as will be seen in Chapter 14).

Past research has also focused on the relationship between accountability and performance. Curristine (2005, p. 12), for example, notes a trend in OECD countries to move away from the *ex ante* approval of expenses and payments by external supervisors, towards greater strategic management systems that speed up the decision-making process and make it more efficient, concluding that 'better accountability can improve performance' (Curristine, 2005, p. 12). Somewhat similarly, Gormley and Balla have found a correlation between some aspects of accountability and the performance of US government agencies, for instance with regard to the clarity and visibility of intended outcomes, the pressure from multiple and different types of constituencies, the availability of diffuse support to the agencies' policies, and the sensitivity of the leaders to communication with the public (2004, pp. 164-178).

Nonetheless, whilst there is some evidence that accountability can be both effectively exercised and a useful tool to enhance performance, past research also suggests that accountability and effectiveness can also run counter to each other: 'accountability is not an unqualified good to be maximised at all costs. It must always be subject to reasonable limits in the light of other conflicting values, including practicality and costs' (Mulgan, 2003, p. 236). Enacting accountability imposes costs; further, the increasingly complex nature of policies implies that officials need to have a certain degree of room for manoeuvre and discretion. As has been observed, 'at some point, accountability must begin to yield diminishing returns and become counter-productive' (Mulgan, 2003, p. 236). The demands of accountability thus need to be constrained in the interest of effectiveness and efficiency. Besides, various scholars have underlined the 'perverse effects' of accountability in that, when taken to extremes, it can contribute to render public agents risk-averse (Gregory, 2007, p. 340) and to goal-displacement (Mulgan, 2003, p. 164). Perverse effects can also be obtained by applying punctual, inadequate measures, which for example may reward behaviour or performance based on deceptive targets or incentives, and, as has been

observed, ‘increased accountability in terms of misleading measures can be worse than no quantified accountability at all’ (Mulgan, 2003, p. 164). Arguably, and as discussed in Chapters 13 and 14 of this thesis that deal with the two case studies, the issue of perverse accountability incentives applies to the particular field of ECP, where accountability is heavily linked to financial inputs (additionality principle, financial management), procedural correctness (audits, procedural monitoring) and the achievement of spending targets (de-commitment), leaving other important aspects of the policy-making process, which relate to the quality of the decisions taken and their impacts, less addressed.

4.5 Concluding remarks on accountability: implications for the present research

The above considerations and theoretical conceptualisations have not been thoroughly applied to the study of ECP. This might be due to a range of reasons, not least the fact that much of the accountability literature originates in countries which, if one excludes the UK, are outwith the EU and historically have not had a strong, explicit regional policy. There have been, as has been seen, investigations of accountability with respect to European governance, especially on the decision-making process of EU institutions or agencies (e.g. Harlow, 2002; Curtin, 2007; Wille, 2010) and with regard to multi-level governance (e.g. Benz *et al.*, 2007; Papadopoulos 2007), but not much empirical work has been conducted on accountability in the actual design and implementation of ECP in the member states and regions of Europe.

On the one hand, the complexity and technicality of the policy-making process that characterises this policy might have prevented the systematic analysis of accountability relationships in this area. On the other hand, the multi-level and networked character of ECP governance – i.e. the fact that, as will be seen in the two case studies, the design and implementation of this policy involve a wide and diverse range of actors on many levels of government and across a variety of phases of the policy cycle – may hamper empirical investigation by exacerbating the complexity

entailed in the need to address a wide and diverse group of accountable actors (decision-makers) and accountability holders (decision-takers), who can cover both roles at the same time. The research on accountability in ECP, in other words, must discount all the challenges discussed above relating to the assessment of accountability in multi-level, network governance, such as: the problems of ‘many hands’ and of ‘many eyes’ (Bovens, 2007); the dispersed character of accountability systems (Papadopolous, 2007); the multiplication of control mechanisms (Papadopolous, 2007) and the other challenges reviewed in this chapter (notably in Section 4.2). These factors have posed considerable challenges to the definition of a suitable analytical framework for the research, but they also make the present study all the more relevant.

More generally, as observed by Bovens,

there are many scholars who talk about accountability, but few who study it rigorously. Few papers move beyond the conceptual and theoretical analyses and engage in systematic, comparative empirical research, with the exception of a series of studies in the narrow field of social psychology (2010, p. 947). [emphasis in original text]

The present research aims exactly to contribute to this series of studies, with a systematic and thorough empirical analysis of accountability in a particular context.

To conclude, the above review of accountability conceptualisations and literature points to a number of further considerations that appear of great relevance for the present research and that have accordingly informed the analytical framework and methodology that has been adopted. First, accountability is a complex concept. In policy contexts and in public parlance, it is often used in a loose manner, ambivalently, without qualification, as a rhetorical or iconic device, or as synonym with other related concepts (such as responsibility, responsiveness and answerability). This is exacerbated in Italy by the lack of an Italian equivalent to the word, accompanied by an increasing use of the English word, but which is not supported by sufficient conceptual clarity (or even awareness of the necessity of rigour in this respect). Second, accountability as a concept can fulfil a number of functions. It can be intended both as a process and an end-outcome, as an instrument (e.g. for policy effectiveness) and as a goal in itself. It can have an empirical but also

a normative connotation. All these considerations emphasise the crucial importance of delimitating the scope of the present analysis through a clear-cut operational definition of accountability. This is illustrated in the next Part of this thesis, Chapter 7 (Analytical Framework), Section 7.1.

PART 2 - THE ANALYTICAL FRAMEWORK

Part 1 provided a critical review of the most salient scholarly contributions on the topics of devolution, ECP and, most crucial of all, accountability. It highlighted the relevance of research on how the accountability of ECP – with its multi-level, networked governance – could change as a result of devolution. Building on the discourse developed in Part 1, the following sections:

- provide a critical assessment of the literature reviewed and present the research agenda, outlining some of the key challenges entailed by the research (Chapter 5);
- discuss the proposed analytical framework (Chapter 7);
- embed the analytical framework in a suitable research approach (Chapter 6); and
- describe the most important traits of the research design and methodology adopted (and the reasons of the choices made in these respects, Chapters 8 and 9).

5. A CRITICAL PERSPECTIVE ON THE LITERATURE REVIEWED: RESEARCH AGENDA

The key question of this research is whether the new, devolved institutional framework in which ECP operates is more or less conducive to the accountability of this policy; i.e. whether and how the accountability of ECP has changed following (and as a direct/indirect result of) devolution. A number of reasons led to frame the research in this way.

As has been noted, although research on accountability is substantial, it is not yet well established, (Mulgan, 2003); it is mostly limited to English-speaking countries and hampered by insufficient conceptual clarity (Mashaw, 2006) and a lack of methodological rigour (Bovens, 2010).

[A]uthors are talking about different methods and questions of accountability without specifying with any precision either the particular accountability problem that engages their attention or the choices that they are making implicitly among differing accountability regimes (Mashaw, 2006, 117).

Likewise, the use that is made of this concept in policy documents, governmental strategies and legislation is often superficial, with little or no explanation of the concrete meaning adopted. In some cases, as in the European Commission's White Paper on Governance, the use that is made of the concept of accountability is both partial and, as already noted, misleading (Harlow, 2002, pp. 185 and 190; Bovens, 2007, p. 453). All too often, policy documents rely on implicit assumptions of the meaning of 'accountability' that *de facto* equate the term with other concepts – such as transparency, inclusiveness, participation, responsiveness, responsibility and answerability - all of which may – but equally may not – contribute to accountability. In similar vein, mention of accountability is seldom accompanied by specific enunciation of the subjects of the accountability relationship, of the scope and object of this relationship, and of the processes and mechanisms through which accountability is delivered. There is a strong need to investigate these aspects further, focusing in particular on the processes of policy-making and implementation.

Further, whilst public accountability has been addressed from the perspective of a number of key policies, as discussed in Sub-section 4.4, and whilst an extensive amount of research has been carried out on the European Union's governance, legitimacy and democratic deficit (not least from the perspective of accountability, as by Harlow, 2002, and Puntcher-Riekmann, 2007), the accountability of ECP remains relatively unaddressed. This topic has seldom been investigated, and assessments have generally focused on issues of partnership, inter-institutional relations and additionality, neglecting the key processes through which regional policy is delivered that have fundamental bearings on accountability. This gap – which is particularly crucial for a policy implemented under 'shared management' between EU institutions and member states and in a multi-level, networked framework (in line with the principles of subsidiarity and partnership, as has been seen) – may be linked to the fact that much of the academic research on the topic of public accountability comes from countries, if one excepts the UK, where explicit

regional policy is not a key public policy (the US, Canada, New Zealand and Australia). However, in the context of Europe, where regional policy is an important policy of both the European Union and many of its member states, this gap is particularly significant. With regard to the regional policy of the EU, this gap is particularly significant, also because the accountability of the policy cannot be captured by the discourse on the accountability of the Union as a supra-national entity or networked polity, given that the implementation of this policy relies on complex and often context-specific interactions between the European and the domestic governance systems. The present study aims to shed much-needed light in this direction.

In addition, a significant amount of research has been carried out on devolution and its impacts (as was discussed in Chapter 2), for example on policy innovation and divergence (e.g. Keating, 2005a, 2005b and 2010; Greer, 2001, 2004 and 2007; Greer and Jarman, 2008; Jeffery, 2005 and 2009). However, not much research has been conducted specifically on the impact that devolution has on policy accountability. The common parlance and rhetoric on devolution have emphasised that, by bringing decisions closer to the people involved, devolved governance allows for increased accountability, but not enough evidence has been proposed to assess whether this is actually the case, beyond this primary assumption. By focusing on a specific policy (regional policy) and assessing the accountability implications of specific changes to this policy's design, management and implementation following devolution in the two chosen case study regions, the present study aims to generate new evidence on this very fundamental question.

Lastly, whilst extensive research has been undertaken on the impact of EU developments on domestic policy-making, within so-called Europeanisation studies (Töller, 2004) that consider the effects that European policies produce on national policies and politics, not much research has been conducted to assess how domestic developments affect the implementation of EU policies, notably ECP.

In all these respects, the current research aims to contribute understanding, knowledge and evidence with a thorough empirical, case-study investigation well

anchored in the most recent scholarly contributions on the key topics of accountability, devolution and regional policy.

Nonetheless, achieving this goal has not been without challenges. The discourse developed in the previous chapter has shown the complexity of the theme of accountability, both generally and in its application to devolved regional policy. Accountability is a multi-dimensional concept that applies to a range of institutions and individuals and to a complex set of changing interactions, relating to the way these actors perform their functions in the policy-making and implementation system. For the present research, moreover, the complexity and multi-disciplinary nature of the topic of accountability is compounded by the need to acknowledge the specific characteristics of ECP that differentiate it from other public policies and which can have important implications for its accountability.

ECP actively involves a wide range of actors such as politicians, policy-makers, administrators, recipients, stakeholders and the public at large at various levels of governance: local, regional, national, transnational and European. In addition, an increasingly crucial role in policy-making and delivery is played by socio-economic and other non-governmental partners who are becoming more involved in policy decisions and who are often responsible for the delivery of projects (Polverari and Michie, 2009 and 2010). The policy dynamics generated within such a complex network of actors determines a layered web of interrelated, often mutual, accountability relationships that are difficult to capture fully. The difficulties of mapping and appraising accountability of multi-level and networked systems have already been discussed, for instance relating to the facts that each actor may face ‘multiple accountabilities’ (Considine, 2002; Mulgan, 2001) and could potentially play both an active and a passive accountability role or manage under a plurality of ‘masters’ (Romzek and Ingraham, 2000), with prioritisation strategies that may vary depending on the specific contexts and tasks at hand. Whilst there ‘is no universally “correct” number of accountability linkages’ (Brinkerhoff, 2004, p. 377) it has been suggested that ‘too many linkages, particularly if they are distant or attenuated connections, can limit the effectiveness of accountability’, generating a situation

where nobody is adequately accountable to anyone (Brinkerhoff, 2004, p. 377). Could this be the case with ECP?³³

A further potential challenge is represented by the fact that the rules of ECP have led to the introduction, in Tuscany and Scotland but also elsewhere, of new methods and practices of policy-making and implementation that are more participative and detached from clear political representation mandates, leading to potential accountability deficits and to the quest for new accountability tools and interactions. It has been noted that '[t]he EU model obviously has its serious faults in terms of accountability in relation to elected assemblies. Actors involved in partnerships in relation to EU-funding are mostly drawn from administrative staff' (Svensson and Östhol, 2001, p. 30). Moreover, the partial subordination of national/regional policy objectives to the priorities stemming from European institutions (primarily the Council and the Parliament) can also be considered with concern, reflecting criticisms raised over the Union's democratic deficit overall (a concern that is starting to falter, as suggested by Saurugger, 2007, p. 377). Further, as the governance of regional policy becomes increasing multi-level (Bache, 2004) and networked (Rhodes, 2003), '[a]ccountability can no longer be specific to an institution, but must fit the substantive policy and the several institutions contributing to it' (Rhodes, 1996, p. 667).

Further, and partly again due to the influence of the EU framework, ECP is cross-sectoral and interdisciplinary, as has been seen, and traditional boundaries between ECP and other policies (broader economic policies, spatial policies, social policies, sectoral policies etc.) are becoming more and more nebulous. This can have significant implications for accountability, generating a possible confusion of roles and responsibilities, and potentially a lack of transparency on the goals set and achieved and on the responsibilities governing policy direction and implementation. The tasks of mapping and assessing accountability relationships may be hampered by

³³ However, the opposite is potentially equally dangerous, i.e. 'too few linkages can open the door to corruption, lack of responsiveness, poor quality services, and evasion of responsibility (Brinkerhoff, 2004, p. 377).

the difficulty in allocating the responsibility for collective decisions, which is typical of networked governance (as discussed in Section 4.2), and by the fact that the different actors involved in policy-making may prioritise their own agendas more or less overtly (Mulgan, 2003, pp. 106-7). For instance, this could be the case with representatives from institutions involved in ECP at various levels (EU, regional and sub-regional) or from different sectoral departments within the same institution (e.g. within the Scottish Government or Region Tuscany, or within the European Commission).

The need to acknowledge the above caveats and to represent adequately the complexity of accountability relationships in ECP in the two selected case studies has arguably been one of the main challenges of this research. This required the adoption of a pragmatic heuristic approach (similar to those of Mulgan, 2003, and Mashaw, 2006), the specifics of which are illustrated in the sections to follow.

6. A HISTORICAL INSTITUTIONALIST APPROACH TO RESEARCH

If one agrees with Steinmo (2008) that political science research revolves around three main approaches – behaviouralists (quantitative and ‘scientifically-minded’, interested in the micro-variables of social, political and economic behaviour); grand theorists (e.g. Marxists, structural-functionalists, systems theorists etc., who aim to understand the universal mechanisms of the economy, politics and social change and thus focus on the macro-social, political and economic forces); and new institutionalists (who place emphasis on explaining ‘real-world events’ and look at them through the lens of the role played by institutions) – it should be no surprise that this study is placed in the new institutionalist strand³⁴ and particularly the historical institutionalist subset.³⁵ Historical institutionalism represents the perfect fit for the theme, scope and aims of the present investigation. This is because it focuses on: (i) ‘real-world empirical questions’ (Steinmo, 2008, p. 125); (ii) the role of institutions in shaping individual and collective action; (iii) the context in which the phenomena observed operate: (iv) the action of individuals (and the motivations behind these); and, (v) because it aims to understand change.

In primis, institutionalism ‘is not a canonical theory with strong claims about the laws of the economy [or indeed society], but a nexus of convergent positions on what

³⁴ This expression was coined by March and Olsen in their seminal 1984 article in *The American Political Science Review*. In this, they theorised an emerging trend in the social sciences towards a renewed interest in the study of institutions. Institutional theory had fallen out of fashion after the Second World War, replaced by alternative approaches (which March and Olsen categorise as (i) a contextual approach, (ii) a reductionist approach (i.e. behaviouralism), (iii) a utilitarian approach (i.e. rational choice), (iv) a functionalist approach, and (v) an instrumentalist approach). In response to the above, these authors observe the emergence of a new approach, resulting from the resurgence of interest in institutions and the blending of ‘elements of an old institutionalism into the non-institutionalist styles of recent theories of politics’ (March and Olsen, 1984, p. 738).

³⁵ There are various types of new institutionalisms that have different ontological and, consequently, epistemological emphases. Peters, for instance, mentions the following: sociological, normative, rational choice, historical and empirical institutionalism (Peters, 2008). The main types of institutionalism are nevertheless probably threefold: historical, rational choice, and normative/sociological (see Steinmo, 2008). (On the various strands of new institutionalisms, see also Ansell, 2008; Pierre, Peters and Stoker, 2008; Shepsle, 2008; Sanders, 2008; Hay, 2008; Rhodes, Binder and Rockman, 2008). These subsets of new

counts as the economic, how it is organised in different contexts, and how it might be examined' (Amin, 2001, p. 1237). Institutionalists do not aim to build universal theories (Steinmo, 2008; MacLeod, 2001), and they are not 'motivated by the desire to press an argument or push a methodology [... but rather] by the desire to answer real-world empirical questions' (Steinmo, 2008, p. 125).

Furthermore, institutionalist research focuses on the study of institutions, intended as the structures, rules, routines, norms and identities that shape and constrain individual and collective action.³⁶ This is because '*through empirical investigation*' it has been found that institutional structures have 'profound effects on shaping political strategies, outcomes and, ultimately, political preferences' (Steinmo, 2008, p. 125).

Related, since institutions are believed to constrain and mediate the action of individual and collective agents, the context becomes central to the analysis. Institutionalists believe that economic, political and social action is

mediated by recurrent practices of varied constitution, from legal rules, state policies, and technological standards, to informal habits, codes of conduct, organisational cultures, and semantic or ideological conventions. ... This is precisely why the temporal and spatial context matters, for it specifies the templates, possibilities, and constraints of economic activity in different settings, through the instituted modalities of these settings. These modalities, institutionalist thought has taught us, are complex (Amin, 2001, p. 1238).

By viewing history not as a sequence of independent events, but as the result of the interplay of individual actions, contexts and rules, institutionalist research (historical institutionalist research in particular, at least in its more recent forms) gives full consideration to the individual agent and her motivations in shaping change, with or without awareness, and directly or indirectly. For historical institutionalists, in

institutionalism are not necessarily to be viewed as antithetical, rather as complementary (Sanders 2008, 43; Rhodes 2008).

³⁶ March and Olsen have defined institutions as 'a relatively enduring collection of rules and organized practices, embedded in structures of meaning and resources that are relatively invariant in the face of turnover of individuals and relatively resilient to the idiosyncratic preferences and expectations of individuals and changing external circumstances' (March and Olsen, 2008, p. 3).

particular, individuals are both norm-abiding rule-followers (as with sociological institutionalists) and interest-maximising rational actors (as with rational choice institutionalists) and thus ‘how one behaves depends on the individual, on the context and the rules’ (Steinmo, 2008, p. 126).

Lastly, institutionalist research, especially in the last few years, aims to understand institutional change and the causalities and mechanisms for this, in a logic that can be defined as ‘of discovery’ (Schmitter, 2008).³⁷ This is under the assumption that institutions and the mix of structures, rules, routines, norms and identities that constitute them ‘change over time in response to historical experience’ (March and Olssen, 2008, p. 11), are in themselves arenas for change, and shape change by determining who can inform decisions and by structuring the menu of options available (Steinmo, 2008, p. 124). For historical institutionalists, change is necessarily context-specific, given that actors learn from experience and mould their expectations based on past events, and this results in context-specific, path-dependent equilibria, rather than in the progression towards a historical optimum (March and Olsen, 2008).³⁸

³⁷ The inability to explain change has been one of the most criticised aspects of historical institutionalism. Peters (2008), for example, argues that historical institutionalism is better suited to explain stability and policy persistence, rather than change in policy and structures, because of the emphasis it places on the formative stages of institutions as constraining future evolution and on path-dependency as the key explanatory principle. The scholar argues that the concept of punctuated equilibrium (i.e. that institutions remain at equilibrium until an exogenous shock forces them to adapt/change) is suited to describe change after it has occurred, rather than to predict it (2008, pp. 2-3). However, Steinmo has observed that the notion of punctuated equilibrium, which has until recently been the dominant explanatory factor for change in historical institutionalist analysis, is now being superseded by an approach that places emphasis on ideas and the role of powerful actors in determining change (Steinmo, 2008, pp. 129-131). One can thus argue that historical institutionalist analysis not only describes but also explains change. The lack of predictive power, furthermore, does not detract from the validity of explanation: explanation and prediction are simply two different undertakings in political investigation, neither of which is ‘superior’ to the other (Schmitter, 2008, pp. 271-272). It should also be observed that there are different ways of interpreting the very successful concept of path-dependency. This concept is increasingly viewed not deterministically, but as a device to acknowledge the legacy and constraining power that past choices can have on future options. A discussion of how institutionalism explains the dynamics of change can also be found in March and Olssen (2008, pp. 11-15).

³⁸ The literature on political and social change and on policy change is of course copious, and it is not within the scope of this research to review it. It should suffice to mention that for historical institutionalists change is both exogenously and endogenously driven, and that it can be both the intended or unintended outcome of individual and collective action.

The above key traits of the institutionalist, and particularly historical institutionalist, research approach carry some important ontological and methodological corollaries.

The first of such corollaries is represented by the ‘relativity’ of methodological choices. This point is well illustrated by Steinmo, who observes that

In order to understand historically specific events and long-term political outcomes, one cannot strictly apply methods and epistemologies drawn from the study of invariant variables that have fixed relationships across space and time. This, of course, does not mean that it is not science – unless one’s definition of science excluded biology as well; rather, it implies that the scientific method applied should fit the subject being studied (Steinmo, 2008, pp. 128-129). [emphasis added]

A second corollary, derived directly from the previous one, is that historical institutionalism is open and pluralistic (Amin, 2001, p. 1237) as far as methods are concerned, in that it encourages drawing from a ‘plurality of research methods’ (Rhodes, 2003, p. 79) in a spirit that aims to supplement and integrate, rather than reject alternative approaches (March and Olsen, 2008, p. 16), not least because of the awareness of the limitations of the institutionalist approach (e.g. Peters, 2008).

A third corollary is that because change is viewed as the interdependent evolution of multiple causal variables, given the ‘explicit awareness that important variables can and often do shape one another’ (Steinmo, 2008, p. 128), historical institutional research is undertaken through methods that are intended to capture all these factors and their mutual interrelations. This is often performed through in-depth investigation of individual cases. The in-depth case study method (both singly and as part of comparative analyses, Della Porta, 2008) is probably the most utilised amongst historical institutionalists, precisely because, as will be discussed in more detail in Chapter 6, it allows for the thorough analysis of the multiple factors at play in the specific, and carefully delimited, contexts that are being investigated.

Further, ‘adopting a sociological and historical institutionalist stance directs much more attention to the role of actors and to their strategies and behaviours in concrete policy-arenas’ (Gualini, 2004, p. 19) and thus to the policy processes that unfold from the activity and interaction of these actors. This is particularly crucial for the study of a policy – ECP – that, as has been discussed, has radically changed in the

last twenty years (as discussed in Chapter 3), becoming increasingly cross-sectoral in scope (thus requiring a multidisciplinary perspective), and multi-level and networked in its formulation and delivery.

Many, if not most, of the scholarly contributions addressed in the literature reviewed on devolution and on regional policy adopt an institutionalist approach, in one variant or the other, ranging from the historical institutionalism found in Gualini (2004) to the ‘policy network’ institutionalism of Rhodes (2003), the ‘multi-level’ institutionalist approach of Marks (1992) and Marks and Hooghe (2004), the ‘strategic-relational’ institutionalism of Jessop (2001 and 2004) and many other contributions where institutionalism is not explicitly declared but appears evident from the research scope and design. Equally, the research reviewed on accountability also shows a certain predilection towards institutional approaches, focusing on how accountability is performed by the different institutions that formally or informally perform governmental action. Much of the study of accountability pertains to the Public Administration sub-field of political science, which has been classified as a variety of institutionalism (Rhodes, 2003, pp. 77-78). Even when the topic of accountability is approached from a multidisciplinary perspective, the analysis of accountability is often framed in an institutionalist construction: for example, Gormley and Balla (2004) in their review of the accountability of selected US policies utilise four approaches which, whilst correlated to a range of disciplines (not just public administration, but also psychology, economics, political science and sociology), can all be placed under the institutionalist umbrella – bounded rationality, principal-agent theory, interest group mobilisation and network theory.

In sum, the institutionalist family seemed the best fit to frame the present research in such a way to account for the complexity and multidisciplinary character of current, devolved regional policy, as well as to discount the context-specific elements that may explain the possible differences across the two case studies. The choice of a historical institutionalist approach was made for a number of reasons, as follows.

In primis, this research aims at comprehending the dynamics of change in a specific policy field (as a result of devolution) and its implications for a selected variable – accountability – in this policy area (or, rather, selected sub-sets of this variable, given

that accountability is disaggregated in different elements, as will be illustrated in the section to follow). The aim is not to test an ‘if ... then’ hypothesis and predict future outcomes, but rather to explain change, its causalities and effects, essentially adopting what Exadaktylos and Radaelli (2009, p. 512) have called an ‘effects of causes’ approach, i.e. tracking down the effects (in this particular case on a specific dimension, accountability) of a particular cause (in this specific case, devolution).³⁹ The logic of the investigation is thus exactly one of ‘discovery’, as discussed above.

In addition, and related, the research is a clear example of what has been termed a ‘meso-analysis’. The aim is not to put forward a universal theory or to achieve an in-depth knowledge of micro-variables of political or administrative behaviour, but to answer tangible empirical questions and, through this, to test a meso-level theory (the research argument described in the introduction, i.e. that devolution has had an impact on the nature of the accountability of ECP). The research considers institutions, the individual behaviours within these and the broader environment as part of a co-evolutionary process, with outcomes that are regarded as contingent rather than linear and pre-determined (Steinmo, 2008). The interest is on specific cases exactly because their context-specificity is acknowledged, together with the need to account not just for the changes in institutions in the strict sense (the structures, rules and practices of policy-making), but also for the co-existing ‘substantive, institutional and personal motivations’ that inform the policy process (Tarschys, 2003) and the related changes.

³⁹ The alternative approach is the ‘cause of effects’ approach, whereby the researcher starts off with the independent variable in terms of outcomes and investigates the possible cause (Exadaktylos and Radaelli, 2009, p. 521).

7. THE ANALYTICAL FRAMEWORK

The main goal of the research, as has been illustrated in previous sections, is to answer tangible empirical questions and, through this, test a meso-level or middle-range theory – notably that devolution has had an impact on the accountability of ECP, but that the exact scope and extent of this impact need to be empirically tested. To do this, it has been necessary to outline an operational definition of accountability, which would serve as a basis for the empirical research, and to disaggregate the object of analysis into observable units.

7.1 Adopting an operational definition of accountability

As discussed in Part 1, in both the academic and policy fields there are a variety of conceptualisations and definitions or quasi-definitions of accountability, but these are often context-specific. For this research, the option chosen was to elaborate an operational definition of accountability, based on the review undertaken of past work in this area, which would be applicable to ECP. The definition obtained combines perspectives from three key authors (Mezlev, 2003; Mulgan, 2003; and Held, 2004), but draws particularly from Mulgan (2003). It is based on the following key constitutive elements:

- **Rationale** – Public accountability, like accountability more generally, stems from two key principles (Mulgan, 2003, pp. 12-13): the delegation, principal-agent principle and the affected rights principle. The first principle declares that when one actor (agent) acts on behalf of another (principal), the former has the obligation to ensure that their actions or inactions are in line with the preferences expressed by the latter. Conversely, the principal has the right and faculty to call and hold the agent to account for her behaviour. The second principle, on the other hand, places an obligation on any public agent (and indeed, more broadly, any citizen) to be responsible for her actions or inactions that have an impact on a second party, even outwith a delegation, principal-agent relationship. Much academic work on accountability focuses on the principal-agent principle (e.g.

Benz *et al.*, 2007). However, the very multi-level, networked and complex nature of European policy-making (to which ECP pertains) justifies retaining both of the above as a basis for empirical investigation in the present research.

- ***Subjects*** – Accountability relates to the interaction of two actors or groups thereof: decision-makers, on the one hand, and decision-takers on the other (Held, 2004; Mulgan, 2003). Because of the two principles underpinning accountability discussed above, these two groups of actors have a different status: the decision-takers are ‘accountability holders’ or ‘accountees’ and have rights (the rights to be informed and to call and hold the decision-makers to account), whilst the decision-makers are ‘accountors’ (Mulgan, 2003) or ‘accountability holdees’ (Papadopoulos, 2007⁴⁰) and have obligations to respond to the decision-takers’ calls for accountability (Mulgan, 2003, p. 11).
- ***Content of the accountability relationship*** – To be one of accountability, the relationship between decision-makers and decision-takers has to entail the following elements (Mezlev, 2003): (i) the *ability* of decision-takers to inform the decision-makers’ choices, linked to an obligation for decision-makers to take into account such views and preferences; (ii) the *obligation* for decision-makers to give account of the actions taken or not taken and of the outcomes of such actions; and (iii) the *capacity* for stakeholders to express dissent or dissatisfaction and to request changes to the course of action adopted. These actions have been synthesised by Mulgan (2003) as dialogue, information and rectification (albeit in different order). In the absence of one of these three fundamental stages, the relationships observed amongst decision-makers and decision-takers is not one of accountability.
- ***Nature of the relationship*** – As implied by the words ability, obligation and capacity, the accountability relationship is one of ‘potentiality’ (Mulgan, 2003, p. 10), since the potential to be called and held to account is generally sufficient to

⁴⁰ Quoting R. D. Behn (2001) *Rethinking Democratic Accountability* (The Brookings Institution).

prevent power abuse or wrong-doing. As noted by Papadopoulos, '[t]he availability of effective accountability mechanisms forces policy-makers to anticipate the *ex post* control by policy-takers, and to act in the shadow of their sanction, which produces a “deterrent” (or disciplining) effect’ (Papadopoulos, 2007, p. 471). Nonetheless, when the deterrent effect of this potentiality is not sufficient, enforcement tools are needed to ensure both that decision-makers are punished for an inappropriate course of action (as disincentive for the future) and that the correct course of action is restored (Mulgan, 2003).⁴¹ In other words, the obligation of decision-makers to justify their actions needs to be linked not just to corrective mechanisms, but also to effective sanctioning.⁴²

- ***Object of the accountability relationship*** – Lastly, a fifth dimension of public accountability relates to the object of the accountability relationship, i.e. whether account is sought and given over inputs (the use made of financial and human resources), procedures (due process and fairness), outcomes (outputs, results and impacts, in the terminology used in ECP evaluation), or performance (i.e. the successful achievement or achievability of intended goals). This dimension has become particularly relevant in recent years, as

[t]he new public management accountability reform agenda has attempted to reorient the focus of public sector accountability away from inputs and processes and away from political accountability for detailed decisions and more towards accountability for results and accountability directly to customers and through regulation (Mulgan, 2003, p. 184).

In sum, the operational definition adopted to investigate accountability in the present research is as follows:

⁴¹ As noted by Bovens, 2007, ‘it has been a point of discussion whether the possibility of sanctions is a constitutive element of accountability’. Like Mulgan, he argues that: ‘[T]he *possibility* of sanctions – not the actual imposition of sanctions – makes the difference between non-committal provision of information and being held to account’ (Bovens, 2007, p. 451).

⁴² Although, as noted by Papadopoulos, ‘the two dimensions do not need to be simultaneously present: courts, for instance, are compelled to provide reasons for their decisions, but they cannot be sanctioned for them; [explicative footnote omitted] while MPs can be sanctioned without being (formally) obliged to justify their decisions’ (2007, p. 470).

Accountability denotes a particular type of relationship between two actors or groups, decision-makers and decision-takers, where the first acts on the second's behalf, or where the first, because of its actions or inactions, determines an impact upon the second. For the relationship between these two groups to be one of accountability: (i) decision-takers must be able to inform the decision-makers' choices; (ii) decision-makers must be prepared to give account of their choices (actions and inactions) and of the outcomes of such choices (with respect to a plurality of aspects of their activity, ranging from the use made of inputs to the performance achieved); and (iii) decision-takers must have the faculty to express dissatisfaction and request changes to the course of action adopted. Enforcement and sanctioning mechanisms must be in place to ensure that the correct course of action is restored where necessary and to act as a deterrent for accountability failings in future.

7.2 Focusing on the processes of the policy cycle

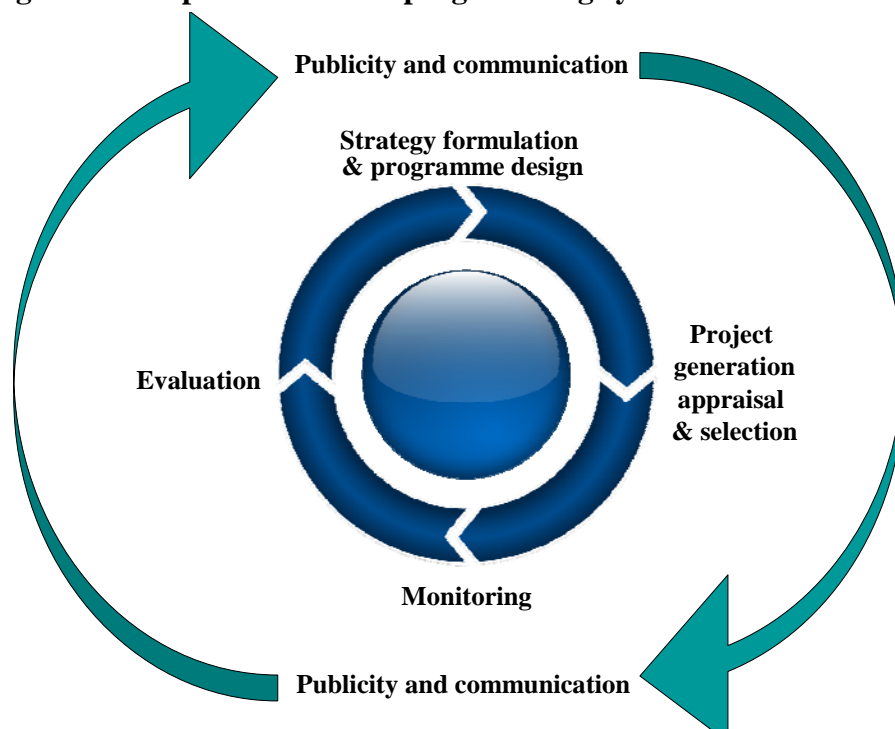
Having defined an operational definition of accountability, one can turn to the ground upon which the analysis builds, i.e. the peculiar institutional framework in which ECP operates. As discussed in previous chapters, this is considered as a multi-level and 'differentiated polity' (Rhodes, 2003), Assessing accountability in the 'differentiated polity' entails that just as 'the assumption of institutional hierarchy which underpins so many discussions of bureaucratic accountability no longer holds' (Rhodes, 2003, p. 59), the traditional approaches to accountability analysis – based on an assessment of the accountability role played by legislative, executive and judicial institutions – also no longer hold. The assessment of accountability in this specific policy needs to consider the way accountability is performed across and within the various actors that constitute the multi-level and networked polity that intervenes in policy formulation and implementation, and how accountability is performed in the interrelations across different networks and across the different actors that comprise such networks. In other words, the study of accountability in a 'differentiated polity' needs to be based not just on an assessment of the governmental institutions and their components at the various relevant territorial levels (i.e. the traditional decision-makers), but also on the other actors and organisations that participate or inform the policy-making and implementation process, and the complex, often informal and at times even idiosyncratic,

interrelations and exchanges between these institutions, organisations and individuals.

For this very reason, the choice was made to implement the appraisal of accountability in the two case studies by considering the *policy processes* of the ECP management cycle and, for each process, to consider the roles and functions performed by different actors in the system, looking at who takes the decisions, how the decisions are taken and to what effect in terms of accountability, and the interactions between different groups of actors. These processes are: (i) strategy formulation and programme design; (ii) project generation, appraisal and selection; (iii) monitoring; (iv) evaluation; and, (v) publicity and communication (see Figure 1 below). The topical issue of partnership will horizontally permeate the above-listed phases, and thus it will be investigated as part of the appraisal of each phase. For each policy process, and again using a conceptual framework found in Mulgan (2003), the following key questions will be answered: who is accountable; to whom; how (through which mechanisms under the key components of dialogue, information and rectification); and, for what (notably inputs, procedures, outcomes or performance).⁴³

⁴³ A re-elaboration of Mulgan's framework was found in Mashaw (2006, pp. 117-118). This author proposes a conceptual model to assess accountability regimes based on six questions (basically Mulgan's four, plus two more: by what standards and by what effects). However, Mulgan's 2003 approach was found to be adequately analytical for the present research.

Figure 1: The processes of the programming cycle



Source: own elaboration.

Related to this, the choice was made to focus the analysis on the meso-level, i.e. what from a European perspective can broadly be considered as the regional level (intermediate level between state and local authorities). This is the level at which the responsibility for the implementation of policy is allocated (e.g. the so-called Managing Authorities of the ERDF programmes are at this level). Nevertheless, with its multi-level nature as noted above, ECP entails inputs from a plurality of levels of government.

The national and European levels, through intergovernmental bargaining, define the rules of the game and the resources available, approving the regulations and budget for each policy-cycle (financial perspectives) through the Council of the European Union (Allen, 2010; Bachtler and Mendez, 2007). The European Commission is responsible for the correct implementation of the policy and imparts strategic direction to the member state authorities; it monitors, audits and controls the policy's operation, and fulfils accountability towards the European Parliament and the member states through annual reports and other reporting on the use made of the Structural Funds. The same body is also responsible for the *ex post* assessments of

the achievements and impacts of the policy. The European Court of Auditors is responsible for the audit of the policy, whilst the European Parliament oversees and controls the policy and has responsibility for the discharge of the annual budgets (Davies and Polverari, 2011; Davies *et al.*, 2008). Member state authorities, on the other hand, i.e. central state and meso-levels, are responsible for the administration of policy, but with an allocation of competences between state and meso-levels that varies from country to country (e.g. Bachtler *et al.*, 2008).

Thus, each and every one of the activities carried out by these bodies, and the interrelations between different actors that intervene in each process at various spatial scales, entail a plurality of potential accountability linkages. As a consequence of the choice to concentrate the analysis on the processes of the policy cycle and on the meso-level, the study considers the interactions that take place between the meso-level and the territory, intended as the local authorities, associations, stakeholders and residents (*downstream accountability*), and with the national and European levels, i.e. national governments and Parliaments, European Commission (particularly DG Regio), European Court of Auditors, as well as other European-level institutions if and as applicable, such as the European Parliament, the Committee of the Regions and other supra-national networks or associations that may apply (*upstream accountability*).

Finally, since this research is diachronic, in that it deals with a before and after (namely before and after devolution), the same questions of who is accountable, to whom, how and for what are investigated under each policy process across the three programme periods under observation, starting in 1994, with a view of establishing the changes occurred, their bearing for accountability and the related causalities. For each change, a key question addressed is whether devolution was the key factor for the change observed and, if not, what other factors came to play a role.

8. RESEARCH DESIGN

After having framed the research in a new institutionalist, notably historical institutionalist, approach and outlined the analytical framework of the research (operational definition of accountability and research scope), considerable attention was paid to the research design. This was carefully established, based on the practical methodological advice found in Hart (1998, pp. 48-52). Careful consideration was given to the choice of a comparative case study method most suited to the research, as well as to the design of the specific case studies and the methodology devised to implement the research design. This chapter discusses, first, the decision to implement a comparative case study research approach and the specific choices made in this regard (i.e. diachronic analysis, limited in number for ‘thick’ analysis) and, second, the key elements of the individual case studies, i.e. the independent and dependent variables, the dimensions (both for single case and cross-case assessment), and the spatial and temporal delimitation of the investigation.

8.1 Comparative case study method

The adoption of an institutionalist stance had direct methodological implications for the research, resulting in the implementation of a comparative case study method which, as noted by Rhodes (2003, p. 83), ‘has a key role to play in developing institutional analysis’.⁴⁴ The following discussion does not dwell on the relative benefits of case study method as opposed to alternative social science methodologies – such as survey, experimental analysis, statistical analysis, quantitative modelling and others (Della Porta, 2008; Yin, 2003; European Commission, 1999) – but focuses on the specific strengths of the approach chosen, in the light of the goals and scope of this research.

⁴⁴ And, in fact, as underlined by Della Porta (2008, p. 214) ‘[e]specially within neoinstitutional approaches, historical sociology or international relations, the use of case studies continues ... to be considered as a main strategy in order to address complex historical phenomena’.

First of all, it is necessary to provide a definition of a case study:

A case study is a research strategy based on the in-depth empirical investigation of one, or a small number, of phenomena in order to ... elucidate features of a larger class of (similar) phenomena by developing and evaluating theoretical explanations (Ragin, 2000, pp. 64-87, quoted in Vennesson, 2008, p. 226).

As discussed in previous sections, the main goal of the research is to answer tangible empirical questions and, through this, to test (and possibly refine) a meso-level theory. This can be achieved through case-oriented research (Della Porta, 2008). Case-oriented research can serve a range of purposes,⁴⁵ one of which is theory-testing (Della Porta, 2008; Vennesson, 2008; Rhodes, 2003; Yin, 2003; Fisichella, 1992), irrespective of whether the theory is universal, predictive or, as in this case, a middle-range.

Even individual case study can put theoretical hypotheses to the test, by comparing the initial assumptions made with the actual findings of empirical research (Fisichella, 1992), but obviously this same hypothesis-testing function is fulfilled through multiple case studies (Hix, 1998, p. 45). Indeed, this latter approach can be considered more conducive to the generation of conclusions that have the potential to be generalised, albeit in this case with only partial (Fisichella, 1992, p. 38) and context-specific validity, i.e. generalisations that need to be subjected to further empirical investigation (Della Porta, 2008). It is essentially for this reason that the choice was taken to implement a comparative case study approach as opposed to a single case study analysis. The focus on two cases rather than a single case was due to the desire to test the basic assumption that underpins the research in more than one specific *milieu*, so as to allow a minimum degree of generalisation of the conclusions achieved, whilst retaining the capacity to carry out an in-depth investigation of the

⁴⁵ Others include the identification of deviant cases, the interpretation of theories, and the generation of a hypothesis (Fisichella, 1992). In line with these varied purposes, there are also different types of case studies. Vennesson, for example, mentions descriptive, interpretative, and heuristic (hypothesis-generating and refining) case studies (2008, p. 227).

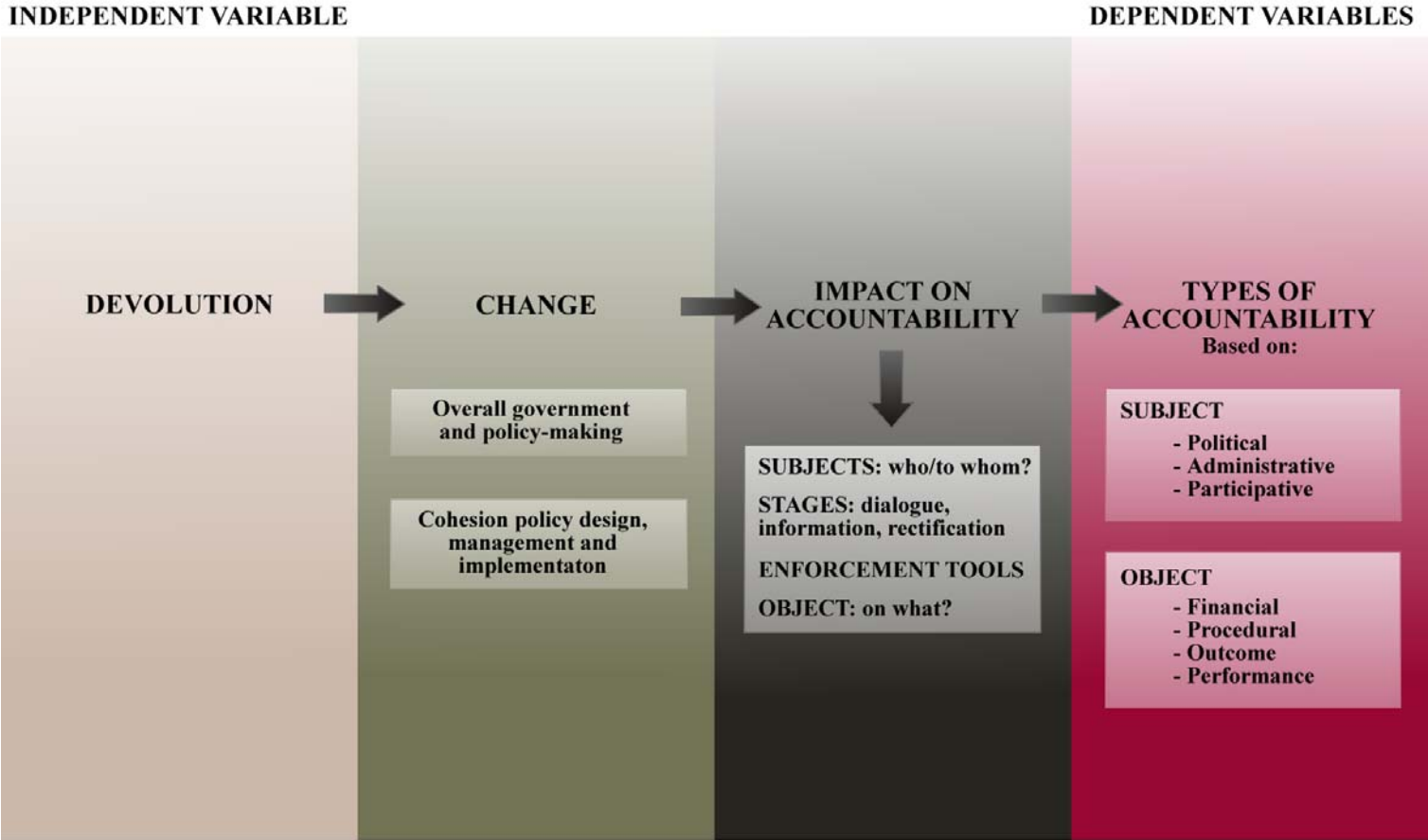
issues at hand, ensuring in so doing empirical ‘thickness’ (which is essential in the context of an analysis that interrelates multiple variables and complex processes).

Because the research is about explaining change after the introduction of constitutional and institutional reforms, the research is diachronic. Time is treated as a variable (Della Porta, 2008) in order to track the evolution of the observed dependent variable (accountability) from T1 (pre-devolution) to T2 (post-devolution), where the explanation of the causalities of such evolution are addressed through a historical, process-tracing-based narrative (Vennesson, 2008). Framed in this way, the research entails, first, a cross-time comparison within each single case study and, subsequently, the cross-consideration of the empirical conclusions obtained in each case study.

8.2 Defining the individual case studies

In line with the above considerations, the two case studies carried out for this research have been used to: (i) test and substantiate the theory put forward at the beginning of this thesis; (ii) investigate the extent of change determined by devolution in the way ECP is designed and implemented (and the causalities for this); and, (iii) assess the effects of the overall impact of such change on the accountability of the policy in the two contexts investigated, following a logical framework visually represented in Figure 2. The two case studies were thus developed along a common methodological approach. This has entailed clarifying the independent and dependent variables observed (Sub-section 8.2.1), the spatial and temporal delimitation of each case investigated (Sub-section 8.2.2), and the questions for the empirical investigation (Sub-section 8.2.3).

Figure 2: The logical framework for case study investigation



Source: own elaboration.

8.2.1 Dependent and independent variables

For the purpose of the empirical investigation, devolution is considered as the **independent variable**. This does not imply that devolution as a process has not been affected by parallel developments in the field of ECP implementation⁴⁶ (as well as other ongoing reforms and public policy processes), but that, because the aim of the investigation is to understand the impact of devolution on the accountability of ECP, devolution is conventionally presumed as the independent variable. This deliberately and artificially ignores any possible double-loop effects that the changes in the management of ECP introduced during the time-period observed might have made to the devolution process, for instance with regard to the consolidation of the structural and operational arrangements of devolved institutions.

The **dependent variables** are selected types of accountability that are assumed to have changed after, and potentially as a result of, devolution. The literature review has highlighted that a number of different and not necessarily congruent categorisations of public accountability exists (Section 4.1). The following two categorisations have been adopted as the focus for this research, the first of which is based on the subjects of the accountability relationships, whilst the second is based on the object of account-giving (or, the ‘nature of the conduct which is the subject of scrutiny’) (Bovens, 2007).

The first classification is the one between political, administrative and participative accountability:

(i) ***Political accountability***, i.e. the accountability that relates to the relationship between political leaders and their constituents. This category will include both the accountability that regards the relationship between executive and legislature (which will be referred to as *ministerial accountability*) and that which regards the

⁴⁶ Indeed, there is a full body of research on multi-level governance that argues exactly this, i.e. that ECP has determined regionalisation and devolution processes across EU Member States that hitherto had a unitary or centralised character.

relationship between the politicians (Ministers, Members of Parliament, local authority Councillors) and the electorate (which will be called *democratic accountability*).

(ii) ***Administrative accountability***, i.e. the accountability regarding the relationship between civil servants and other officials in charge of administrative functions (even outwith the administration if applicable) and their political referents, notably between the administration and the Executives/Ministers.

(iii) ***Participative accountability***, i.e. the accountability that relates to the relationship between the public, policy stakeholders and policy recipients, on the one hand, and the policy-makers on the other hand (i.e. both politicians and administrators).

The second classification is the one between financial, procedural, outcome and performance accountability:

(i) ***Financial accountability***, i.e. the accountability that relates to the control and assurance of elimination of waste, fraud and corruption and which ‘concerns tracking and reporting on allocation, disbursement and utilization of financial resources, using the tools of auditing, budgeting and accounting’ (Brinkerhoff, 2004).

(ii) ***Procedural accountability***, i.e. the accountability regarding the correct compliance of the acts and procedures put in place for policy delivery with the relevant administrative law, standards and codes of practice (such as the observance of public procurement and tendering rules for project selection and of reporting and monitoring obligations).

(iii) ***Outcome accountability***, i.e. the accountability that relates to the outcomes achieved, notably the outputs and/or effects of the interventions (results or impacts) (MEANS, 1999).

(iv) ***Performance accountability***, i.e. that which pertains to the performance of public authorities’ activity, assessed on the outcomes achieved or their achievability (when assessed *in itinere*) contrasted to the targets set. In other words, that which

relates ‘to demonstrating and accounting for performance in light of agreed-upon performance targets’ (Brinkerhoff, 2004, pp. 374).

These types of accountability are the dependent variables in the research. The empirical investigation of the changing relationship between the independent and dependent variables has been articulated around a number of dimensions: first, the dimensions of accountability discussed in Section 7.1 – namely the subjects, content and nature of the accountability relationship; and, second, the dimension of the distinct policy processes through which ECP is delivered, notably those of strategy setting/programme design, project generation, appraisal and selection, monitoring and evaluation, and communication and publicity. The first have informed the case studies’ research questions; the second are the areas to which the research questions are applied. According to this framework, the questions regarding who is accountable, to whom, through which mechanisms, and on what (i.e. financial inputs, procedures, outcomes or performance) have been linked to the different stages of policy design and implementation in order to map the situations before-and-after devolution and to track and assess change. By focusing on these themes, the research has been able to identify not just the changes in ECP implementation, but also, where relevant, any significant shift in the overall governance of public policy in the two case studies. Further, concentration on these policy processes – which are common to both case studies – has enabled not just the capture of the extent and causalities for ‘change’ (in the context-specific environments of each case), but also the framing of the two case studies in a comparable construction, so as to facilitate cross-case-study conclusions.

8.2.2 Space and time

Having clarified the purpose and subject of the case study research, the subsequent step was to circumscribe the scope of the investigation both spatially and temporally. From a spatial point of view, the decision was taken to focus on Scotland and Tuscany. From a temporal perspective, the focus was placed on the two most recent (past) regional policy programme periods (1994-99 and 2000-06) and on part of the

current policy phase (2007-13), to cover the fifteen years from 1994 to 2009. These choices were carefully considered in order to make the research design meaningful and manageable. They are explained in more detail in the paragraphs to follow.

Scotland and Tuscany were chosen for a number of reasons. Both are part of countries that have recently experienced devolution reforms, i.e. a transition towards what has been defined as ‘holding together’ type of federalism (Ventura, 2008, p. 16, borrowing from Alfred Stepan’s (2001) differentiation between ‘coming together’ and ‘holding together’ federalisms). They present a wider set of similarities too. First, both Italy and the United Kingdom have been traditionally centralised countries.⁴⁷ Although Italy experienced a first wave of administrative decentralisation in the early 1970s, it cannot be considered to have been a regionalised or devolved state before the reforms that are the subject of this thesis. Groppi has defined it as a ‘state-centric’ system for a number of reasons that include: the exclusively ‘concurrent’ competences attributed to the regional authorities (i.e. allowing state law to dictate overarching norms); the preventative controls not just of legitimacy but also of merit of the legislative and administrative acts passed by the regional authorities; the adoption of the regional statutes by the national Parliament; the privileged relationship enjoyed by the local authorities (which also had constitutional standing) with the central state; and the lack of a regional chamber of Parliament and of other mechanisms for the participation of the regional authorities in state functions. All of these gave rise to ‘a regional State in which the political autonomy of the Regions was circumscribed, and in which these characterised themselves most of all as administrative bodies’ (Groppi, 2009, p. 43). In both cases, the creation of the nation state was the result of a not-uncontested merger of pre-existing ‘previously autonomous or separate entities’ (Mitchell, 2009, p. 4). As a consequence, in both countries there have been persistent, historically grounded

⁴⁷ Centralised is preferred here to ‘unitary’, since the conventional consideration of the United Kingdom as a unitary State has been challenged and there is consensus in the literature that ‘[t]he United Kingdom was not a unitary state even before devolution but a state of unions in which citizens enjoyed different rights and had different obligations’ (Mitchell, 2006a, p. 154; also Mitchell, 2009, p. 6).

regionalist movements and considerable regional socio-economic disparities and even cultural differences.

Second, both countries are long-standing members of the European Union (Italy being a founding member of the Community and the UK having joined in 1973), and both have been engaged in the implementation of ECP since its inception in the mid-1970s. Finally, both countries have experienced recent devolution processes, which present elements of similitude, including the centrifugal force represented by sub-state nationalist parties (such as the Lega Nord in Italy and the Scottish National Party in Scotland) and the progressive and evolving nature of reforms.

On a more general level, Italy and the UK have a similar size of population – around 60 million inhabitants,⁴⁸ placing them among the most populated member states of the EU – and a comparable economic weight, both being part of the group of eight most economically prosperous countries in the world, the G8.⁴⁹

Turning to Scotland and Tuscany more specifically, these two regions are quite dissimilar entities from a demographic and geographic perspective (at least if one considers Scotland in its entirety).⁵⁰ Yet, in the past twenty years both regions have faced the crucial challenges of industrial reconversion and rural restructuring, which they have tackled with support from ECP. In doing so, they have provided examples of efficiency and innovation in regional development policy-making, distinguishing themselves as cases of European good practice, despite having adopted very different institutional responses to deliver this policy. In Tuscany, regional policy implementation has been ‘subsumed’ within domestic regional governance, under the administrative machine of the regional executive (the so-called *Giunta*); whereas in

⁴⁸ Italy currently has 58,175,000 inhabitants, the UK 59,834,000. Tuscany and Scotland, on the other hand, have respectively 3,582,000 and 5,075,000 inhabitants (CEC, 2007).

⁴⁹ This is the international forum of the governments of Canada (included in 1976), France, Germany, Italy, Japan, Russia (since 1998), the United Kingdom and the United States, which together represent c. 63 percent of the world economy.

⁵⁰ Scotland has just over 5 million inhabitants, a population mainly concentrated in two cities in the so-called central belt and a large region in the North characterised by sparse population and remoteness/insularity; whereas Tuscany with its c. 3.58 million inhabitants presents a much more fragmented population and a settlement based on a closely-knit net of small and medium-sized towns.

Scotland, ECP was implemented, until the current programme period, in a framework of separation (or ‘differentiation’) from domestic policy, through the management of *ad hoc* bodies (the so-called European partnerships) with the involvement of local partners and stakeholders (Taylor, Bachtler and Rooney, 2000; Ferry *et al.*, 2007).

The facts that both meso-levels have been subject to devolution since the end of the 1990s, that they have a long-lasting experience with the implementation of ECP but have provided policy delivery responses that are highly context-specific and different from each other (though at the same time equally praised), make them ideal for comparative research, presenting both an adequate level of commonality (e.g. the rules of ECP apply equally to both regions) and differentiation (i.e. the way devolution and ECP have been implemented).

The timeframe of the research was also carefully established. The devolution reforms were introduced in both countries from the late 1990s, in between two different ECP programme periods (1994-99 and 2000-06). The obvious choice – at least initially – was for this research to span from the beginning of the first and the end of the latter programme periods, i.e. from 1994 to 2006. However, after a first phase of investigation – entailing both desk research and a first set of interviews – it appeared clear that many of the changes that could be expected to take place in policy formulation and implementation as a result of devolution had yet to become apparent in 2006. Partly due to the state of flux of reforms and the time needed for new institutions or competences to take hold, and partly due to the impossibility of radically altering the programming of regional policy *in itinere* during the 2000-06 period, it appeared clear that it would be only in 2007-13 that significant changes to ECP and, even more so, the associated impacts would manifest in the two case study regions. The extension of the research well into the 2007-13 period was thus not part of the initial research design, but it became necessary to render the research more meaningful.

8.2.3 *The research questions*

In defining the case study research design, one of the last steps was to ‘translate’ the overall research questions developed at the outset of the process, together with the main research hypothesis, into specific empirical case study questions. The **overall research questions** were already outlined in the introduction to this thesis; they are as follows:

- First, *what* has been the impact of devolution on the accountability of ECP? And,
- Second, *how* has the accountability of ECP been affected by devolution?

To answer these questions, three different sets of issues are explored:

- First, what have the devolution reforms entailed and how have they affected the way ECP is designed, managed and implemented? How have the reforms impacted on the types and roles of institutions and actors involved in the design, management and implementation of the policy?
- Second, what does the concept of accountability mean and how does it apply to ECP?
- And, lastly, how has the accountability of ECP changed following devolution? How have the subjects and mechanisms of accountability changed in this policy following devolution? And, ultimately, has change enhanced or hindered the accountability of this policy?

These overall research questions have been applied to the two case studies, linking them to the working definition of accountability discussed in Section 7.1. This process has resulted in the following **case study questions** that informed the empirical work carried out:

- **Content of the devolution reforms** – what have the regionalisation/devolution reforms introduced in Italy and the UK commencing in

the early 1990s entailed, and what implications have they had for Tuscany and Scotland specifically?

- **Impact of the devolution reforms on ECP management and delivery** – how have these reforms impacted on the way ECP is implemented in these two regions with respect to both the overall governance and the specific ECP management arrangements? How was ECP designed and implemented in the two case study regions before the devolution reforms and how has this changed as a result of devolution?

- Which actors were involved in these activities and in what capacity have they been involved? How has this changed after devolution?
- Unpacking the policy cycle into processes, what did each process entail, and how has this changed as a consequence of devolution?
- Other than devolution, what other factors have played a role in determining the changes detected?

- **Impact of devolution reforms on ECP accountability** – how has the accountability of ECP changed as a result of the above changes, in particular with regard to:

- *The subjects of the accountability relationship* – Who were and are the key decision-makers (accountors) and decision-takers (accountees, accountability holders)? How have these and the relationships between these two groups changed in the period observed?
- *The content of the accountability relationship* –
 - *Dialogue* – has the ability of decision-takers to inform the decision-makers' choices (in the different processes that compose the policy-cycle as applicable) changed in the period observed? If so, in what ways? Are the decision-takers better able to inform decision-makers' choices than they were pre-devolution?

- **Information** – has the account-giving of decision-makers to decision-takers (in the different processes that compose the policy-cycle as applicable) changed in the period observed? Are decision-takers better informed than they were pre-devolution?
- **Rectification** – has the capacity of decision-takers to express dissent and obtain rectification of decision-makers' choices (in the different processes that compose the policy-cycle as applicable) changed in the period observed? Is this capacity higher than it was pre-devolution?
- **The nature of the accountability relationship** – have the tools available to ensure that the above phase of rectification is enforced changed in the period observed? Has this strengthened accountability?
- **The object of the accountability relationship** – has the object of the accountability relationship changed in the period observed? Is post-devolution accountability about inputs, procedures, outcomes or performance? How has this changed compared to pre-devolution?

Each of the two case studies is developed along a common structure, based on the above research questions. This allows for comparative conclusions to be drawn on the extent to which devolution has been conducive or not for accountability in the two cases.

9. THE METHODOLOGY

The above summarised research design was implemented through a carefully defined methodology that entailed a combination of desk research, on both secondary and primary sources, and field research.

9.1 Desk research

As far as the desk research is concerned, the study entailed a rolling programme reviewing literature, policy documents and press. The literature review was already illustrated in detail in Part 1. It involved the examination of books, book chapters, articles, and conference and policy papers on the topics of accountability, devolution, and ECP. The literature review entailed addressing a multidisciplinary set of academic outputs in both Italian and English, processing the messages from the various sets of literature to distil a limited set of concepts meaningful for the research framework.

The analysis of policy documents, on the other hand, was carried out primarily during the empirical research phase, i.e. during the investigation of the two case studies. This entailed reading Structural Funds programming documents, such as the Single Programming Documents (from 1994 to 2006) and Operational Programmes (in the current period) of Tuscany and Scotland;⁵¹ reading regional strategies implemented in each case study at the meso-level, such as the Scottish Framework for Economic Development or the five-yearly Tuscan Regional Development Plans; reviewing the programme evaluations (the available *ex ante*, *interim*, *ex post* and thematic evaluations); and the examination of monitoring reports, project selection procedural guidance, Programme Monitoring Committee minutes and similar implementation documentation, annual implementation reports and other documents

⁵¹ And, for the past programme period, the programme complements were also reviewed (including the current programme complement of the Tuscan ERDF OP, now called the Regional Implementation Document, as discussed in the Tuscan case study).

relevant to the understanding of the concrete mechanisms of regional policy implementation and delivery on the ground.

Finally, a press review was conducted throughout the research project to obtain an overview of the domestic debates on devolution and ECP, and to supplement other documental or interview evidence. The press reviewed mainly comprised the *Financial Times* and *The Herald* for the Scottish case study, and *Il Sole 24 Ore* and *La Repubblica* for the Tuscan case study. For the monitoring of Italian press, the web was extensively utilised, particularly the online press review of the Italian Parliament (which is publicly accessible, organised thematically and includes all Italian newspapers). Press releases were also often obtained from the websites of the institutions involved in managing the Structural Funds programmes in both Scotland and Tuscany (and Italy more widely).

Relevant national and European websites were also regularly monitored, such as the Inforegio website, the website of the Italian Development and Economic Cohesion Department, the website of the Scottish Government and various other websites of academic departments or associations (e.g. the website of the Italian Association of Constitutionnalists). A full list of the web sources utilised in this research is provided in an appendix to the bibliography. These latter sources were particularly helpful in monitoring the latest developments in the Italian literature on the topics explored. This rolling programme of desk research was a useful tool to supplement the information obtained from the interviews, and to make sure that the research findings would not be biased or based on anecdotal evidence.

9.2 Field research

In addition to the review of written sources, thirty interviews were conducted so as to go beyond policy documents and the often limited or fragmented insights of academic sources, and to acquire an in-depth understanding of the practices of policy design and implementation on the ground and how they had changed following devolution (a full list of the interviews carried out is provided in Annex I). For the interviews, an intermediate approach between positivist and interactionist (as

illustrated by Silverman, 1993) was adopted, based on semi-structured discussions with open-ended questions and flexible checklists, notified to the interviewees in advance of the meetings. The semi-structured approach ensured a high degree of flexibility and adaptability of the interviews to reflect the areas of particular interest and expertise of the interviewees, allowing the interviewer to follow the flow of the discussion, and also digressing – insofar as relevant - into issues that might not have been previously anticipated. To this same purpose, all interviews were carried out face-to-face (entailing travel to Brussels, Rome, Florence, Lucca, Edinburgh and Inverness). As the fieldwork progressed, interview questions were adapted to tackle specific information gaps or double-check certain information.

The selection of the interviewees and the questions for the interviews were carefully considered. In order to avoid any risk of self-referentiality and to gauge a plurality of views, interviewees were selected from a range of interviewee ‘types’. Interviewees were targeted under three conceptual groups - ‘strategic’, ‘operational’ and ‘external’. **Strategic interviewees** were individuals involved in the programmes at a strategic level, for instance Heads of Managing Authorities; directors of programme secretariats; national and EU-level officials with policy direction or coordinating functions and so forth. Interviews with these actors were used in particular to gauge views on the broader context in which regional policy in the two case study regions has operated, to discuss the main strategic changes that occurred in ECP as a result of devolution and their accountability implications, to obtain general views on the evolving nature of policy accountability and the embeddedness of the changes found and their likely future development. **Operational interviewees** were individuals involved at an operational level in the implementation of the programmes, such as measure managers, representatives of programme secretariats, representatives of intermediate bodies, and members of management committees, advisory groups, project selection committees and other programme delivery organisations (e.g. sub-regional or thematic partnership groups, intermediary bodies). Interviews at this level were used to explore the specific operational changes that occurred to regional policy delivery and their implications in terms of accountability. Lastly, **external interviewees** were key individuals who, whilst not being directly involved in the management or implementation of the programmes, could provide useful insights on

the topics under investigation because of their knowledge about the key topics of devolution or regional policy implementation in the two case study regions. These included mainly academics, programme evaluators and members of organisations involved in the programmes as beneficiaries. This last group was particularly important to gain an external, and thus often less biased, perspective on the developments observed.

A first set of interviews was conducted in the initial stages of the research, simply to understand the practical mechanisms of regional policy implementation in the two case study regions, and this was helpful in refining and finalising the analytical framework and research design. However, it was mainly during the period from September 2008 to December 2009 that the interviews were directed to understand how accountability had changed in the post-devolution phase in the perception of the actors involved in ECP implementation in each meso-level authority. The processing of the information obtained from field research, which was clearly qualitative in nature, was accordingly analysed, in order to infer causalities and look for patterns and discrepancies across the two case studies.⁵²

In addition to field research, fundamental evidence and insights were obtained through informal networking and ongoing personal contacts with the ECP community, which were facilitated by the author's ongoing engagement in regional policy research, as part of her daily work initially as Research Fellow and since 2006 as Senior Research Fellow within the European Policies Research Centre, and through the author's active involvement in the IQ-Net research programme, an initiative carried out for a network of Structural Funds programme managing authorities across the EU that has included both Tuscany and Scotland.⁵³ This

⁵² The interviews carried out in this period were recorded and scripted. Cited excerpts from interview recordings are referenced using a coding system to prevent identification. This system is based on an abbreviation followed by a number, where TOS means interviewee from Toscana, ITA means Italian national level interviewee, SCO means Scottish interviewee, and COM refers to an interviewee from the European Commission.

⁵³ IQ-Net is a network of Structural Funds programming authorities – i.e. Managing Authorities or Secretariats – involving the European Commission (DG Regio) and around 20 national and regional partners from throughout the EU. The European Policies Research Centre is its secretariat, and the author

entailed close and regular contacts with Italian (including from Tuscany) and Scottish civil servants and programme managers, as well as with European Commission officials, and it allowed the author to capitalise on knowledge that the PhD research alone would have been unable to obtain. Such contacts – notably through bi-annual fieldwork visits to Italian administrations and through participation in the bi-annual conferences with all members of the network – gave the author the opportunity for an in-depth understanding of the details of the implementation of ECP, in general and in the two case study regions, and to create a solid foundation on which the present research could build. Where specific information presented in this thesis is drawn from interviews by the author carried out as part of this (or other) EPRC research projects, the source is acknowledged in footnotes to the text.

9.3 Methodological challenges

The implementation of the above-summarised methodology has been conducted with a number of practical methodological challenges firmly in mind. First, the political nature of concepts such as devolution and accountability, as well as that of the reforms analysed, implied that in reading academic sources and policy documents, and in conducting interviews, it was necessary to discount potential biases. The somewhat hybrid nature of ECP (as discussed in Chapter 3), i.e. its cross-sectoral, multi-disciplinary character, and its wider interrelations with a broad range of domestic policies, necessitated clear communication of the exact scope of the analysis during field research.

The cross-country character of the analysis meant that care was taken to ensure comparability, for example when gathering similar information from a plurality of sources across the two case studies. Special attention was given to ensuring that

has managed this network since 2004. Established in 1996, the network has the goal of improving the quality of Structural Funds programming through exchange of experience. Its activities are centred on a structured programme of applied research and bi-annual partners-only conferences. See <http://www.eprc.strath.ac.uk/iqnet/default.cfm>.

Italian and English expressions were applied consistently across the two case studies when interpreting written material, carrying out interviews and drafting the thesis. As already noted, the very concept of accountability can be interpreted differently in Italy and the UK. As all Italian sources had to be translated into English, extra care was taken to ensure that nuances of meanings and associations were correctly represented (when an Italian source is quoted, the translation is by the author of the present thesis, unless otherwise stated).

The complexity of the devolution processes and the parallel evolution of ECP implementation was another challenge. These processes have obviously not been clear-cut⁵⁴ and are in many respects still evolving in both countries, as discussed in more detail in the two case study chapters. In Italy, in particular, the past decade has seen the part-approval of a number of reform bills that did not reach the final stage, however, and this situation of ongoing reform has made the task of tracking and understanding the actual state of the game a thorny one. The ongoing monitoring of the Italian press and the annual visits to Italian administrations carried out by the author as part of her job – in particular the annual visits to the Department for Development and Economic Cohesion, Directorate General for Community Unitary Regional Policy - were fundamental in this respect.

Finally, the timing of the research meant that the changes that the research had set out to observe (devolution in regional policy) were only starting to be introduced in the first years of the investigation, and indeed many of the effects of the devolution processes within and outwith the ECP sphere were still *in fieri* when much of the research was carried out. This rendered the analysis of change, its underlying factors, and the related accountability implications particularly complex and, as already mentioned, required the adoption of a longitudinal approach. From a methodological perspective, this long time-span presented both advantages and disadvantages: it meant that the desk research had to be constantly updated, but it also facilitated the

⁵⁴ See, for example, the 2002 referendum in the North-East of England and 2006 referendum in Italy on the constitutional reform voted on in 2004 by the Italian Parliament, both of which to an extent halted the process of regionalisation.

validation of preliminary findings *in itinere*, seeking feedback from some of the same referents at various stages of the research, as well as allowing enough time for some of the effects of devolution on ECP delivery to become tangible.

PART 3 – DEVOLUTION IN ITALY AND THE UNITED KINGDOM (SCOTLAND)

This part of the thesis provides a review of the content of the devolution reforms in Italy and the United Kingdom, describing what was entailed in reforms introduced in the late 1990s and early 2000s. The particular changes introduced to Tuscan and Scottish policy-making (also beyond ECP) as a result of devolution are discussed in detail in Part 4 of the thesis, which presents the results of the empirical investigation.

Reflecting the different character of the reforms introduced in the two countries, notably their country-wide scope in Italy (covering in equal manner the entirety of the 15 ordinary statute regions) compared to the asymmetric arrangements introduced in the United Kingdom (where separate and different reforms were passed for Scotland, Wales and Northern Ireland), the two chapters to follow focus on the one hand on the devolution reforms in Italy, covering the entire legislation passed, which affected not just Tuscany but all ordinary statute regions (Chapter 10), and, for the UK, on the devolution reforms in Scotland (as opposed to devolution in the United Kingdom overall), discussing the overall UK framework only in passing and focusing exclusively on the new Scottish, as opposed to also Welsh and Northern Irish, arrangements (Chapter 11). Each chapter examines: the reforms introduced and their main causal factors; the new competencies attributed to the devolved administrations and the institutional arrangements introduced; the type of government adopted for the devolved meso-levels; and a number of unresolved or open issues that are still pending (e.g. themes anticipated by the reforms but not yet materialised, or new issues that are currently subject to debate).

10. THE DEVOLUTION REFORMS IN ITALY

The intricate historical evolution of the Italian state from unitarian to regionalised is well summarised in this opening paragraph in a recent contribution by Baldi and Baldini:

The government of the Italian territory, in the one and a half century of unitarian history of the country, presents significant crossovers between historical-institutional heritages and contingent political interests. To a genesis informed by the French administrative model (inherited by Piedmont after the Napoleonic occupation and soon extended to the national territory after 1861), very few transformations occurred until the republican period. At the start of the latter, a long regionalisation process opened-up, in several stages. In the last fifteen years, then, the re-emergence of the centre-periphery cleavage has led to a progressive, but still uncertain and unaccomplished, dynamic of federalisation (Baldi and Baldini, 2008, p. 69).

This last period of ‘progressive, but still uncertain and unaccomplished, dynamic of federalisation’ is the core focus of the present research. The main bulk of federalist reforms that are the subject of the present study took place between the late 1990s and early 2000s and were passed under the Centre-Left Governments that ran the country from May 1996 (Prodi I) to June 2001 (Amato II). The various reforms that were introduced in this period, both through ordinary legislation and constitutional laws, radically altered the pre-existing system of state-periphery relations, enhancing the competences, status and autonomy (also financial) of the regional authorities, and increasing the scope for multi-level dialogue and coordination (particularly between the state and the regions).

These reforms took place in the context of a wider-ranging reform programme, which included both a plan of financial and economic recovery, aimed to achieve access to the EMU, inclusive of privatisation of state-owned firms and liberalisation of previous state-monopoly sectors (Bernardi, 2000; Florio, 2000), and a comprehensive reorganisation of the public administration, put in place to achieve a performance orientation, improve the quality of public services, eliminate waste and

corruption, professionalise the civil service, and simplify administrative procedures (Torchia, 2000).⁵⁵ This comprehensive set of reforms was introduced in the aftermath of an unprecedented shake-up of the post-war Italian political system, represented by the scandals of the so-called ‘clean-hands’ judiciary operation and the affirmation, in the north of Italy, of the Northern League, a new party with sometimes separatist, sometimes federalist ambitions.⁵⁶

As in the UK, as will be seen, the reforms were introduced in a piecemeal fashion. First, during 1997-1998 the so-called Bassanini 1 law (law no. 59/1997) and the related implementation decrees introduced a major reform of the public administration, re-assigning important functions in the fields of economic and territorial development and the provision of services and infrastructure to the regional authorities (Fabbrini and Brunazzo, 2003; SVIMEZ, 2001a). The law introduced the principles of subsidiarity and aptness (*adeguatezza*) by which the regional authorities became the holders of *all* administrative functions, i.e. even those relating to matters of state legislative competence (with the exception of those relating to matters of national interest or relevance, notably foreign affairs, EU affairs, defence, citizenship, currency, public order, cultural heritage and scientific research) and also of certain coordination functions over the lower-tier local authorities (Baldi and Baldini, pp. 88-89). The transfer of competences – which was completed in 2003, well after the timetable foreseen by the law, in that it involved a long process of a series of Decrees of the President of the Council of Ministers, adopted after agreement in the State-Regions and State-Cities Unified Conference and in the Bi-cameral Parliamentary Commission for Administrative Reform – was particularly significant for regional development, in that at least forty percent of administrative functions related to productive activities were transferred from national ministries to regional and local administrations (Svimez, 2001 c).

⁵⁵ Notably through Laws no. 142 and no. 241 of 1990 and the so-called Bassanini legislation.

⁵⁶ A more detailed discussion of the factors that led to the devolution reforms is presented later in this chapter.

The Bassanini reforms also strengthened the inter-institutional dialogue between state and regions by reforming the operation and role of the State-Regions Conference (Baldi and Baldini, 2008, p. 89). The State-Regions Conference is a collegial body chaired by the Italian President of the Council of Ministers (or Minister for Regional Affairs) and comprises the Presidents of the *Giunte* (or the delegated *Assessori*) of the regional authorities and autonomous provinces of Trento and Bolzano. It was established by decree in 1983 and reorganised in 1988 with Law no. 400/1988 (Carpani, 2006). The Bassanini reform brought in an unprecedented strengthening of this body's functions, by rendering the opinion of the Conference obligatory for any national decision affecting regional competences, particularly introducing the Conference's examination of government bills on such matters. The Bassanini reform also established a further forum for inter-institutional, multi-level dialogue – the 'Unified Conference' – for matters affecting all territorial autonomies (Baldi and Baldini, 2008, p. 89), which comprises the members of the State-Regions Conference and those of the 'State-Local Autonomies Conference' (the latter being a forum involving the President of the Council of Ministers, or delegated Minister, and the Mayors and Presidents of the provincial authorities; it was established in 1996, following the 1993 local government electoral reform that introduced the direct election of Mayors and provinces' Presidents) (Carpani, 2006, pp. 78-79).

In parallel with the Bassanini reforms, two legislative decrees introduced some financial autonomy to the regional authorities: first, with the institution of a regional tax on added value IRAP (Legislative Decree no. 446/1997) and, second, with the replacement of the majority of ring-fenced transfers from the central budget (*trasferimenti vincolati*) with regional participation in certain taxes, notably VAT, petroleum tax and the increase of the so-called 'IRPEF-additional', i.e. a national tax with an additional regional component (Legislative Decree no. 56/2000). This fiscal decentralisation considerably enhanced the regional authorities' expenditure autonomy (Baldi and Baldini, 2008, pp. 90-91).

Before the completion of the transfer of competences foreseen by the Bassanini legislation, further reforms, this time of constitutional standing, were passed between 1999 and 2001, and they fundamentally reshaped centre-periphery relations. First,

Constitutional Law no. 1/1999 introduced statutory autonomy for ordinary statute regions⁵⁷ and the direct election of the Presidents of the regional executives (art. 122(5)), who will become known also as ‘Governors’. This was followed by Constitutional Law no. 2/2001, which introduced the direct election of the Presidents also for special statute regions and the autonomous provinces of Trento and Bolzano. Lastly, Constitutional Law no. 3/2001 redrafted the entire Title V of the second part of the 1947 Constitution, which deals with regions and local authorities, and foresaw the integration of the Parliamentary Commission for Regional Affairs with representatives from the territorial autonomies (a provision not yet implemented) (Cerreto, 2009).⁵⁸

These reforms marked, in principle at least, an unprecedented strengthening of the ordinary statute regional authorities by: (i) acknowledging their statutory autonomy (and thus the faculty to modify their form of government, within the provisions of Constitutional Law no. 1/1999, and the electoral systems, within the principles fixed by national law, for the Regional Councils); (ii) strengthening the regional Executives and their stability through the direct election of the regions’ Presidents and the transition towards a hybrid system between parliamentary and presidential forms of government; and (iii) introducing a radical shift in the allocation of responsibilities between tiers of government, with a much stronger emphasis on regional and local levels of government (well beyond the administrative decentralisation of the Bassanini legislation) (Fabbrini and Brunazzo, 2003; Baldi and Baldini, 2008; Musella, 2009).

⁵⁷ These comprise all Italian regions except Friuli Venezia Giulia, Sardinia, Sicily, Trentino-Alto Adige/Südtirol and Valle d’Aosta/Vallee d’Aoste. The latter are so-called special statute regions, in that their statutes are approved with constitutional law and thus have constitutional standing (art. 114.1 of the Italian Constitution). The Region of Trentino-Alto Adige/Südtirol is composed of two Autonomous Provinces (Trento and Bolzano).

⁵⁸ Interestingly, this last constitutional law was not approved with the required strengthened majority, as it failed to obtain the support of the opposition. It was thus definitely approved after popular referendum, as required by the Constitution in such circumstances, on 7 October 2001, well into the new Berlusconi Government (Berlusconi II) (Baldi and Baldini, 2008, pp. 91-92).

In terms of the regional form of government, the revised constitutional text has *de facto* introduced what has been defined as a ‘neo-parliamentary’ system, where the Presidents of the regions are elected directly and have the faculty to choose and recall the individual *Assessori*, but also where a vote of no-confidence against the regional President by the Regional Council, his/her resignation or permanent impediment determine the fall of the whole *Giunta* (according to the principle *simul stabunt simul cadent*) (Baldi and Baldini, 2008, p. 93; Pietrangelo, 2009, p. 73).⁵⁹

With regard to the allocation of legislative competences, the re-drafted Title V reversed the previous perspective, bringing the Italian Constitution more in line with the approach typical of federal states: while the former formulation of art. 117 listed the fields of competence allocated to the regional authorities, the renewed article, in line with a practice consolidated in the constitutional texts of federal countries (notably that of Germany, see Giarda, 2004), lists the matters for which the central state has exclusive or concurrent legislative competence whereby, for the latter, the regional authorities have legislative competence but within ‘fundamental principles’ defined by state legislation (see Table 10). All non-listed matters are referred to the regional authorities as ‘residual’ competences (a wording not present in the article and introduced by the Constitutional Court). Local economic development and the support to productive activities are not mentioned in either list and, as such, relate to an exclusive competence of the regional authorities (except when interfacing with R&D&I support or with infrastructural investments in the fields listed below, e.g. transport or energy).

⁵⁹ Literally, ‘together we shall stay, together we shall fall’. As observed by Pietrangelo, the regional form of government could not evolve – other than with further constitutional reform – into a full presidential system, because art. 126 of the Constitution and art. 5 of Constitutional Law no. 1/1999 provide clear limits to the freedom of the regional authorities, i.e. not just the fact that a no-confidence vote (*sfiducia distruttiva*), the permanent impediment or the resignation of the President leads the whole *Giunta* to fall, according to the principle *simul stabunt simul cadent*, but also that the President of the *Giunta* is also the President of the Region and the two cannot be separated (Pietrangelo, 2009, p. 73).

Table 10: Exclusive and concurrent state competences

Exclusive (reserved) matters
<ul style="list-style-type: none">• foreign policy and international relations;• immigration;• relations between the Republic and religious confessions;• defence, armed forces, security and weapons;• currency and currencies system, protection of savings and financial markets, protection of competition, accounting and taxation system of the state, equalisation of financial resources;• state organs and related electoral systems, state referenda and elections of the European Parliament;• regulation and administrative organisation of the state and national public bodies;• public order and security, except for local administrative police;• citizenship, civil status, register of births, marriages and deaths;• jurisdiction and trial norms, civil and criminal system, administrative justice;• determination of essential levels of services relating to civil and social rights that must be guaranteed across the entire national territory;• general norms on education;• social security;• electoral legislation, government bodies and fundamental functions of municipalities, provinces and metropolitan cities;• tolls, protection of the national borders and international prophylaxis;• weights, measurements and determination of time; coordination of the statistical and IT information of the data of state, regional and local administrations, copyrighting (<i>opere dell'ingegno</i>);• protection of the environment, of the ecosystem and of the cultural heritage.
Concurrent matters
<ul style="list-style-type: none">• the regional authorities' international relations and relations with the EU;• foreign trade;• protection and safety at work;• education, notwithstanding the autonomy of school establishments and with exclusion of professional education and training;• scientific and technological research and support to innovation for the productive sectors;• health; diet; sports system;• civil protection; government of the territory;• civil ports and airports; large transport and navigation networks;• regulation of communication;• production, transportation and distribution of electrical energy;• complementary and integrative pensions;• harmonisation of public budgets and coordination of public finances and of the tax system;• full exploitation of the cultural and environmental heritage, and promotion and organisation of cultural activities;• savings banks (<i>casse di risparmio</i>), rural banks (<i>casse rurali</i>), regional credit institutions and regional agricultural and land banks.

Source: Italian Constitution, consolidated version (post-Constitutional Law no. 1/2003).

The revised constitutional text also allows each ordinary region to submit bills to the national Parliament to extend the range of residual functions within its competence or the range of concurrent competences for matters listed as of national exclusive competence (within certain limits, art. 116, and with strengthened approval

procedures, i.e. the approval of the majority of the components of each chamber), thus allowing room for an asymmetrical evolution of the Italian devolved system.

Further, the new formulation of Title V has placed subsidiarity at the core of the new allocation of responsibilities between centre and periphery. As observed by Caravita di Toritto,

One of the main changes introduced by the last reform was the provision of Municipalities, Provinces, Metropolitan Cities, Regions and State (the central government) as components of the Republic with equal 'dignity', rejecting the notion of an absolute identity between State and Republic.

This important shift was consolidated through a decision of the Constitutional Court (no. 106/2002) which

clearly stated that, according to Article 1 of the Constitution, the only sovereign subject existing is 'the people', and not the state. Local and regional institutions derive their legitimacy from the people in the same way as the national Parliament and Government (Caravita di Toritto, 2010, p. 7).

This parity between levels of government and reinforcement of the principle of subsidiarity means in practice that, as regions are called to undertake administrative functions that were previously allocated to the national level, provinces, municipalities and metropolitan cities are now responsible for functions that were previously allocated to higher (regional) levels of governance (the not-yet-implemented art. 118).⁶⁰

Lastly, the reformed constitutional text acknowledges fiscal autonomy to the local authorities (art. 119) by allowing them to define – in terms of both rates and bases – and apply their own taxes. After years of stalling – made up of failed attempts at reform⁶¹ and repeated solicitations by the Constitutional Court⁶² – the Italian

⁶⁰ The implementation of this 'administrative federalism' will likely be linked to the laws and decrees that will be introduced for the implementation of art. 119 on fiscal federalism (Cerreto, 2009).

⁶¹ Notably, the proposal passed by the Centre-Right in the XIV Legislature that was rejected by popular referendum on 25-26 June 2006. It foresaw a revision not just of Title V but of the whole second part of the Constitution (Lupo, 2009, p. 26) including: the integration of the matters of 'exclusive' State competence; the reduction of matters of 'concurrent competence'; and the transformation of the 'residual competences' of regional authorities in 'exclusive competences', with explicit mention of competences in

Parliament passed a delegation law in May 2009 (Law no. 42/2009).⁶³ However, more time is required for this framework legislation to become operational, given the need to pass a range of implementation decrees and regulations that will touch upon highly controversial issues and will thus require extensive negotiations both at national level between the different political parties and with the regions.⁶⁴

A synthetic review of the above-described reforms is presented in Box 3.

Box 3: Chronology of the main reforms

1983

- Institution of the ‘State-Regions Conference’ by PCM decree.

1988

- Reorganisation of the State-Regions Conference as part of Law no. 400/1988.

1993

- Law no. 81/1993 introduces the direct election of Mayors and Presidents of the provincial authorities.

1995

- Law no. 43/1995 introduces a new electoral system for the Regional Councils, based on a corrected proportional system with a variable majority premium (*premio di maggioranza*) and the naming of a *capolista* (head of list) who is *de facto* the candidate to the Presidency of the Regional *Giunta* (thus a precursor of the reform introduced in 1999 with Constitutional Law no. 1/1999).

1996

- Institution of the ‘State-Towns and Local Autonomies Conference’ by PMC decree.

1997

the fields of healthcare, education (mainly school organisation and curriculum adaptation) and regional and local administrative policing, as matters of exclusive regional competence. For a comment, see Ruotolo (2006). 52.3% of voters participated in the referendum, which registered 61.3% no and 38.7% yes votes (Carpani, 2006, p. 191).

⁶² De Fiores (2009) lists more than ten rulings by the Constitutional Court made between 2002 and 2008.

⁶³ Law no. 42, 5 May 2009, ‘Delegation to the Government on the subject of fiscal federalism so as to implement article 119 of the Constitution’, published in the Official Journal no. 103 of 6 May 2009.

⁶⁴ Consequently, the recent Law no. 42 of 5 May 2009 on fiscal federalism is not part of the investigation. It is a framework law and will necessitate a range of implementation laws and regulations before it becomes operational (the Italian Government approved an initial draft legislative decree on this topic on 22 July 2010 - *Schema di decreto legislativo recante disposizioni in materia di determinazione dei fabbisogni standard di comuni, città metropolitane e provinces* - and presented its “Report on fiscal federalism” to the Parliament on 30 June 2010. These are not part of the present investigation).

The full implementation of the above law can be anticipated to take a long period of time – around five years, according to the Minister for Regional Affairs, Raffale Fitto (intervention at the presentation of the 2009 SVIMEZ Annual Report, Rome, 16 July 2009) – as it will entail tackling delicate political questions regarding, for instance, the equalisation mechanism anticipated by the law and thus complex negotiations within the governing majority and between national government and sub-national administrations. For a brief description of the content of the law, see OECD, 2009, pp. 30-31, and *Italianieuropei* 1/2009, pp. 278-283. For a more detailed account and commentary, see Bassanini 2010, Pica, 2009, and Rivosecchi, 2009a.

- Law no. 59/1997 (so-called Bassanini 1) attributes all administrative functions to the regional authorities, reforms the operation of the State-Regions Conference (whose opinion becomes obligatory on all national decisions affecting regional competences), and establishes the ‘Unified Conference’.
- Legislative Decree no. 446/1997 introduces a new regional tax on added value (IRAP).

1999

- Constitutional Law no. 1/1999 introduces the direct election of the Presidents of the regional *Giunte* (art. 126 of the Constitution), statutory autonomy for the ordinary regions (art. 123 of the Constitution) and the regional competence on the design of the electoral system for the election of the Regional Councils (within the limits of a state framework law, art. 122 of the Constitution).

2000

- Legislative Decree no. 56/2000 reforms the funding system of regional authorities, replacing a considerable portion of state transfers with regional participation in state taxes (VAT, petroleum tax and IRPEF additional increase).

2001

- Constitutional Law no. 2/2001 introduces the direct election of the Presidents of the regional *Giunte* also for special statute regions.
- Constitutional Law no. 3/2001 redrafts Title V of the Constitution: the new formulation assigns residually all non-listed matters to the regional authorities, sanctions the principles of subsidiarity and the equality of different levels of government, introduces administrative and fiscal federalism (arts. 118 and 119 of the Constitution, neither operational as yet), foresees the integration of the Parliamentary Commission for regional affairs with representatives of the territorial autonomies, assigns individual regions the faculty to submit bills to the Parliament to extend their legislative powers both on concurrent competences and on reserved national matters.

2006

- Popular referendum halts a further, more substantial reform (passed by the Centre-Right Berlusconi III Government).

2009

- Law no. 42/2009 on fiscal federalism is approved by the Parliament with bipartisan approval (framework law, passed based on a bill of the Berlusconi IV Government).

2010

- A “Report on fiscal federalism” is submitted by the government to the Parliament on 30 June 2010 and an initial draft of a legislative decree on this topic is passed by the government on 22 July 2010 (*Schema di decreto legislativo recante disposizioni in materia di determinazione dei fabbisogni standard di comuni, città metropolitane e province*).

The progression of the Italian system towards a federalist territorial organisation has certainly not been linear and straightforward; instead, it ‘has proceeded haltingly and uncertainly, depending largely on partisan considerations’ (Keating, 2009). Observers at the time argued that the rushed passing of Constitutional Law no. 3/2001 was an attempt by the then Centre-Left Government nearing elections to preempt any immediate scope for further reform by what could be (and in fact was) a different political majority and that may include (as it happened) the Lega Nord. Reforms have also been essentially top-down (Keating, 2009), with limited involvement of the regional authorities, other than through the parties’ channel.

A decade after their introduction, a considerable portion of the reforms has still to materialise. This is particularly the case with the new articles 118 and 119 – which introduced administrative and fiscal federalism – but also more generally implementation has been ‘slow and timid’ (Giarda, 2004, p. 3), hampered by fundamental shortcomings that have included:

- the ambiguous and sometimes contradictory character of the reformulated norms, particularly with respect to the subdivision of matters of state versus regional competence (Caravita di Toritto, 2010; Lupo, 2009);
- an unclear articulation of the limitations imposed by the concurrent competence, which has seen referrals to the Constitutional Court time and time again to resolve controversies over the correct interpretation of the norms and the conflicting nature of some competence attributions (De Fiores, 2009; Giarda, 2004);⁶⁵
- the partial (from a federalist perspective) character of the reforms introduced, e.g. the lack of a regional chamber, the related lack of participation of the territorial autonomies to constitutional reforms, and the choice of the equality amongst all levels of territorial government (Cerreto, 2009; Lupo, 2009; Groppi, 2009);⁶⁶
- the absence of measures capable of balancing the new framework of sub-national competences with adequate national coordination (not least pending a reform of the operation of the Conferences system, Pietrangelo, 2009), e.g. the deletion of reference to the ‘national interest’ (De Fiores, 2009) and the lack of any constitutional provision entailing the possibility of state legislation to prevail over regional legislation (Caravita di Toritto, 2010); and,
- most crucial of all, the absence of the necessary ordinary legislation for a large number of provisions, notably those foreseen in articles 118 and 119 as discussed

⁶⁵ Especially with respect to concurrent matters for which no exact definition has been provided of what the ‘fundamental principles’ mentioned in art. 117(3) should be (Giarda, 2004).

⁶⁶ Not least pending the introduction of regional representatives in the Parliamentary Committee for Regional Affairs, as envisaged by the revised Title V.

above, and, related, the unclear future of some aspects of the reforms, such as the multi-level subdivision of competences between municipalities, metropolitan cities, provinces, regions and state (art. 114 of the Constitution), most notably with respect to the role of the provincial authorities seen by many as a redundant intermediate level between municipalities and regions, generating a lively debate over the opportunity for their suppression.⁶⁷

As a result, the assessments of the new set of rules are on the whole rather negative. Whilst there is consensus that Constitutional Law no. 1/1999 has contributed to stabilising the regional Executives and reinforced the political capacity and external visibility of the regional authorities (Baldi and Baldini, 2008; Musella, 2009), the new constitutional text that emerged after Constitutional Law no. 3/2001 ‘has been strongly criticised by both the scholarship and the political actors’ (Caravita di Toritto, 2010, p. 7), for instance, by scholars such as Groppi (2009), Lupo (2009), Keating (2009) and De Fiores (2009). This relates to a number of shortcomings not limited to the still largely unaccomplished nature of the reforms, as described above (particularly as regards Constitutional Law no. 3/2001), but also to the intrinsic contradictions determined by the resulting framework, such as the incentivisation of a ‘negotial’ rather than collaborative method for the operation of the regional authorities through the state-local autonomies Conferences (Lupo, 2009, p. 33).

Altogether, the above-highlighted shortcomings have contributed to generating a considerable gap between the ‘living’ and the formal Constitution (Groppi, 2009),

⁶⁷ E.g. see the debates of the I Commission of the Lower Chamber (Constitutional affairs) on the law proposal Nucara, submitted in September 2008 and debated within the Commission throughout 2009 (‘Modifications to articles 114, 117, 118, 119, 120, 132 and 133, and of the VIII transitional provision of the Constitution, for the suppression of the provincial authorities’, Atto Camera no. 1694, subsequently rejected). Further, in a bill linked to the anti-crisis initiative for 2011-13, the government proposed the rationalisation of the provincial authorities, entailing the suppression of those with fewer than 200,000 inhabitants (or 150,000 for provinces with more than half of their territory in mountainous areas), only to backtrack following considerable opposition to this plan (even though the measure would have involved only four provinces: Vercelli, Fermo, Isernia and Vibo Valentia). See the bill ‘Identification of the fundamental functions of Provinces and Municipalities, simplification of the organisation of regional and local authorities, and delegation to the Government on the transfer of administrative functions, Charter of the local autonomies, rationalisation of the Provinces and of the territorial offices of the Government. Reorganisation of decentralised bodies’, Atto Camera no. 3118. See also Bruno, E. (2010, June 11). Salta di nuovo l'abolizione delle quattro mini province. *Il Sole 24 Ore* (online).

determining a paradoxical situation in which there is both a substantial continuity with the pre-2001 system – where the state continues to play the role of the guarantor, which ‘makes it acceptable for it to intervene in any matter, independently from the listings of article 117’ (Groppi, 2009, p. 45)⁶⁸ – and ‘virtually irremovable regional presidents [...and] the unstoppable dilatation of local level public expenditure’ (De Fiores, 2009, pp. 3 and 15).

Nevertheless, notwithstanding the numerous shortcomings reviewed, the above reforms – even though partial and unaccomplished – have indeed had a marked impact on the operation of the regional and sub-regional authorities. First, after the approval of the new constitutional text all regions were engaged in re-drafting their statutes.⁶⁹ This has generally been a long process (Cassese, 2004; Musella, 2009) and, again, generated in a number of cases disagreement between national and Regional Governments, which were solved by reference to the Constitutional Court. Tuscany, in particular, approved its new Statute in 2004, but this only entered into force in 2005 (Regione Toscana, 2005a), following Constitutional Court ruling on the dispute with the National Government over the legitimacy of 11 points of this document (sentence no. 372/2004).⁷⁰

Second, for the first time in 2000, and then again in 2005 and 2010, the regional populations directly elected the Presidents of the Regional *Giunte* (the ‘Governors’, as they are now commonly referred to). This has led to a personalisation of political

⁶⁸ According to Groppi, the constitutional reform has been followed by a ‘phase of reflux. After seven years from the reform, the living constitution ... is profoundly different from the 2001 text. ... The continuity with the asset of Italian regionalism which preceded the 2001 reform has prevailed: in particular, a conception of the unitary principle centred on the role of guarantee of the State has been reaffirmed, which makes it acceptable for it to intervene in any matter, independently from the listings of article 117. The state legislator has acted through three main modalities: a) continuing to legislate at 360 degrees as if the reform did not exist ...; b) through the approval of a general law for the implementation of the constitutional reform (law La Loggia, from the name of the then minister of Regional Affairs, law 131/03) which, in addition to appearing of doubtful constitutional foundation, has contributed to a reductive reading of the reform (especially as regards the concurrent legislative power); c) omitting to approve the norms necessary for the implementation of the reform, most of all as regards financial autonomy and the re-organisation of administrative functions coherently with the principle of subsidiarity’ (Groppi, 2009, pp. 44-45).

⁶⁹ At January 2009 only 11 ordinary statute regions had approved their new Statute (Pietrangelo 2009, 72).

relations and to a ‘phenomenon of valorisation of the personalistic-charismatic element of power’ (Lupo, 2009, p. 30) which, together with the new form of government envisaged by the reformed constitutional text (Baldi and Baldini, 2008), has contributed to a radical alteration of the balance of power between regional executives and legislatures, as well as the relative weight of different components within the regional executives (Musella, 2009; Di Quirico, 2006). This has led, amongst other things, to calls for a reassessment of the performance of the regional governments and to the necessity to acknowledge the need for a better balance in the attribution of powers between executives and legislatures (Cerreto, 2009, p. 18).

Third, the sanctioning of the principle of subsidiarity in art. 118, even though not yet fully operational, has led to more explicit attention being paid to the intra-regional institutional relationships and to the strengthening of the roles of sub-regional authorities and their dialogue with the regional administrations. This contrasts with the initial phases of regionalisation, which saw the regional authorities – with the exceptions of Tuscany and Emilia Romagna – re-centralise functions at the regional level (Fargion, 2006, pp. 133-134). In the field of regional policy, this process has been consistent with the parallel affirmation of the endogenous development/place-based policy paradigm already mentioned (in Chapter 3).

Lastly, one of the effects of the reform of Title V has been the strengthening of the role and importance of inter-institutional negotiation and thus of the State-Regions Conference (and of the Conference system more broadly), which, in the absence of a regional chamber, has come to occupy a ‘supply role’ (Busia, 2009, p. 123). This is evidenced by the practice according to which the Conference has incrementally stipulated ‘agreements’ (rather than just ‘opinions’) on amendments to be introduced to government bills prior to their submission to Parliament, and according to which, including circumstances where bills are sent to the Parliament without the prior involvement of the Conference (e.g. for reasons of urgency), the view of the

⁷⁰ All of which were cleared by the Court as fully legitimate, Sentence of the Constitutional Court no. 372/2004.

Conference is sent directly to the two chambers of Parliament and disseminated amongst MPs and Senators to inform their vote (Busia, 2009, pp. 123-124).

Nevertheless, the impact of the reforms cannot be expected to be uniform across the Italian regions, not just because of the pre-existing differentiation between ordinary and special statute regions, but especially because of the heterogeneity of the Italian regional and local government system, which is a heritage of the country's fragmented past (e.g. see Diodato and Lippi, 2007; Lippi, 2006; Fargion *et al.*, 2006; and Fargion 1997 for an account of the different policy-style of Centre-North regions with respect to specific policy fields). Musella's analysis of electoral behaviour in the 2000 and 2005 regional elections in the 15 ordinary statute regions, for example, fully confirms this path-dependence (Musella, 2009).

But a key question is: was the pursuit of increased accountability one of the driving forces behind the reforms described? The evidence suggests it was in part. It is interesting to observe the large cross-party consensus that formed in the late 1990s/early 2000s around the notion of the need for devolution, for instance in the bicameral Commissions for institutional reform set up in the mid- and late 1990s⁷¹ (notwithstanding the variable specific stances over the extent and scope of the proposed devolved arrangements, both across the two political aggregates – Centre-Left and Centre-Right – and within them) (Keating, 2009). The reasons behind the convergence towards this 'second round devolution' (Keating, 2009) were various and both endogenous and exogenous (Lupo, 2009). External drivers comprised the processes of European integration – including the need to fulfil the Maastricht criteria to access the EMU (De Quirico, 2006, p. 98)⁷² and the steer, under ECP, to

⁷¹ They comprise the bicameral Commission De Mita-Iotti of 1992-93 (II bicameral Commission for institutional reforms) and the D'Alema bicameral Commission of 1997-98 (II bicameral Commission for institutional reforms) (Baldi and Baldini, 2008, pp. 86 and 91). Both 'failed to achieve their objectives: the discussion on the proposal of the first was halted by the early dissolution of the legislature, while the proposal put forward by the second was rejected by the centre-right opposition when it was presented to the general assembly (floor) of the Chamber of Deputies (along with the entire document of constitutional reform.' (Fabbrini and Brunazzo, 2003, p. 114).

⁷² Whereby by 'decentralising increased expenses to the regions it would have been possible to reduce the debt and deficit in the central state budget which was the only relevant to the purpose of the parameters of Maastricht' (De Quirico, 2006, p. 98).

regionalise policy delivery – as well as globalisation, which has rendered the state increasingly less capable of directing the economy (De Quirico, 2006; Lupo, 2009).

Nevertheless, the most crucial drivers were domestic. They include: first, a possible desire by a Centre-Left administration conscious of its uncertain future as a national-level government force to strengthen the regional level, so as to preserve its power at least in those regions where it had traditionally been the dominant political force (De Quirico, 2006, p. 98); second, a pragmatic response to an inefficient and stalled central public administration and to the resistance encountered when introducing plans to rationalise it (De Quirico, 2006, p. 98); and, third, the most important causal factor of all, the centrifugal force exerted by the emergence in the political scene of the Lega Nord (Northern League) in the mid-1990s (Lupo, 2009; Groppi, 2009; Baldi and Baldini, 2006). The populist rhetoric of the Lega Nord on ‘*Roma ladrona*’ (Rome thief), on the inefficiencies and waste of the central state administration (largely composed of southern Italians, see Cassese, 2004), and on the supposed draining of resources attributed to the special measures put in place (needlessly) for the development of the southern regions, found a shoulder in ‘the willingness amongst the local political classes to make the connection between autonomy and responsibility re-emerge’ (Lupo, 2009, p. 31). An undercurrent to this, and one of the primary reasons for the consensus obtained by the Lega Nord in the northern regions in these early days, was the failure of the political system of the so-called first Republic ‘to create a normal bond of mutual service and respect between the state and the citizen’ amid the massive expansion of public spending that took place in the 1980s (Gilbert, 1993, p. 101) and the corruption scandals that followed. This generated a desire for emancipation of the northern regions from the central state.

A similar desire for emancipation emerged, but for different reasons, in some Centre-Italian regional administrations, most notably Tuscany and Emilia Romagna, governed by parties that had traditionally been excluded from central decision-making. Over time, they had matured an efficient local administration system and with this ‘a strong desire of becoming autonomous and emancipated and to have control over the expenditure’ (TOS3).

Nevertheless, if the focus is moved from the causes of the devolution reforms to the effects of the reforms, as they have been detected in the literature on this topic, it appears that they have determined some important accountability tensions, particularly with regard to the interrelation between regional legislatures and executives and the relative weight of the latter compared to the former (Cerreto, 2009; Pietrangelo, 2009; Baldi and Baldini, 2008; Ventura, 2008). It has been noted that

the direct election of the president of the Region has deprived the assemblies of a portion of the power of political direction, now entrusted to the approval by the electorate of the electoral programme of the candidate to President (Pietrangelo, 2009, p. 74);

and equally

the reform of the Title V ... has shown a significant widening of the spaces of regional politics wholly at the advantage of the executives and of their administrative management competences. The executives participate autonomously to the formation of state law in the negotiations arenas and often operate the substantial choices related to the territorial effects of state and community policies (Pietrangelo, 2009, p. 75).

There are a number of elements that indicate this strengthening of the regional executives, including: the fact that in almost all ordinary statute regions in the VIII legislature (2005-2010), the selection of the regional *Assessori* has preceded the first meeting of the Councils⁷³ (Pietrangelo, 2009); the declining number of regional laws passed by the assemblies over the period 1995-2005 and, within this, the higher proportion of laws passed by initiative of the Executive⁷⁴ (Musella, 2009); the increased use of regulations by the regional *Giunte* in this same period, enabled by the new-gained regulatory competence that was previously assigned to the Councils (Musella, 2009); the predominance of ‘control activity’ by the assemblies, expressed by the high proportion of control acts passed as opposed to total acts (Pietrangelo,

⁷³ In some regions, but not Tuscany, the new statutes do not even foresee the need for the programme of government of the winning President to be debated and approved by the regional assemblies (Pietrangelo, 2009).

2009, p. 74); and the fact that the Councils have no role in the fora represented by the system of the Conferences in which, as has been seen, only the regional Executives participate (Carpani, 2006; Petrangelo, 2009). As these fora have become more and more important over time, as a result of the enhanced devolved framework and of the increasing complexity and multi-level nature of public policies (Petrangelo, 2009), this exclusion can be considered particularly problematic from the point of view of political accountability.

Some of these shortcomings have also emerged strongly in the desk and field research conducted on the Tuscan case study specifically, as can be seen in Chapter 13, which explores the extent to which such tensions apply to Tuscany, especially in the specific field of ECP, but also more generally.

⁷⁴ A trend that contrasts, in the Centre-North regions, with the increased activism of the assemblies in terms of submission of law proposals and which indicates the much higher success rate of bills as opposed to the Council's law initiative (Musella, 2009, pp. 172-173 and 190).

11. THE DEVOLUTION REFORMS IN THE UNITED KINGDOM (SCOTLAND)

A process of devolution of competences from the central state to the meso-level territorial units was also launched in the United Kingdom at the end of the 1990s: elected Assemblies were established in Northern Ireland and Wales in 1998 and 1999, and a Parliament was set up in Scotland in 1999.⁷⁵ The scope and scale of devolution varied markedly, however. Three distinct devolution settlements were put in place, assigning dissimilar competences and degrees of autonomy to each territorial unit (Mitchell, 2009; Bradbury, 2008; Emmerich, 2003; Bradbury and Mitchell, 2002; Brown, 1998). Scotland was acknowledged to have the greatest autonomy, having obtained a Parliament with power to make primary legislation on a wide range of policies (including key competences in the fields of economic and regional development) and (limited) tax-varying powers. This was in line with the considerable administrative decentralisation that the nation already enjoyed before devolution.⁷⁶

Scottish devolution emerged as a result of a number of forces. First of all, it was a response to bottom-up pressures from the Scottish civil society for home rule. The 1707 Act of Union had aimed to preserve those Scottish institutions that were considered instrumental to the maintenance of a Scottish identity (e.g. the Church of

⁷⁵ England, on the other hand, underwent a gradual regionalisation process. The territorial groupings of local authorities that had spontaneously emerged throughout the 1980s had led to the creation of Government Offices in the regions by the mid-1990s. Between 1998 and 1999, the incoming Labour Government established Regional Chambers, representatives of regional stakeholders (indirectly elected), Regional Development Agencies (RDAs) in the English regions, and a Great London Authority, made up of a mayor and a representative assembly, in London (Bradbury, 2008). Despite the publication by the UK Government of a White Paper entitled 'Your Region, Your Choice' in May 2002, in which the government anticipated regional assemblies for all English regions, these were never established, due to a lack of demand from local stakeholders (McGarvey, 2008) and, perhaps, also to a mixed commitment from across the Labour Party (SCO7). The no vote in the 2004 referendum in North East of England marked the definitive end to this project for England.

⁷⁶ This should not be confused with political devolution, however (Keating, 2010). As pointed out by Keating (2010, p. 27) 'to talk of Scotland's autonomy from Westminster before 1999 risks confusing administrative decentralisation with political devolution. It also risks confusing the autonomy that some elites may have exercised due to their position within Scottish civil society with the autonomy of the nation as a whole'.

Scotland, Scottish private law and legal system, the education system). However, the role of these institutions in Scottish society changed over time, and this rendered the Union settlement dated, giving rise to further requests for autonomy (Mitchell, 2009). After all, '[t]he underlying principle [of the union settlement] was that Scottish national identity should be protected, but that might take different institutional forms at different times' (Mitchell, 2009, p. 10). On the other hand, years of political misalignment between governments in London and the Scottish electorate (traditionally Labour-dominated) accentuated the desire for greater territorial autonomy than the administrative devolution already in place through the Scottish Office.

Politically, devolution has been considered the child of the Labour Governments that followed the Thatcher/Major years, starting in 1997 (Emmerich, 2003; also Bradbury, 2008; McGarvey, 2008). As noted by Emmerich, 'Devolution to the "home countries" ... marks the fulfilment by the incoming Labour Government of 1997 of a series of historical debts to the largely Labour voting inhabitants of Scotland and Wales' (Emmerich, 2003, p. 1).

Indeed, in Scotland, the cultural distinctiveness of the country compared to other parts of the UK had generated a distinct political ideology in the Scottish Labour Party (Bradbury, 2008), where considerable sections saw devolution as a way to reform the working of politics in the country, which would 'break Scotland free from old-style, elitist, confrontational politics centred on the House of Commons' (Mitchell, 2000, p. 605). Devolution was seen as a way for some parts of Scottish Labour to restate Scottish distinctiveness in politics and public policy (Bradbury and Mitchell, 2002), characterised by a more marked inclination to collectivism, equality and traditional social democratic values (Keating 2005a and 2010).⁷⁷ As observed by McGarvey (2008, 27), the yearning for such emancipation emerged strongly during

⁷⁷ Keating observes that 'Scottish electors seem committed to the same blend of economic and welfare policies as those in the remainder of the United Kingdom and share much the same outlook on questions of social tolerance and order. Yet there is a certain egalitarian ethos, which has dominated public debate and framed political discussion within Scotland. Even where policy preferences are the same there is a strong desire to realise them in a Scottish context' (Keating, 2010, p. 42).

the 18 years of Conservative Government (in contrast with the minority status that the Conservative Party held in Scotland), and this distinctiveness continued during the Labour administration, *vis-à-vis* aspects of the New Labour reform agenda. As pointed out by Bradbury, ‘continuities in the UK Labour Government’s approach with Conservative reform undoubtedly encouraged those who were not fully supportive of Labour modernisation to believe that devolution gave a chance to buck the approaches of UK central government, whether they were Conservative or Labour’ (Bradbury, 2008, 17). This point is proven by the fact that ‘key aspects of the Blairite modernisation agenda were ignored, or deemed not suitable for implementation by the Scottish Government’ post-devolution (McGarvey, 2008, p. 38), resulting for instance in the rejection of innovations such as school league tables, foundation hospitals, university top-up fees or beacon Councils that were introduced in England (Keating, 2005a). As New Labour pursued a programme of public sector reform that was in broad continuity with the earlier Conservative Governments, Scotland ‘generally followed the same principles of management reform as in England, but applied them a little differently’, with more emphasis on partnership and agreement on target-setting and ‘less emphasis on competition among service providers and less inclination for summary measures of their achievement that can be used to put them in hierarchy’ (Keating, 2005a, p. 428).

Devolution for Scotland was also a way for the Labour Party to respond to electoral pressures from the Scottish National Party (SNP) in favour of more radical constitutional change, while at the same time preserving the unity of the Kingdom. From this perspective, it is quite a paradox that the third elections of the Scottish Parliament, which took place in May 2007, saw the Scottish Labour Party lose out to the SNP, generating a shift in government from a Labour-Liberal Democrat coalition to an SNP minority Government, especially given that one of the distinctive features of the SNP election manifesto was the plan for a referendum on Scottish

independence (which will not take place during this term, however, as the SNP Government lacks the necessary majority for this).⁷⁸

The setting up of the elected Parliament for Scotland was stipulated by the Scotland Act, 1998, a constitutional document that reviews the 1707 Act of Union that unified Scotland and England (McLean, 2001). The content of the Scotland Act was largely inspired by the works of the Constitutional Convention created after the Conservative electoral victory of 1987 (in 1989) (Mitchell, 2000) as an inter-party forum in support of devolution (Bennett *et al.*, 2002). The Act was passed in 1998 after a referendum held the previous year had ‘overwhelmingly endorsed’ (McGarvey, 2008, p. 28) the new Labour Government’s proposal of instituting a Scottish Parliament with tax-varying powers.⁷⁹ With the Act, an elected Parliament with primary legislative powers in a wide spectrum of subjects and limited tax-raising capacity was created, as well as an Executive from within the Parliament (Bradbury and Mitchell, 2002).

Devolved competencies, over which the Scottish Parliament has primary legislative competence, relate to the following fields: education, training and life-long learning; economic development and enterprise (including the administration of ECP); tourism; local government and planning; housing; agriculture, fisheries and forestry; the environment; transport; health; social work; justice, home affairs and most criminal law; sports and the arts; and research and statistics relating to the above listed devolved matters (Keating, 2010, p. 35). For some of these fields, certain matters continue to be reserved (e.g. transport and economic development), whilst others are fully devolved (e.g. education) (Keating, 2010, p. 35). In addition to these competencies, further powers can be exerted by the Scottish Ministers in certain

⁷⁸ The SNP Manifesto for the May 2007 election included amongst the Government priorities the ‘Publication of a White Paper, encompassing a Bill, detailing the concept of Scottish independence in the modern world as part of preparations for offering Scots the opportunity to decide on independence in a referendum, with a likely date of 2010’ (SNP, 2007).

⁷⁹ It returned a 74.3 percent vote in favour of setting up a Scottish Parliament and 63.5 percent preference for it to have tax-varying powers. The turnout was in excess of 60 percent. (Bradbury, 2008).

reserved areas upon delegation (generally, functions that were previously attributed to the Secretary of State for Scotland).

Table 11: Reserved and devolved matters

Reserved matters
<ul style="list-style-type: none"> • the Crown, the Union of the Kingdoms of Scotland and England, the Parliament of the United Kingdom; • international relations, including foreign trade except for: observing and implementing EU and European Convention on Human Rights matters; • defence and national security; treason; provisions for dealing with terrorism; • fiscal and monetary policy, currency, coinage and legal tender; • immigration and nationality, extradition; • criminal law in relation to drugs and firearms, and the regulation of drugs of misuse; • elections, except local elections; • official secrets, national security; • law on companies and business associations, insurance, corporate insolvency and intellectual property, regulation of financial institutions and financial services; • competition, monopolies and mergers; • employment legislation including industrial relations, equal opportunities, health and safety; • most consumer protection, data protection; • post office, postal and telegraphy services; • most energy matters; • railways, air transport and road safety; • social security; • regulation of certain professions, including medical, dental, nursing and other health professions, veterinarian surgeons, architects, auditors, estate agents, insolvency practitioners and insurance intermediaries; • transport safety and regulation; • research councils; • designation of assisted areas; • nuclear safety, control and safety of medicines, reciprocal health agreements; • broadcasting and film classification; licensing of theatres and cinemas, gambling; • weights and measures; time zones; • abortion, human fertilisation and embryology, genetics, xenotransplantation; • equality legislation; • regulation of activities in outer space
Main devolved matters
<ul style="list-style-type: none"> • health; • education and training; • local government, social work, housing and planning; • economic development and transport; the administration of the European Structural Funds; • law and home affairs including most civil and criminal law and the criminal justice and prosecution system; police and prison; • the environment; • agriculture, fisheries and forestry; • sports and the arts; • research and statistics in relation to devolved matters

Source: M. Keating (2010) *The Government of Scotland. Public Policy Making After Devolution*, Second Edition, p. 35.

Listed policy areas, the so-called ‘reserved matters’, on the other hand, were left by the Scotland Act to the UK institutions, and these include some of the key variables

for economic development, notably: macro-economic policy (fiscal, economic and monetary policy); the regulation of international trade; competition; social security; state-aid area designation; labour market; and industrial relations. In such reserved matters, the Scottish Parliament cannot legislate.

The devolution arrangements have obviously entailed the need to introduce different coordination arrangements between the Scottish level and that of the Union. In the post-devolution era, the main channels for this are the concordats, ‘non statutory frameworks for agreement on areas of functional inter-dependence’, and the practice of setting up joint ministerial committees (Keating, 2010, p. 38) which, however, have been deemed not to have been used as anticipated (Mitchell, 2008, p. 250) and far less effective than the pre-devolution interdepartmental committees (Keating, 2010, p. 38). A number of as yet unresolved tensions have emerged, linked to a range of causes, such as: (i) the lack of ‘federal’ departments and, related, of a ‘hierarchy’ on devolved matters between UK departments and Scottish ministries, with the result that ‘over large areas of public policy, there is now no “centre”’ (Keating, 2010, p. 37); (ii) the reduced participation of Scottish Ministers and civil servants in the dense network of UK-level policy committees as was the case prior to devolution (Keating, 2010, p. 37); (iii) the lack of a ‘devolved political culture’ in London (Mitchell, 2008, p. 249); and (iv) the dominance up to now of informal arrangements to deal with inter-governmental relations: these might have been effective due to the same party dominance in both London and Edinburgh, which existed until 2007, but they may need to be re-thought under the present circumstances of diverging government leaderships north and south of the border and tighter finances (Mitchell, 2008, p. 251).

As mentioned, the fiscal autonomy given to the Scottish Parliament is limited, consisting only of the theoretical faculty to modify income tax by three pence in the pound. Other than this, the same financial method to calculate the transfers from the UK Treasury to the devolved administration has remained in force as prior to devolution, which essentially links Scottish budgets to per capita spending in

England.⁸⁰ Moreover, subsequent Scottish Governments have not taken advantage to date of the tax-varying power. The revival of the debate on Scottish independence, which has gone hand-in-hand with the coming to power of the SNP, has led to an intensification of the political debate about the opportunity to increase fiscal autonomy, ‘extending in some views even to a full fiscal autonomy in which Scotland would raise all its own taxes, then passing on a payment to the UK Exchequer for UK services delivered in Scotland’ (Jeffery, 2007, p. 101) and including the proposal of the Calman Report (discussed below) to increase the Parliament’s income-tax-varying powers from three to ten pence in the Pound (Commission on Scottish Devolution, 2009). Nevertheless, so far, autonomy for the new Scottish institutions has related only to the allocation of the set expenditure decided at UK level by the Treasury. This is considerable, however, as the Scottish Government and local authorities together are responsible for circa 60 percent of the overall public spend coming to Scotland (Scottish Executive, 2005a, p. 76).⁸¹

The form of government on which the new Scottish system rests is cabinet (Keating, 2010). It entails the election of a First Minister by the Scottish Parliament and the appointment by the First Minister of Cabinet Secretaries and non-Cabinet

⁸⁰ Allocations to the Scottish Parliament are defined mainly through the application of the so-called Barnett formula – from the name of the Minister that introduced it at the end of the Seventies – in the same way as it was pre-devolution (Bennet *et al.*, 2002; Midwinter and McGarvey, 2001; McGarvey, 2008). Through the formula, the ‘historical’ budget for the Scottish authorities is recalculated every three years, in a set proportion to the evolution of spending programmes in England, and in this way the ‘DEL, Departmental Expenditure Limit’, i.e. the amount of resources allocated to the Scottish Parliament, is established. In addition to the quota of resources that are calculated on the basis of the formula, there is a further amount of resources that is subject to an annual negotiation, the so-called AME, Annual Managed Expenditure (Midwinter and McGarvey, 2001). In addition to the faculty to modify income tax, other forms of self-finance also intervene, in particular the residential Council tax and the taxation on business; however, these are also influenced by the UK-wide financial and taxation system (as explained in detail by Bennet *et al.*, 2002, pp. 3-4).

⁸¹ The amount of resources allocated to Scotland is a contested issue on both sides of the border, since ‘a majority of the English think the Scottish Parliament should be financed by taxes raised in Scotland, and not by the UK (and therefore predominantly English) taxpayer. While around a half of the Scots feel Scotland gets less than its fair share of public spending, a little under a half of the English think the Scots’ share is ‘pretty much’ a fair share. Devolution in other words has not just raised issues about representation at Westminster, but has also opened up questions about the appropriate allocation of resources between England and Scotland.’ (Jeffery, 2007, 98).

Ministers,⁸² which must be selected from amongst the MSPs (in contrast with the practice found in Tuscany, as described in Chapter 13), appointments that the First Minister has the power to change if he so deems. The First Minister and his Government are bound by the confidence of the Parliament. The model of government is of the Westminster type, characterised by the dominance of the executive branch, which ‘sets the agenda, sponsors most legislation and has wide scope for discretion through administration’ (Keating, 2010, p. 111).

As in Italy, devolution is ‘unfinished business’ (Mitchell, 2006b). The future evolution of the Scottish constitutional setting appears uncertain in a context that, as underlined by Keating (2009), is both more complex – due to the presence of the devolved institutions in the political arena, ‘as actors in the process as well as structuring opportunities’ (Keating, 2009, p. 3) – and more polarised, with the SNP strongly in favour of independence (backed by the Greens) and the Conservatives, Liberal Democrats and Labour against it (Keating, 2009, p. 4). As has been observed, moreover, ‘opinion within the main parties is in flux’ (Mitchell, 2008, p. 252). The parties and their political leaders, especially the Scottish Labour Party, have not always been consistent in their positions on constitutional reform, having shown internal disagreement on such matter and even contradictory stances (Jones, 2008; Mitchell, 2008).

The success of the SNP in the May 2007 elections clearly marked a watershed in the debates. Fulfilling its electoral promise, the SNP issued a first White Paper on constitutional reform – *Choosing Scotland’s Future* – in August 2007 (Scottish Executive, 2007c). Soon thereafter, it launched a national consultation – or National Conversation, as the Scottish Government called it. In 2009, the Scottish Government outlined different possible scenarios for Scotland’s future and anticipated a forthcoming Referendum Bill in a further White Paper (Scottish Government, 2009b). As the Scottish Government launched its National

⁸² This is the current nomenclature adopted by the SNP Government. Prior to this, Cabinet Secretaries were called Ministers and non-Cabinet Ministers were called Deputy Ministers (Keating, 2010, p. 110).

Conversation, the three opposition parties launched their own ‘counter-move’ in the form of a Resolution by the Scottish Parliament to set up a Commission to consider further constitutional change, but excluding independence (Keating, 2009, p. 7). Chaired by Sir Kenneth Calman, it delivered its final report on 15 June 2009 (Commission on Scottish Devolution, 2009).⁸³ Perhaps unsurprisingly, given the progressive ‘dilution’ of the Commission’s work from the original intentions – which saw the Commission move ‘from being expert-led to largely party-based and from being the creature of Holyrood to being serviced and run by Whitehall’ (Mitchell, 2008, p. 253)⁸⁴ – ‘[t]he outcome was a very cautious set of proposals with some enhancement on fiscal autonomy’ (Keating, 2009, p. 7).⁸⁵ At present thus, there seems to be a clear fracture in the Scottish Parliament with regard to the future constitutional evolution of Scotland, a fracture which has meant that the SNP Government has had to temporarily drop the referendum, given that it failed to obtain the backing of at least 16 opposition MSPs (Keating, 2009) to support the referendum Bill in Parliament.⁸⁶ Crucially, furthermore, any further constitutional reform – whether for more devolved powers or towards a system of full fiscal federalism – would have to be voted on by the UK Parliament, because it is at this level that sovereignty is retained (Mitchell, 2008, p. 255) (and, in fact, the UK Parliament could in principle suspend or repeal the Scottish Parliament) (Keating, 2010, p. 33).

⁸³ <http://www.commissiononscottishdevolution.org.uk/index.php>.

⁸⁴ Keating notes that ‘[a]lthough this was ostensibly a home-grown response with the legitimacy of the Scottish Parliament behind it, the process was soon taken over by Westminster. The Labour Government re-appointed a full-time Secretary of State in the Cabinet (the post had been downgraded to part-time after devolution and had been expected to disappear). The Calman Commission was given central government funding and a secretariat based in the UK Department of Justice. Proposals were cleared by UK Government departments before the final report of the commission was issued’ (Keating, 2009, p. 7).

⁸⁵ And some would even question this, e.g. Hughes Hallet and Scott (2010) who underline that “both Calman’s original proposals and those set out in the subsequent White Paper are fundamentally flawed and, if implemented, are very likely to damage the performance of Scotland’s economy” (Hughes Hallet and Scott, 2010, p. 8).

⁸⁶ It should also be mentioned that before the 2007 elections, the Scottish Liberal Democrats entrusted a Party Commission led by Lord Steel of Aikwood to look into the possible evolution of devolution. The Commission delivered its report in March 2006, arguing in favour of increased devolved competencies, including ‘almost complete control over taxation, firearms, immigration and asylum, drugs and some welfare policy’ (Jones, 2008, p. 30). The Lord Steel report did not represent the views of the Liberal

But how do the Scottish devolution reforms introduced to date and the current debates relate to accountability? Accountability was a key driver for the progressive momentum gained by the home rule movement during the 1980s and 1990s and a key concern of the Scottish legislators in defining the remits of the devolved Scottish institutions. Scholars have debated the extent to which pre-devolution Scotland faced a ‘democratic deficit’. Keating, in particular, points to two distinct democratic deficits that characterised the pre-devolution Scottish political system: ‘between Scotland and Westminster and within Scotland’, due to the privileged position enjoyed by the Scottish élites as a consequence of the guarantees to Scottish institutions foreseen in the Union settlement (Keating, 2010, p. 28).

The thrust for more accountable policy-making became evident both in the works of the Constitutional Convention and in those of the Consultative Steering Group set up by the UK Government after the 1997 referendum. This latter, in particular, elaborated some key principles that ‘were summarised as sharing power, accountability and participation’ (Mitchell, 2000, p. 606), including specifying that ‘the Scottish Executive should be accountable to the Scottish Parliament and the Parliament and Executive should be accountable to the people of Scotland’ (Millar, 2000, p. 15; Winetrobe, 2001, 19; Mitchell, 2010a, p. 105;). The Consultative Steering Group also made explicit the ambition that ‘the Scottish Parliament should be accessible, open, responsive and develop procedures which make possible a participative approach to the development, consideration and scrutiny of policy legislation’ (Mitchell, 2000, p. 606 and 2010a, p. 105).

With regard to policy, one of the strongest aspirations of devolution was to be able to deliver ‘Scottish solutions to Scottish problems’ (Bennett *et al.*, 2002; Brown, 2001), in contrast to previous practice when, at least as far as regional policy was concerned, ‘priorities were very much set from the centre and were very expenditure-driven, not regional-driven in the way that we understand it now’ (COM3). Indeed,

Democratic Party, but it represented an important milestone for the debates, and much of its content found its way into the SNP 2007 White Paper (Mitchell, 2008, p. 252).

stakeholders' consultation and working with interest groups are at the heart of current Scottish arrangements (Keating, 2005) as is a new emphasis on transparency and information to the public. As soon as the new, devolved administrations were set up, wide consultations were held with socio-economic groups and stakeholders to identify policy priorities in a number of key areas.⁸⁷ Perhaps even more important than the spending autonomy granted to the Scottish institutions is the fact that the reforms have determined the *potential* for a major change in the management of the *res publica* in Scotland, one that is more in tune with the Scottish culture, ethos and aspirations.

This same commitment to transparency and information to the public is testified by the approval by the Scottish Parliament in 2002, again after a stakeholders' consultation, of the Freedom of Information (Scotland) Act to supplement the provisions of the UK Freedom of Information Act of 2000 with respect to Scottish public authorities, and by the appointment, in February 2003, of a Scottish Information Commissioner to promote and enforce the provisions of the Act (Scottish Information Commissioner, 2004).

There is some evidence that the quest for more responsive and accountable policy-making has been realised to a certain extent over the past ten years. For instance, because 'only organised interests had access to the Scottish Office' (Mitchell, 2000, p. 613), interest groups had a lesser role in the policy-making process than at present (McGarvey, 2008), and there was arguably an asymmetry between the influence exerted by national-level interest groups operating in London and the meso-level interest groups operating in Scotland. Fundamentally, as emerged during field research, even though there was scope for interest group representations to access Scottish Ministers prior to devolution, these interactions occurred only on bilateral

⁸⁷ The first economic strategy for Scotland, for instance, *The Way Forward: Framework for Economic Development in Scotland*, was published in June 2000 after an extensive process of consultation. Whether this more consultative approach has led to effective increased responsiveness and the evolution of this approach in ten years of devolved institutions is much less clear-cut, however, as is the distinctiveness of Scottish policy responses compared to those of the rest of the UK (certainly as regards ECP).

bases and this limited these actors' knowledge and thus their capacity to pursue their goals effectively (SCO5).

The part-proportional electoral system through which the Scottish Parliament is elected, the ensuing practice of governing by coalition or minority governments (and the related need to seek parliamentary backing for individual bills in the latter case) (Keating, 2010; Jeffery, 2009), the more open working procedures adopted by the Scottish legislative assembly compared to the UK Parliament (such as the greater weight acknowledged to parliamentary committees) (Mitchell, 2000, p. 606), and the general commitment to a more consultative approach to policy development (Keating, 2010, p. 32) have indeed determined more open policy-making on devolved matters, albeit not to the extent that the Scottish Constitutional Convention anticipated (McGarvey, 2008; Mitchell, 2010a).⁸⁸ The Scottish Parliament, moreover, effectively scrutinises the executive (Winetrobe, 2006), not least through the activity of the Parliamentary Committees which, as has been observed, has not been without limitations but also not without impact (Carman and Shepard, 2010, p. 24).⁸⁹

Yet, if there is a certain consensus over the fact that 'devolution has, undoubtedly, enhanced the scrutiny and accountability of the public sector in Scotland in scope, quality and quantity' (McGarvey, 2008, p. 40), the extent of this has not yet been sufficiently empirically tested (Kirkpatrick and Pyper, 2001). After ten years of devolution, the time is right for a more thorough assessment of this issue. This is the focus of the empirical research presented in Chapter 14 (Scottish case study) in the

⁸⁸ For example, McGarvey observes that 'generally, it would be fair to say that the committees have, to date, not impacted on the policy process to the degree that the CSG had hoped for' (2008, p. 32). He also notes that despite the marked difference in the working methods of the Scottish Parliament compared to Westminster (which 'appears to have acted as a negative template for the constitutional designers of the new Scottish Parliament'), 'the Scottish legislative and policy process remains Government dominated' (McGarvey, 2008, p. 31). Mitchell, on the other hand, notes that 'despite rhetoric of 'new politics', the devolved institutions exhibit the pull of their genealogical roots. In part, this may reflect the failure to break properly with the Westminster model. ... Coalition government has turned out to be less different from single party majority government than many expected' (Mitchell, 2010b, p. 87).

⁸⁹ According to these authors, the scrutiny function of the Committees within the Scottish Parliament is hindered by their broad thematic and functional remits (compared to Westminster).

next Part of this thesis (empirical investigation), which looks at devolution's impact on public accountability in Scotland in the specific policy area of ECP.

12. COMPARATIVE CONSIDERATIONS ON ITALIAN AND SCOTTISH DEVOLVED ARRANGEMENTS

The previous two chapters have provided the background for the empirical investigation illustrated in the next part of this thesis. They have clearly pointed out not only that the two processes of devolution have been very dissimilar across the two countries as well as across the two meso-levels selected for investigation (Tuscany and Scotland) – not least given the pre-existence in Italy of meso-level democratically elected governments – but also that, as a consequence, the outcome of the reforms have been dissimilar across a range of key areas:

- the *degree of political and fiscal autonomy* granted to the devolved institutions: in Italy, sovereignty is in the hands of the people, and thus all levels of government are formally equal; whereas, in the UK, the Scottish Parliament is subordinated to the UK Parliament and this could in theory repeal it. With regard to the fiscal powers assigned to the devolved meso-levels, the Italian reforms, through the not yet implemented art. 119 (fiscal federalism), anticipate substantial fiscal autonomy for all Italian regions; whilst Scotland and the other devolved nations have only limited financial autonomy and operate based on transfers from the centre.
- the *extent of asymmetry* that exists within the states' system of territorial governance: whereas in Italy the same powers are assigned to all ordinary statute regions by the written Constitution, in the UK the arrangements between the UK level and the devolved nations of Scotland, Wales and Northern Ireland are formally separated in specific agreements and entail differentiated degrees of autonomy and competences. Furthermore, whilst the Italian reforms have contributed to re-absorb the previous differentiation between special statute and ordinary statute regions, the different devolution settlements in the UK have on the contrary exacerbated the already previously asymmetric system.
- the *systems of government* adopted by the two devolved meso-levels: new-parliamentarian system in Toscana (Baldi and Baldini, 2008) and a cabinet

system in the case of Scotland (Keating, 2010). Specific differences include the fact that the leader of the executive is elected directly in the Italian regions but selected from within the Parliament in Scotland, and the fact that Ministers must be MSPs in Scotland, whilst they cannot be regional Councillors in Tuscany where, if appointed, they must resign (though in both Tuscany and Scotland the leader of the executive can hire and fire Ministers).

- the modalities for *inter-institutional, central state v. meso-level negotiation and coordination*: reflecting the more symmetric arrangements, this is joint in Italy and takes place through formalised *fora*, the State-Regions and State-Autonomies Conferences, and in the UK it is largely bilateral, i.e. between UK and Scottish/Welsh/Northern Irish institutions, in line with the separate devolved settlement and asymmetric power allocations.

Nonetheless, the comparative reading of the previous two chapters also indicates a number of important commonalities, notably:

- devolution has not entailed the transformation of the two states into federal states (at least so far, with regard to Italy);
- a situation of distinct political and party systems characterises the two meso-levels compared to the broader national contexts;
- the evolving nature of the current constitutional and institutional arrangements, both of which are in a state of flux; and lastly
- the dominance, at the meso-level, of the executive branch over the legislature (a novel feature in the Italian context, but an element of continuity (with the Westminster model) in Scotland.

These traits of differentiation and commonality are summarised in Table 12. The empirical analysis that follows allows the assessment of the extent to which the differences summarised above also determine differences in the accountability of ECP.

Table 12: The Italian and Scottish devolved systems: commonalities and differences

<p>Main commonalities</p>	<ul style="list-style-type: none"> • Devolved, not federal systems • Dominance at the meso-level of the executive branch • Distinct meso-level political and party systems • State of flux
<p>Main differences</p>	<ul style="list-style-type: none"> • Sovereignty: <ul style="list-style-type: none"> • the people in Italy → subsidiarity, i.e. all levels of government are equal • The UK Parliament in the UK → lack of parity between UK and Scottish institutions (UK Parliament could repeal Scottish Parliament) • Asymmetry: <ul style="list-style-type: none"> • the Italian reforms have contributed to re-absorb the previous differentiation between special statute and ordinary statute regions • UK reforms have on the contrary exacerbated the already previously asymmetric system • Fiscal autonomy: <ul style="list-style-type: none"> • the Italian reforms, through the not yet implemented art. 119 (fiscal federalism), anticipate substantial fiscal autonomy for all Italian regions • Scotland and the other devolved nations have only limited financial autonomy • Devolved systems of government: neo-parliamentary in the case of Italian regions (Baldi and Baldini, 2008); cabinet in the case of Scotland (Keating, 2010). Specific differences include that: <ul style="list-style-type: none"> • The leader of the executive is elected directly in the Italian regions but selected from within the Parliament in Scotland • Ministers must be MSPs in Scotland whilst they cannot be regional Councillors in Tuscany where, if appointed, they must resign (though in both Tuscany and Scotland the leader of the executive can hire and fire Ministers) • Inter-institutional negotiation (between centre and meso-level): joint in Italy, reflecting the more symmetric arrangements (through the State-Regions and State-Autonomies conferences); largely bilateral in the UK (between UK and Scottish/Welsh/Northern Irish institutions)

PART 4 – EMPIRICAL RESEARCH

13. CASE STUDY 1: TUSCANY

13.1 Introduction

This chapter provides a narrative of the Tuscan case study and summarises the main results of the empirical investigation carried out on the impact of devolution on the accountability of ECP implementation in Tuscany. The case study has been conducted in line with the analytical framework outlined in Part 2. Consistent with this, the analysis proceeds as follows.

First, Section 13.2 presents a review of the new institutional arrangements put in place in Tuscany following devolution.

Second, after a historical *excursus* on the evolution of ECP support in Tuscany (Section 13.3), Section 13.4 discusses the impact of the devolution reforms on ECP management and delivery, presenting the key ‘systemic’ and organisational, management and delivery changes introduced to ECP. In order to isolate the impact of devolution from that of other factors (such as changes in the European regulatory framework and domestic developments other than devolution), the review focuses explicitly on the factors underpinning the changes (and their relative weight, where possible).

Third, having reviewed the main changes introduced in post-devolution Tuscan governance and ECP implementation, and assessed the extent to which these are attributable to devolution, the case study concludes by assessing the impact of devolution on the accountability of ECP in Tuscany (Section 13.5). This assessment is carried out in line with the approach described in the analytical framework, notably considering the main changes with respect to: (i) the subjects of the accountability relationship, i.e. who were/are the key decision-makers and decision-takers, and how the relationship between these two types of groups has evolved in the period observed; (ii) the content of the accountability relationship, i.e. the changes that occurred regarding the ability of decision-takers to inform decision-

makers' choices (dialogue), the degree to which decision-takers are informed on the policy (information), and the capacity of decision-takers to express dissent and obtain rectification of decision-makers' choices (rectification); (iii) the enforcement tools available to ensure that any corrective action required is implemented and that sanctions are enforced for inappropriate action; and, lastly, (iv) the object of accountability, i.e. whether accountability is on inputs, procedures, outcomes or performance, and how this has changed following devolution. As outlined in Section 8.2.1, the following classifications of accountability are utilised in this analysis: political, administrative and participative accountability (based on the subjects of the accountability relationships) and financial, procedural, outcome and performance accountability (based on the object of the accountability relationships).

13.2 Changes in Tuscan governance following devolution

This case study assesses whether the reforms summarised in Chapter 10 have determined a change in the implementation and delivery of ECP and whether such change has impacted on the policy's accountability in Tuscany. Tuscany is a regional authority that has been at the forefront of ECP management and recognised European best practice in this field (Fargion *et al.*, 2006; Profeti, 2004a),⁹⁰ and one that, for political as much as institutional reasons, has emerged as amongst the best institutional performers in the Italian panorama (Pavolini, 2008; Profeti, 2006a and 2004; Fargion, 1997).

To make the intended assessment, however, it is important to acknowledge that the Tuscan regional authority, with its elected regional Parliament (Council) and related Government (*Giunta*), like other Italian ordinary statute regions, has been in place

⁹⁰ Profeti recalls in her work that 'Tuscany is cited everywhere as an exemplar case both for the good use of the funds and for the acquisition of a true community profile' (2004, p. 27), quoting the 1996 report of the Special Commission for community policies of the Parliament's Lower Chamber (*Camera dei Deputati*), Commissione Speciale della Camera dei Deputati (1996) 'Utilizzazione da parte dell'Italia dei fondi strutturali', *Indagini conoscitive e documentazioni legislative*, no. 6, p. 198 (quoted in Profeti, 2004, p. 27).

since 1970⁹¹ and therefore over time it has developed a specific administrative culture and *modus operandi* in the undertaking of its functions, directly linked to its specific societal and political sub-culture (Trigilia, 1986).⁹² The impact of the reforms on the governance and administration of ECP (and the associated accountability), as much as the overall governance and administrative model established by the Tuscan regional authority more generally, can thus be expected to be inevitably linked to the heritage of socio-historical, institutional and political traditions of this region.⁹³

As pointed out by one of this study's interviewees, a scholar with long-standing expertise on the study of the performance of Italian regions in a specific policy field, when one looks at ECP,

one can see an extremely strong path-dependence ... When I analysed the reactions of the regions to the theme of the Structural Funds, I was able to predict how the individual regions would behave ... The regions that have operated in a particularly active, frontrunner manner have maintained this type of behaviour compared to others ... I found a perfect line of continuity between the analyses that I made in a very limited sector and what I found

⁹¹ It is not the purpose of this study to review the evolution of the Italian regional system per se, but it is helpful to recall a few key developments (for a full account, see Baldi and Baldini, 2008). Although the regional authorities had already been foreseen in the 1946 Constitution, it took over twenty years to establish the ordinary statute regions, for a number of reasons that included the caution of the leading national government parties (notably the *Democrazia Cristiana*) towards a strong form of regionalism that in many areas of the Centre-North of Italy would have seen the regions governed by the Left (Communist and Socialist) Parties, as could be deduced by a territorial analysis of the vote of June 1946. Such caution resulted in an iterative process of slow regionalisation: at the time of their establishment, in 1970, the ordinary statute regions were assigned only limited legislative competences (in the fields of healthcare, agriculture, economic development, handicraft, tourism, transport and professional training). These were to be applied in a framework of control by the central government and without any substantial fiscal autonomy (despite the provisions of the then art. 119 which foresaw the principle of regional financial autonomy). These competences were extended in the mid-1970s (Delegation Law no. 328/1975n and DPR no. 616/1977), particularly with increased competencies in the field of welfare, but again in a framework of a substantially centralised fiscal system. The special statute regions, on the other hand, were established in line with the constitutional provision as a measure to preserve the unitary character of the country from the pressures of autonomist and separatist movements (with the exception of Friuli Venezia Giulia, which was established in 1963). They had reinforced statutes (of constitutional standing) and significant, albeit variable, fiscal autonomy (Baldi and Baldini, pp. 77-83).

⁹² On the administrative capacity differences amongst Italian regions more generally, particularly the North-South gap, see Cassese, 2004.

⁹³ As demonstrated by the analyses of Fargion (2006), Lippi (2006), Profeti (2004a) with respect to ECP, and that of Pavolini (2008) with regard to welfare policy.

*when considering another policy area that had nothing to do with the first [i.e. ECP] (TOS9).*⁹⁴

To take this path-dependence and what has been defined as the ‘imprinting of Region Tuscany’ (TOS9)⁹⁵ fully into account, the following paragraphs provide some background on the longer-term key characteristics of the Tuscan societal, political, economic and administrative model prior to the reforms discussed.

13.2.1 The Tuscan ‘imprinting’

As has been mentioned, Region Tuscany, just like all other ordinary statute regions, was established in 1970, over two decades after the creation in principle of the regional authorities by the post-war Constitution. When the regional authority was finally created, territorial government was organised around the same territorial structure as today, articulated in the regional authority, nine provincial authorities (today there are ten, following the establishment of the Province of Prato in 1992) and almost 300 (mostly small) municipalities.⁹⁶ Each tier had (and still has) an elected Council and an executive arm (*Giunta*). Up until 2001, the President of the Region was appointed by the Council and he (it has always been a man, see Table 13) in turn appointed a *Giunta*, generally forming coalition governments. The electoral system for the election of the Council was proportional (Law no. 108/1968, which remained in force until 1995) and the system was parliamentary: the President

⁹⁴ This and the other interview quotes by Italian interviewees have been translated from Italian by the author. The system used to classify interviewees is based on an abbreviation followed by a number, where TOS means interviewee from Toscana, ITA means national level interviewee and COM refers to an interviewee from the European Commission.

⁹⁵ Imprinting is an English-language word that is commonly used in Italian. According to the Oxford English Dictionary, the English word refers to animal behaviour (‘the establishment of a behaviour pattern of recognition and trust, usu. directed at its own species, during a critical period of susceptibility in a (young) social animal, esp. in birds’) or genetics (‘determination of the behaviour of a chromosome or the expression of a gene by its origin from the paternal or maternal genome’), whereas in Italian the use is metaphorical and the word is intended more widely as the consolidation of a way of conceiving or doing things that is embedded in an institution’s or group of actors’ culture because of its previous background and evolution.

and his *Giunta* collectively governed the region based on a mandate from the Regional Council. The *Assessori*, like the President of the *Giunta*, were appointed by the Council and chosen from amongst its members, in line with the provisions of the national legislation then in force (Musella, 2009).

Table 13: Tuscan Presidents

Lelio Lagorio	1970-1978	Born 1925, degree in Law. Lawyer and Journalist. Major of Florence (1965), President of Region Tuscany (1970-1978), MP for four legislatures (1979-1994) and Italian Minister (1980-1986) for the Italian Socialist Party. President of the Socialist Group in the Lower Chamber of Parliament (1986-1987) and at the European Parliament (1989-1994).
Mario Leone	1978-1983	Born 1922, degree in Law. Councillor and then Minister and Deputy Mayor in the Municipality of Florence, elected to the Regional Council in 1975 for the Italian Socialist Party and nominated regional Minister (<i>Assessore</i>) for Industry, Commerce, Handicraft and Tourism in the third legislature, President of the Region (1978-1983 – stepped down to be able to run for the national Parliament). Thereafter President of IRPET (1983-1992). Founding member and member of the Council of the National Historical Institute on the Resistance.
Gianfranco Bartolini	1983-1990	(1927-1992). Blue collar, partisan, career as trade union official within the CGIL (General Italian Confederation of Workers). <i>Assessore</i> in the Municipality of Fiesole, Councillor in the Province of Florence, regional Councillor since 1975 for the Italian Communist Party. Vice-President and then President of the Regional <i>Giunta</i> (1983-1990). As President of the <i>Giunta</i> he maintained responsibility for programming and the relations with the Italian Parliament and Government and with the European Community. President of the Conference of the Presidents of Regions and Autonomous Provinces where he launched the proposal of a Regional Chamber in the Italian Parliament. Since 1979 member of the National Committee of the PCI.
Marco Marcucci	1990-1992	Born 1949. Internal administrative career in the then Italian Communist Party (PCI), Regional <i>Assessore</i> for Health in the 1980s, President of the Regional <i>Giunta</i> (1990-1992). Former President of IRPET and Major of Viareggio.
Vannino Chiti	1992-2000	Born 1947, degree in Philosophy. Councillor, <i>Assessore</i> and then Mayor (1982-1985) of the Municipality of Pistoia (for the Italian Communist Party, then Party of the Left Democrats and now Democratic Party). Elected to the Regional Council in 1985, <i>Capogruppo</i> and then regional Secretary of the then PCI. President of the Regional <i>Giunta</i> (1992-2000). President of Conference of Italian Regions (1997-2000). Vice-President of the Committee of the Regions and President of Peripheral and Maritime Regions of Europe. MP (2001-2008) and Senator of the Republic (2008 to present). Served as Minister in the 2006 Prodi Government. www.vanninochiti.com

⁹⁶ In addition, there are 14 Mountainous Communities (20 prior to 2000), which are an aggregate of contiguous mountainous municipalities. Each Mountainous Community has a President and a *Giunta* composed of members appointed by the municipalities that are part of the community.

Claudio Martini	2000-2010	Born 1951. Mayor of Prato (1988-1995). Elected to the Regional Council in 1995. Regional <i>Assessore</i> for Healthcare. Elected as President of Region Tuscany in 2000 and 2005 with 49.35% and 57.4% of votes. Member of the CoR since October 2000, President of the Conference of peripheral and maritime regions, representative of the CoR at the European Convention for Europe's Constitution, President of the Forum of the networks of regions in the world.
Enrico Rossi	March 2010 +	Born 1958. Degree in Philosophy. <i>Assessore</i> and then Mayor of the municipality of Pontedera (1990-1999). Elected to the Regional Council in 2000 and in 2005, in both legislatures <i>Assessore</i> for the right to healthcare. Elected President of the Region on 28-29 March 2010 with 57.7% of votes.

Source: website of Region Tuscany. <http://www.regione.toscana.it/presidente/index.html>

After this *incipit*, the subsequent institutional evolution of the regional authority was informed by a number of features that were characteristic of the regional social and economic structure. They made it stand out from other Italian contexts and have left a legacy on the current social and political system.

First, politically, Tuscany is one of those central Italian regions traditionally referred to as the 'Red-zone', displaying what Trigilia has defined as a 'communist sub-culture' dominated by the Communist Party (PCI), which had a strong hold of the regional territory through a ramified system of local party sections (Trigilia, 1986).⁹⁷ After the national solidarity pact that was agreed following the exacerbation of the Cold War shortly after the end of WWII (Baldi and Baldini, 2008, p. 70), the Tuscan political class could not aspire to govern the nation, but it took maximum advantage of the autonomy that it could lever from the existing constitutional arrangements in managing regional affairs. In so doing, it developed an efficient regional administrative apparatus, and its political élite displayed a marked commitment to efficiency, accountability and stakeholders' participation in decision-making (mostly in a neo-corporatist fashion) from the outset. For instance, Tuscany was one of the first regions in Italy to implement the private-sector-inspired management control system (*controllo di gestione*), introduced in 1983 by national law, and it undertook unit-cost analyses even before this technique was endorsed by national legislation

⁹⁷ Such political sub-cultures, observes Lippi, 'have impacted profoundly, on the one hand, on the differing stability and continuity of Regional Governments and, on the other, on the recruitment of the local political class' (2006, p. 184).

(TOS3; Fargion, 2006, p. 130). A further illustration of this regional political élite's interest in efficiency and accountability is the fact that the National Performance Review conducted by Al Gore in 1993 was translated into Italian by mandate of the then President of the Regional Council, Simone Siliani, and debated within the Council (as has been noted, the *Giunta* was drawn from the Council at that time).⁹⁸

The regional authority also progressively developed an open, concertative⁹⁹ *modus operandi*, based on consensus and the involvement of local authorities and organised interests, an approach that is still very much at the heart of Tuscan policy-making (as argued by, amongst others: Crescini and Carnevali, 2009; Diodato and Lippi, 2007; Fargion *et al.*, 2006; and Lippi, 2006). As underlined by Fargion (2006, pp. 133-134), Tuscany has been an exception in the Italian panorama with respect to vertical partnership, specifically with regard to the dialogue and involvement of local authorities in policy-making from the early days of regionalisation, developing new forms of association amongst the local authorities (notably, the inter-municipality associations) and making extensive use of delegation to the municipalities. This contrasted with practice in the vast majority of Italian regions, where the first regionalisation of the 1970s entailed a process of 'neo-centralisation' at the regional level, as discussed above (the other such exception, but with different characteristics, was Emilia Romagna). Similar comparisons can be drawn with respect to the involvement of socio-economic partners (horizontal partnership) (Crescini and Carnevali, 2009).

A factor supporting these trends is the fact that political leadership has traditionally been strong. The regional Presidents were generally weighty political leaders even prior to their direct election, as can be deduced from the short profiles presented in

⁹⁸ Al Gore, *From Red Tape to Results: Creating a Government that Works Better and Costs less. Report of the National Performance Review*, 7 September 1993. I am grateful to Professor Andrea Lippi of Florence University for mentioning this to me.

⁹⁹ The word 'concertation' does not appear in the English vocabulary; however, it can be found in a number of policy reports in the English language. This term refers to a process that does not have an equivalent in the UK, notably a form of consultation aimed at achieving consensus (TOS2), thus a more binding process than the consultations found in the UK (where it is up to the relevant decision-maker to take on board the ideas generated in the consultations).

Table 13. Styles of government varied depending on the personalities of each individual leader, but not infrequently they were actively involved in the administration of regional affairs. President Bartolini for instance, who was described in interviews as ‘very much in the machinery’ of the regional administration, maintained responsibility for programming and the relations with the Italian Parliament, Government and the European Community, strongly imparting a political direction to all inter-institutional activities carried out by the Regional Executive. President Chiti was also a strong political leader and one that, in his eight years of leadership, imparted a strong federalist and Europeanist direction to the action of the regional authority (Profeti, 2004a). It was often the strong political direction of individual Presidents that pushed the Tuscan authority to innovate with respect to its *modus operandi* and to develop a strong international profile.¹⁰⁰

The political continuity resulting from the fact that the Regional Executives have constantly been the expression of the same political forces, and the governmental stability displayed by these forces throughout the life of the regional institutions, allowed for the consolidation of a competent and constant group of senior and middle-ranking civil servants that would prove fundamental in carrying forward the administrative practices developed, ‘facilitating the institutional consolidation of the practices and strategies adopted’ (Profeti, 2006b).

A further element of the Tuscan ‘imprinting’ is its outward orientation (TOS9). The exposure to external/foreign cultures, which was due to both commercial and tourism-related activities (e.g. Firenze, Siena and Pisa have been tourism destinations for centuries), generated a mentality that would prove conducive to the involvement of the regional authority in a rich mesh of networks (Diodato and Lippi, 2007) – whereby more than one region’s President, i.e. Chiti and Martini, would become the President of the Conference of the Maritime and Peripheral Regions and an active

¹⁰⁰ This is not to say that, in the period prior to 2000, Tuscany did not see the *monocratismo assessorile* described by Musella (2009), as already discussed, but it would appear that for a number of factors – which include political cohesiveness – the region has probably experienced a more marked central direction than other Italian regions, as is evidenced by the relative stability of the regional Executive, as illustrated by Profeti (2004, pp. 127-129).

member of the Committee of the Regions (Profeti, 2004a) - and to seizing the opportunities offered by European integration in this respect (Fargion *et al.*, 2006; Profeti, 2004a; TOS3; TOS9; TOS10).

Moreover, Tuscan society has developed based on a polycentric settlement pattern, rooted in history, most notably in the period between the XII and XV century, when the decline of the feudal system and the development of the merchant cities (e.g. the maritime republic of Pisa) generated a network of municipalities and rural centres that is still very much reflected in the current regional settlement structure (Bacci, 2002). To date, this comprises a large number of small municipalities where, despite the widespread political alignment, no actor can exert a clear-cut hegemony across the regional territory.¹⁰¹ This has generated a complex and variable (across policies) system of territorial governance where the regional authority is not necessarily the dominant actor (TOS3).

Lastly, Tuscany has been characterised by fragmentation from an economic point of view as well, given that the industrialisation that started in the late 1960s took the shape of integrated territorial systems of small and medium-sized firms, the so-called industrial districts (Trigilia, 1986, pp. 166-179; Bacci, 2002). This has generated a polycentric economic structure, which is the result of the interaction of distinct local economic systems, each with a specific availability of resources, production structure, development stage, geographical vocation, growth rhythms and potential (Alessandrini, 2002). This has also been conducive to the development of a concertative tradition and to the participation of economic interests in the political arenas.

As amply discussed in the work by Fargion *et al.* (2006) and Profeti (2006b and 2004), all these characteristics generated an ‘imprinting’ (TOS9) that made this

¹⁰¹ Currently the Tuscan territory comprises 287 municipalities, only three of which have above 100,000 inhabitants (Firenze, which numbers about 500,000 inhabitants, Prato and Livorno) and eight have between 60,000 and 100,000. A majority of the municipalities, 253, has fewer than 20,000 inhabitants, and these include 92 municipalities with fewer than 3,000 inhabitants.

region readier for the challenge of ECP implementation than many Italian counterparts. As underlined in these works, for instance, Tuscany opened an office in Brussels even before the approval of national legislation to allow the regions to engage in para-diplomatic activities (Fargion *et al.*, 2006; Profeti, 2004a; TOS9; TOS10).¹⁰²

These are all reasons that underpin a historical evolution of the regional authority that has seen it become one of the most efficient and institutionally advanced regions in the Italian panorama, as testified by the facts that it was one of the first regions to approve its new statute, the first region to approve its own electoral law after the constitutional reforms (being one of only three regions that have adopted brand new regional electoral laws so far) (Tarli Barbieri, 2009), and the first and thus far only Italian region to have passed legislation on the primaries for the selection of candidates for the roles of both regional President and Councillors (a novelty in the Italian legal system) and to have introduced a law on the quality of legislation (Clementi and Vannucci, 2010b, pp. 7-8).¹⁰³

Returning to the institutional set-up of the regional authority, this has not changed substantially compared to the initial phase of regionalisation in the early 1970s: as illustrated in Figure 3, it is still articulated around a Regional Council, *Giunta* and President, a number of local authorities, functional autonomies (e.g. Chambers of Commerce) and representatives of local interest (employers' associations, trade unions and similar entities). What has changed, for the most part, as discussed in

http://www.regione.Tuscany.it/regione/export/RT/sito-RT/Contenuti/sezioni/istituzioni/comuni/visualizza_asset.html_1490842330.html and Bacci, 2002.

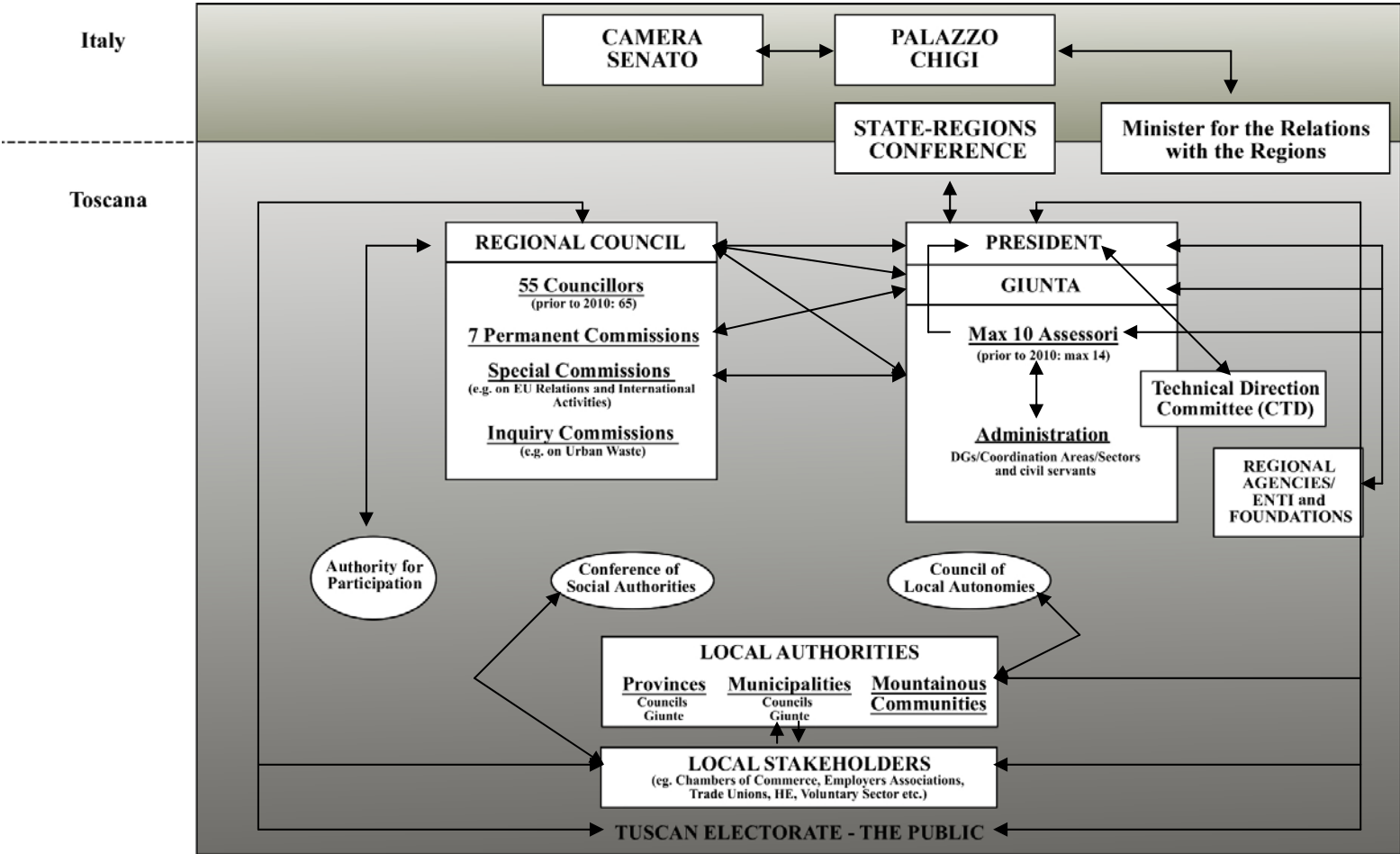
¹⁰² This was achieved by circumventing the law, i.e. using the region's financial institute, *Fidi Toscana* (TOS9; TOS10; Fargion *et al.*, 2006; Profeti, 2004a). The faculty for the regional authorities to open offices in Brussels was acknowledged in 1996, with Law no. 52/1996 (Di Quirico, 2006, p. 101).

¹⁰³ With respect to the primaries, it should be noted that they are neither compulsory nor binding, but through this institutionalisation via the regional legislation, they are rendered a public procedure, i.e. managed by the regional authority (with the support of the provincial prefectures) and not by the parties (Clementi and Vannucci, 2010b, p. 7). With regard to the law on the quality of the regional legislation, the reference is Regional Law no. 55/2008, which foresees that the body of legislation approved must be linked to the Regional Development Plan and targeted at the rationalisation and innovation of legislation. It also foresees that the laws entail evaluative clauses and the dissemination of the outcomes of evaluation activities on laws and public policies (Clementi and Vannucci, 2010b, p. 8).

detail in the sections to follow, are the inter-relations and power relations between these actors and the policy-making procedures.¹⁰⁴ Of the reforms outlined in Chapter 10, the direct election of the President of the Regional *Giunta*, has arguably had the most marked impact on Tuscan governance arrangements, generating new dialectics between legislature and executive, within the executive, and between executive and administration. Other changes that occurred after the devolution reforms – albeit not solely linked to these – have included the introduction of a new approach to regional programming and the strengthening of policy-effectiveness and concertation procedures. These are important for understanding the context in which ECP is implemented, and they are discussed in turn in the sub-sections to follow.

¹⁰⁴ The maximum number of components of Council and *Giunta* has recently been altered, reducing the members in both cases: from sixty-five to fifty-five for the Council and from between eight and fourteen to ten for the *Assessori* (Regional Statute Law no. 1/2010, modifying articles 6 and 35 of the regional statute; Clementi and Vannucci, 2010b, p. 3).

Figure 3: Tuscan governance framework and accountability relations



13.2.2 New dialectic between legislature and executive and within the executive

As illustrated in Chapter 10, the main features characterising the institutional and constitutional reforms introduced in the period from the late 1990s to 2001 were the introduction of the direct election of the Presidents of the Regional *Giunte*, the attribution of statutory autonomy also to ordinary statute regions, and, through the modification of Title V of the Constitution, the allocation of increased competences to the regional authorities, and the affirmation of the principles of subsidiarity, equality between levels of government, and administrative and fiscal federalism.

The direct election of the region's President is probably the change, from those summarised above, that has had the greatest impact on government arrangements and policy-making style within the region. In Tuscany, as elsewhere, it has led to a 'personalisation' of the relationship between governed and governor. As observed by Musella (2009, p. 101), 'the Presidents in 2005 [year of the second election with this system] become the holders of a strong autonomous consensus, gathering consistent quotas of votes which were personal and not related to the coalition of belonging'.¹⁰⁵ This was the case in Tuscany where, in the 2005 elections, President Martini was reconfirmed with a plebiscitary 57.4%, compared to 56.7% of votes for the coalition (Musella, 2009, p. 96).¹⁰⁶ This personalisation has had an impact on government arrangements and policy-making style, first and foremost with regard to the relative weight between executive and legislature.

The *Giunta* still operates on the Council's endorsement, given that the Council votes and approves the programme of government, yet the latitude of the decision-making power of the executive has become extremely wide after the reforms and largely

¹⁰⁵ This was made possible by allowing the electors to vote for a candidate President without linking the vote to one of the parties in the coalition supporting him/her (Musella, 2009).

¹⁰⁶ Although it should be noted that in the most recent elections of March 2010, his successor, Enrico Rossi, was elected with 59.7% of the votes, against a coalition vote of 60.7% (Regione Tuscany, 2010, p. 10), illustrating a persistently strong hold by the party system.

dissociated from the Council. The direct election of the *Giunta*'s President provides a direct legitimisation of the government programme that he presents to the Council, without the intermediation of the legislature. This sentence from former President Martini's 2005 address to the Council is illustrative of this shift:

I shall then illustrate the content of the 2006-2010 government programme. It is a dense text which, as is natural, faithfully follows the content of the electoral programme on which there has been a clear pronouncement from the electorate. 57.4 percent of Tuscans chose Claudio Martini, voted for Democratic Tuscany and the connected lists. A larger consensus than in the past ... It is clear, thus, that the government programme that I present today for the attention of the regional Council for approval is not and could not be different from that which has received the support and approval of the electors (Regione Toscana, 2005b, p. 5).

The programme, in other words, is 'armoured', and the executive, in its execution, is considerably autonomous, as testified by the fact that, as noted by one interviewee for this research, 'the only thing that requires approval by the Council is the budget and "legislative approval", which is the adherence to laws or programmes. Otherwise, an act has to go back to the Council' (TOS7).

The strengthening of the executive *vis-à-vis* the legislature is a theme that has already been explored extensively in the literature. Musella (2009), in particular, emphasises how prior to the reform the *Giunte* were essentially a representation of the Councils, as the Presidents and the various *Assessori* were appointed by the Councils (the *Assessori* amongst the Councils' members, as required by the national legislation in force prior to the constitutional reforms of 1999 and 2001). The executives also had to gain and maintain the Councils' confidence, as is typical of parliamentary systems. With the direct election of the President based on an electoral programme that becomes the government programme of the successful candidate, and with the introduction of the above-mentioned principle *simul stabunt simul cadent*,¹⁰⁷ the Council no longer undertakes this role (Musella, 2009, pp. 193-215). Tuscany is no exception, as testified by the views gathered during the fieldwork carried out. The

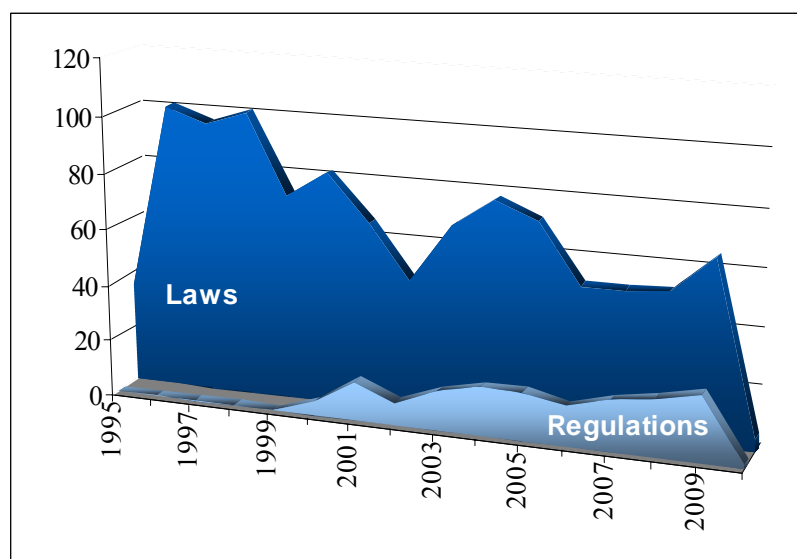
¹⁰⁷ Together we stand, together we fall.

new Tuscan statute foresees that the President appoints the *Assessori* only after having presented the government programme to the Council and gaining the approval of this document by the Council (Clementi and Vannucci, 2010b). The appointment of the *Assessori* is thus entirely the President's prerogative, as is also witnessed by the fact that although the statute foresees the possibility for the Council to vote a motion of disapproval (*mozione di non gradimento*) on an individual *Assessore*, this is not binding on the President, who can continue to employ the *Assessore* and whose only obligation is to communicate his decision and the reasons for this to the Council with an act within twenty days from the approval of the motion (Clementi and Vannucci, 2010b, p. 4).¹⁰⁸ Further, also following Musella's line of argument, the strengthening of the Regional Executive is also visible in the decreasing number of laws passed by the Tuscan regional assembly, as illustrated by the red area in Figure 4 (Musella records a reduction of one-third between the sixth and seventh legislatures). This decreasing trend has, according to Clementi and Vannucci (2010b) – who, however, read it in a wholly different light (they consider it an indicator of improved quality in the legislative activity of the regional authority, p. 8) – continued in the eighth legislature (2005-2010). Mirroring this, on the other hand, the regulations issued by the Regional *Giunta* have experienced an upward trend (from 2000 onwards), as illustrated by the blue area in Figure 4.¹⁰⁹

¹⁰⁸ Proof of the perceived lack of power of the Council vis-à-vis the *Giunta* is provided by the establishment, in 2002, of a joint initiative of the Councils of Tuscany, Emilia Romagna, Lombardia and Piemonte: an interregional project on the assemblies' control on regions' policies and interventions, CAPIRe or *Controllo delle assemblee sulle politiche e gli interventi regionali*, www.capiire.org (Pietrangelo, 2009, p. 77; TOS10). The initiative, which now involves sixteen regional Councils, requires actors responsible for implementing the regions' policies to give account of their work, so as to improve the understanding of the legislation's implementation modalities, the nodes and problems identified, the reasons for these, and whether the interventions implemented have indeed delivered the intended goals (Pietrangelo, 2009, p. 77).

¹⁰⁹ The Tuscan statute distinguished between three types of regulations: regulations for the implementation of regional laws and community legislation are passed by the *Giunta* with the compulsory opinion of the competent Council's Commission; regulations delegated by the State are passed by the regional Council. All these regulations are issued by the regional President. The regional Council can only issue internal regulations (Clementi and Vannucci, 2010b, p. 11).

Figure 4: Laws and regulations passed in the period 1995-2010 (laws) and 2000-2010 (regulations), i.e. in the VI, VII and VIII legislatures



Sources: Laws - figures by Musella (2009, pp. 157-158) for the period 1995-2005, and by Clementi and Vannucci (2010b, p. 9) for the period 2005-2010. Regulations - figures by Clementi and Vannucci (2010b, p. 11) for the period 2000-2010. 2010 data refer only to the period until February 2010. The data refer exclusively to regulations approved by the *Giunta* and not to regulations approved by the Councils (so-called internal regulations). For both laws and regulations, 2000 and 2005 data, years that run across two legislatures, include the laws/regulations passed during the entire year.

A second shift linked to the direct election of the President of the Regional *Giunta* is the differing relationship generated between the President and the regional Ministers, the *Assessori*. The region's President is no longer a *primus inter pares* (Fusaro, 2007), as foreseen in the original text of the Constitution, but rather 'the leader of a team of *Assessori*' who work to implement his programme (Musella, 2009). This prominence of the President is ensured not just by his direct election, but also by the power he now has to nominate and recall individual *Assessori*.

This view was echoed in the fieldwork carried out in Florence where some interviewees emphasised that, unlike prior to the 1999 reform, the programme 'is not made through the sectoral mediation of the *Assessori*' and that the latter are basically responsible for implementing the President's programme (TOS7). As eloquently described by an interviewee in the region, 'the *Assessore* has a political role of

conveying the President's will to the technical structures and to the "territory". And, in fact, [the President] can appoint him and remove him whenever he wants. The *Assessore* has no democratic legitimisation' (TOS7).¹¹⁰

This latter observation relates to the fact that the new legislation allows the President to appoint *Assessori* also from outwith the Council, and this has also contributed to grant the President greater independence from party influence, appointing 'competent technicians, not necessarily of party derivation' (Di Quirico, 2006, p. 101). In Tuscany, in the first *Giunta Martini* appointed after the 2000 elections, three-quarters of the *Assessori* were chosen from outwith the elected Council; in 2005, in the second *Giunta Martini*, this number increased to 100 percent (Musella, 2009, p. 209). This provision was further strengthened in the new regional statute that foresees, in art. 35, the incompatibility between the position of *Assessore* and that of Councillor (Musella, 2009, p. 205), and by the recent modification to the regional electoral law (Regional Law no. 50/2009), which foresees the automatic forfeit from the Council of a Councillor who accepts the role of *Assessore* (prior to this law, the place left vacant by the appointed Councillor was covered temporarily by a substitute) (Clementi and Vannucci, 2010a). This considerably strengthens the President by freeing his choices from party influence and from the tensions that may emerge as a result of changed intra-party currents and inter-party alliances.

There are two corollaries to this shift in the balance of power between President and *Assessori*: first, the fact that on key decisions the *Assessori* are sometimes bypassed, as mayors, trade unions leaders, entrepreneurial associations, managers of large/important firms and other stakeholders tend to interact directly with the President (who might then delegate the competent *Assessore* to deal with the issue) (TOS7);¹¹¹ and, second, the fact that the highest technocratic level has gradually become a much more crucial and dominant player. In Tuscany, this has resulted in

¹¹⁰ In line with art. 122 of the Constitution (which also allows the President to choose an *Assessore* from outwith the regional Council) (Fusaro 2007).

the rise to prominence of a small group of top-level administrators: the four sectoral and two horizontal Directors General who are in charge of translating the Government's programme into a Regional Development Plan (RDP, *Programma Regionale di Sviluppo*) and the sectoral plans and integrated programmes that deliver it (TOS7). Collectively, together with the Head of Cabinet, these Directors General form the so-called Technical Programming Committee (*Comitato Tecnico della Programmazione*, CTP).¹¹² The CTP is charged with coordination of the implementation of the RDP (Regione Toscana, 2008a, p. 23) and, according to a key interviewee, the principle decisions on the region's policies, programmes and plans are taken by the CTP. It is this body, or the individual Directors General, rather than the *Assessori*, that the Head of Cabinet calls 'whenever there is a thorny issue to be solved' (TOS7).

13.2.3 A new programming framework: operational, long-term, complex and (prospectively) territorialised

A second trend that has been consolidated after the devolution reforms (but which originated well before them) is an increasing operationalisation, but also complexity, of the programming system. Tuscany has a long-standing 'programming culture', as

over the years, the conditions for the maturation of a real 'programming culture', constantly shared and maintained in life by the élites at the head of the regional government, has emerged in the institution, starting with the first President Lagorio up to the experience taken forward by Bartolini during the 1980s: this latter, a supporter of the 'migliorista' current of the PCI, had matured over time a position of wide openness also to the entrepreneurial representations, so as to build a 'consensual' path, which saw the region as

¹¹¹ Notwithstanding the caveat mentioned by one of the interviewees that the last Tuscan President (Martini) was considered less actively involved in the running of the regional machinery than his predecessor Chiti (TOS9).

¹¹² This is obviously a controversial issue, since within the regional administration this committee is referred to as 'the club of mandarins'. As noted by the interviewee: 'In practice, the real enemy of the *Assessore* is the CTP'.

the propulsive centre of the interaction dynamics with the territory and of a programming approach of wide breath (Profeti, 2004a, p. 137).

This ‘programming culture’ refers to a regional-level policy-making approach characterised by multi-annual (and, then, increasingly cross-sectoral) programmes, as opposed to *ad hoc*, disjointed or stand-alone projects. This programming culture gradually evolved into a consolidated programming system that was reformed in 1999 (Regional Law no. 49/1999) and, after the approval of the new regional statute, 2004 (Regional Law no. 61/2004 and Implementation Regulation no. 51/R of 2006).¹¹³ This sees programming (*programmazione*) as an instrument for governing by objectives, a method for setting ‘clear and non-contradictory goals for public action’ and their delivery through a system based on an ongoing process of control and assessment of the interventions to constantly ‘check their coherence and operational effectiveness’ (Grassi *et al.*, 2003, p. 143). It is an approach to public action that entails: (i) the availability of accurate and constantly-updated information, both internal (on the activities carried out) and external to the administration (on the socio-economic context and its territorial specificities); (ii) the establishment of a government ‘vision’ articulated on a system of ‘meta-objectives’; (iii) the translation of this vision and meta-objectives into an operational set of instruments (e.g. plans and programmes), undertaken through an analytical process of constantly-updated research and studies, and through the shared interpretation of the knowledge derived with other institutional, social and economic actors. It includes three interactive phases: programming in the strict sense (programme and policy design), monitoring, and evaluation (of the effectiveness of interventions for the achievement of the goals set) (Grassi *et al.*, 2003, p. 144).

After the reforms of 1999 and 2004, the *fulcrum* of the programming activity of the regional authority continues to be represented by the RDP, which is presented by the

¹¹³ Art. 46 of the Tuscan statute declares that ‘programming is the method of regional activity’ and that this determines the region’s annual and multi-annual objectives, referring to regional law in the definition of procedures and roles (the law approved in 2004, as mentioned above). Art. 46 also implies that programming takes place in an integrated framework with the local, national and community programming and with the participation of Tuscan society.

Regional Government to the Regional Council for approval. As has been observed, however, since the direct election of the region's President, the RDP is the programmatic translation of the political and policy vision of the President and of the government programme that he presents to the Council at the beginning of his mandate, even before having appointed his *Giunta*.

After the 1999 and 2004 regional laws on programming, and particularly since 2006 (i.e. since the RDP 2006-2010), this document has acquired a much more marked operational character:

It is not just a document which sets the programmatic direction, but a programming act of the interventions considered priority throughout the legislature: an implementation instrument of the Government Programme which gives indications of the projects to be included, foreseeing the financial coverage, in the new sectoral multi-annual programming (Regione Toscana, 2006, p. 26).

The innovative characteristic of the 2006-2010 RDP is that it has a more marked concreteness and operational character compared to its predecessors, also concerning its structure and contents. The new RDP can be defined as a master-plan of the entire regional programming ... constituting the trait d'union with the sectoral plans of the region, with national and European programming, and coordinating with other subjects of the Tuscan system (Regione Toscana, 2008a, p. 7).

The RDP, in becoming more operational, has also become increasingly complex, thus contributing to strengthening the role of the administration *vis-à-vis* the political level. It is organised around 25 thematic Regional Integrated Projects (RIPs, *Progetti Integrati Regionali*), which implement the four strategic programmes indicated in the government manifesto and interlink them with the multi-annual sectoral and cross-sectoral plans and programmes of the regional budget, as well as with the ECP Regional Operational Programmes.¹¹⁴

¹¹⁴ The sectoral plans are implemented by the sectoral DGs and have established financial resources assigned to them. In the current programming framework, they essentially feed the cross-sectoral PIR (which draw resources from the various sectoral plans relevant to their scope). The sum of the resources allocated to the sectoral plans and that of the resources attributed to the PIRs have thus to match.

Each year, an Economic Financial Programming Document (EFPD, *Documento di Programmazione Economico Finanziaria*) brings plans and programmes to financial coherence, linking them to the RIPs and providing an opportunity to update and re-target the interventions during the period covered by the RDP, where needed, and at the same time informing the subsequent regional budget (Regione Toscana, 2008a, p. 9).

One last development to be mentioned with respect to the new programming framework – and which could have significant implications for accountability – is the territorialisation of the programming system that is being introduced through the instrument of the Local Development Pact (*Patto per lo Sviluppo Locale*, PASL). The PASL was also introduced by Regional Law no. 49/1999, but it was not launched before 2006-07, due to a lengthy process of definition of the procedures through which these new Pacts would be operationalised.¹¹⁵ It consists of a list of projects prepared by the provincial authorities in collaboration with local authorities, socio-economic partners and other interest groups, and consolidated in a ‘Pact’ signed between the regional and each provincial authority, highlighting that, for a certain period of time, these projects are the priority for that territory and for the concentration of regional funding.¹¹⁶ The PASLs do not have resources assigned to them, but projects that are part of a PASL have priority for funding under regional plans and programmes. Increasingly, and especially for infrastructure projects by public actors, being part of a PASL is a pre-condition for support. From the evidence gathered through fieldwork, the key reason for the introduction of this new instrument – compounded by a political push towards the end of the 2000-05 electoral mandate – appears to have been the awareness, amongst a restricted group of regional technocrats within the programming DG of the regional authority, of the potential for such an instrument to strengthen the strategic synergy of projects

¹¹⁵ The procedures for the approval of the PASL were only approved by the Regional *Giunta* in 2006 (Giunta Deliberation no. 223 of 3.4.2006).

¹¹⁶ In addition to the PASL signed with the provincial authorities, there are also some PASL for the so-called ‘wide areas’ (*aree vaste*), i.e. the metropolitan and inter-provincial areas of Florence, Prato and

implemented through the RDP.¹¹⁷ Nonetheless, accountability considerations also informed the choice to introduce the PASL: the traditional method of concertation (based on regional concertation tables) was considered partly obsolete and not fully adequate, for instance because of the low representativeness of those participating in the regional concertation tables. This led to ‘an attempt to overcome this, going into the territory’ (not without difficulties since, as observed by one of the interviewees, ‘this immediately produced a contrast between the levels of negotiation for the local development pacts and the regional tables [... which] felt that they had been overtaken, thinking that *they* should have approved the PASL’ (TOS7).

The PASL are flexible, in the sense that they have been subject to periodic updating, indicating that there is openness to integrate new project ideas, should there be any change in the needs and wishes expressed by the territory. Nevertheless, there is also some scepticism amongst regional stakeholders regarding their effective weight in project selection. One interviewee observed that ‘in reality, the PASL is such a high-level, strategic instrument that it ends up by not having a real project selection role, but becomes an enormous “reconnaissance”’ (TOS1). This shortcoming might be addressed in the next step of the reform of the regional programming system, which should entail the *ex ante* attribution of resources to each PASL.¹¹⁸

Pistoia (metropolitan *aree vaste*) and of North-West and Centre-South Tuscany (inter-provincial *aree vaste*) (Regione Toscana, 2008a, p. 23).

¹¹⁷ As pointed out by an interviewee, ‘this initiative was launched, I believe, because it had a pre-electoral flavour. That is, we make a “pact” with the territory, and we make sure that this pact can be taken forward in the next mandate ... This has gained some consensus because, in addition ... the regional staff ... [planned] to use this instrument in an attempt to systematise (*mettere a sistema*) the priority of interventions on which to concentrate funding. This was neither simple nor painless, because it has clearly undermined those decision-making mechanisms that had previously been more vertical, left to the autonomy of the various sectors or of the various departments.’ (TOS4).

¹¹⁸ According to one interviewee, this could be done in the next RDP, but it would present several challenges, such as: the need, as a general rule, to select projects through calls for tenders (rather than consultations, particularly if projects have to be co-financed); the necessity to negotiate projects with other actors (e.g. the State and even the private sector); and, clearly, the political sensitivity of decisions that formalise distributive choices. Moreover, the operationalisation of this intention would be achieved ideally by concentrating on a few large, strategic projects, which of course presents challenges in terms of local and region-wide consensus (TOS7).

13.2.4 More emphasis on tools enhancing policy effectiveness

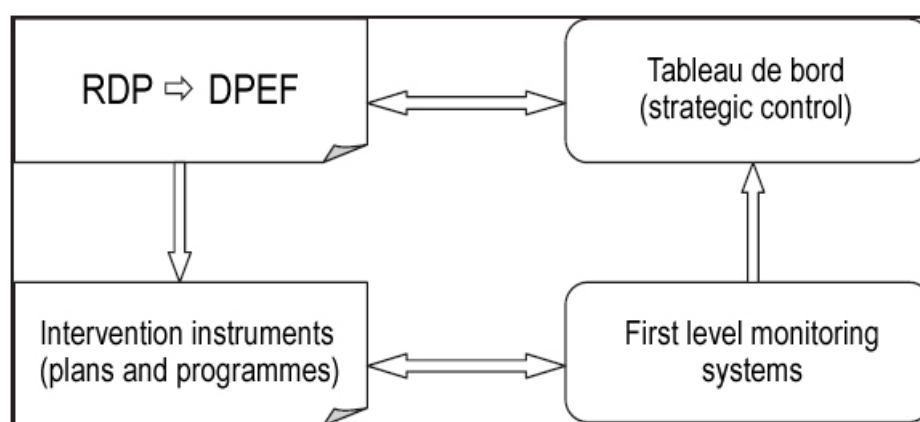
As is clear from the above discussion, the programming framework of Tuscany that has emerged since 1999 has become increasingly complex, cross-sectoral and multi-level. A further change entailed by the new programming framework is operational and relates to strengthening all the processes that support the effectiveness of programming, particularly those relating to monitoring and evaluation.

First, a strategic (central) monitoring system was introduced to monitor progress in the implementation of the RDP. Similar to the approach taken to the monitoring of the Objective 2 programmes,¹¹⁹ whose influence is evident, the strategic monitoring of the RDP is financial, procedural and physical (based on the indicators outlined for each RIP in the EFPD). Each RIP of the RDP is monitored on a six-monthly basis through the completion of a *tableau de bord* by the competent sectoral offices, which are summarised each year by the Presidency DG in a strategic monitoring report attached to the EFPD. The EFPD includes, under each RIP, a synthetic summary of the information gathered through this strategic monitoring (though the actual document is more extended). This development provides the Council with evidence and control over progress with the implementation of the region's policies (the Council has to approve the EFPD), and it can thus be deemed as 'a step forward' (TOS6) in terms of accountability to the Council and transparency more generally.

¹¹⁹ Tuscany was probably the first Italian region to introduce, as early as at the beginning of the 1994-99 period, a comprehensive and well-functioning monitoring system for the Objective 2 programme. This was immediately entrusted to an external company, Ecoter, which has been in charge of developing and maintaining the programmes' monitoring system since the 1994-96 SPD, often working in close cooperation not just with the Managing Authority but also with the evaluators charged with evaluating the programmes (Crescini, 1998; Taylor *et al.*, 2001). This observation by an interviewee on the monitoring framework established in Tuscany since the early days is particularly appropriate to illustrate the innovative and advanced character of the Tuscan approach to the monitoring of the Objective 2 SPDs: 'In 1994-96, if we talk about transparency, in Tuscany there was "monstrous" financial, procedural and physical monitoring – the first in Italy, it started there. In the monitoring committees, in the meetings, in the various tables, the Tuscan authorities have always had an enormous production of data and information. They started with the 1994-96 SPD, so much so that this monitoring was subsequently taken up by the national policy. There was total transparency ... With respect to implementation, this was very exhaustive information that the region utilised to dialogue with its partners ... the monitoring indicators were studied together with the evaluator ... it was an experimental centre of work' (TOS11).

This is not to say that monitoring of public spending was not previously in place in Tuscany: as has already been noted, a monitoring culture has existed for many years amongst the regional administration, so much so that monitoring is considered an ‘obvious’, routine activity.¹²⁰ However, monitoring activities were generally sectoral, and there was no comprehensive framework. With the establishment of strategic monitoring, the Tuscan system has thus become organised on two levels represented by the monitoring systems for plans and programmes (first level) and the upper-level strategic monitoring system (second level) (Tuscany, 2008a), according to the model exemplified in Figure 5.

Figure 5: The monitoring system for the Tuscan Regional Development Plan



Source: Regione Toscana, 2008a, p. 25. [author’s translation]

The strategic monitoring includes the monitoring of the PASL and, since 2008, the EFPD also includes a review of their progress, based on data provided by the provincial authorities. The EFPD and its annexes – which include a statistical annex with a wide range of data on the Tuscan demography, socio-economic system (e.g. data on R&D, internationalisation, employment in the industrial districts, tourism, rural economy etc.), services, transportation and accessibility, housing, education and so forth – as well as the annual strategic monitoring reports, are all disseminated via

¹²⁰ An anecdote to confirm this was that, when many of the current regional plans and programmes were elaborated, the officials in charge did not include the information that the programmes would be monitored, simply because this was considered obvious (TOS2). As already recalled, Tuscany was also amongst the first regions in Italy to introduce internal audit procedures (Fargion, 2006, p. 130).

the region's website. Therefore, at least at an aggregated level, the information is available to anyone wishing to access it.

A second development is the introduction of a compulsory *ex ante* 'integrated evaluation' for each plan and programme (in addition to the compulsory Strategic Environmental Assessment foreseen by Community Directive no. 42/2001/CE, where applicable), with Regional Law no. 49/1999, its successor (Regional Law no. 61/2004) and with Implementation Regulation 2 November 2006, no. 51/R. This foresees that all regional plans and programmes, and all the negotiated programming instruments in which the region takes part, undergo an *ex ante* assessment on five dimensions: environmental; territorial; economic; social; and human health (gender equality is also considered, as a horizontal theme). Unlike monitoring, it has only been over the last few years that programme evaluation, in the form of *ex ante* evaluation at least, has started to become common practice within the regional offices.¹²¹ As a result, complying with the above requirement has not been straightforward and has necessitated support from the region's research institute, IRPET, through resources of the regional Evaluation Unit. The focus of the integrated evaluation is on feasibility, internal and external coherence, and the assessment of the anticipated effects under each dimension.¹²² Of interest from the perspective of accountability is the fact that the regulation also foresees dissemination and participatory stages for the evaluations, particularly regarding the latter, in the form of concertation procedures.

¹²¹ Even though it was as far back as 1999 that the programming and control office of the regional Presidency published a 'Practical guide to the evaluation of regional interventions', Regione Toscana (1999) '*Guida alla pratica della valutazione degli interventi regionali*', *Quaderni della programmazione* no. 1, June 2009.

¹²² As with strategic monitoring, this is a recent development, in the sense that the provisions introduced by Regional Law 49/1999 (art. 16, as renewed by Regional Law 61/2004) could not be implemented before the passing of the implementation regulation in 2006 (Regulation 2 November 2006, no. 51/R, listed above); thus, integrated evaluation was only introduced in practice in 2007, with the plans and programmes of the 2006-10 RDP (*Regolamento n. 51 del 2/11/2006, attuativo della legge regionale n. 49/1999, in materia di valutazione integrata di piani e programmi regionali e relazione di accompagnamento*). It should be noted that Regulation 2 November 2006, no. 51/R also mentions *in itinere* and *ex post* evaluation, but at the time of interviews these had not been operationalised. It should also be noted that the ERDF OP 2007-13 was not subjected to this *ex ante* evaluation, given that it had its own EU-driven *ex ante* evaluation, which was deemed sufficient. Nonetheless, the Managing Authority of the OP is also responsible for the Regional Economic Development Plan, and this was evaluated according to the integrated evaluation.

As noted above, the Tuscan regional authority had progressively become more aware of the importance of monitoring public expenditure – being one of the first regions in Italy to implement unit cost analyses, for instance (TOS3) – but this sensitivity has only recently emerged with respect to the evaluation of the effects of policies. As observed by Fargion, the Italian regions, and Tuscany amongst them, displayed a programming culture that

was based on a rigid predetermination of the actions that risked becoming some sort of ‘omnipotence delirium’ in which everything could and had to be foreseen upstream, but which at the same time was matched by a total disinterest for what concretely happened downstream. As effectively summarised by a Tuscan official, ‘for the dirigenti the job finished with the deliberation’ (Fargion, 2006, p. 129).

ECP, as argued in the study by Fargion *et al.* (2006), has been instrumental for the development of this sensitivity towards evaluation, which has provided both a compulsory framework for action and the ground for experimentation. Accordingly, the increasing emphasis on monitoring and evaluation that followed devolution should not be linked solely to devolution, but also to the Europeanisation derived from the implementation of ECP (Fargion *et al.*, 2006). Notwithstanding this fact, more recently there was also a further, and this time domestic, factor that led the Tuscan authorities to increase their evaluation work with respect to the RDP and the plans and programmes that it contains: the evaluation requirements foreseen by the 2007-13 National Strategic Document for the ‘unitary regional policy’ (NSD). The Italian NSD and the related 2007 CIPE deliberation (CIPE Deliberation of 21.12.2007) proposed a methodology for the evaluation of the unitary regional policy that includes both *in itinere* and *ex post* evaluation to cover the effects produced by the unitary regional policy irrespective of the funding sources (it also relates to the rural development plan). In line with the methodology proposed by CIPE and the national evaluation unit within the Development and Economic Cohesion Department of the Ministry of Economic Development, the Tuscan regional authority has drafted an evaluation plan for the unitary regional policy which anticipates both *interim* and *ex post* evaluation. Given that ECP, domestic regional policy (the Fund for Underutilised Areas, FAS) and the rural development plan co-fund a considerable number of Tuscan plans and programmes, the unitary regional policy evaluation plan

has ended up becoming *de facto* an evaluation plan for the whole Tuscan RDP, as evidenced by the assignment of the responsibility for the evaluation plan to the Programming and Control Coordination Area of the Presidency DG (which is also responsible for drafting the RDP and for compiling the six-monthly strategic monitoring reports). The plan anticipates the involvement of socio-economic and institutional partners (with modalities to be defined) (Regione Toscana, 2008b).

Thus, even though *ex post* evaluation, i.e. the evaluation of the effects and impacts of policies after their implementation, is not yet a consolidated and institutionalised practice in the Tuscan programming framework – with the important exception of the studies undertaken by IRPET on selected issues and policies – the above-reviewed recent developments seem to suggest that this might soon become the case.

13.2.5 Evolving concertative tradition

The above-discussed developments should be read in the framework of a region that has had a marked concertative tradition for years and where the principle of concertation¹²³ is *de facto* embedded in the common culture of both policy-makers and policy-takers (as noted in a number of interviews and also in studies that have preceded the finalisation of this research, e.g. Crescini and Carnevali, 2009; Profeti, 2004a). As discussed above, policy-making in Tuscany has traditionally been participative, based on concertation procedures and on the involvement of key interests from the institutional and socio-economic parties, a circumstance well-captured in the literature (e.g. Trigilia, 1986; Nanetti, 1993; and more recently Pavolini, 2008) and explored in detail by Profeti (2004a). There was consensus amongst the regional interviewees on this aspect.¹²⁴

¹²³ For the meaning of the word concertation, see footnote no. 99 in Sub-section 13.2.1.

¹²⁴ As noted by one of the interviewees, ‘in the Tuscan ambit there is a large tradition of participation, a tradition that has evolved more and more throughout time, but which was born after the birth of the regional authority. The concertation tables, the involvement of economic and social partners, are an element that has always been there, since the creation of the region’ (TOS2). Similarly, when asked about the factors that led

This said, a few recent trends can be observed regarding concertation over the past few years: first, the institutionalisation of concertative procedures through codification in the new regional statute and in regional legislation; second, an enlargement of the scope and range of actors involved in concertative activities; and, lastly, the multiplication of the *loci* of concertation entailed by a shift from regional concertation to regional and provincial concertation.

From the mid-1990s, the informal, but well-consolidated, concertative approach was codified through protocols of understanding between the Regional Governments and the parties involved (Profeti, 2004a). Subsequently, the institutionalisation of concertation procedures occurred via legislation, through the aforementioned regional laws of 1999 and 2004, and the new Tuscan statute.¹²⁵ The regional laws of 1999 and 2004 and, subsequently, two related *Giunta* deliberations of 2000 and 2005¹²⁶ specify the form that concertation activities should take, who should be involved, and the acts for which concertation should be carried out, outlining the principles that underpin concertation practice: transparency in the decisions taken; information to the public, stakeholders' inclusion, and vertical and horizontal partnership; openness of the Regional Government to the exchange of views; and the pursuit of a synthesis amongst the positions of different parties. Moreover, these regional laws established two concertation 'tables'¹²⁷ – an institutional table, which

to the introduction of the reforms in regional programming discussed in the previous section, another interviewee noted that 'in Tuscany and in Italy, the main factors have been the legislation of the European Structural Funds, which has obliged the structures and the political level to think in this way; but I must say that in Tuscany, instead, this has plugged into something that is ours, and which even derives from the tradition of the communes, the habit of the regional power always to work together with the institutional levels (municipalities and provinces) and with the "associations of category" [i.e. the socio-economic partners]' (TOS7).

¹²⁵ This states that the President of the *Giunta* can promote, for acts initiated by the Government, formal steps of concertation or dialogue (*confronto*) with institutional and social representatives, to seek preventative lines of understanding in the case of acts of competence of the Government, or, in the case of acts to be submitted to the Council, to verify the respective orientations. In the latter case, the launch of formal phases of concertation is preceded by the submission of relevant information to the Council, which can approve specific acts of political direction (art. 48).

¹²⁶ Giunta Deliberation no. 328/2001 and Giunta Deliberation no. 906/2005.

¹²⁷ Another terminological clarification is needed here on the word 'table'. In Italian, the meaning of this word has been extended from the simple identification of a table in the physical sense to indicate a discussion forum (as people generally gather around a table to discuss). For simplicity in the course of this section, the English word table will be used in the same way as its Italian counterpart.

includes representatives from the *Giunta* and from the organisations representing the local authorities,¹²⁸ and a general table, comprising representatives from trade unions, employers associations, environmental associations and the regional Commission for Equal Opportunities, together with the representations of the local authorities (Regione Toscana, 2008a). These tables are called upon for their views on all acts by the Regional Executive: bills, plans and programmes (including ERDF) and annual economic and financial programming documents (TOS2; Crescini and Carnevali, 2009).¹²⁹

A second trend is the extension of the actors involved in the concertation activities. Traditional forms of concertation in Tuscany, already implemented under the Bartolini Presidency (Fargion, 2006, p. 176), were originally based on the interaction between the regional authority, institutional partners (provinces, municipalities and mountainous communities) and representatives of trade unions and entrepreneurial or employers' associations. Progressively, and not least under the influence of ECP and of the European policies agenda more generally (particularly the Gothenburg agenda), there has been an enlargement of the range and scope of actors involved in both formal and informal concertative activities to include the third sector, universities and the private sector more broadly (in representation, for instance, of environmental interests) (Profeti, 2006; Profeti, 2004a; TOS10).

For the preparation of the 2006-2010 RDP, in particular, the concertation on the goals and instruments of this document was extended to a wider range of non-institutional actors, including private actors, according to a model defined as comprising 'cooperative governance'.¹³⁰ One of the key reasons for this was the awareness that the resources available to the regional authority to implement the

¹²⁸ UPI, Union of Italian Provinces; Anci, National Association of Italian Municipalities; UNCEM, National Union of Mountainous Municipalities and Communities; and Local Autonomies Council.

¹²⁹ In addition to the institutional and general tables (the only two to be formalised in regional legislation), there are a variety of sectoral or thematic tables - generally referred to as 'tables of concertation and listening', which have more of a consultative function, however, and which are activated by the relevant *Assessore* on need (for instance, before issuing a call for tenders).

¹³⁰ This concept was introduced in the 2003-2005 Regional Development Plan.

RDP – including own resources, state resources and European resources – represent just around half of the total income necessary to achieve the goals of this strategic document. The remaining half has to be found through the mobilisation of all actors in the cooperative governance, including the private sector (Regione Toscana, 2008a). On a more general level, the concept of cooperative governance has emerged from the awareness that responsive and effective public action, in line with the regional-level vision and goals expressed in the RDP, also depends on the autonomous (but coordinated) action of other institutional actors – which the 2001 reform of Title V of the Constitution placed on an equal standing to that of the regional authority – and on the autonomous (but coordinated) action of non-public actors, e.g. voluntary sector and private (Grassi *et al.*, 2003, pp. 161-162).

Through cooperative governance, the regional authority becomes not so much a ‘funding body’ but rather a director and coordinator of a shared programming process (Regione Toscana, 2008a) – hence the transition from the word ‘government’ to the word ‘governance’ (Grassi *et al.*, 2003) – whereby

the regional strategic design and its integrated programming options are built through initiatives of promotion and coordination, through listening, negotiation, concertation of policies and of their translation into projects with the institutions of the territory...This evolution of the governance – so called ‘cooperative’ because aimed at involving other actors in the definition of interventions – has been based on institutional (role of the provincial authorities and of local governments) and social subsidiarity (role of the social parts) and on concertation, emphasising the attempt to describe an enlarged government modality, which sees the co-participation and the ‘co-responsabilisation’ of the other actors of the regional system, in addition to the Regional Authority (Regione Toscana, 2008a, p. 19).

The last trend mentioned above relates to the stratification of the *loci* of concertation entailed by the shift from regional concertation to regional and provincial concertations. This shift has pivoted around the provincial authorities, which have become facilitators of local-level dialogue amongst stakeholders as a result of the work carried out for the PASL, and thus formed a better transmission chain between territory and Regional Government. Instrumental in this development were the capacities gained by the provincial authorities through the experience of the

Integrated Local Development Projects implemented under ECP (discussed in more detail in Sub-section 13.4.3).

The concertative approach of Region Tuscany clearly represents a positive feature in terms of the ‘dialogue’ stage of accountability, and it is certain that in this respect Tuscany is more open than many Italian regions. Nevertheless, this concertative approach also presents some tensions, as also emerged during the fieldwork research. Whilst interviewees internal to the regional administration appeared to have a favourable view of this approach, because it allows the regional authority to involve stakeholders in decision-making, external observers (and particularly scholars) were more sceptical due to at least four types of issues: first, the multiplication of decision-making actors and the emphasis on consensus blur the lines of responsibility between the decisions taken and those responsible for them (TOS3), i.e. the problem of ‘many hands’ denounced by Bovens (2007); second, concertative approaches can generate contradictions, for instance when processes of concertation on different policies lead to favour contrasting choices across different policies (and to tensions that are not always successfully resolved); third, concrete limitations are imposed on concertative procedures by a government programme that, with its increasingly operational nature and strongly legitimised by the electoral mandate, significantly constrains the scope of stakeholders to actually influence decision-making;¹³¹ and, lastly, having strong concertative procedures can be interpreted as a further way of strengthening the executive *vis-à-vis* the legislature, since, as noted by one interviewee, ‘the more concertation there is between the institutional levels and the intermediate forces of society, the less the elected assemblies count. If I take a bill on which I have worked for six months with all the forces of Tuscany, I want to see if a minority takes sides against it’ (TOS7).¹³²

¹³¹ These points emerged in the discussion at the SISP 2009 annual conference, held in Rome in September 2009.

¹³² And it is partly in response to this that the new statute foresees the faculty of the regional Council to launch dialogue procedures (*confronto*) on its own acts.

13.2.6 An explicit attention to political minorities and the experimentation of participatory governance

Two final points that should be mentioned regarding the openness of decision-making to stakeholders relate to two aspects that derive from the new Tuscan statute and electoral law: first, the guarantee of the role of political minorities in the regional Council, found in the new statute and regional electoral legislation, and, second, the experimentation of participatory governance.

With respect to the first issue, it is worthwhile at this point to recall a few elements of the electoral system for the Tuscan Council (for a full review of the electoral system, see Clementi and Vannucci, 2010a and 2010b). The new electoral legislation passed in 2004 (Regional Laws no. 25 and no. 74 of 2004) and modified in 2009 (Regional Law no. 50/2009) foresees a mixed system, which combines proportional representation with a majority premium (to reach between 55-65 percent of seats, depending on the votes obtained by the winning candidate) and a four percent threshold, and the abolition of the faculty to express preferences counteracted by the provision of the possibility to hold primaries (also disciplined by the regional law, as discussed above) for the selection and prioritisation of candidates (Clementi and Vannucci, 2010a and 2010b; Sciola, 2006).¹³³

Importantly, however, the new Tuscan statute and the electoral law foresee a guarantee of 35 percent of seats to the minorities in order to balance effectively the need for governability with that of the representation of minorities (Clementi and Vannucci, 2010a and 2010b; Musella, 2009; Sciola, 2006). In addition, a seat in the Council is guaranteed not just to the President of the *Giunta* and to the closest (non-elected) candidate in the competition for the Presidency, but also, in principle, to any

¹³³ Although, interestingly, as can be understood from the analyses of Musella (2009) and Vassallo (2005), even prior to the approval of the regional electoral law that has eliminated them, the Tuscan propensity to indicate a preference for a specific candidate was amongst the lowest in Italy. In the elections of 1995 and 2000, which recorded 13.9% and 26.9% respectively, Tuscany was placed just above Lombardia and Emilia Romagna (with Basilicata and Campania reaching the highest values in all three elections of 1995, 2000 and 2005).

candidate for the Presidency linked to lists obtaining a number of votes higher than the threshold required to obtain seats in the provincial constituencies (Clementi and Vannucci, 2010a).¹³⁴

As for the second issue mentioned above, as foreseen by the new regional statute, in 2007 the Regional Council passed a regional law on participation (Regional Law 69/2007) that introduced: (i) a ‘public debate’ on wide-ranging interventions with considerable potential environmental, territorial, socio-economic impacts (inspired by the French model of the *Commission nationale du débat public*); (ii) regional authority support for local participatory initiatives, through periodic public calls, and information and training measures for public administrators, associations, teachers and students; and (iii) the creation of a Regional Participation Authority with the role, amongst others, of selecting proposals for public debates and participatory initiatives, as well as publishing annual activity reports (available online). The law – which carried a budget of €1 million for each of 2008 and 2009 (allocations for 2010 to 2012 are to be assigned by the relative budget laws) – is intended to be a pilot experience and, as such, is set to expire, subject to renewal, at the end of 2012.

Interestingly, the law states that ‘the participation in the elaboration and formation of regional and local policies is a right’ (art. 1), a right that is not restricted to Tuscan citizens but, in line with the region’s statute, is accorded to all residents (and beyond, including other persons who display an interest in participating, where the responsible official considers their participation useful).

A further interesting feature of the law is represented by the fact that for public consultation events proposed by the local authorities, the project proposals must include two key characteristics that make the consultation a constituent part of policy-making: on the one hand, the commitment, by the local administration, to take into account the results of the participative processes or, at the very least, to justify any diverging choice taken; on the other, and related to this, the suspension effect

¹³⁴ Whilst maintaining the threshold of 55 seats, as required by the statutory law of 8 January 2010, which reduced the previous limit of 65 (Clementi and Vannucci, 2010a and 2010b).

that applying for support has on any acts related to the proposed public debate (Florida, 2009). These mechanisms are aimed at ensuring that such procedures are not just window-dressing, but that they really inform decision-making.

A number of participative events have been organised under the auspices of the law at both regional and local levels. At the regional level, a new instrument, the ‘electronic town meetings’ (TOS2), was launched in 2006 for this purpose. These meetings entailed the invitation of a number of actors to discuss a specific topic and express views through facilitated discussions and electronic voting. The key stages of such meetings have been: an introduction of the topics to be discussed and the distribution of a guide to participants that includes key facts and information of the issues to be discussed; the illustration, by group facilitators, of the questions to be discussed; group discussion and individual e-voting sessions, followed by verbal feedback; and, at the end of the day, a final feedback in the form of an ‘instant report’ prepared by the team supporting the meeting and disseminated to participants (TOS2).¹³⁵

After the first-ever town meeting in Tuscany (and Italy) was held in November 2006 to debate the key elements of the law on participation (Regional Law no. 69/2007), another such meeting was organised a year later to discuss proposals on the Regional Health Plan (notably the costs to be borne by users and the reorganisation of health services), followed by a third in November 2008 on the topic of climate change, energy consumption and alternative energies, and a fourth at the end of 2009 on the ‘biological testament’ (living will), a very controversial issue in Italy, not least following the recent case of Eluana Englaro that was discussed in the literature review of this thesis.

Similar events were held at local level, also supported by the law. For example, a town meeting was held to discuss the ‘della Piana’ Park, a politically sensitive issue, involving reclaiming an area that intersects four different municipalities (Prato, Sesto

¹³⁵ It should be noted that similar experiments have been conducted at European level; see Fishkin, 2009.

fiorentino, Firenze and Campi Bisenzio). At the end of 2009, 48 local-level participatory projects had been approved by the Regional Participation Authority, the majority of which was submitted by local authorities (80 percent of the projects proposals received and 85 percent of those funded), especially municipalities. Of these projects, 24 have already been completed, 23 are ongoing and one was subsequently cancelled. As these numbers show, the law has aroused considerable interest amongst the potential beneficiaries, as indicated by the high number of non-funded projects, 66, more than twice the number of funded projects (Regione Toscana, Autorità Regionale per la Partecipazione 2008 and 2009).

Why was this law introduced? According to Floridaia (2009), the law was largely a response to a perceived disenfranchisement of citizens from public life:

even in a region such as Tuscany, characterised by a rich associative fabric and by a strong participative propensity, the signs of a wearing out of the traditional civiness have appeared strong and worrying, with a possible particularistic reversal of the forms of participation, an increasing 'tiredness' and an exhaustion of the traditional channels and forms of mobilisation of the 'civil society'. Faced with this possible scenario, the law of Region Tuscany appears as a potential wedge of a strategy that aims to offer positive and innovative ground to the 'participative potential' of society, incentivising the creation of spaces for public deliberation in which 'all' societal actors, and the points of view that they express, can interact with the collective decisions that face the institutions (Floridaia, 2009, p. 60).

A detailed assessment of the law and of the activities carried out under its auspices – for instance in terms of their impacts - is well beyond the remit of this research and certainly premature at this stage. Nonetheless, the law clearly presents potential for an improvement of accountability and indicates an openness in the Tuscan political system to stakeholders' involvement in informing decision-making processes. This assessment acquires even more significance if one considers that only another Italian region (Emilia Romagna) pays explicit attention in its statute to the issue of participation (Chiaramonte and Tarli Barbieri, 2007) and that such experiences have been piloted only in a handful of Italian regions overall (together with Tuscany and Emilia Romagna, also Puglia and Lazio).

The law presents considerable potential for accountability, given the inclusiveness that it pursues and the direct link established between decision-making and account-

giving by the local authorities and the use made of the results of the participative consultations. At the same time, a number of concerns can also be raised with regard to: (i) appropriateness and fairness, whereby ‘in deliberative democracy, those who are better organised can make their voices heard, so in the end it is a mechanism that reinforces who is already stronger’ (TOS9; similar observations in TOS10); (ii) costs and value-for-money, because of the resource-intensity of the processes foreseen (TOS9);¹³⁶ and (iii) the possible instrumental use made of these procedures, particularly with respect to experiences that involve randomly selected groups of citizens, a particular concern for groups in civil society that are already mobilised in committees and associations (Florida, 2009).

The legislators appear to have been aware of these limitations, as can be deduced by the non-open-ended duration of the law and the provision for its reconfirmation or revision only after an assessment ‘of the effectiveness, dissemination and efficiency of the participative processes promoted’ (art. 26). Attention is also directed to ensuring that participatory processes do not become an instrument for political gain, given that no such processes can be held from six months before the expiry of the Regional Council (for public debates on wide-ranging interventions, described above) and three months preceding the elections of local governments (for the related participatory processes) (art. 28). This having been said, the law is not very prescriptive in defining clear-cut mechanisms to avoid manipulative or distorting uses of participatory procedures, leaving considerable responsibility for this in the hands of the Regional Participation Authority (which, as has been seen, submits an annual report of activity to the Regional Council). Although a preliminary assessment by Florida (2009) seems to exclude by and large such instances in projects carried out so far,¹³⁷ the implications for accountability of this law will need

¹³⁶ The 2009 annual report of the Regional Participation Authority, for instance, raises the issue of the insufficiency of the resources assigned by the law to deliver its ambitious remits.

¹³⁷ He argues that the main reason that led the local authorities to apply for projects was the uncertainty faced by them in tackling difficult and controversial decisions for which it was difficult to judge the real degree of consensus within public opinion (Florida, 2009, p. 59).

to be more carefully assessed once there is more evidence on which to base such an assessment.

13.3 European cohesion policy support in Tuscany

The following sections provide an analysis of the changes introduced in ECP implementation in Tuscany in the period after devolution. This comprises a comparison of how Structural Funds, and in particular ERDF, programmes were designed, managed and delivered in Tuscany before 1999 and how they are at present, pinpointing the key changes and explaining why they have taken place (and, in particular, whether and to what extent they have been determined by devolution).

The case study focuses on the implementation of ECP in Tuscany in the periods 1994-99, 2000-06 and 2007-13 (the part of this period up to 2009). However, prior to entering into the details of the analysis of the changes in the policy process before and after the devolution reforms, it is necessary to provide some background on the history of ECP in Tuscany, in order to appreciate the legacy of earlier programme periods on the current implementation system.

The region of Tuscany is a long-standing beneficiary of ECP, having received ERDF support since 1985¹³⁸ under the Integrated Mediterranean Programmes (Profeti, 2004a, p. 123).¹³⁹ Subsequently, in the programme periods 1989-93 and 1994-99, the region was a beneficiary of ERDF under the Objectives 2 and 5b and, thereafter, of Objective 2 (2000-06) and Regional Competitiveness and Employment support (current programme period). Across this period, ERDF support was administered through: three National Initiative Operational Programmes for industrial decline areas in the 1989-93 (two Operational Programmes and a pluri-fund Operational

¹³⁸ The support from ECP included monies from the European Social Fund (ESF) and the European Agriculture Guidance and Guarantee Fund (EAGGF) (which since 2007 is no longer part of ECP and has been re-named the European Agricultural Fund for Rural Development, EAFRD). The current thesis, however, focuses exclusively on the programmes funded by the ERDF.

Programme); two Objective 2 (1994-96 and 1997-99) and one Objective 5b Single Programming Documents in the period 1994-99 (all of which were multi-fund); an Objective 2 Single Programming Document in the period 2000-06 (mono-fund); and, an Operational Programme for Regional Competitiveness and Employment in the current policy phase (mono-fund).

Since 1989, moreover, the region has also benefited from a considerable number of Community Initiative programmes, notably, as far as ERDF is concerned: SME, Resider II, Retex II, Rechar II, Konver (Profeti, 2004a) and Interreg (Callisti, 2000, p. 13; Profeti, 2004a).

Table 14: Structural Funds programme expenditure 1994-2013 (€ million) – ERDF programmes only

Programme period	Objective 2	Objective 2 (2007 prices)	Objective 5b	Objective 5b (2007 prices)	Total (2007 prices)	% Variation on previous period (2007 prices)
1994-1996	114	164	117	169	529	0
1997-1999	154	196				
2000-2006	336	404	-	-	404	- 31.06
2007-2013	338	338	-	-	338	- 16.16
Total		1,103		169	1,271	

Sources: All figures have been obtained from the Ministry of Economic Development, Department for Development and Economic Cohesion (in December 2010) and refer to the last financial plans of each programme considered: the 1994-96, 1997-99 and 2000-06 Objective 2 SPDs, the 1994-99 Objective 5b SPD, and the 2007-13 RCE OP (i.e. all ERDF inclusive programmes). Conversion in 2007 prices has been made using the WorldBank deflators for Italy for the years 1994, 1997, 2000 and 2007 (<http://data.worldbank.org/indicator/NY.GDP.DEFL.ZS?page=3>).

From the point of view of the administration of ECP support across the period observed, the main element to note is the continuity whereby in each and every one of these programme periods ERDF support was administered under the responsibility and coordination of the Tuscan Government, namely its Economic Development Department/Directorate-General (within a dedicated unit, the Service for Community

¹³⁹ Profeti estimates the amount of resources obtained by Region Tuscany with the IMP to be in the region of ECU 100 million (Profeti, 2004a, p. 123).

Programmes in the Extra-Agricultural Sphere).¹⁴⁰ In other words, Tuscany, just like the rest of Italy, falls into the group of regions in which the administration of ECP support has been subsumed under the already existing regional domestic administrative system (Taylor *et al.*, 2000; Ferry *et al.*, 2007).

Given that the present analysis focuses on the period from 1994 to date, it should be stated at the outset that the key characteristics of the framework for ECP implementation (with respect to the ERDF programmes) in this period have not changed in this region.¹⁴¹ They comprise, first, the allocation of responsibility for the programmes throughout the period observed – with respect to both programme design and programme management¹⁴² – to the DG for Economic Development, as discussed above, which in 2000-06 and 2007-13 was the programmes' Managing Authority. A dedicated unit within this DG – the Service for Community Programmes in the Extra-Agricultural Sphere, as noted above – acted as the programmes' secretariat throughout the period.

A second characteristic, derived from the above choice and from the administrative model of the Tuscan administration, has been the substantial continuity of the staff involved in managing the programme: the key members of staff employed in the Managing Authority offices have not substantially changed from 1994 to date (except with respect to the heads of the Managing Authority, as one was elected to mayor and another retired: replacements were always internal to the secretariat). This has generated a considerable accumulation of expertise throughout this period, as well as the consolidation of long-lasting relationships with external officials (e.g.

¹⁴⁰ An internal reorganisation saw the departments transformed into directorates-general a couple of years ago.

¹⁴¹ The summary of these characteristics is based on research on the implementation of ERDF programmes in Tuscany carried out by the author of the present thesis for the IQ-Net research programme over a number of years. It draws on periodic interviews with Roberto Caioli (at the time, Head of the Managing Authority of the Objective 2 programmes), Monica Bartolini, Albino Caporale, Daniela Doveri, Angelita Luciani and Antonio Zollo (the team in charge, with different responsibilities, of the coordination of the implementation of the programmes).

¹⁴² This contrasts with other Italian regions, for example Lombardy, which have traditionally decoupled programming and management – placing programming within the Presidency and management within the DG for Industry.

with European Commission desk-officers – insofar as allowed by their turnover – and with provincial authorities and other local stakeholders).

A third feature of the Tuscan ECP system has been the choice to implement the programmes' measures largely in-house, i.e. via the services of other regional offices or directorates-general competent for the subject matter of individual measures (with the exception of measures for which specialist skills or a specific institutional set-up were required – for instance, financial engineering measures that have to be delivered through financial institutes were entrusted to Fidi Toscana, the regional financial institute).

A fourth feature has been an approach to implementation largely based on competitive tenders organised in rounds of fixed deadlines. This was integrated from 2000 with a more territorial approach based on the parcelling up of projects in 'integrated local development projects' (in 2000-06, *Progetti Integrati per lo Sviluppo Locale*, PISL) and 'integrated projects for sustainable urban development' (in 2007-13, *Progetti Integrati Urbani per lo Sviluppo Sostenibile*, PIUSS), also selected through competitive procedures.

Furthermore, as in all other centre-north regions, the national authorities' role in the management of the programmes was on the whole rather limited, circumscribed to: (i) the receipt of monies from Brussels and subsequent transfer to the Tuscan authorities for payment to final beneficiaries (a role covered by the State General Accounting Office – *Ragioneria Generale dello Stato*, IGRUE); (ii) a role of support and guidance where required; and, until 2000, (iii) a role of coordination of the supra-regional area designation exercise (these latter roles were performed by the Department for Development and Economic Cohesion of the Ministry of Economic Development).¹⁴³ Both of these bodies have always had a seat in the programmes' monitoring committees.

¹⁴³ Formerly the Department of Cohesion and Development Policies (*Dipartimento per le politiche di sviluppo e coesione*, DPS) placed within the Ministry of Economy and Finances.

In addition, strong attention has been paid to monitoring and evaluation, even beyond the regulatory requirements. An indication of the emphasis placed on evaluation is provided by the fact that at the end of the 1994-96 period, the programme authorities, on their own initiative and in the absence of any regulatory obligation, commissioned an *ex post* evaluation by external consultants (Regione Toscana and Resco S.c.a.r.l., 2002).¹⁴⁴ Throughout the period observed, moreover, the design and implementation of a comprehensive monitoring system – with financial but also procedural and physical data – was carried out through the appointment of an external consultant (the same consultant was selected throughout the programming periods from 1994 to date).

Also worthy of note is that, throughout the period, the Tuscan authorities have sought (and largely achieved) a direct channel of communication to Brussels. Even though the submission of the programme documents has always been carried out through the Italian Permanent Representation to the EU, for day-to-day operational issues Tuscan authorities have sought to engage directly with DG Regio, generally without the intermediation of the national Department for Development and Economic Cohesion. Already in 1995, prior to the passing of national legislation to allow regional authorities to carry out para-diplomatic activities,¹⁴⁵ the regional authority established a base in Brussels through the Brussels office of Fidi Toscana, and, following the passing of the above law, it expanded this base with a formal representation to Brussels through a joint office with three other Centre-Italian regions, Marche, Umbria and Lazio (Profeti, 2004a and 2004b).

Lastly, the inclusion of provincial representatives and of local stakeholders in the programmes' monitoring committees has been a constant feature of the Tuscan ECP model, as required by European regulations, but also in some cases above and beyond such requirements, notably with regard to the involvement of the provincial

¹⁴⁴ *Ex post* evaluation is a task that the regulations assign to the European Commission, not to the bodies responsible for the programmes.

¹⁴⁵ Law no. 52/1996, art. 58, allowed the regional authorities and two autonomous provinces to establish liaison offices with the European institutions (Profeti, 2004b, p. 10).

authorities in programme design, project appraisal and evaluation. This is evidenced by the development of provincial mini-SPDs as a basis for the preparation of the 2000-06 SPDs, the introduction of the PISL as one of the implementation modalities of the 2000-06 SPD, and the involvement of stakeholders in the definition of the evaluation questions for the mid-term evaluation update of 2003.

This model of implementing ECP resulted in Tuscany being one of the most efficient users of ERDF resources in the Italian panorama in both the 1994-99 and 2000-06 periods, as demonstrated by the SPDs' commitment and expenditure ratios over the total public expenditure in each period (Aiello e Pupo, 2009, p. 20; Ministero dello Sviluppo Economico, 2009, p. 214).

13.4 Changes in management and implementation of European cohesion policy

Notwithstanding this framework of continuity, some specific changes can be detected in the governance and implementation of ECP in Tuscany since the introduction of the devolution reforms. ECP operates within seven-year programme periods, and the most significant changes have occurred in the transition from the last (2000-06) to the current (2007-13) programme period. The main changes have been a shift in the positioning of the ERDF programme within the regional programming system, a change in the approach to evaluation, an evolving role for sub-regional authorities, and a new approach to communication.

13.4.1 A different positioning of the ERDF programme in the regional programming system

The most significant change that can be causally linked to the effects of the devolution reforms is the radical shift in the institutional place of the ERDF programme in the region's own programming system. Whereas up to 2006 the ERDF co-financed Single Programming Documents (SPDs) were stand-alone documents,

with their own strategies and priorities, the 2007-13 ERDF Operational Programme (OP) is wholly subsumed under the 2000-06 Regional Development Plan (RDP), for which it acts as a financing instrument. This is explicitly stated by the regional programming document, which observes that

[t]he RDP indicates the priorities to be implemented through the European programmes, and obviously considers their indications and constraints. The Structural Funds programming for the period 2007-13 thus coincides with the region's programming and represents an implementation of this (Regione Toscana, 2008a, p. 10).

Already in the 2000-06 period, the Tuscan SPD was considerably integrated with the broader Tuscan development strategy found in the RDP (Callisti, 2000; CSES, 2003), but the key difference is that in the current period the relationship between the two documents is one of subordination, whereby the RDP identifies beforehand the priorities, projects and resources (including those that will be co-financed by ECP) assigned to the latter.¹⁴⁶

Nevertheless, the OP has been prepared through a considerable and 'real' process of discussions with partners, as requested not just by the European regulations governing ECP (art. 11, Council Regulation 1083/2006) but also by the regional programming laws (since, as has been seen, concertation must be carried out for every plan and programme through which the RDP is implemented).

As discussed above, the involvement of institutional partners and other stakeholders through concertation procedures has been a long-standing practice of the Tuscan Regional Government and has also permeated the ECP programmes since the early days:

¹⁴⁶ This issue was strongly emphasised in the interviews. 'There has been a significant reversal in the framing of the OP. That is, the SPD was previously a stand-alone programme, whereas this time, since the programming of the funds has been aligned with the ordinary one ... if you take the 2006 RDP, there is a table that already contains the ERDF resources allocated to the Regional Integrated Programmes' (TOS6). 'Now there is more integration, in the sense that ... the RDP is now divided into Regional Integrated Programmes (PIRs), now we know which lines of activity fall under which PIR. Previously, this connection was not there, it was more, let's say, a qualitative coherence. Now it is really possible to count [the resources]' (TOS8).

The 1997-99 programme design was carried out involving all the provinces, all the stakeholders, as well as the evaluator and Technical Assistance. Everyone had to formulate their requirements and, in addition, there was considerable activity in disseminating the characteristics of the Structural Funds, by which I mean that the territory sometimes did not know what was financeable and what wasn't (TOS11).

A similar approach was followed for the preparation of the 2000-06 SPD and carried through to the present day, of course, and it could not have been otherwise. In practical terms, however, the concertation procedures conducted to outline the content of the current programme have not led to a rethinking of the strategic orientation of the programme, which was anchored and bound to the wider Tuscan policy framework (even though there have been some adjustments). They have meant, however, that the choices made had to be at the very least discussed and explained.¹⁴⁷ In other words, the concertation procedures have served more as a function of transparency and information, than as one of informing the design of the programme, and this is implicit in the place that the OP now has in the hierarchy of Tuscan policy documents. Nevertheless, by highlighting needs that could not be taken into account in the OP, the concertation procedures have provided the Tuscan authorities with a more precise perception of the coherence of the Regional Government's action with the needs of regional and local stakeholders (which, in turn, one might think, will likely inform future Tuscan policies).

A further change compared to the past programme period, and which relates to the design of the programme, is the choice to list in the programme a few key infrastructure strategic projects that have been pre-selected for financing under the OP. This is a novel development compared to the past SPD, but not an uncommon practice in other European countries. Overall, this choice is comprehensible on many

¹⁴⁷ The concertation procedures carried out for the 2007-13 ERDF OP are well summarised in the document (Giunta Regionale Toscana, 2007, pp. 52-57) and have entailed both regional level concertations through the two institutional tables and a series of local-level concertation tables, organised by the provincial authorities (as well as one by the Empolese Valdelsa area (*circondario*), also with responsibility over a PASL). These latter documents have led to eleven 'Territorial Participation Documents' that were taken into account in informing the content of the OP (and which are available for consultation on the region's website). Similarly, a number of observations and written contributions were received by the Managing Authority, and these were also taken into account.

levels, for instance in terms of strategic focus and implementation speed, and is a clear outcome of the new status of the programme within the broader regional programming (and indicative of the importance of ECP funding for the regional authority to take forward its own strategy). It might present some shortcomings in terms of accountability, however, insofar as, even though the content of the OP was concerted, the rigidity ensuing from this approach ‘subtracts funds to the septennial debate with the local partnership’ (TOS1).¹⁴⁸

13.4.2 A new approach to evaluation

In considering the evaluation of the ERDF programmes, it should be mentioned at the outset that the Tuscan regional authority was more advanced than its Italian counterparts. As recalled in the previous section, the regional authority was the first to have introduced for the Objective 2 programmes a detailed and well-functioning financial, procedural and physical monitoring system¹⁴⁹ – considered to be an essential tool for transparency but also instrumental for evaluation. It was also one of the first administrations in Italy that took programme evaluation ‘seriously’, interpreting it not simply as a regulatory requirement but as a real programming tool, as it demonstrated by undertaking an *ex post* evaluation for the 1994-96 Objective 2 SPD, as already noted, and by the introduction of ongoing evaluation during the 1994-99 period (Crescini, 1998).

The reasons for this commitment and drive to innovate are essentially endogenous and found within the regional authority and its Objective 2 secretariat, and they have involved all the actors that participated in the evaluation process, from the

¹⁴⁸ As observed by an interviewee, ‘you could have said in any case that there are some priorities in the rail transport sector, for example, and then see what projects emerge ... If a project is a priority, it will always come up. Wanting to include it in a programme approved by the European Commission gives the impression of wanting to present an “armoured” decision to the territory’ (TOS1).

¹⁴⁹ The monitoring system was also strengthened throughout the programme periods with the introduction of a *disciplinare*, i.e. a set of binding guidelines on monitoring responsibilities for project implementers, and of associated penalties.

administrators to the politicians to the consultants employed for the monitoring and evaluation of the programme. As noted by one interviewee,

the big push for this was that there were individuals that were in charge of the service and of the SPD, which were extremely committed to ensure that the Structural Funds policy worked, and this meant, for instance, that they asked me to carry out the ex post evaluation first in the province of Livorno as a pilot experience and then to extend it to the entire SPD, because they were proud to be able to say 'our evaluator goes and counts the number of jobs: we want to know what we have achieved'. This was at a technical and professional level, and the politicians were extremely aware; there was professionalism also from the point of view of the politicians: everyone understood each other ... the Assessore participated in some of the meetings, not always, but he was in any case informed. If you met him in the corridor, he would say 'dottoressa, so, how is the evaluation progressing?' He knew. [... Further,] there were two working groups [one on monitoring and one on evaluation] that 'were in love' with what they did It was an experimental centre of work (TOS11).

The Tuscan evaluation framework evolved along the lines traced by these early experiences. Nevertheless, after the pilot *ex post* evaluation on the 1994-96 Objective 2 SPD, evaluation activities generally tended to concentrate on financial progress, operational issues and on the outputs of the programmes' different lines of activities. This focus was largely determined by the rather prescriptive regulatory framework and guidance provided by DG Regio's Evaluation Unit. For the 2007-13 period, on the other hand, the unitary evaluation plan discussed above foresees a stage of *ex post* evaluation that will look into the impact and/or effects of the programme on selected topics/issues, which will be defined at a later stage (Regione Toscana, 2008b).

Thus far, the evaluation of the Objective 2 programmes has also been conducted consistently with the commitment for stakeholders' involvement that is part of the broader public policy culture of the regional authority. For instance, during the 2000-06 period, considerable effort was made to involve local authorities and other stakeholders in the definition of evaluation questions, especially with respect to the update of the mid-term evaluation, through the organisation of seminars with stakeholders, the collection of stakeholders' proposals, and a structured plan of activities carried out by the evaluation steering group to fully exploit and reflect the received proposals in the evaluation activities to be carried out (briefly summarised

in Box 1).¹⁵⁰ Also during the same period, and in line with the guidelines formulated by DG Regio, the Managing Authority set up an evaluation steering group to inform and oversee the evaluation process.¹⁵¹

Box 4: The consultative process undertaken for the update of the mid-term evaluation of the 2000-06 Objective 2 SPD

An extraordinary effort was carried out in Tuscany to use the MTE update to respond to information needs expressed by partners and stakeholders. To do so, a number of meetings were organised by the Managing Authority with measure managers, partners and stakeholders, and of course involving the evaluator.

The starting point was a ‘reflection day’ held at the end of July 2004, which involved measure managers, provincial authorities, and professional organisations, and which was used to illustrate the main aims of the evaluation update and the method proposed to identify shared evaluation questions, in line with the guidance provided by the national Evaluation Unit (DPS-UVAL). At this meeting, in which 70-80 individuals participated, questions relating to sectoral, thematic and territorial issues were explored, some of which had not been covered in the mid-term evaluation that had just been completed. In practice, this work set the foundations for the MTE update and started the identification of issues that would be useful for the *ex ante* evaluation of the 2007-13 OP.

Between September and October 2004, the programme secretariat was engaged in collecting proposals from stakeholders, and over 100 were received. These proposals tended to reflect the interest and nature of proponents: for example, in its intervention at the PMC of December 2004, the evaluator remarked that whilst the provincial authorities tended to focus on the effects of policy implementation in particular areas or sectors, measure managers tended to suggest more operational questions pertaining to the implementation of the measures.

At the end of October, a meeting of the evaluation steering group shortlisted a number of evaluation questions, taking into account the ‘frequency’ of each theme.

Lastly, on 3 November, a seminar with all the implementers, partners and stakeholders was held to present and discuss the shortlisted questions (involving circa 80 participants). This led to further changes and the final selection, which was made by the PMC in December 2004. A total of 7 evaluation questions (out of 12 shortlisted) were selected and informed the mandate assigned to the evaluator. They were:

- 1) an assessment of the effectiveness and efficiency of the new instrument represented by the PISL, including assessing whether the procedures put into place were adequate and whether the provinces appeared to have sufficient capacities (also bearing in mind the possible future evolution of the instrument), and establishing the estimated impacts of the PISL;
- 2) the verification of whether the programming and implementation capacity of local authorities had improved because of the SPD and the new regional programming legislation;

¹⁵⁰ This information is based on an interview with dott. Roberto Caioli, at the time Head of the programme’s Managing Authority, carried out on 15 March 2005, as part of the research for the IQ-Net research programme.

¹⁵¹ DG Regio (2000) *Working Paper 8: Mid-term Evaluation of Structural Fund Interventions*, Commission of the European Communities, Brussels, 5 December 2000.

- 3) the evaluation of whether the infrastructural package included in the SPD (which funded infrastructures for tourism, commerce, and the environment) had led to an improvement in quality of life and to increased social inclusion (this point was raised in particular by the socio-economic partners);
- 4) the assessment of whether the infrastructural package had contributed to increasing the degree of attractiveness of the territory (infrastructure for productive activities, for service provision, and soft interventions to support the start up of new firms) – to be assessed through interviews and round table discussions;
- 5) the impact of the communication plan (a point requested by the European Commission);
- 6) the degree of external coherence of the SPD, a particularly important issue given the recently-approved programming law (Regional Law no. 61/2004, as discussed above), which emphasises the need for coherence between the SPD and the Regional Development Plan; and, lastly,
- 7) the identification of regional good practice examples or well-performing implementing actors.

The Tuscan Managing Authority was very satisfied by this process and considered that the planned activities went well beyond the regulatory requirements and the requirements specified in DG Regio's Working Paper 9 (Directorate-General Regional Policy, 2004).

Nevertheless, despite this strong effort to involve stakeholders in evaluation activities during the 2000-06 programme period, the current period has witnessed a rather radical change of attitude, as exemplified by the decision not to establish a steering group. There were essentially two reasons for this decision: first, the inability of socio-economic partners to agree on a representative to sit on the evaluation steering group; and, second, the perceived lack of interest in evaluation activities by stakeholders.

With respect to the first issue, it should be mentioned that, at the beginning of the current programme period, the Managing Authority intended to retain an evaluation steering group, but with a sufficiently small number of participants to make it a real discussion forum and steering mechanism. However, as the socio-economic and institutional partners could not agree on a joint delegate (as requested by the Managing Authority), the plan for the steering group was abandoned. Surprisingly, this did not generate any significant opposition from the partners. This paradoxical situation highlights a limited awareness amongst partners and stakeholders of the crucial nature of evaluation, not least as an accountability tool, and, clearly, an overall lack of stakeholder interest in this activity (as witnessed by a number of interviews, e.g. TOS8 and TOS11). This may be due to the perceived limited relevance of past evaluation activities or to the difficulty for stakeholders to digest

the language, methodological assumptions and content of the evaluation work;¹⁵² it also echoes the findings of wider research on partners' engagement in ECP programmes, which concluded that stakeholders are more actively engaged when their involvement relates to stages of the programming process linked to the distributive choices of resource allocation, and that horizontal partnership is more about policy responsiveness and effectiveness than about accountability (Polverari and Michie, 2009 and 2010).¹⁵³

A further indication of this lack of interest was presented when, following the completion of the evaluation work for the mid-term evaluation update, as described above (in Box 4), the Managing Authority organised another seminar for all the stakeholders to illustrate the results of the evaluation activity, i.e. the outcomes of the evaluation work. Surprisingly for the Managing Authority, very few organisations responded to this initiative (TOS8). There are thus limitations on the extent to which evaluation presently fulfils an accountability function towards programme stakeholders. However, this is by no means a reflection of the quality of evaluations *per se*, which in Tuscany has been high, as noted above.

A further change to the evaluation approach pursued by Tuscany in this current period relates to the content of the evaluation activities. Thanks to the increased flexibility allowed by the current regulatory framework, the Tuscan Managing Authority has opted for a selective approach, evaluating only key aspects or themes that are deemed of particular interest for programming or implementation purposes.

¹⁵² As noted by a regional official, 'it is true that in the previous programme period there was a great emphasis on information, but we also need to work a lot on the outputs of the evaluation, that is, on an output that is readable and accessible to everyone, also in the way it is written, eliminating jargon, length, and with more user-friendly methods. We need to work on this' (TOS8).

¹⁵³ This lack of interest is thus not necessarily only a Tuscan feature. As underlined by one of the interviewees for this research, 'this is dramatic. I haven't experienced this in Tuscany during this period, but I have experienced it in all the other places in which I work. We have presented various evaluations – Lazio is more vivacious on this – but what I say when I come back home is "the silence scares me!" ... the silence by the partners, the lack of interest. We have tried to change the system for the communication of results of the evaluation, in the sense that I realise that when I start off with: error possibility, sampling techniques, representativeness and estimate of the sample etc. ... Having understood that this is an obstacle, I have tried to explain it in a simpler way. So I say such and such new jobs created and say that if anyone is interested I can explain what the possibility of error is. I say, of course this is an estimate, etc; so, I have modified this exactly in this round of [Monitoring] Committees. No way, silence' (TOS11).

Operationally, this has entailed moving away from selecting a single evaluator to follow the programme throughout the period (as was the case in 2000-06), to undertaking different thematic evaluations carried out by specialists (with thematic, rather than Structural Funds expertise) on the selected topics. The discussed ‘unitary’ evaluation plan, which is joint for both ECP and the domestic strand of regional policy (that funded under the Fund for Underutilised Areas, FAS), brings coherence to all evaluation activities, including those carried out under the domestic strand of regional development policy. More use will also be made of in-house competencies, notably through more frequent use of the Tuscan research institute, IRPET.

As is clear, this new approach entails a more marked plurality than in the past, and this renders the lack of partners’ involvement, for instance through an evaluation steering group, a particular weakness from the point of view of accountability, especially since discussions on evaluation in the Programme Monitoring Committee are generally marginal.¹⁵⁴ The input of stakeholders to the evaluation activities carried out should be more actively pursued, especially in a framework of increased

¹⁵⁴ Evaluation is generally the last point in the agenda. The broader role and operation of the PMC, which has not changed from the past period, is an important point to comprehend the accountability framework in which ECP operates in Tuscany. This has been a rather formal forum, and very few actors have a real say on decisions (as codified by the committee’s internal regulation). Important decisions on the programme have generally been taken elsewhere, for instance in bilateral contacts between the Managing Authority and DG Regio, and in the ‘technical meetings’ that precede the Committee’s meetings. Nonetheless, this should not mislead in assessing the actual accountability of the decision-making framework around which the programme revolves.

As observed by a Tuscan interviewee, the PMC ‘*de facto* “celebrates” issues that have already been agreed in more substantial discussion tables. Clearly, if something has remained unresolved at these other tables, the PMC is the occasion for somebody to put on record or disseminate in the press what has not been settled in the more substantial tables. But one cannot expect that a table that meets twice a year, at a very high level, solves concrete problems. This is done elsewhere. ... If one looks at the regulations of the PMCs, one cannot have a clear picture of how open programming is to external contributions, because there are aspects that derive from a stratification of political relationships with the territory; these are aspects that are often managed more in an informal than in a formal manner. It is clear that if the representatives of the entrepreneurs have participated a week earlier in a meeting with the *Assessore*, [and] the *Assessore* has illustrated a [prospective] tender in which he has agreed to the fact that a certain type of expenditure must be eligible, otherwise the firms would enter into crisis, or [if] a reprogramming between measures for investments and for research was basically agreed together, then whether these [actors] vote or do not vote in the Committee [is ultimately irrelevant]’ (TOS1).

The same applies to the voice given to the provincial authorities, whereby, as observed by a provincial official, ‘the provinces are consultative members. We are invited to all meetings, we express our opinions during the meetings, but we do not go further than this. Yet, I must say that – also thanks to the PASL and thanks to the fact that in a way we are the ones who ‘build’ and ‘interpret’ the opinion of the territory – we are definitely listened to in the concertation meetings’ [code omitted to prevent identification].

freedom over the identification of evaluative questions, than was the case in 2000-06. Nevertheless, the current unitary regional policy evaluation plan does include reference to the setting up of procedures – to be defined – for the involvement of socio-economic and institutional partners in the definition of evaluative questions and selection of evaluation topics.

It should be acknowledged, however, that the changes discussed above were not especially linked to devolution. Instead, they were linked to the introduction of a unitary regional policy, to the changed regulatory framework governing the Structural Funds programmes, and to the attitudes of partners and stakeholders towards evaluation (which, as far as this aspect of the policy cycle is concerned, do not appear to have been informed by the reviewed constitutional changes).

13.4.3 An evolving role of the provincial authorities

Another shift that occurred within ECP programming – and one which is not clear-cut – relates to the role of the provincial authorities. During the 2000-06 period, the Tuscan programme (as other Italian programmes) experimented with a new instrument for local development, entitled Integrated Local Development Projects (*Progetti Integrati di Sviluppo Locale*, PISL). These were essentially packages of interventions that provided ‘added value’ through their integrative character, funded by the concurrent contribution of various measures under the 2000-06 SPD, and which assigned a key coordination and even pre-selection role to the provincial authorities (see **Box 5**).

Box 5: Characteristics of the Tuscan PISL

The PISL has been defined as ‘a set of integrated actions, which encompass both material and non-material infrastructures, and aids to enterprises converging towards a specific common objective, so as to justify a single implementation and project selection procedure. ... This set of integrated actions is a polyvalent and coherent set of interventions, of cross-sectoral nature, economically and functionally indivisible, and based on an “idea-strength”, made explicit and shared through partnership-based procedures’ (Regione Toscana, 2002). The PISL was therefore a complex, cross-sectoral project, designed by local actors through a bottom-up process with the purpose of solving a specific development challenge of a circumscribed portion of the region’s territory. To do so, the PISL put together, in a single, coherent framework, a number of different interventions eligible for funding under different measures of the Objective 2 SPD. Each PISL could foresee a total of eligible expenditure of between five and forty million Euros.

The main concept behind the PISL was that of integration: (i) territorial integration, i.e. interventions are coordinated at local level; (ii) financial integration, i.e. the same project was funded by resources coming from different levels (European, national, regional, sub-regional) and from both public and private actors; (iii) functional integration, i.e. the interventions funded in each PISL must aim to achieve a shared functional objective; and (iv) institutional integration, i.e. the PISL was devised and implemented at the local level by involving a plurality of public and private actors (Province, Municipalities, Mountainous Communities, Chambers of Commerce, social and economic actors etc.).

The operational procedures for the PISL in Tuscany were defined by a working group and then approved by the PMC. They stemmed from a reflection based on previous experiences of negotiated forms of programming in the region and from the parallel experience of the PITs, Integrated Territorial Programmes, within Objective 1 (Caporale, 2003). After the approval of the implementation procedures, formal discussions on the content of each specific PISL were held in the so-called 'Conference of Services' that included: a Chair (the person responsible for the PISL within the Objective 2 SPD Managing Authority/secretariat); the officers responsible for each measure included in the PISL; two further representatives from the programme's Managing Authority/secretariat; the regional Evaluation Unit; the Environmental Authority; the consultancy that provided Technical Assistance to the SPD (as observer); and, representatives of each one of the ten provinces (as observers). In addition, some 'tables on the PISL' were organised where the provinces could discuss their project ideas with regional representatives. All the instances expressed in these meetings by the various participating partners were consolidated in one single deliberation by the Regional *Giunta*, which provided guidelines to the provinces for the selection of initiatives to be included in each PISL.

The preparation of the PISL was supported by capacity-building activities for the provinces, the municipalities and the other actors involved. For example: the organisation of workshops; consultancy-style activity carried out by the officials responsible for the Objective 2 measures within the regional administration and by provincial officials; the setting up of an *ad hoc* support structure to act as a reference point for the municipalities in the design of projects (*Nucleo Keynes*); and ongoing assistance for the coordinators of PISLs (in the provinces) and for individual projects.

Fourteen PISL proposals were submitted to the Managing Authority and assessed by the regional Evaluation Unit (advised on environmental issues by the regional Environmental Authority), of which ten were approved, one per province. Various studies have been carried out on the PISL, particularly on their procedural aspects, both *in itinere* and *ex post* – e.g. CLES, 2004 and 2005; Profeti, 2006; Crescini and Carnevali, 2009 – underlining the successful nature of the local-level concertation procedures undertaken to define the content of each provincial PISL, the effectiveness of the selection procedures in terms of ensuring coherence with the goals of the SPD, and the learning amongst the local authorities (e.g. in the areas of project design, monitoring and project appraisal).

Source: own elaboration (also previously in Polverari, 2004).

The PISL have led to a considerable degree of learning (Profeti, 2006b) and even empowerment of the provincial authorities *vis-à-vis* their respective territories. In the 1997-99 programme, the provincial authorities had a much less substantial role in the framework of the so-called 'park of projects', which was essentially a mechanism to accelerate expenditure and for which the provincial authorities were simply a '*passacarte*' (rubber stamp): they invited local partners (mainly local authorities) to submit project proposals, which they then passed on to the regional Managing Authority. With the PISLs, by contrast, the provincial authorities became the key operators in the process of concertation with the local authorities and stakeholders

regarding the projects to be included in each PISL, and the key decision-makers on the identification of the projects to include in these integrated projects packages.¹⁵⁵

An example provided by a provincial stakeholder is illustrative of this shift. The relationship between provincial authorities and the regional MA in the 1994-96 and 1997-99 period was often formal rather than one of substantial concertation,

in the sense that the Province was invited alongside all other stakeholders to the large meetings in which the region fundamentally informed on its forthcoming decisions and made available to everyone the criteria and the analyses upon which such decisions had been developed; but for the context itself in which the decision was communicated, one could say that the decision-making framework was already defined... [with the PISLs, instead] it was evident that compared to a request that was three times higher than what the funds would allow, and knowing that in any case there would be a selection by the regional authority, we decided to do this ourselves, to opt for a selection by us, instead of leaving this to the regional officials. So we have built, in total agreement with the local stakeholders, our autonomous methodology for the assessment and selection of the projects. We have done this going through many local concertation tables ... and this has worked because this mechanism had a logic to it, and it worked also despite the obvious challenges of authorities or municipalities that had been left out [code omitted to prevent identification].

This empowerment of the provincial authorities, and their learning through the PISLs, has arguably assisted, if not enabled, their role in the PASL, not least by asserting their status as reference points for local municipalities and other partners. However, it should be noted that the experience of the PISL is not being continued in the current ERDF programme, a consequence of the new thematic orientation of the programme (largely concentrated on R&D&I activities) (TOS6).¹⁵⁶ This may also have accountability consequences, given the unclear evolution of the PASL, and it

¹⁵⁵ This has not been without tensions: as pointed out by Profeti, some provincial authorities lamented the excessive rigidity on the part of the Managing Authority on the interpretation of some selection criteria (notably that of implementation-readiness, *cantierabilità*) and the fact that monitoring the operations was still officially in the hands of the SPD's measure managers (Profeti, 2006b, p. 235).

¹⁵⁶ It should be noted, nonetheless, that similar initiatives are proposed for sustainable urban development projects coordinated by municipalities (the PIUSS, *Progetti Integrati di Sviluppo Urbano Sostenibile*). According to interview evidence, the PIUSS are delivering similar learning and empowerment at municipality level as did the PISL at the level of provincial authorities (TOS12).

illustrates the non-permanent character of governance developments, which can sometimes be easily reversed.

13.4.4 Project appraisal and selection

The research has not identified any substantial changes with respect to the procedures implemented for the appraisal and selection of projects. This is certainly linked to the continuity in the management and delivery approach adopted for the programmes discussed above.

Nevertheless, an important consideration that needs to be pointed out, and which is central in assessing the accountability of the processes of project selection, concerns two characteristics of the Tuscan system that emerged in the fieldwork research: first, that in Tuscany ‘the door is not shut on anybody’ (TOS1) (this is an Italian idiomatic expression, *la porta non la si chiude a nessuno*), which means that if a project proponent has a good project idea that fits with the programme goals (and, more widely, beyond ECP, with the RDP and its plans and programmes), this actor will find the regional offices very open to discussing the proposal to find the channels through which it can be funded and how to improve it if necessary. This approach may be partly induced by the relative political homogeneity of Tuscan society and the related large political consistency between regional and local government.¹⁵⁷

At the same time, this openness goes hand-in-hand with maximum rigour on the correctness of procedures and on the merit of the projects, both on the side of the administrators and, even more crucially, on the side of the politicians:

¹⁵⁷ As noted by an interviewee, ‘this has to do with a political specificity of Tuscany as of other regions of the Centre of Italy. That is, with some exceptions, the local authorities are all the same colour, the *Assessori* all know each other, and if you go into the regional offices with your *Assessore* and you meet the regional official with the *Assessore*, your project is considered, or in any case the door is not closed on anyone. There will be someone who is more strategic than you, but the fact that there is this large political family also helps the informal procedures of governance on what is to be funded as local development. There is no doubt about this’ (TOS1).

That a door is not closed on anyone is true everywhere. What I find in Tuscany, compared to other regions, is that there is an extremely strong rigidity on merit. On this there is no flexibility. That is, the door is opened to everyone, but provided that what is proposed is a real need, first of all, and added to this they have this idea of the importance of the technical aspects – that the project is well designed, that there is co-financing, that the procedure is all in order ... This is a response that stems from the politician, from the politician downwards. This is to say that if one goes to the politician, the response is ‘yes, but on the condition that’. It starts with the politician and this makes it easier for the dirigenti ... There is a political awareness ... I was in Viaraggio on 8 July and the message of the Assessore was that ‘you all want money, so stop to pressurising us because the commission [that appraises projects] works technically and makes comparisons, and whoever has the best project goes forward’ ... Having talked with the municipalities, they do not think to go ahead in any other way: they hope to have defined a good project. This is the main difference, and this mentality falls down (TOS11).

This shows that the scope and extent of political influence on decision-making on project selection appears on the whole rather limited (which is no different from the past).

13.4.5 Information and transparency

One further element to consider when assessing the changing accountability of Tuscan regional development policy relates to the changing weight attached to information activities carried out for the programmes. Three recent trends can be noted in the transition from the 2000-06 and 2007-13 programme periods: first, the subsuming of the programme’s website under the institutional website of the regional authority; second, the re-adoption of a programme complement (even though this is no longer required by the Structural Funds regulations) and, even more importantly, the publicity given to this document through the website; and, lastly, a change in the approach to publicity and communication, particularly through the ring-fencing of a portion of the current OP’s communication budget for activities carried out directly by the associations of local authorities.

The most significant development with regard to the information activities carried out on the regional development programme took place in 2000-06 when, in

compliance with the then information and publicity regulation (EC Regulation 1159/2000), the SPD implemented a range of information and publicity activities that included a dedicated website. This was a very effective information tool for all those involved in the programme, as it had, amongst other features: tailored sections for firms, public authorities and other actors; a section on programme management, which included all the relevant documentation on the programme's implementation (including the SPD and PC texts, the minutes of Monitoring Committee meetings, evaluation reports, Annual Implementation Reports etc.); and relevant information on open calls for tenders (while also maintaining the information on the closed call for tenders, guaranteeing maximum transparency). Virtually any information on the programme, not just information on the application process, could be found on the programme's website, so the site represented a fundamental improvement in terms of accountability to the public. Even though arguably the same information would have been available on request previously, the fact that this information was made available via a publicly-accessible website represented a step change, as it allowed direct, unmediated and universal access (without the need to request information from the officials working in the programme secretariat).

In the current period, a general reorganisation of the region's institutional website has meant that the webpages on the 2007-13 programme have been subsumed within this website, and this initially led to some teething problems, for example in terms of the rigidity of the structure provided to suit the information needs of the programme (TOS1; TOS5; TOS12). Nonetheless, at present a sub-section of the region's institutional site provides broadly the same information on the new programme as was previously provided by the former, programme-dedicated site, in a clear and comprehensive manner, thus continuing to fulfil the accountability function mentioned above.

A more significant recent development, which testifies to the weight attached to transparency in Tuscany, relates to the re-adoption of a programme complement (re-named 'DAR', *Documento Attuativo Regionale*, Regional Implementation

Document).¹⁵⁸ Also an innovation of the 2000-06 Structural Funds regulations, the programme complement was an instrument that described in detail all the procedures for programme implementation and delivery, including project selection criteria and procedures. The current regulations no longer require this document, but many Italian regions have re-adopted it, as it is considered a useful tool that clarifies and consolidates procedures that often involve a plurality of offices and actors. Not all Managing Authorities who have drafted these documents have made them available to the public; significantly, the Tuscan Managing Authority has done so. As observed by an external interviewee, this is ‘an indicator that for 2007-13 absolutely uncovers the commitment of Region Tuscany to information and transparency’ (TOS1).¹⁵⁹ This function of transparency and clarity appears even more significant if one considers that the document includes financial tables for the programme with disaggregation at the level of the individual measures¹⁶⁰ (whereas the programme documents are currently only required to provide an indication of financial allocations at priority level) and that every approved version of this document is made available to the public (amounting to ten different versions so far). The DAR is by definition an evolving document that is adapted on an ongoing basis as a consequence of the reprogramming needs that may occur (e.g. following events such as the economic crisis or the low absorption capacity of individual measures). Making all versions available to the public means that anyone can track the evolution of the programme and its allocative decisions over time.

Lastly, the ring-fencing of part of the communication and publicity budget for the activities carried out directly by the associations of the local authorities (UPI, ANCI and UNCEM) is intended to enable the identification of communication tools closer

¹⁵⁸ It is approved by the Regional *Giunta*.

¹⁵⁹ ‘Amongst the regions, there is a tendency to re-approve the PC under different clothes because it is a programming tool. Not all regions do this, but even amongst the regions that have such documents, they do not make it available to the citizen online, and none of them would aspire to produce such a detailed document as the Tuscan DAR. In the DAR, one has a document that, like the old PC (which, however, was obliged to do so), still identifies the individual responsible for a procedure, their telephone number, and the timetable for the tenders’ (TOS1).

¹⁶⁰ With just a terminological change: what was previously a ‘measure’ is now called an ‘activity’, and what was previously a sub-measure or action is now called an ‘intervention line’.

to the territory of reference, and thus make them better targeted and more responsive (TOS5). This is another indication of the more general commitment of the regional authority to a territorialisation of policy-making and implementation, in line with other developments discussed in this review of changes (notably the PASL).

13.5 Conclusions: devolution's impact on the accountability of Tuscan European cohesion policy

The case study research has highlighted that, following the devolution reforms introduced in the late 1990s and early 2000s, there has been a considerable degree of change in the overall Tuscan governance, and some important (although not revolutionary) changes have been introduced to the management and implementation of ECP.

As illustrated in Section 13.2, the overall changes in Tuscan governance include:

- the strengthening of the Tuscan Executive (the so-called *Giunta*) *vis-à-vis* the parliamentary assembly (Council), though in a framework in which the role of political minorities is explicitly acknowledged and protected by the newly approved statute;
- the strengthening of the President of the *Giunta vis-à-vis* this body's other members, through the President's capacity to appoint and recall the individual *Assessori*;
- the increasing prominence of the top technocratic level, the so-called *Comitato Tecnico di Programmazione*;
- the refinement of a new programming framework which is cross-sectoral, longer-term, operational and set to become territorialised (with an increased role acknowledged to the provincial authorities);
- an increased emphasis on monitoring and *ex ante* evaluation as routine and integrated activities for all regional plans and programmes;

- the institutionalisation and widening of concertative procedures; and
- experimentation with participatory governance through the introduction of a monocratic Regional Participation Authority for participation and the piloting of deliberative democracy at both regional and sub-regional level.

The period observed also witnessed a number of changes in the approach to managing and implementing ECP. For the most part, these changes were not systemic, but instead operational, having occurred in a framework of substantial continuity with the pre-devolution experience of implementing ECP, most notably the choice to continue to manage the programme through the ordinary regional administration and to assign responsibility for this to a dedicated unit in the DG for economic development. The only, but crucial, systemic change is represented by subsuming the ERDF programme within the broader hierarchy of regional programming documents, linking it explicitly to the Regional Development Plan for which the ERDF OP has now essentially become a funding source. On the other hand, various operational changes were identified, particularly in the transition from the 2000-06 to the current programme period. One of these changes relates to the pre-identification of some key strategic projects in the programme document (linked to the above systemic change). Operational changes were also detected in evaluation, including: the introduction of a new, more selective and targeted approach to evaluation; the provision, through the new ‘unitary regional policy’ evaluation plan, for an *ex post* evaluation for this policy (which includes the ECP programme); and the decision not to re-appoint an evaluation steering group (for the ECP programme). Further operational changes have entailed a shift in the role assigned to the provincial authorities, and progressively greater attention paid to communication and publicity (a development initially driven by the EU requirements, but subsequently part of the Managing Authority’s own ethos, as testified by the visibility given to the OP’s ‘regional implementation document’ (DAR) and by ring-fencing of part of the communication budget for associations of local authorities).

Have these changes impacted on the policy’s accountability? The assessment of the impact of the devolution reforms on the accountability of ECP entails returning to the

dependent variables outlined in the analytical framework (Sub-section 8.2.1) and appraising the relative weight of the different causes of the changes observed. These two sets of factors are addressed in the Sub-sections to follow.

13.5.1 The impact of devolution on the different accountability types

Neither the changes observed in the management and implementation of ECP nor the broader changes detected in the overall Tuscan governance and programming framework have had clear-cut consequences for the accountability of the policy.

Starting with the first classification of accountability provided in Sub-section 8.2.1, which is based on the subjects of the accountability relationship – political, administrative and participative accountability – the research highlights that political accountability, in the double meaning of ministerial and democratic accountability, has changed considerably. Whereas prior to the reforms the *fulcrum* of political direction was the Council, this *fulcrum* is now represented by the leader of the executive who is less dependent both on the Council and the other members of Cabinet, on account of the popular endorsement obtained via direct election (based on a government programme that is bound to remain largely unaltered following the Council's appraisal). At the same time, with respect to administrative accountability, a strengthening of the top technocratic level was observed via the consolidation of the CTP. In tandem with the loss of weight of the *Assessori* – who are now a team for the implementation of the President's vision – a gain in importance can therefore also be noted for the top administrators.

This strengthening of the role of the President of the Regional *Giunta* increases the clarity of political accountability lines *vis-à-vis* the electorate by enhancing transparency on the Regional Government's choices (linked to the electoral programme) and by reducing the post-electoral mediations between political parties and the different currents within them, which were typical of the parliamentary system in place before the reforms (Musella, 2009). For the electorate, the choices being taken are now clearer as is the identity of the actor who is ultimately

responsible for them. However, this same concentration of power in the hands of the President poses threats to accountability in relation to the dialogue stage of this important function, a consequence of both the reduced role of the Council to imprint political direction and the potentially greater difficulty for stakeholders to access the one key actor in the system (following the reduction from the plurality that had dominated hitherto).

Nevertheless, these considerations stemming from this concentration of power in the hands of a single leader (also found in other Italian regions, see Musella, 2009) must be read in conjunction with a number of *caveats* that are specific to the Tuscan system, and which temper the importance of this development: first of all, the well-established concertative tradition that has underpinned the Tuscan regional authority's *modus operandi* since its early days and which has been strengthened by the reforms discussed; second, the attention paid by the political élite in being receptive to the needs and desires of organised interests and stakeholders, as demonstrated by the institutionalisation of concertation for all regional plans and programmes, by the formal establishment of concertation 'tables', by the commitment to subsidiarity (of which the PASL are a meaningful example) and by the experimentation with participatory governance; third, as has been observed by one interviewee, the governing style of the President Martini in charge during the period covered by this research, who was not as involved in operational issues as some of his predecessors and was thus keen to delegate policy tasks to his Ministers and administrators (thus preserving the above-mentioned pluralism); and, lastly, the important 'conveyor-belt role' played by the administrative level in interacting with stakeholders, receiving and addressing their comments, and passing them on to the political leaders where deemed appropriate. On the whole, therefore, it can be concluded that political accountability has emerged as strengthened by the reforms reviewed.

The last point on the 'conveyor-belt role' of the administration leads to a key consideration that also relates to administrative accountability: both in general and with specific respect to ECP, the evidence gathered through fieldwork suggests that the governing politicians place great trust in the administrative officials, and

administrative accountability is both strong and consolidated within this system. Over time, this has been facilitated by continuity in the work of officials, whose remits and responsibilities have by and large developed over time within a specific field of expertise and area of work (rather than rotating every few years from one policy to another). The changes discussed in the case study confirm that devolution has further consolidated administrative accountability. The Tuscan administration is now even more crucial (and relied upon) for the delivery of the government programme as this is more complex and comprehensive than before. The Tuscan administration is also more closely and clearly linked to the political level, particularly through the CTP, which acts as an interface between administration and political leadership. On the whole, therefore, administrative accountability – which was already high prior to devolution – has emerged as further enhanced by the changes reviewed.

Lastly, as far as participative accountability is concerned, the conclusions that can be drawn from the case study research are more ambiguous. First of all, it is necessary to distinguish clearly between participative accountability in the overall post-devolution, policy-making framework and participative accountability within the ECP programme. With regard to the first aspect, the conclusions are not clear-cut: on the one hand, the institutionalisation and expansion of concertative procedures point to a strengthening of the dialogue with stakeholders, but, on the other hand, the existence of a programming framework that is subservient to the government programme and the increasingly operational nature of the Regional Development Plan raise questions about the potential impact of such dialogue.

Considering the current ECP (ERDF) programme specifically, the research highlighted that the dialogue with partners, which is required by both the regional programming legislation and the EU regulations, has not led to any fundamental reshaping of the strategies adopted. The programme was largely written internally by the administration, based on the government programme and the EU reference documents. Rather than affecting the content of the programme, the concertation procedures put in place have provided an opportunity for partners to come forward with observations and to receive an explanation of why these could not be taken on

board (although this may, of course, inform the design of future policies by the Regional Government). Thus, it is fair to conclude that notwithstanding the marked concertative approach that characterises Tuscan policy-making (including in the field of ECP), the final decisions on policy goals and resource allocation within the ECP programme have been firmly in the hands of the Regional Government, represented by the programme Managing Authority. In 2007-13, this appears to have been more the case than in the past, and not just with respect to stakeholders, as discussed above, but also regarding the influence exerted on the programme content by the European Commission (whereby, the programme text remained virtually untouched, despite some very difficult and tense negotiation meetings) (TOS6). This demonstrates that, even with a strong concertative culture, the Tuscan ECP implementation framework does not present the problem of ‘many hands’ denounced by Bovens (2007).¹⁶¹ Accordingly, a key conclusion of the case study research is that, with regard to the ECP programme specifically, participative accountability has weakened following devolution. However, this assessment could be misleading if not considered in conjunction with the wider developments in the broader Tuscan programming framework, which currently provides the basis for the ERDF programme (now subsumed under the Regional Development Plan). Since this informs the ECP programme, the key question is whether local stakeholders have the scope and capacity to influence decision-making over such a domestic policy framework. The research conducted does not allow definitive conclusions on this, however, and further research would be warranted for a thorough appreciation of this aspect.

In summary, from the perspective of the first classification of accountability types prospected in the analytical framework – based on the distinction between political, administrative and participative accountability – a key conclusion of the research is that devolution has strengthened political accountability and further consolidated

¹⁶¹ This is not to say that the decision-making system is rigid: the concertation procedures and the traditional openness of the Regional Government and administration to stakeholders (through informal contacts as much as through formal concertation) mean that adjustments to the policy and its measures do take place, but only when deemed relevant by the regional coordinating office and in line with the RDP.

administrative accountability. This is valid for the ECP programme specifically and even more so for the wider Tuscan programming framework. However, devolution has also led to a weakening of participative accountability within the ECP programme, a weakening that is compensated only in part by the evolution of participative accountability in the wider programming framework, within which the case study research uncovered contrasting trends.

Turning to the second classification of accountability presented in Sub-section 8.2.1 – relating to the object of accountability (i.e. financial, procedural, outcome and performance accountability) – the Tuscan case study suggests that, both in general terms and with respect to ECP more specifically, the current focus is predominantly on financial, procedural and outcome accountability (excluding impacts). In ECP, these types of accountability were already high even prior to devolution; following devolution, and facilitated by the new programming framework, they have been enhanced across the board. This is particularly true for outcome accountability, which was weaker than the other two types of accountability prior to devolution, but which is now a key feature of the Tuscan policy framework (primarily due to the introduction of strategic monitoring and *ex ante* evaluation for all plans and programmes, a fundamental change compared to the pre-devolution period).¹⁶²

Overall, the Tuscan governance system – as it has been run thus far - is very committed to delivering efficiency in the use of resources (financial accountability), administrative efficiency (procedural accountability), tracking the outputs and results of policy-making (outcome accountability), and developing a strong information base that can be used by policy-makers to inform policy choices. All of these types of accountability are well consolidated and have been strengthened with the 1999 and 2004 programming laws. Further, as the pool of information is made available to the public via the regional authority's website (and IRPET's, for the works that it

¹⁶² In addition, the annual economic financial and programming documents (EFPD) include a statistical annex with a wide range of data on the Tuscan demography, socio-economic system (e.g. data on R&D, internationalisation, employment in the industrial districts, tourism, rural economy etc.), services, transportation and accessibility, housing, education and so forth, whilst a wide range of sectoral analyses and studies are carried out on specific policies by IRPET.

carries out), there is maximum transparency over these features. However, it should also be noted that policy evaluation in the overall Tuscan governance system seems to have been understood so far as exclusively *ex ante*, with no comprehensive attempts (as yet) at evaluating impacts *ex post* and whether the goals set have actually been achieved.¹⁶³ The changes introduced to the wider Tuscan programming framework have thus not extended to performance accountability. This is also true for ECP, where emphasis to date has been placed particularly on financial, procedural and outcome accountability (excluding impacts). In fact, despite an ambitious start in the 1994-99 period (when an *ex post* evaluation of the 1994-96 Objective 2 programme was carried out), the evaluation of subsequent ERDF programmes focused mostly on procedural/operational issues and on interpreting output/results monitoring data, rather than on genuine *ex post* impact assessment. Arguably, this was due to European regulatory implementation and evaluation requirements that substantially incentivised financial and procedural accountability and placed the onus of *ex post* evaluation with the European Commission. It should be recalled, however, that for the current period the evaluation plan of the ‘unitary regional policy’ includes a phase of *ex post* evaluation of the results achieved (on themes and evaluative questions to be defined). This may mean that, prospectively, performance accountability may also become embedded in the ECP evaluation framework, but this will have to be assessed in due time (Regione Toscana, 2008b).

In summary, the main changes observed with regard to the second classification of accountability that was proposed in the analytical framework – based on its ‘object’ (i.e. financial, procedural, outcome and performance accountability) – is the strengthening of financial, procedural and, especially, outcome accountability across the board, i.e. in the wider Tuscan programming framework. The types of accountabilities required from the ECP programme have remained largely unaffected by devolution, not least because financial, procedural and outcome accountability

¹⁶³ A full assessment of this would necessitate more thorough analysis, conducted on a policy-by-policy basis, i.e. beyond the analysis of the regulatory provisions of Regional Regulation 2006 no. 51/R and notwithstanding the impact that the new evaluation provisions for the unitary regional policy might have on the Tuscan RDP more generally.

were already relatively high. In future, performance accountability may also be introduced within the ECP programme (and other parts of the RDP, those co-financed by the domestic strand of regional policy), but this would be part of a wider national trend in this field, rather than as a result of devolution.

Returning to the conceptualisation of accountability at the stages of dialogue, information and rectification, the case study research highlights that, whilst some of the developments in the way the ERDF programme is managed and implemented reinforce the information stage of accountability (especially the DAR and the communication measures implemented to inform the public), others – such as the ousting of partners from the programme evaluation steering group, the naming of strategic projects in the programme document, the subsuming of the programme under the broader programming framework and perhaps even the changing role of the provincial authorities – have less clear-cut, and potentially even negative, consequences on the dialogue stage. As far as the ECP programme is concerned, a conclusion of the case study research is that the information stage of accountability has been strengthened, whilst those of participation and rectification have been weakened. If one considers the broader Tuscan policy-making and programming system, however, the impact of the reforms introduced post-devolution to the dialogue stage are less clear cut, as already observed.

As far as the rectification stage is concerned, the time of the election is, even more than in past, the key rectification juncture. The new electoral system brings the decisions on government policies forward to the electoral campaign, and it is primarily at this moment that stakeholders can inform policy choices. The misalignment between the government mandate and ECP programme period may thus present difficulties in future if, for instance, the Regional Government changes during the ECP programme period.¹⁶⁴ Nevertheless, smaller-scale rectifications – for instance in terms of better targeting of measures (e.g. with respect to project

¹⁶⁴ This would be similar to the effect that the change of government at national level has had on the 2007-13 National Strategic Document (see Polverari, 2009 and 2010).

eligibility and selection criteria) or shifts in resource attributions between one measure and another – continue to take place, but largely within a framework of established priorities. A synthetic review of the implications of the changes discussed to the three stages of dialogue, information and rectification is presented in Table 15 at the end of this chapter, but an overriding conclusion of the case study is that, considering the ECP programme specifically, the changes reviewed in the case study have weakened the dialogue (especially) and rectification stages of accountability.

13.5.2 Devolution a fundamental factor, but not the only one

The devolution reforms introduced have been fundamental and, arguably, the main factor leading to the changes observed in Tuscan governance overall and in determining a new positioning of the ERDF programme within the broader Tuscan programming framework. In particular, the changed electoral law and direct election of the President of the region, as well as the attribution of more competences to the regional authority, have determined the revision of the existing programming framework, which is now both more comprehensive and more operational. However, it should be acknowledged that other factors – both domestic (endogenous to Tuscany or of national level) and external – have also impacted on the operation of ECP in this region.

The most significant of all, and a factor that has conditioned the impact of devolution, is represented by the longer-term cultural, political and administrative legacy of more than four decades of operation of the regional authority (aspects of which date back to pre-unitary Italy and the times of the Grand-Duchy of Tuscany). It includes: the pre-existing administrative tradition, political culture, economic fabric and territorial settlements, and a context of political and administrative stability and continuity that have determined the emergence and consolidation of a concertative programming culture; the desire for emancipation from the central state due to the national solidarity pact, which led to the development of attention on efficiency and monitoring of public spending; and a more general outward orientation and openness amongst the Tuscan governors and society at large to

stimuli from external environments (not just from the process of EU integration and European policies, but also from the US, as has been seen). All of these factors have proven favourable to institutional innovation.

A further development, which relates specifically to the post-devolution period, has been the introduction nationally, in 2007, of the ‘unitary regional policy’, which has merged domestic regional policy implemented through the national FAS (Fund for Underutilised Areas) and ECP. This has had repercussions for the implementation of ECP in Tuscany (regarding the evaluation plan, for instance), but this can be considered quite marginal. However, it has had important implications for the overall Tuscan programming for regional development, in particular increasing transparency in the use of domestic regional development resources (notwithstanding the uncertainty currently faced by this framework, as has already been noted).

Further causal factors have originated from the European regulatory framework, which appears to have consolidated an understanding of policy-making and reinforced changes that were already underway in Tuscany. From a long-term perspective, they have included: the multi-annual programming approach, which matched well with the pre-existing domestic programming culture and reinforced it; the partnership approach, which was also consistent with and reinforced the pre-existing Tuscan concertative approach; and the monitoring and evaluation rules of ECP, which were new to Tuscany and had a significant spillover effect on Tuscan domestic arrangements. From a short-term perspective, looking specifically at the post-devolution period, further important causal factors related to: the publicity and communication rules introduced at the outset of the 2000-06 period (which had a strong impact on the communication activities carried out by the Managing Authority, e.g. creation of a website for the 2000-06 programme); the restriction of the scope of eligible activities (which impacted on the suppression of the PISL and the introduction of the PIUSS); and, most important of all, the suppression of the area designation requirement entailed in the transition from Objective 2 to the Regional Competiveness and Employment Objective, and the introduction of the Lisbon earmarking, both of which had a considerable impact on the territorial and thematic focus of the programme.

A further development that has impacted on the transparency and information activities carried out by the Managing Authority (and the regional authority more generally) is represented by the progress made with communication and information technologies. These have had a marked effect on the dissemination of programme documentation, for instance (via the website rather than through printed documentation).

In conclusion, devolution has been a fundamental factor for the changes discussed in previous sections, and for the ensuing effects on different types of accountability, but it has not been the only cause of the changes observed and their impact on accountability.

13.5.3 Concluding case study assessment

The above considerations lead to the following concluding assessment of the changing accountability of Tuscan ECP, and, more generally, of Tuscan governance arrangements as a result of devolution. The first conclusion is that devolution has had and continues to have a fundamental impact on the overall Tuscan Government, governance and policy-making, and their accountability. In comparison, the changes that the constitutional reforms of 1999 and 2001 made to the management and implementation of ECP have been marginal, except with respect to the crucial aspect of the new positioning of the ERDF programme within the Tuscan policy framework, which links the accountability of the ERDF programme much more closely to that of the wider programming framework of the regional authority.

Starting with the classification of accountability based on the ‘subjects’ of the accountability relationship, which was discussed in Sub-section 8.2.1, a key overriding conclusion of the case study is that political accountability has been strengthened by devolution, administrative accountability has consolidated, and participative accountability has changed, but in a manner that cannot be read in a clear-cut way. Political accountability emerges as strengthened, because the new government and electoral system enhance transparency on the Regional

Government's choices (linked to the electoral programme) and have reduced the scope for post-electoral mediations between political parties and factions within parties. At the same time, the noted concentration of power in the hands of what has been defined as the 'monocratic leader' (Musella, 2009) and the strengthening of the executive branch *vis-à-vis* the legislation implemented by the new government and electoral systems are tempered by a continued pluralism and openness of the Regional Government, due largely to the strengthened concertative procedures introduced. Administrative accountability was already strong prior to devolution, but it has been consolidated further because of an increasing reliance by the Governor and the Regional Executive on an efficient administrative apparatus to drive the government agenda forward, required by the more comprehensive and technical nature of the post-devolution programming framework. The emergence of a small group of top-level civil servants who respond directly to the region's President, the so-called Technical Programming Committee, has also contributed to strengthening administrative accountability, as it creates a direct communication and control channel, at the very apex, between government and administration. The strengthened concertation procedures have also contributed to enhance participative accountability, and other innovations introduced post-devolution may further enhance this type of accountability (notably the procedures introduced by participation law, but they are still at a pilot stage). At the same time, however, the close link between the RDP and the government programme (basically the electoral manifesto of the winning President and his/her supporting coalition) reduces the potential to affect the overarching government choices in between electoral mandates.

Considering the evolution of the ECP (ERDF) programme specifically, the key conclusion from the case study is that, given the subsuming of the ERDF OP under the wider Regional Development Plan, accountability now needs to be assessed at this level. As has been noted, the 2007-13 programme period has entailed a reduction in the role of partners and stakeholders within the programme (e.g. because of their more limited impact in the design of the programme, now a funding instrument of the RDP, and because of the suppression of the evaluation steering group). Nevertheless, the reduced influential capacity of stakeholders and partners in the policy process

within ECP may be compensated by an increased involvement upstream, in the definition of the broader policy framework within which ECP now operates (notably the RDP and the Regional Economic Development Programme), but whether this is actually the case will have to be tested further, given the contrasting trends uncovered by the present research. For the rest – and excluding the developments on the communication of the programme, which were driven by EU rules more than by constitutional and institutional reforms – the changes introduced to the management of the ERDF programme as a result of devolution have been marginal and, as a consequence, accountability has been relatively unaffected (notwithstanding the increase in political and administrative accountability already noted, which also affects ECP).

Moving on to the second classification of accountability, based on the ‘object’ of the accountability function, the Tuscan ECP implementation framework largely reflects the broader Tuscan public policy framework in relating essentially to financial, procedural and outcome accountability (excluding impacts). Financial and procedural accountability were already consolidated features of Tuscan policy-making prior to devolution. The reforms introduced following devolution have strengthened these further and, most importantly, have significantly enhanced outcome accountability (the new strategic monitoring system and *ex ante* evaluation arrangements). The changes detected have not affected performance accountability and on the whole this remains the weakest. The Tuscan arrangements for implementing ECP largely reflect this evolution and, indeed, as far as evaluation is concerned, they anticipated it. Further, the provision for the *ex post* evaluation of the ‘unitary regional policy’ may also lead to the emergence of performance accountability in this field, but this development would not be a consequence of devolution.

Lastly, as far as the three stages of dialogue, information and rectification are concerned, the case study research supports the assessment that whilst some aspects of how the ERDF programme is managed and implemented have reinforced the information stage of accountability – especially the re-proposition of the programme complement (DAR) – other developments, such as the ousting of partners from a programme evaluation steering group, the naming of strategic projects in the

programme document, subsuming the programme under the broader programming framework, and the marginal role of the provincial authorities in the current programme – point to a reduction of the dialogue (especially) and rectification stages (as far as the ECP programme is concerned).

In conclusion, the main research hypothesis put forward in the introduction to this thesis that devolution has had, and indeed continues to have, an impact on the accountability of ECP is confirmed; but on closer inspection the analysis has highlighted that such impact has been neither univocal (both across accountability types and between wider governance versus ECP arrangements) nor unidirectional (i.e. accountability has not simply ‘increased’).

Having assessed the impact of devolution on the various types of accountability that were identified as the dependent variables of the research, two further considerations emerging from the case study research must be mentioned. The discourse developed above does indeed lead to the conclusion that, even in a context in which accountability is in itself a policy objective, such as in Tuscany, there are important challenges to be faced, notably with regard to public engagement and inclusivity. The anecdote of the 2007-13 evaluation steering group clearly highlights that, for accountability to be fulfilled, there must be a genuine interest and even civic sense amongst stakeholders. Failing this, any communication effort or any attempt to involve stakeholders in decision-making processes is doomed to fail. The public actor should clearly have a role in facilitating the emergence of such interest and civic sense, but there are other, wider, contextual factors that are also fundamental yet largely outwith the control of those in government at the regional level (such as levels of education, changing modalities of interest aggregation, degree of engagement – and independence – of the press, general socio-economic context, etc). The issues of inclusivity and representativeness may also be problematic, as a well-established and functioning concertation system, such as the Tuscan one, may tend to self-preserve rather than evolve, for instance by placing more or less explicit barriers to new entrants (something that the pilot participatory experiences are probably meant to overcome).

A final point, which applies to accountability as much as to other areas of policy-making and implementation, relates to the reversibility of the achievements made. The experience of implementing ECP in southern parts of Italy has highlighted that this is a key problem, particularly in circumstances of failing or retrenching political buy-in. Past studies on ECP have demonstrated that the political drive in Tuscany has been fundamental to the achievements made in the field of ECP implementation (Fargion, 2006). It remains to be seen whether this will continue to be the case in future. It will be in this spirit, therefore, that further evolutions in the implementation of ECP in Tuscany, and of the broader Tuscan programming framework, will have to be observed in forthcoming years.

Table 15: Summary of changes detected and accountability implications

	Main Changes	Accountability implications			
		Dialogue	Information	Rectification	Notes
TUSCAN GOVERNANCE	Strengthening of government programme: direct legitimisation, no <i>Assessori</i> mediation	- Key dialogue moved to the pre-electoral stage	=	+ Clear-cut ownership on policy (for future elections) - diminished potential influence between elections	
	Strengthening of top-level administrators who respond to the President (CTP)	=	=	=	
	<u>Increased operational character of Regional Development Plan</u>	- Technicality involved strengthens administration - <u>Informs content of ERDF OP (limiting impact of OP concertation)</u>	=	=	In the past, this document was already made available to the public through the website
	Territorialisation of Regional Development Plan (PASL) and related stratification of concertation activities	+ Improves dialogue by increasing representativeness and by multiplying discussion fora (increased plurality)	+ Closeness to the territory increases informal communication opportunities	+ Periodic revisions offer opportunities for rectification (but impact limited by low operative character)	
	Strategic monitoring (and related reporting to the Council and publicity arrangements)	+ Strengthens accountability <i>vis-à-vis</i> the Council	+ More transparency on government action and performance (but hampered by technicality)	=	
	Introduction of <i>ex ante</i> evaluation for all plans and programmes	+ Low impact through concertative approach	=	=	
	Codification of concertation procedures	+ Strengthening of dialogue by institutionalisation	=	=	Risk of barriers to new entrants
	Extension of types of actors involved in concertation activities	+ Strengthening of dialogue by increased plurality	=	=	
Experimentation with participatory governance	+? Possible increase in dialogue (but yet to be seen)	+? Should increase communication on key themes	=	Effectiveness of these procedures and representativeness of participants to be assessed	

Source: own elaboration based on empirical investigation. + indicates enhanced; = no impact; - decreased; ? uncertain impact; + or - followed by ? indicates potential increase/decrease. Most important changes/effects are indicated in bold.

Table 15: Summary of changes detected and accountability implications (Continued)

	Main Changes	Accountability implications			
		Dialogue	Information	Rectification	Notes
ECP	New positioning of ERDF OP in hierarchy of regional programming documents	Dialogue still substantial but stronger direction by MA	=	- ECP OP constrained by wider policy framework	Scope for smaller adjustments informed by stakeholders.
	Unclear evolution of role of provincial authorities	? : 2000-06 empowerment, no role in 2007-13	N.A.	N.A.	Compensated by PASL?
	Programme design:		=	=	
	(i) naming of few strategic projects	- Stronger direction from MA			
	(ii) OP integrated into RDP	- Stronger direction by MA	=	=	Scope for stakeholders to inform smaller adjustments.
	Evaluation:				
	(i) selective, driven by MA (no SG) (ii) unitary evaluation plan	- No participation in SG +? EP foresees stakeholders' participation but with procedures to be defined	= but from an already high baseline. + Evaluation of domestic regional policy also carried out and made public.	= = =	
Communication/publicity:					
(i) programme website reorganised within regional institutional website	=	= (despite initial negative perception)	=	Qualitative jump already in 2000-06	
(ii) re-proposition of programme complement (DAR)	=	+ formidable transparency, strong commitment to this	=		
(iii) Ring-fencing of communication budget for associations of local authorities	+ increased dialogue on communication strategy	+? more targeted communication	=		
NATIONAL DEV.	Alignment of domestic regional policy to ECP procedures	=	+ increased transparency on FAS	=	
	Loss of political buy-in (national for regional policy)	=	=	=	ECP less strategic for politicians than in mid-1990s (Di Quirico, 2006)
	Press and low public interest	N.A.	N.A.	N.A.	Is regional/local press more engaged?

Source: own elaboration based on empirical investigation. + indicates enhanced; = no impact; - decreased; ? uncertain impact; + or - followed by ? indicates potential increase/decrease. Most important changes/effects are indicated in bold.

14. CASE STUDY 2: SCOTLAND

14.1 Introduction

This chapter provides a narrative of the Scottish case study and summarises the main results of the empirical investigation carried out on the impact of devolution on the accountability of ECP implementation in Scotland. The case study has been carried out in line with the analytical framework outlined in Chapter 7, and the analysis proceeds as follows.

First, Section 14.2 present a review of the main changes to Scottish institutional and government arrangements occurring as a result of the devolution reforms, describing new institutional arrangements put in place in Scotland following devolution and the extent to which they break with the past.

Second, after a historical *excursus* on the evolution of ECP support in Scotland (Section 14.3), Section 14.4 discusses the impact of the devolution reforms on ECP management and delivery, presenting the key ‘systemic’ (Sub-section 14.4.1) and organisational, management and delivery (Sub-section 14.4.2) changes introduced to ECP following devolution. To isolate the impact of devolution from other factors (such as the change in the European regulatory framework and domestic developments other than devolution), the review focuses explicitly on the factors underpinning the changes (and their relative weight).

Third, having reviewed the main changes introduced in post-devolution Scottish governance and ECP implementation, and having considered the extent to which they are attributable to devolution, the case study concludes by assessing the impact of devolution on the accountability of ECP in Scotland (Section 14.5). This assessment is carried out in accordance with the approach outlined in the analytical framework, notably considering the main changes with respect to: (i) the subjects of the accountability relationship, i.e. who were/are the key decision-makers and decision-takers, and how the relationship between these two types of groups has evolved in the period observed; (ii) the content of the accountability relationship, i.e. the changes regarding the ability of decision-takers to inform decision-makers’

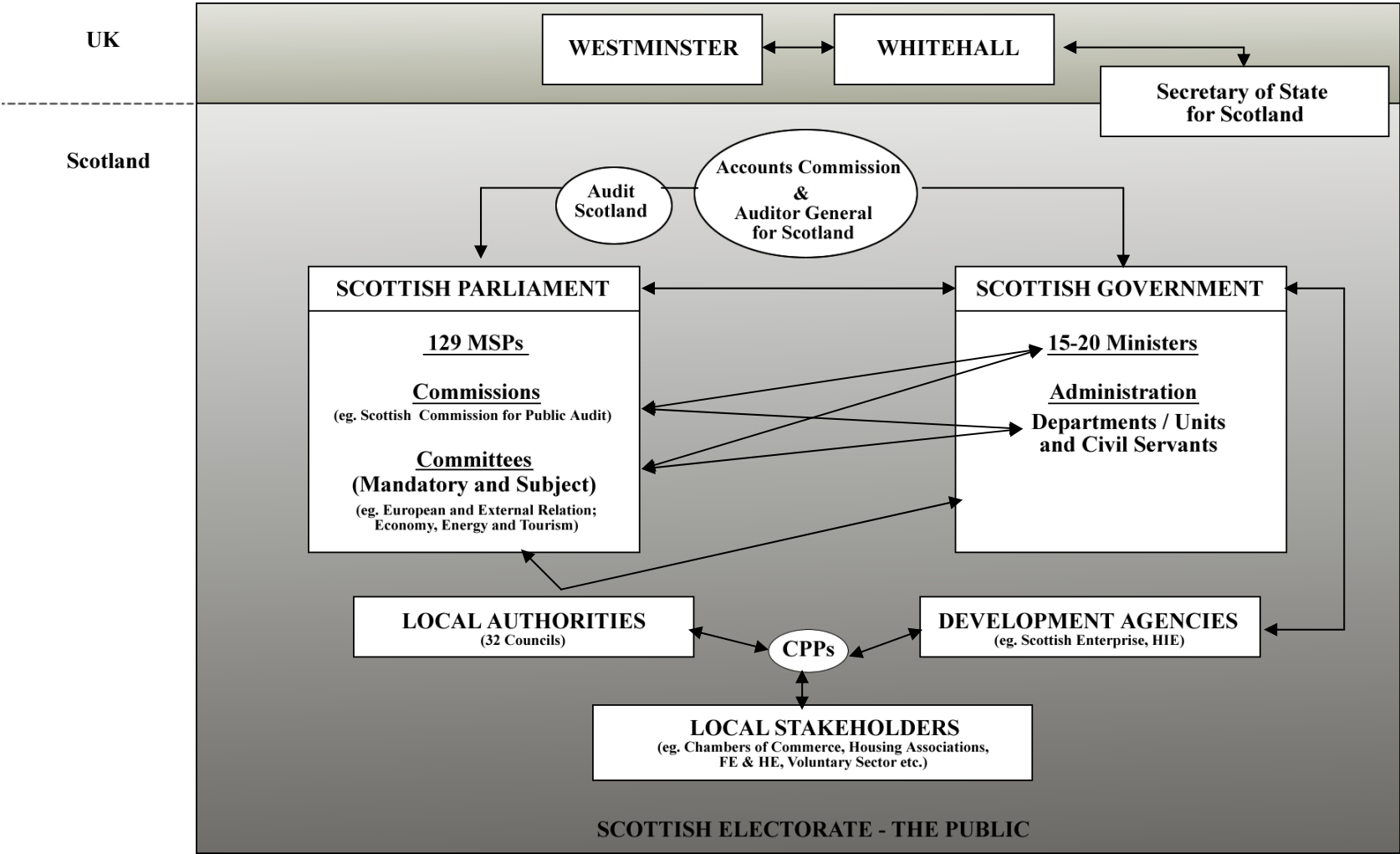
choices (dialogue), the degree to which decision-takers are informed on the policy (information), and the capacity of decision-takers to express dissent and obtain rectification of decision-makers' choices (rectification); (iii) the enforcement tools available to ensure that any corrective action required is implemented and that sanctions are enforced for inappropriate action; and, lastly, (iv) the object of accountability, i.e. whether accountability relates to inputs, procedures or outcomes or performance and how this has changed following devolution. As anticipated in Sub-section 8.2.1, the following classifications of accountability will be utilised in this final analysis: between political, administrative and participative accountability (based on the subjects of the accountability relationships), and financial, procedural, outcome and performance accountability (based on the objects of the accountability relationships).

14.2 Changes in Scottish governance following devolution

Looking at the effects of devolution on Scottish governance requires separating out two phases of the period from 1999 to date: first, an initial stage of creation and consolidation of the devolved institutions, from the inauguration of the Scottish Parliament of July 1999 to the most recent election of 3 May 2007 (corresponding with Sessions 1 and 2 of the Scottish Parliament); and, second, the period from this last election to date, characterised by political change, with an SNP minority government.

The devolution reforms discussed in Chapter 11 introduced a substantial makeover of policy-making at the meso-level – entailing, with the entrance of a new actor (the Scottish Parliament) into the scene, an entirely reconfigured institutional architecture (summarised in Figure 6 below) – and, as a consequence, the accountability relations have been modified between the executive and the legislature, between the executive and the civil service, and between Scottish institutions and the electorate.

Figure 6: Post-devolution Scottish governance framework and accountability relations



First, in becoming responsible for policy in devolved matters, the Scottish Executive/Government has emerged as more dominant in the Scottish political panorama than the Scottish Office had been hitherto. Its Ministers are more accessible; it has greater visibility, for instance in the Scottish press; and it is subject to clear and reinforced scrutiny from the legislature, given the existence of a Scottish Parliament dedicated exclusively to Scottish matters.

The number of Ministers dealing with Scottish policies increased significantly after devolution, from the five that operated under the Secretary of State for Scotland during the time of the Scottish Office, to about twenty, between Cabinet and Deputy Ministers, immediately after devolution. The first Cabinet, formed by Donald Dewar in July 1999, for instance, included ten Ministers,¹⁶⁵ supported by eleven Deputy Ministers.¹⁶⁶ The current Government, led by Alex Salmond, numbers fifteen between Cabinet Secretaries and Ministers. The exact numbers and remits of Cabinet and Junior Ministers has changed under subsequent governments, but the overall number has in any case been considerably higher than the five operating under the Scottish Office.¹⁶⁷ Since devolution, Scottish Ministers have come to acquire more circumscribed and specific remits; they are based in Scotland and, unlike their predecessors, their primary career ambitions are for the most part in Scotland, which affects the focus of their action. These factors make Ministers both better informed, as well as more engaged than their previous counterparts. Fundamentally, moreover, the Scottish Government now responds to the Scottish electorate through the intermediation of the Scottish Parliament; previously, the Secretary of State for Scotland and the Ministers assisting him responded to Westminster.

The relations between Scottish Ministers and civil servants have also changed, becoming closer and more ongoing. As Keating observes, ‘Scottish civil servants

¹⁶⁵ News Release: 1039/99, 17 May, 1999.

¹⁶⁶ News Release: 1050/99, 18 May 1999.

¹⁶⁷ This is not to underplay the difference that exists between a government composed of fifteen cabinet and junior ministers and a government of twenty. However, this is not a specific concern of the present analysis.

were subject to less ministerial control, since the Ministers had such broad spans of responsibility and were in London for much of the week' (Keating, 2010, p. 28). As illustrated below in Section 14.4 with respect to ECP, officials now seem to be acutely aware of the increased scrutiny to which Ministers (and, indirectly, they themselves) are subjected. In a sense, devolution has brought accountability relations between executive, legislature and civil service more clearly to the surface. As noted by one Scottish Government official:

As a civil servant, working for (at the time) the Scottish Office and then the Scottish Executive and now the Scottish Government, accountability for me and for my colleagues is partly about us being accountable to Ministers, but also at the same time, us recognising that Ministers themselves are accountable to Parliament, and since devolution of course that has manifested perhaps more tellingly, more explicitly, because I think we are more visible. There is more transparency because the Parliament has, if you like, a sharper focus: closer, more familiar, want to keep an eye [on things], and I think we're also closer to Ministers. I think that was something which came about as a result of devolution (SCO11).

Parliamentary scrutiny is certainly more predominant than it was before devolution and not just because of the aforementioned 'sharper focus'. Prior to 1999, the UK Parliament had Parliamentary Committees that dealt exclusively with Scottish Affairs, such as the Scottish Grand Committee, the Scottish Select Committee and special standing committees where Scottish MPs could separately debate issues relating to Scottish law (Bradbury, 2008). Scotland was also over-represented relative to its population in the UK Parliament, and this contributed to keep Scottish affairs high on the Parliament's agenda. Nevertheless, the Scottish MPs sitting in Westminster represented only 12 percent of the seats (Keating, 2010). The current system of committees of the Scottish Parliament ensures a greater scrutiny of government and officials (Kirkpatrick and Pyper, 2001; McGarvey, 2008). As will be seen in detail, ECP in particular has been the subject of targeted and competent Parliamentary inquiry on more than one occasion since 1999, especially at the formative stages of policy, before the start of each programming cycle (e.g. in 1999 and 2006).

A further development that has emerged following devolution, but one which is also in line with the more general public sector reform agenda pursued in the same period

by New Labour, is the increased governmental emphasis on the monitoring of spending and value-for-money.¹⁶⁸ As observed by Keating and McEwen (2005, p. 416), financing through ‘block funding rather than hypothecated grants, allowing devolved governments to determine their own policy priorities ... requires that they have the analytic capacities to know what their money is doing and how it might be made to work better’. This is witnessed by investments in analytic capacities – such as the work of the Scottish Executive’s Office of the Chief Economic Adviser, and the biannual Scottish Economic Reports – but is also reflected in tighter control and monitoring of the activity of government agencies and local authorities, as discussed below.

The new framework has also had an impact on local authorities and the development agencies, in particular those for economic development, i.e. Scottish Enterprise and Highlands and Island Enterprise (HIE), both of which have been and continue to be key beneficiaries of ERDF support in Scotland (and whose changing role in the programmes is discussed in Section 14.4).

Scottish Enterprise, formerly the Scottish Development Agency, and Highlands and Islands Enterprise, formerly the Highlands and Islands Development Board, have been in charge of the delivery of economic development in Scotland since the 1970s (Bradbury, 2008; Lloyd and Peel, 2008; Halkier, 1992). During the time of the Scottish Office, ‘Scotland relied heavily on development agencies to direct economic development policy’ (Lloyd and Peel, 2008, p. 171). The Scottish Development Agency, in particular, evolved from an original remit on the attraction of Foreign Direct Investments (FDI) and grew to encompass a much wider range of competencies, including entrepreneurial development, training, local economic development, land reclamation and regeneration, becoming ‘one of the largest regional development agencies in Europe, both in terms of organizational resources,

¹⁶⁸ With respect to regional development policy specifically, devolution has introduced an increased emphasis on evaluation, but this is in line with wider UK trends such as the Government emphasis on evidence-based policy-making – embodied in the 2003 Treasury Green Book – and the changing paradigm attached to regional policy (Polverari and Bachtler, 2004).

comprehensiveness of remit, and geographical coverage' (Halkier, 1992). As underlined by Halkier (1992), scholarly views diverge over the degree of strategic and operational autonomy that the agency has enjoyed over time, but it is unquestionable that after devolution the scrutiny attached to the operation of the Enterprise Network increased and its strategic autonomy decreased.

The agencies were reformed even before devolution in line with the changing political agendas of UK Governments. For instance, the Thatcher Government re-oriented the SDA's mission towards a more targeted focus on business development/entrepreneurship (Bradbury, 2008; Lloyd and Peel, 2008) – a shift epitomised by the change of name from SDA to Scottish Enterprise, and the creation of 22 LECs (Local Enterprise Companies) during the 1990s, 12 in Lowlands and Uplands Scotland, under Scottish Enterprise, and 10 in the Highlands and Islands, under HIE. This was a response to a new emphasis on endogenous development and bottom-up policy-making. Nevertheless, the first phase of devolution marked a revival of attempts at reform and reorganisation of the Enterprises, as part of a wider rationalisation of the many agencies and non-statutory bodies in place. Already in 2001, the then Scottish Executive carried out a review of these bodies, recommending the closure of 52 of the 180 existing agencies. In the various mergers and full abolitions that followed, the number of these bodies was brought down to 144 (Keating, 2010, p. 115).

As far as the Enterprise Network was concerned, one of the principal consequences of devolution was the questioning of the importance of the Network's role in the economy and its value-for-money credentials (SCO2). The publication in 2001 of the strategy *A Smart Successful Scotland* (Scottish Executive, 2001a) and the related monitoring guidelines are a clear indication of this focus. They are also a sign of the desire by the newly established Scottish Executive to define a clear-cut mandate for these agencies, linked to the Scottish Executive's policies, in contrast with the relative freedom allowed during the pre-1999 period when, as discussed above, the SDA/Scottish Enterprise had a more strategic role of territorial adaptation of UK policies. The reforms introduced during this first phase of devolution – although not always successfully – were thus essentially intended to: align the agencies more

clearly with the new institutional set-up; improve their performance, effectiveness and value for money; and render such performance measurable, linking the agencies' activities to quantifiable targets and reporting requirements.¹⁶⁹ These goals are also being pursued by the current administration, but with a much stronger emphasis on streamlining and even rescaling the Enterprise network (as discussed below). A second set of consequences of devolution on the Enterprise Network was the expectation that they should work in closer partnership with the local communities that they serve. This was intended to be achieved through the establishment of twenty-two Local Economic Fora based on LEC boundaries (see map below), comprising in each LEC area the interested local authorities and the relevant stakeholders – such as business representatives, tourism agencies, and local learning providers. The fora were tasked with devising and implementing Joint Economic Strategies or Action Plans, linked to the Scottish Executive's new economic development strategies (particularly 'A Smart Successful Scotland') and integrated with the local authorities' strategies and community plans (discussed hereforth) (Scottish Executive, 2001b).

¹⁶⁹ This issue was made particularly relevant by the perceived inefficiencies of this organisation. As one interviewee put it, 'they are the major player in the economic development panorama of Scotland, but apparently they even have problems tracking their own expenditure' (SCO1).

Figure 7: Boundaries of the Local Enterprise Companies and the Local Economic Fora



Source: Scottish Executive website (downloaded in 2003, no longer available).

As anticipated, the devolved framework also had an impact on the activity and scrutiny of the thirty-two Scottish local authorities (established in April 1996 by the 1994 Local Government (Scotland) Act, together with the abolition of the pre-existing nine regions and fifty-three districts that had been established in 1975; see Figure 8 below for the delimitation of each local authority area). The local authorities, or Councils, which are diverse in terms of population and public expenditure budgets,¹⁷⁰ are responsible for the delivery of key public services such as primary and secondary education, social work, housing, local roads and transport, environmental services (such as waste management and disposal), and culture and leisure services (Auditor General, 2002).

Their current expenditure is funded predominantly through transfers from the Scottish Government budget and through Council tax (Auditor General, 2002). Devolution entailed a reappraisal of these authorities' organisation and *modus operandi* through the work of a number of task forces, parliamentary inquiries and executive consultations,¹⁷¹ resulting in the 2003 Local Government in Scotland Act. This introduced a number of innovations, the most important being the statutory duty for local authorities to implement a 'best value' framework¹⁷² and the statutory basis for community planning. Both of these innovations pre-date devolution, as the ideas

¹⁷⁰ 'They range in size from Orkney Islands Council with an annual income of some £70 million and a staff of 1,400 to Glasgow City Council with an annual income of over £2 billion and a staff of 30,000' (Auditor General, 2002, p. 47).

¹⁷¹ For example: the 1999 Best Value Taskforce, comprising representatives from the Scottish Executive, the Convention of Scottish Local Authorities (COSLA) and the Accounts Commission, which delivered its final report in December 1999; the Scottish Executive consultation on methods to improve local services and strengthen local governance, which took place in 2002 (and the related consultations on best value and on community planning guidance of 2003); and a number of Scottish Parliament inquiries on local government, carried out by the Local Government Committee, starting with the appraisal of the implications of the so-called McIntosh Commission Report (delivered by an independent commission established by the UK Government in 1998, with the remit of putting forward proposals for local government reform in Scotland in the context of a devolved framework; see Scottish Parliament, 2000a and 2000b).

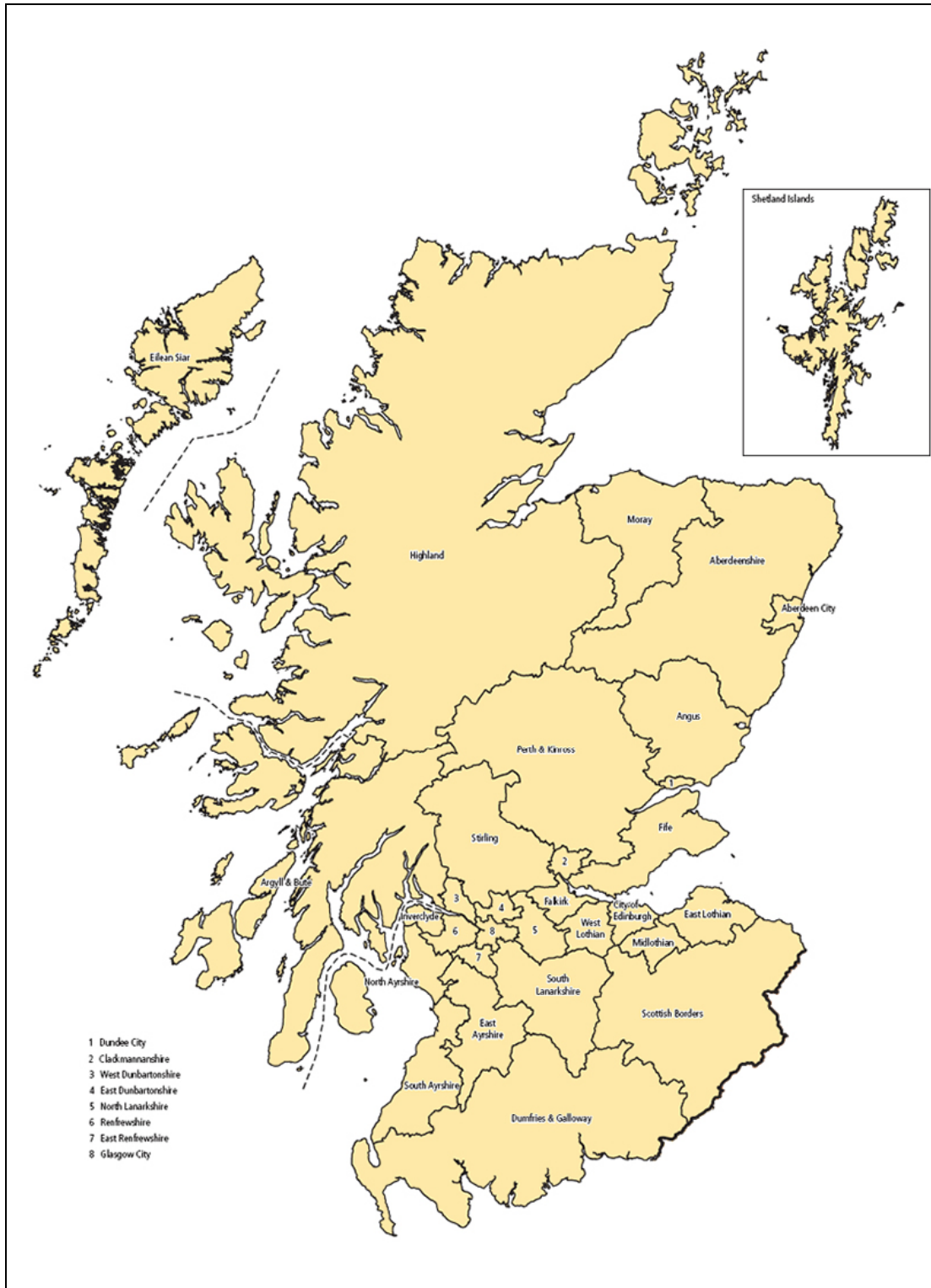
¹⁷² Best value was introduced in 1997 as a voluntary scheme and was made compulsory in Scotland by the 2003 Local Government in Scotland Act. It is intended as a commitment to deliver the following ten key characteristics: (i) commitment and leadership; (ii) responsiveness and consultation; (iii) sound governance at a strategic, financial and operational level; (iv) sound management of resources; (v) use of review and options appraisal; (vi) competitiveness, trading and the discharge of authority functions; (vii) sustainable development; (viii) equal opportunities; (ix) joint working; and, crucially, (x) accountability (COSLA, undated).

were brought forward in 1997 by the incoming Labour UK Government (COSLA, undated; Lloyd and Illsley, 1999); devolution, however, allowed for a Scottish-specific response for their implementation. Of particular importance to this study is community planning, given that the ensuing ‘Community Planning Partnerships’ are one of the delivery channels for the current ECP programmes, as described below in Section 14.4.2. Community planning refers to a process of joint working between local authorities, other public organisations and local communities, businesses and the voluntary sector towards the efficient and effective delivery of local public services (Audit Scotland, 2006). The implementation of community planning has entailed the creation of a number of Community Planning Partnerships (CPPs), comprising representatives from local authorities, statutory bodies (NHS boards, LECs, police and fire brigades) and voluntary sector organisations and organisations with sector-specific interests (such as housing associations and representatives from the business sector). Their composition and organisation varies, but the majority of CPPs have organised themselves with a board (with between six and forty members), an implementation group, and a number of theme groups (e.g. jobs and economy, and community safety) and sub-groups (e.g. local business forum, drug and alcohol action team, anti-social behaviour group).

It is not the purpose of this research to review the performance of these partnerships, which has been variable and perhaps on the whole fairly disappointing to date (Audit Scotland, 2006; Audit Scotland, 2010, p. 16).¹⁷³ Nevertheless, it is important to keep them in mind for the review of current arrangements for ECP delivery in Scotland (discussed in the following section) and because they represent a working method for policy-making based on local partnerships that, at least in principle, should be conducive to accountability (particularly in relation to the information and dialogue dimensions, discussed in Sub-section 8.2.3).

¹⁷³ The Audit Scotland overview report on local government in 2009 notes that ‘[t]he audits showed many CPPs to be overly bureaucratic and not focussed enough on outcomes for local people. The performance management and monitoring processes of partnerships are not well developed and there is a clear need to improve the way they report performance to the public’ (Audit Scotland, 2010, p. 16).

Figure 8: Scottish Council Areas



Source: http://www.statistics.gov.uk/geography/downloads/CTY_LAD_APR_2009_UK_MP.pdf adapted from

Turning now to the second post-devolution period, the coming to power of the Scottish National Party in May 2007 introduced a significant shift in the interpretation of governmental activity, as might be expected. Clearly, the effects of this shift are largely still to materialise and will only become evident over time. Nonetheless, the fact that one of the first changes introduced by the incoming administration was largely symbolic in nature – the renaming of the Scottish Executive as ‘Scottish Government’¹⁷⁴ – should not mislead with regard to the substantive character of the innovations being introduced by the new Government.

The main innovations can be summarised as follows:

- first, a rationalisation of the ministerial team and streamlining of the administrative structure, reorganised according to lines of ministerial responsibility;
- second, framing the entirety of governmental policies into an ‘overarching Strategy that sets the direction for Scotland’s public sector’ (Scottish Government, 2007a), a marked contrast to the sectoral approach followed by the previous administration;
- third, the organisation of this overarching strategy in a pyramid of objectives, expected outcomes, indicators and targets through a ‘national performance framework’, and the ongoing monitoring of these elements;
- fourth, as anticipated above, the refocusing and streamlining of the Enterprise Network, which has included moving parts of Scottish Enterprise and HIE to the newly formed ‘Skills Development Scotland’,¹⁷⁵ the territorial reorganisation of the previous system with the abolition of the LECs, the introduction of five ‘regional operations’ for the area served by Scottish

¹⁷⁴ Although the legal name, as per Scotland Act (1998), remains Scottish Executive.

¹⁷⁵ Established in 2007 by the Scottish Government as a new agency in charge of the delivery of the Government’s skills strategy ‘Skills for Scotland: A Lifelong Skills Strategy’. It absorbed Careers Scotland,

Enterprise (each with its own business-led regional advisory board), and the creation of a regional business panel for HIE;¹⁷⁶ and, lastly,

- the launch of a Concordat with the local authorities, signed in November 2007 (Scottish Government and COSLA, 2007), and the related Single Outcome Agreements between the Scottish Government and each local Council¹⁷⁷ to establish ‘a new and much more productive relationship with local government [... enabling] local councils to have greater flexibility and responsibility for their actions’ (Scottish Government, 2007a, v).¹⁷⁸

All these changes – many of which are still under development – have the potential to strengthen accountability by rendering ministerial and official remits more easily identifiable and verifiable, by strengthening the ministerial accountability of the Enterprises, and rendering the activity and performance of Scottish local authorities more easily identifiable. Nevertheless, their assessment would be both premature and too wide a topic for the present analysis, which focuses on the evolving accountability of ECP. One consideration that should be made, though, as it affects ECP and has emerged from the empirical research, is that the reorganisation of the Scottish Government administration is having positive effects on some aspects of

the Scottish University for Industry and some elements of Scottish Enterprise and Highlands and Islands Enterprise. <http://www.skillsdevelopmentscotland.co.uk/>

¹⁷⁶ News release 26/09/2007, ‘Future of Scotland’s enterprise networks’, available at <http://www.scotland.gov.uk/News/Releases/2007/09/26143846>. The five ‘regional operations’ of Scottish Enterprise are: Grampian (Aberdeen City and Shire); Tayside (Dundee, Perth, Kinross, Angus); East and Central Scotland (Edinburgh, the Lothians, Fife, Clackmannanshire, Falkirk, Stirling); South of Scotland (Borders, Dumfries and Galloway); and West Central Scotland (Glasgow, Renfrewshire, Inverclyde, Dunbartonshire, Ayrshire and Lanarkshire).

¹⁷⁷ The Single Outcome Agreements were signed in 2008 by the Scottish Government with each of the 32 local authorities (Herbert, 2009) and subsequently, in mid-2009, with the statutory CPP partners (McGuire, 2010).

¹⁷⁸ The Agreements cover local service provision and aim to re-orient the activity of local councils from processes to outcomes. They do so by specifying the local outcomes that each local authority sets out to achieve. These are to be based on local needs and must contribute to the Scottish Government Purpose and 15 national outcomes. By considerably streamlining reporting through a single annual report on progress towards the national outcomes (and the related indicators), and through a considerable reduction of the ring-fencing of resources for specific spending headings (from £2.7 billion in 2007-08 to £300 million in 2010-11) (Jones, 2008, p. 49), the Agreements are intended to allow local authorities to focus on achieving their priority outcomes, placing the responsibility on them for how the outcomes are achieved and allowing them greater flexibility in how to achieve them (Scottish Government and COSLA, 2007; Herbert, 2009).

accountability – notably, administrative and ministerial accountability – because the closer alignment of ministerial portfolios and administration results in more direct links between administrative activity and ministerial mandates (SCO11).

Having briefly reviewed the main changes in Scottish governance and policy-making in the first ten years of devolution, this thesis now turns to the specific analysis of the changes introduced in the governance and management of ECP (Section 14.4), set in the context of the historical evolution of Structural Funds support in Scotland (Section 14.3).

14.3 European cohesion policy support in Scotland

The following sections provide an analysis of the changes that have occurred in ECP design and implementation in the period after devolution. The text looks at how ERDF programmes were designed, managed and delivered in Scotland before 1999 and how this compares with the present arrangements, identifying the key changes and explaining why they have taken place (including whether and the extent to which they were determined by devolution).

The case study focuses on the implementation of ECP, and notably of ERDF, in Scotland in the 1994-99, 2000-06 and current (2007-13) programme periods. 1994-99 is the pre-devolution period,¹⁷⁹ at which time ECP in Scotland was operated through a well-established system overseen by the Scottish Office, but *de facto* largely devolved to regional institutions, the Programme Management Executives (PMEs). 2000-06 was the first post-devolution ECP programme period and is one of evolutionary change. Policy was administered in much the same way as before: the programmes – which had largely been written before the election of the Scottish Parliament or during the early days of the new, devolved institutions – were still

¹⁷⁹ The support from ECP has also included monies received from the European Social Fund (ESF) and the European Agriculture Guidance and Guarantee Fund, EAGGF (which, since 2007, is no longer part of ECP, and operates under the name of European Agricultural Fund for Rural Development, EAFRD). The current thesis focuses on the ERDF programmes.

managed by the partnership-based Programme Management Executives, as during the previous period; gradually, however, the Scottish Executive sought to take greater control of the policy processes. This has continued until the present period, when, having an array of own policies and more consolidated as an institution, the Scottish Executive/Government has driven the whole process of policy formulation and taken full control of programme management and delivery (a trend initiated by the Labour-Liberal Democrats Administrations but which has continued under the present SNP Administration, as will be seen).

Before entering into a detailed analysis of changes in the policy process across the three programme periods, it is necessary to provide some background on the history of ECP in Scotland, in order to fully appreciate the legacy of the pre-devolution experience of implementing Structural Funds. This legacy is particularly significant given the distinctiveness of the Scottish Structural Funds framework, which has become known across the EU as the ‘Scottish model’ (Colwell and McLaren, 1999; Scottish Executive, 2002).

As noted by an evaluation study commissioned by the Scottish Executive from the University of Strathclyde in 2000, ‘Scotland has some of the most extensive experience of EU regional development programmes in the European Community’ (Bachtler *et al.*, 2000, p. 13). It has been a significant recipient of ECP from its inception, having benefited from ERDF support since the creation of the fund in 1975. In the period 1975-84, Scotland was ERDF’s third biggest recipient, after the two Italian regions of Campania and Sicily, with circa 744 million ECU (1984 prices), equal to 6.4 percent of the total ERDF support during the period. At this time, ERDF support was largely project-based, i.e. channelled through domestic development programmes, projects and schemes. In Scotland, two-thirds of the support was concentrated in the Highlands and Islands, where it was spent mainly on infrastructure, and the remaining third was allocated to industrial development projects in the Strathclyde and Tayside areas (Bachtler with Josserand and Michie, 2002).

After the first ERDF reform in 1984, the reorganisation of part of the ERDF into mainstream programmes saw Scotland implement the newly created National

Programmes of Community Interest (NCPI) in the Strathclyde region (1986), Tayside (1986) and West Lothian (1987) (Bachtler with Josserand and Michie, 2002). It was only after the 1988 reform of the Structural Funds, however, that most of Scotland became eligible for support. The 1988 regulations introduced the principle of multi-annual programming and reorganised support into five strategic objectives. Scotland became eligible for two of the ERDF Objectives for the 1989-93 period – Objective 2 (conversion of regions seriously affected by industrial decline) and Objective 5b (development of rural areas) – with a related Structural Funds allocation of £658 million (base year not specified in original document). These resources were channelled through five multi-fund Community Support Frameworks (CSFs), four of which included ERDF: those for Western and Eastern Scotland in the central belt (Objective 2), and those for the Highlands and Islands and Galloway (Objective 5b) in the north and south respectively. In some cases, the CSFs comprised Operational Programmes (OPs), Integrated Development Operations (IDOs), National Programmes of Community Interest (NPCIs) and single projects (Bachtler with Josserand and Michie, 2002; Russell and McCready, 1996).

Moving on to the timeframe covered by the present research, in the 1994-99 period, for the first time the north of the country became eligible for Objective 1 (which targeted the development of regions with a GDP per capita lower than 75% of the EU average, as discussed in Chapter 3). This resulted in the Highlands & Islands Objective 1 1994-99 Programme. The remainder of the territory was for the most part covered by Objective 2 and Objective 5b programmes, notably the 1994-96 and 1997-99 Eastern Scotland Objective 2 Programmes,¹⁸⁰ the 1994-96 and 1997-99 Western Scotland Objective 2 Programmes, the 1994-99 Dumfries and Galloway Objective 5b Programme, the 1994-99 Borders Objective 5b Programme, the Rural Stirling and Upland Tayside 1994-99 Objective 5b Programme, and the north and West Grampian 1994-99 Objective 5b Programme. Altogether, these programmes

¹⁸⁰ The Objective 2 programmes were reviewed at half-term in the programme period.

accounted for some £1,064.6 million of Structural Funds support (Bachtler with Josserand and Michie, 2002).

In 2000, the Highlands & Islands lost its Objective 1 status and became eligible for a Special Transitional Programme. At the same time, a rationalisation of the remaining programmes took place, which consolidated them into three Objective 2 Single Programming Documents for Western Scotland, Eastern Scotland and the South (the latter programme basically resulting from the consolidation of the former Dumfries and Galloway, and Borders programmes). The overall Structural Funds allocation of Scottish ERDF programmes in the 2000-06 period was significantly reduced compared to the previous programme period, both in absolute terms and as a proportion of the UK ERDF allocations (10.8 percent compared to circa 20 percent in the period 1975-1999) (Bachtler with Josserand and Michie, 2002). With £721 million, Scottish ERDF mainstream programmes were cut by about a third overall.

The downward expenditure trend has intensified in the current period, 2007-13, with a cut of over 40 percent in ERDF allocations (politically, a very controversial issue at the time).¹⁸¹ One significant difference in the new Structural Funds regulatory framework for this period, moreover, has been the abolition of territorially selective eligibility outwith Objective 1 (now renamed Convergence Objective) with the creation of an all-inclusive Regional Competitiveness and Employment Objective. The whole of Scotland, with the exception of the Highlands and Islands, which maintains Convergence phasing-out status (due to statistical effect), is now eligible under this Objective. This essentially entails the thinner spread of resources to a potentially larger territory, and it devolves the responsibility for spatial selectiveness to programme authorities, first and foremost the Scottish Government in its role as Managing Authority.

¹⁸¹ Dinwoodie, R. (2004, June 18), Holyrood anger at London snub over EU funds; MSPs urge action as invitations declined. *The Herald*, p. 9; Scotland and EU funding negotiations. (2005, February 21), *The Herald*, p. 13; Fraser, D. (2005, December 5), Blair's EU budget: we lose GBP500m; Regeneration threatened as funding set to be cut in half. *The Herald*, p. 1; Fraser D. (2005, December 20), Conflict as Stephen praises the final outcome. *The Herald*, p. 10.

It should be mentioned that, from 1989 until 2006, the above-listed programmes were complemented by a number of so-called Community Initiatives. However, compared to the mainstream programmes, they were limited financially (in 2000-06, for example, they accounted for c. 6.2 percent of the total Structural Funds allocation to Scotland).¹⁸² In addition, Scotland was eligible for programmes funded by the European Social Fund (which account for about £268.3 million in the current period, for instance). The present case study focuses solely on the programmes financed by the ERDF, notably the multi-fund Objectives 1, 2 and 5b programmes that have been in operation from 1994 until 2006,¹⁸³ and the current, mono-fund ERDF programmes for Lowlands and Uplands Scotland and for the Highlands and Islands.

Table 16 below provides the Structural Funds allocations of these programmes across the three programme periods, expressed in millions of pounds. As can be seen, over the 1994-2006 period, the West of Scotland received the lion's share with about 44 percent of the Scottish total (or, if considering the whole period from 1975 and the total Structural Funds allocation, about 38 percent) (Campbell and McSorley, 2008).

Table 16: Structural Funds programme expenditure 1994-2013 (£ million) - ERDF programmes only

Programme period	H&I (2001-2002)	H&I (2007 prices)	West (2001-2002)	West (2007 prices)	East (2001-2002)	East (2007 prices)	South (2001-2002)	South (2007 prices)	Total (2007 prices)	% Variation on previous period (2007 prices)
1994-99	297	351	529	625	268.6	317	78	92	1,385	0
2000-06	219	259	303	358	152	180	47	56	852	-38.5
2007-13	102				313				415	-51.3
Total (2007 prices)		711			1,940				2,651	

¹⁸² Own calculation based on figures in Scottish Parliament, 2001, p. 4.

¹⁸³ They are as follows. In the Highlands and Islands, the 1994-99 Objective 1 Programme and 2000-06 Objective 1 Transitional Programme; in the West of Scotland, the Western Scotland 1994-96 and 1997-99 Objective 2 programmes, and the West of Scotland 2000-06 programme; in the East of Scotland, the 1994-99 Rural NW Grampian Objective 5b Programme, the 1994-99 Rural Stirling and Upland Tayside Objective 5b programme and the Eastern Scotland 1994-96 and 1997-99 Eastern Scotland Objective 2 programmes, and the 2000-06 East of Scotland Objective 2 programme; and lastly, in the South of Scotland, the 1994-99 Dumfries and Galloway Objective 5b programme, the 1994-99 Borders Objective 5b programme and the 2000-06 South of Scotland Objective 2 programme.

Sources: Figures for the period 1994-2006 refer to the ERDF-inclusive mainstream Structural Funds programmes only and represent the total Structural Funds contribution at 2001-02 prices. Data for this period is drawn from Bachtler with Josserand and Michie, 2002. Figures for 2007-13 relate to the two ERDF Operational Programmes of the Highlands and Islands, and Lowlands and Uplands, and represent the ERDF contribution. They are the nominal allocations foreseen by the programme documents, i.e. planned expenditure rather than actual expenditure.¹⁸⁴ 1994-1999 and 2000-2006 programmes' data have been converted in 2007 prices using HM Treasury deflators: 81.062 for 2001-2002 and 95.735 for 2007 (http://www.hm-treasury.gov.uk/data_gdp_index.htm, downloaded January 2011).

Pre-devolution, and since the first generation of mainstream Structural Funds programmes for the period 1989-93, the management and implementation of ERDF-funded programmes were carried out under the oversight of the Scottish Office, which had a role comparable to that of today's Managing Authority,¹⁸⁵ but essentially decentralised to territorial institutions: the Programme Management Executives (PMEs). They were part of the Regional Councils until 1996 and then re-organised as *ad hoc* limited companies (except for the South of Scotland PME, which remained part of Dumfries and Galloway Council) (Russell, 1995; Michie and Bachtler, 1996; Danson *et al.*, 1997; Colwell and McLaren, 1999; Bachtler *et al.*, 2000; Scottish Parliament, 2001; Davies *et al.*, 2007; interviews).

The main institutions involved in the implementation of ECP (ERDF) at this stage were therefore:

- the Department of Trade and Industry (DTI), responsible for regional policy across the UK, including area designation and liaison with the European Commission on this and other broad ECP issues (policy reform and objectives);

¹⁸⁴ Since they are expressed in €, they have been converted into £ sterling with the exchange rate £1 = €1.20 conventionally adopted by the Scottish Government. Such amounts may therefore be subject to exchange rate fluctuation, given that expenditure claims sent by Member States to the Commission are paid in € based on the exchange rate at the date payment is made to a project. <http://www.scotland.gov.uk/Topics/Education/skills-strategy/progress/sg/economicimprovement/EuropeanStructuralFunds>.

¹⁸⁵ The instrument of the Managing Authority was only introduced in the 1999 regulations, Council Regulation (EC) No. 1260/1999, Art. 9 (n). For the current period, the tasks of the Managing Authority are defined in Art. 60 of the general regulation, Council Regulation (EC) No. 1083/2006.

- the Scottish Office, with responsibility for the correct implementation of programmes and for receiving Structural Funds monies from the Treasury, before disbursing it to projects. It chaired the programmes' Monitoring Committees, overseeing the strategic implementation of programmes; and
- the Programme Management Executives (PMEs), which were in charge of the administration of programmes, dealing with all aspects of programme delivery.

Some discussion of the Scottish Office is necessary to provide some context for the analysis of the changes after devolution that follows this section. The Scottish Office was a decentralised administration in charge of Scottish affairs, which had been established as far back as 1885 when the UK government initiated a process of organisation 'of the services of the central departments of state as they applied to Scotland from a new central department' (Bradbury, 2008, p. 5). It was run under the responsibility of a Cabinet Minister – the Secretary of State for Scotland (conventionally a Scottish politician and, since 1945, a Scottish MP) (Mitchell, 2009) – supported by 5 thematic Ministers. It had offices both in London and Edinburgh and became the fulcrum of policy debates in Scotland, becoming 'a powerful administrative apparatus that had a degree of decision-making and administrative autonomy' in a number of policy fields that correspond broadly to today's devolved competencies (McGarvey, 2008, p. 26).

Three key considerations should be made regarding the Scottish Office's role in ECP. First, the Scottish Office enjoyed a considerable degree of autonomy in its spheres of competence (which is usually referred to as 'executive devolution' or 'administrative devolution', e.g. Keating, 1976; Brown Archie, 1998; Mitchell, 2009). This was also true with respect to ECP (Danson *et al.*, 1997) where, as observed by one of the interviewees, policy management

was devolved from London to the Scottish Office: maybe there was a feeling that Scotland could get on with this and do something quite different if they wanted without it concerning people in London too much. In a sense, it was almost a sense of 'internal devolution' where government was saying 'this is not right for us to be managing this from London, or from the London-based departments, so let's do it in Scotland' (SCO10).

Second, the Scottish Office took a rather arms-length approach to Structural Funds management and implementation, allowing the PMEs considerable room for manoeuvre. In other words, the choice of ‘getting the partnership at a regional level to do the programme management’, clearly influenced by the existence of powerful regional authorities (Danson *et al.*, 1997) and by the Commission’s endorsement of the principle of subsidiarity, had the backing of the Scottish Office (SCO10), as did the later decision to maintain the PMEs after the abolition of the regional Councils. In a sense, therefore, the Scottish Office passed downstream the autonomy that it enjoyed from London.

Lastly, the administrative staff of the Scottish Office, which was part of the UK home civil service, has not changed post-devolution: the newly-formed Scottish Executive inherited the Scottish Office civil servants, who retained their pre-devolution status (Parry, 2004; McGarvey, 2008). As discussed in the analysis that follows, this has guaranteed continuity with the practice of straightforward and ongoing dialogue and cooperation with the London-based departments. Also post-devolution, in other words, the civil service has continued to be the ‘glue’ and ‘oil’ of UK interdepartmental relations (Parry, 2004).¹⁸⁶ This point is well illustrated by the following observation by a senior Scottish Government official, according to whom:

As far as Structural Funds are concerned, the UK government is responsible for negotiations with the Commission; the Scottish Government now, Scottish Executive as it was, is responsible for economic development, and the Structural Funds/ECP fall within that. Potentially there is room for conflict there, but in practice it’s worked very well, I think, and as individuals we get on very well with our counterparts in Whitehall, there are no tensions there. That’s not to say there won’t be in the future, but for the time being at least, at the official level, the relationship’s very good (SCO4).

Turning now to the implementation responsibilities and delivery structures in force until 2006, as noted, the PMEs were in charge of the ‘day-to-day implementation of

¹⁸⁶ At the same time, Parry notes that in some respects the devolved administrations have taken independent directions, for example with regard to fast-stream recruitment and training, ‘not prevented from doing so, by their formal status’. This flexibility in the interpretation of a common civil service has also been at the basis of ‘the failure of common civil service to take off as an issue, suggesting a pragmatic and “sociological” approach to relations between officials’ (Parry, 2004, pp. 59-60).

the programmes' (Scottish Parliament, 2001, p. 5). In this respect, the Scottish approach differed markedly from that of a large number of other European countries, where the management of programmes was generally located within the ordinary public administration at either national or regional levels and where partners, mostly socio-economic partners, were generally involved in programme processes solely or predominantly in the phases of programme design and monitoring, respectively through consultations on programme strategies/drafts and through participation in the programmes' Monitoring Committees (for a comparative review of practice across the EU from 2000 to date, see Ferry *et al.*, 2007 and Taylor *et al.*, 2000).

In 2000-06, there were four PME's dealing with ERDF in Scotland: Strathclyde European Partnership (SEP) for Western Scotland; the Eastern Scotland European Partnership (ESEP); the South of Scotland European Partnership (SoSEP);¹⁸⁷ and the Highlands and Islands Partnership Programme (HIPP). A further PME was responsible during the 2000-06 period for the Scotland-wide Objective 3 programme, co-funded by the European Social Fund (the Objective 3 Partnership Programme PME).¹⁸⁸

¹⁸⁷ Resulting from the merger of two PME's that had been in place during the 1994-99 period, the PME for Dumfries and Galloway and the PME for the Scottish Borders.

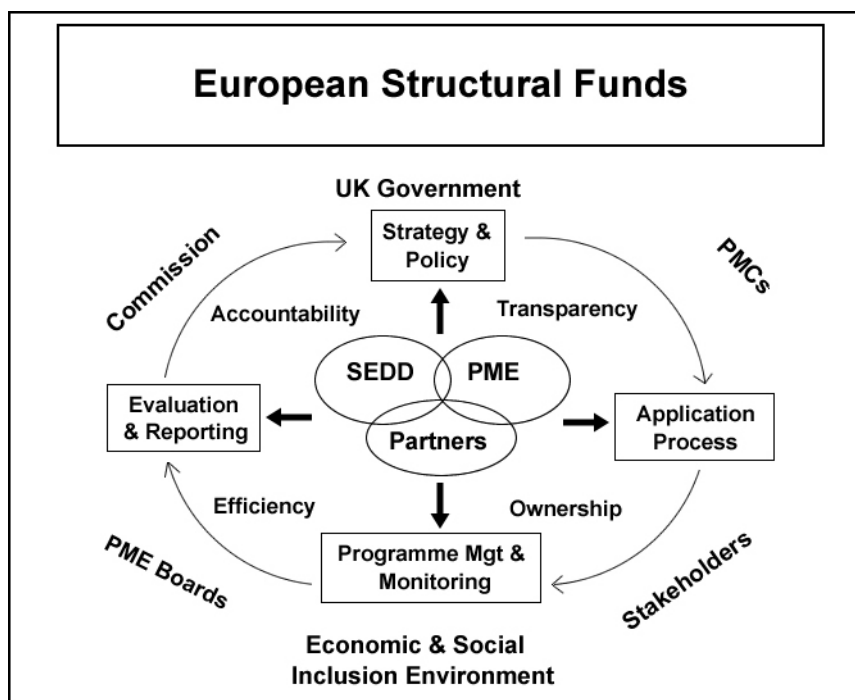
¹⁸⁸ ESF is beyond the scope of this thesis, which focuses exclusively on the ERDF. Nevertheless, it should be mentioned that until 1999 the ESF Objective 3 programme was a UK-wide programme managed by the UK Department for Education and Employment. This programme was subsequently devolved to the Scottish Authorities. An *ad hoc* PME, the above-mentioned Objective 3 Partnership Programme PME, was set up 'in August 1998, to support the Scottish Office in the practical implementation of the O3 programme in Scotland. Its function was to carry out the day to day administration', i.e. the scoring and appraisal of the projects, the organisation of seminars and other animation initiatives. The payments were made for this and other programmes by the Scottish Office. 'There was no particular reason for the date of creation of this structure, it was created just to help the Scottish Office'. In 2000, when Scotland was assigned a Scotland-wide Operational Programme, part of a UK-wide CSF, the Scottish Executive acquired the role of Managing Authority and the Objective 3 PME absorbed all management and delivery functions except for payments: 'payment will still be dealt with at the Scottish Executive level (Managing Authority), every other aspect of the programme will be dealt with by the PME' (Interview with J. Ezzi and S. Herbert, 16 May 2000; this interview was carried out by Laura Polverari and Sandra Taylor as part of a study for the Scottish Executive on evaluation practice and tools). Of these PME's, only ESEP, HIPP and SOSEP are still in place: the first two as Intermediate Administration Bodies in charge of the delivery of the Lowlands and Uplands Scotland and Highlands and Islands programmes respectively, and the latter as 'Global Grants Body', charged with the management and implementation of a ring-fenced amount of resources for the South of Scotland until the end of 2011.

As already mentioned, after the reform of local government that led to the abolition of the Regional Councils in 1996, these bodies were mostly reorganised as private companies and funded by the Technical Assistance of the programmes and through a management fee levied from the partners, interpreted as ‘any organisation that is eligible and successfully applies for structural funds’ (Danson *et al.*, 1997, p. 9). This particular funding method made the PME’s accountable not just to the Scottish Office (which held the overall responsibility over ECP in Scotland) and the European Commission (responsible for the correct execution of the Community budget, of which ECP is one pillar), but also to the local partners.¹⁸⁹ This tripartite accountability, however, was only asymmetrically mirrored in the management structure of the PME’s and in the way programme delivery was organised. In these aspects, the PME’s (notably their chairs, boards and senior management) played a most prominent role, an assessment that appears somewhat in contrast with the diagram below, reproduced from the process mapping carried out in 2000 as part as the PME review launched by Jack McConnell, then Finance Minister, in 1999 (Scottish Executive, 2000b).¹⁹⁰

¹⁸⁹ The management fee was ‘notionally based on a percentage of the total Structural Funds approved for each applicant (though not paid for by the applicant from the Structural Funds)’ (Colwell and McLaren, 1999, p. 24). The total funding of each PME was thus based on a mix of Technical Assistance and management fee. The first of the PME’s, Strathclyde European Partnership, was initially funded solely from the budget of the Strathclyde Regional Council, however ‘[i]n 1993, the need to expand the staffing numbers to cope with increased demand meant that a more equitable funding system was introduced. This attracted technical assistance from the 1994-96 Programme for 50% of the costs of the Executive and partners contributed the other 50% through a management charge based on the total grant approvals. This charge was 0.4%’ (Russell and McCreadie, 1996, p. 6). As will be discussed in detail in the next section (Section 14.4), problems emerged during 2000-06 over the eligibility of this funding mechanism, as the European Court of Auditors raised objections over the nature of this fee, viewed as a tax levied on projects’ grants. For this reason, the fee was transformed during 2000-06 into a voluntary contribution. Nevertheless, eligibility concerns persisted, leading the Scottish Government to adopt a wholly different financial arrangement for the PME’s for the current period.

¹⁹⁰ And where, quite interestingly, the European Commission is represented as external to the processes of programme management. In fact, this was inaccurate, because the Commission was an effective member of the Programme Monitoring Committees. The process mapping exercise was one of three strands of the Review of the PME’s launched by Jack McConnell in October 1999. This also comprised the work of some thematic working groups (e.g. on monitoring and reporting, financial accountability and business planning) and a consultation programme with partners and stakeholders. It was carried out by a dedicated team that included a representative from each of COSLA, the Scottish Executive, ESEP, the Objective 3 Partnership,

Figure 9: Overview of the Structural Funds process in 2000



Source: Scottish Executive, 2000b, p. 8. SEDG stands for Scottish Executive Development Department, which at the time was responsible for ECP.

The PMEs were managed by Boards that comprised a limited number of members, consisting of elected and co-opted representatives of the partnership (e.g. local authorities, LECs, higher and further education institutions). The Boards had responsibility ‘for the service quality, funding and personnel issues of the Programme Executives’ (Colwell and McLaren, 1999, p. 24). According to Colwell and McLaren, this arrangement made ‘this aspect of the administration of the Structural Funds more accountable, open to scrutiny, and relevant to the partnership’. However, no representatives from the Scottish Office, initially, or the Scottish Executive, latterly, were included on the PME boards, where Scottish Office/Executive officials could only participate in an observer capacity. Whilst this was not controversial pre-devolution, it became contentious after devolution, particularly halfway into the 2000-06 programme period, when the consolidation of a

and Scottish Enterprise, and two members of staff of Englinton Management Centre (the consultancy charged with assisting the team) (Scottish Executive, 2000b, pp. 3-4).

Scottish political leadership, now endowed with governmental powers, was matched with an awareness that ECP funding was likely to be reduced in future, generating doubts about the opportunity-cost of the PME model (an issue discussed in more detail in the next section).

The PMEs also had a considerable degree of autonomy in the delivery of the tasks assigned to them. In Scotland, the Programme Monitoring Committees (PMCs), required by the Structural Funds regulations, were supplemented in each programme by a Programme Management Committee and a number of Advisory Groups with a direct role in project appraisal (Russell, 1995; Colwell and McLaren, 1999). The PMEs coordinated and assisted the works of these bodies. The Advisory Groups (AGs), generally one for each programme priority, were composed of a limited number of programme partners, 'selected for their expertise of the issues involved as well as being representatives' (Russell, 1995, p. 8). They included representatives of the local authorities, higher education institutions, development agencies (Scottish Enterprise, HIE, Local Enterprise Companies), voluntary sector organisations, and they fulfilled the tasks of project appraisal, which they carried out based on transparent and clearly defined criteria (specified in the programme documents), guidelines and scoring systems. Operating collegially and chaired by the PMEs, they were responsible for the formulation of recommendations to the Programme Management Committees (and from this to the Programme Monitoring Committee). Colwell and McLaren define them as 'the engine room of the process in Scotland' (1999, p. 23). Members of the Advisory Groups were generally proposed by the partners' organisations and appointed by the Scottish Office/Executive, after having been selected by the PMEs. Procedures for selecting partners (organisations and individuals) could vary and were kept informal. As the partnerships were often large, in some cases very large (e.g. the Western Scotland programme counted more than 200 partners in the 2000-06 period), not all partner organisations could participate in these bodies, although the PMEs endeavoured to ensure a certain turnover, by

periodically changing part of the membership of each Advisory Group (in order to also achieve a workable balance between change and continuity).¹⁹¹

The Programme Management Committees (PManC), on the other hand, were the main decision-making bodies in project appraisal. There was one PManC for each programme. Chaired by a representative of the Scottish Office/Executive and supported in their operation by the PMEs, they were responsible for discussing and validating the recommendations of Advisory Groups, and then forwarding such recommendations to the Programme Monitoring Committees (also chaired by the Scottish Office until 1999 and subsequently by the Scottish Executive/Government). Even though the PManC and the PMC were both chaired by the Scottish Office/Executive, it would have been extremely unusual for either of these bodies to recommend/decide against the advice provided by the Advisory Groups, as is illustrated by the following interview quote:

The partnership was built and developed as an organisation that would both be involved in programme management and in decisions, recommendations on the projects. Government at the end of the day still took the final decision, but they never, in all the time I was involved, turned down a recommendation from the partnership, which I think was quite important, because ... this wasn't a way getting round of government [...but a way of] trying to put subsidiarity into practice, trying to find a devolved way of taking decisions (SCO10).

In essence, up until 2006 the PMEs 'operated as independent units' (EPRC, 2009, p. 3; also Danson *et al.*, 1997) or 'quasi-autonomous agencies' (Davies *et al.*, 2007) in acting as the technical secretariat for the programmes. They were in charge of all

¹⁹¹ As described by a PME Chair: 'we did it [the selection of members for the AGs] in different ways. We had a list of all the partners and the people who had expressed an interest in the Structural Funds and we wrote to them and we'd get nominations from people, for organisations and individuals. For some of the committees, we'd agree with the monitoring committee, for example we'd get a certain number from local government, a certain number from further education, a certain number from the third sector. So, we'd agree that kind of structure and some of those sectoral representatives had a mechanism to appoint their own people, so it was up to the partners themselves. So the local government organisation – there was a West of Scotland Local Authority Consortium – they would pick their representatives to the different advisory groups, further education did the same; others would come direct because there wasn't a representative body. We also agreed that we'd have a certain change-over every three years – there had to be a bit of continuity, but we always had up to 50% new members. So it evolved in quite a sensible way of doing this, based on experience early on where there was no point changing the membership every time, every year or something, because there had to be some [institutional memory]. But you did want fresh thinking' (SCO10).

aspects of programme management and delivery, with responsibility over tasks such as:

- coordination of the inputs to and preparation of all the documentation relating to the programmes (e.g. programme documents, annual implementation reports, materials for Monitoring Committee meetings);
- processing project applications and supporting the operation of Advisory Groups and Programme Management Groups;
- monitoring projects and programmes;
- undertaking communication and promotion activities;
- the fulfilment of regulatory obligations with respect to evaluation activities; and
- issuing grant offers and receiving and processing payment claims from project holders.

The above-described comprise the main elements of the ‘Scottish model’ to ECP implementation (Colwell and McLaren, 1999; Scottish Executive, 2002), which was acknowledged as a good practice example by the European Commission on several occasions (Davies *et al.*, 2007; see for example DG Regio, 2005), particularly for its capacity to engage local partners in programme delivery, beyond the compulsory (and often all too formal) Monitoring Committee (Polverari and Michie, 2009); however, it is currently viewed as ‘of its time’ (SCO12), surpassed by the new, devolved arrangements.

Behind this type of comparatively unusual institutional set-up, there were of course political reasons. When the first of the PMEs, Strathclyde European Partnership, was established as a company limited by guarantee in 1996, this was very much a political response by the Scottish Labour Party to the administrative reform introduced by the Conservative Government, which had entailed the abolition of the (Labour-run) Scottish regions, first and foremost the Strathclyde Region, which had

managed the Strathclyde IDO in 1988-92, a one-year development programme in 1993, the 1994-96 Objective 2 programme and a number of Community Initiatives (Rechar, Urban and Resider) (Russell and McCreadie, 1996). The idea to continue administering ECP support through a PME acting at arm's length from the Scottish Office, and to fund this with a combination of Technical Assistance and contributions from the local partners, was cultivated among prominent members of the Scottish Labour Party mainly to ensure that the increasing flows of Structural Funds monies would not be controlled by the Conservative Ministers in charge of the Scottish Office. This idea, whilst born within Scotland, found fertile ground in Brussels in DG XVI (the current DG Regio), where the UK Unit was led by a prominent British national of Labour orientation. At the same time, this plan was not significantly opposed either by the Conservative London-based politicians, who had little interest in Scottish affairs, or by the Scottish Office administration, which had few levers to challenge the emerging Brussels/Glasgow axis (and perhaps not much motivation to do so either, given the lack of political backing).¹⁹² However, this political situation would change substantially after devolution, leading to the changes discussed in the next section.

14.4 Changes in the management and implementation of European cohesion policy

A fundamental aspect that needs to be borne in mind when assessing the accountability framework of the design, management and implementation of ECP in any given European country is the fact that this policy is largely determined and constrained by European rules. As discussed in Chapter 3, European regulations have since 1988 tightly determined the modalities and procedures for implementing ECP, rendering the relationship and the relative responsibilities between the domestic and

¹⁹² And in fact, a 1996 paper co-authored by the then Chair of Strathclyde European Partnership emphasised that 'the company was formed with the full agreement of The Scottish Office and European Commission in March 1996 to continue the management service for the Structural Funds in the region' (Russell and McCreadie, 1996, p. 7).

European levels of government explicit and relatively clear-cut.¹⁹³ ECP has therefore operated along a vertical line of accountability, one that goes upwards to the European level and downward from the domestic authorities responsible for the implementation of programmes to the implementing bodies, local partners, stakeholders and the public.

When looking at the way ECP has been implemented in Scotland over the period observed, one issue that clearly stands out is that the downward line of accountability – from the Managing Authority to the local stakeholders – has changed over time. By contrast, the relationship between domestic authorities and the European level has largely remained unaltered, as the responsibility for policy delivery *vis-à-vis* the European Commission has remained at the Scottish level, under the Scottish Office/Executive/Government. As pointed out by a Scottish Government interviewee:

There are three types of accountability in the regulations, in relation to the roles of: (i) Managing Authority; (ii) what used to be the Certifying Authority, now called Paying Authority; and (iii) the Audit Authority: those responsibilities haven't changed as a result of devolution or across into the new programme period. Our Division [the Structural Funds Division] within the Scottish Government is still the Managing Authority, we still have the Certifying Authority in our division and the Audit Authority is still lodged within the Government, but in a different unit. The fundamentals of accountability haven't changed as far as the Commission is concerned: if you ask the Commission who is accountable in Scotland to the Commission, they haven't seen a change. Where accountability has changed is how we carry out those functions as Managing Authority (SCO2). [emphasis added]

Indeed, what has changed remarkably from 1994 to date, and especially in the transition from the past (2000-06) to the current (2007-13) programme period, are the Scottish national-level responsibility allocations and the interactions between Managing Authority, programme implementers, and the local partners and stakeholders. These changes can be classified in two types: first, 'systemic changes'

¹⁹³ Relatively clear-cut, in the sense that the norms contained in the regulations have generally left room for interpretation. For instance, Managing Authorities often complain about the role of the European

(which include even attitudinal changes, to an extent), that is, changes that have taken place in the framework of ECP arrangements in line with the broader evolution of Scottish governance; and, second, ‘operational changes’, i.e. changes specifically relating to the organisation, management and delivery of Structural Funds support in Scotland (notably with respect to the processes of the policy cycle outlined in Section 7.2). They are discussed in the following two sub-sections.

14.4.1 Systemic changes

A number of systemic or general changes have been detected in the period from 1994 to the present, which relate to the overall framework of ECP implementation in Scotland. These are: first of all, an increased parliamentary scrutiny; second, the new emphasis placed by Scottish Executive/Government Ministers and officials on controlling the programming process; third, an increased ministerial interest in ECP, matured progressively from the first Scottish Executive onwards and augmented during the present Administration; fourth, the rationalisation of the number of programmes in the 2007-13 period; and, lastly, and again in the current period, the subsuming of ECP programmes under domestic policy.

14.4.1.1 Increased parliamentary scrutiny

The system of committees and commissions established by the Scottish Parliament, as discussed in Chapter 11 has had a considerable impact on the legislature’s scrutiny of the Government’s activity on ECP. The European and External Relations Committee (EERC) in particular – which is one of the mandatory committees established at the beginning of each Parliamentary session and has a remit over European legislation and its implementation, and any other EU-related matter – has carried out a number of inquiries on the Structural Funds since the very early days of the Parliament’s operation: from the 1999 inquiry on the preparations of the 2000-06

Commission in the PMCs, where the consultative role assigned to the Commission representatives is often extensively interpreted by Commission officials.

programmes and their delivery arrangements, to the recent inquiry on ‘The impact of the financial crisis on EU support for economic development’ (see Table 17, to follow, for a full account of ECP-specific inquiries and activities).¹⁹⁴ Inquiries are launched when MSPs feel that an issue requires closer inspection, including when they are encouraged to do so by Scottish stakeholders (as was the case for the 2005/06 inquiry on Scottish Structural Funds programmes’ delivery arrangements). In addition to the formal inquiries, the EERC has also routinely monitored programme document drafts and other programme documentation, and it has called officials and Ministers to give account on specific matters whenever it was felt appropriate (SCO5).

The work of the Committees fulfils accountability on a plurality of levels, primarily because:

- through the inquiries or targeted audits, the Committees call Scottish Ministers and officials to give account;
- the inquiries involve a plurality of actors with stakes and expertise on the subject matter discussed, through the provision of oral or written evidence to the Committee,¹⁹⁵ allowing the Committee ‘to receive views from stakeholders and to put those views to the government’ (SCO5);
- all Committee proceedings – such as meeting minutes, inquiry reports, oral and written evidence submitted – are made available to the public via the Parliament’s website. A number of Committees’ meetings are now also available on streaming via the Parliament’s television channel; and

¹⁹⁴ In addition to the inquiries tracked in the table, the following two inquiries should be mentioned because they are also relevant for ECP: the inquiry into the EU budget review of 2007/09 and a recently launched inquiry on the EU2020 Strategy.

¹⁹⁵ Where those who are called to submit oral evidence are carefully selected to limit the number of hearings and at the same time represent the widest possible spectrum of views and interests, whilst written evidence is often sought through open calls for evidence (Scottish Parliament, 2008).

- the Scottish Government has the obligation to react to and follow up recommendations in Committee reports, and the Scottish Parliament has the power to ensure that any requested action is implemented.

Table 17 Scottish Parliament Inquiries, ongoing reviews, reports and papers on ECP 1999-2009

Inquiries & reports	Date	Oral and written evidence
Inquiry into the financial crisis and the European Union response	2009	<p>Oral evidence: Gordon McLaren, Chief Executive of ESEP; Lorna Gregson-MacLeod, H&I Structural Funds Partnership Ltd; Donald MacInnes, Scotland Europa/Scottish Enterprise; Alex Paterson, HIE; Garry Clark, Scottish Chambers of Commerce; Stephen Boyd, Scottish Trades Union Congress; John Swinney MSP, Cabinet Secretary for Finance and Sustainable Growth; John Rigg, Head of European Structural Funds Division, Scottish Government; Jim Millard, European Structural Funds Division (Team Leader for H&I Transitional and Cross-Border Team), Scottish Government.</p> <p>Committee Report produced 10 June 2009: ‘The impact of the financial crisis on EU support for economic development’, 1st Report, 2009 (Session 3).</p>
Inquiry into the Scottish Executive’s plans for future Structural Funds programmes 2007-13 and the UK Government’s National Strategic Reference Framework	2006/07	<p>Oral evidence: Jeremy Wyatt, Managing Director, Hall Aitken; Donald MacKinnon, Director of SoSEP; Laurie Russell, Chief Executive of SEP; Gordon McLaren, Chief Executive of ESEP; Dennis Malone, Chief Executive of HIPP; Christine Mulligan, Chief Executive of Objective 3 Partnership; John Ferguson, Director of development programmes for the Scottish Council for Voluntary Organisations; Councillor Corrie McChord, Vice-President of COSLA and leader of Stirling Council; Councillor Alison Magee, Convener of Highland Council; James Fowlie, COSLA environment and regeneration team leader; Donald MacInnes, Chief Executive, Scotland Europa; Alan Wilson, Chief Executive, Scottish Council for Development and Industry; Allan Wilson, Deputy Minister for Enterprise and Lifelong Learning; Phillip Raines, Team Leader (Cohesion, Co-ordination, Monitoring and Evaluation), European Structural Funds Division, Scottish Executive; Graeme Dickson, Head of Enterprise and Industrial Affairs Group, Scottish Executive.</p> <p>Written evidence: Aberdeen City and Shire Economic Forum: Bridges Programmes; City of Edinburgh Council; Convention of Scottish Local Authorities; East Ayrshire Council; East of Scotland European Consortium; Equal Opportunities Commission; European Regional Policy Group; Fife Council; Glasgow City Council; Highlands and Islands Enterprise; Highlands and Islands Partnership Programme; Intowork; North Ayrshire Council; North Lanarkshire Council; Scottish Council for Development and Industry; ESF Objective 3 Partnership Scotland; Scottish Executive; Strathclyde European Partnership; Scottish Environment Protection Agency; South Lanarkshire Council; South of Scotland Alliance; South of Scotland European Partnership; The Action Group; The Highland Council; The Prince’s Trust Scotland; The Wise Group; West Dunbartonshire Council; West of Scotland Colleges Partnership; West of Scotland European Consortium.</p> <p>Committee Report produced 27 June 2006: ‘Report on an inquiry into the Scottish Executive’s plans for future structural funds programmes 2007-13’, 4th Report, 2006.</p> <p>Consideration of the Scottish Executive's response to the committee's report on 5 September 2006.</p>
Implementation of Structural Funds in Scotland	2005	<p>Oral evidence provided by the Scottish Executive in the light of the agreement just reached on the 2007-13 Financial perspectives: Allan Wilson (Minister); Diane McLafferty and Phillip Raines, Structural Funds Division (Scottish Executive, Enterprise, Transport and Lifelong Learning Department).</p>

Inquiries & reports	Date	Oral and written evidence
Inquiry into Repatriation of European regional development funds and the UK Government's proposals – an Inquiry into the impact in Scotland	2003/04	Oral evidence from: Frank Gaskell, HIE; Calum Macleod, SEPA; Roland Diggins, Scottish Council for Development and Industry; Richard Robinson, Scottish Natural Heritage; Abigail Howard, The Wise Group; Professor John Bachtler, EPRC, University of Strathclyde; Bob Leitch and Karen Stirling, Scottish Chambers of Commerce; Rt. Hon Jim Wallace QC MSP, Deputy First Minister and Minister Lifelong Learning; Diane McLafferty and Lynn Henni, European Structural Funds Division, Scottish Executive; Graham Meadows, acting Director General of DG Regio, European Commission; Manfred Beschel, Head of UK Unit, DG Regio; Videoconference with the Finnish Parliament's Grand Committee on the EU (12 November 2003). Written evidence from: Clackmannanshire Council; Convention of Scottish Local Authorities (CoSLA); East Lothian Council; Edinburgh Council; East of Scotland European Consortium; Falkirk Council; Fife Council; Glasgow Council; Professor Michael Keating; North Ayrshire Council; Scottish Council for Development and Industry (SCDI); Scottish Natural Heritage; Shetland Islands Council; South of Scotland Alliance; West of Scotland Colleges' Partnership; West of Scotland European Consortium. Report produced 17 June 2004: 'The repatriation of European regional development funding and the UK Government's proposals: an Inquiry into the impact in Scotland', 2nd Report 2004, 2 volumes. Consideration of Scottish Executive's Response to the Committee's Report on the UK Government's proposals on the repatriation of European regional development funding on 28 September 2004.
Briefing Paper	2003	Briefing Paper on the 'Future of Regional Development and European Structural Funds'; EU/S2/03/2/2.
Briefing Paper	2003	Briefing Paper on 'Proposals for an ongoing review of the debate on the development of a new framework for regional development and the future of European structural funds', EU/S2/03/3/3.
SPIC Briefing Paper	2003	'Reform of the European Structural Funds' SPIC Briefing, Stephen Herbert and Aileen McLeod, 14 August 2003, 03/62.
Inquiry into Structural Funds post-2006	2002	'Report on the Inquiry into the Future of ECP and Structural Funds post-2006', 2002, 3rd Report.
Reporter's Report	2002	'Report on the enlargement of the European Union and the challenges and opportunities facing Scotland' (Ben Wallace MSP), 2002, 1st Report.
Report	2001	'Report on the Governance of the European Union and the Future of Europe: What Role for Scotland?' 2001, 9th Report.
Report	2001	'Initial report on the application and project appraisal process for European Structural Funds' (1st round of the 2000-2006 period), 2001, 1st Report.
Report	2000	'Report of the Inquiry into European Structural Funds and their implementation in Scotland', 2000, 6th Report.
Report	2000	'Objective 2 plans', 2000, 3rd Report.
Report	2000	'European Structural Fund Programme Management Executives and their relationship with the Scottish Executive', 2000, 2nd Report.
Report	1999	'The Objective 3 Operational Plan', 1999, 3rd Report.

Source: own elaboration from meeting papers and official reports of the Scottish Parliament European and External Relations Committee 1999-2009, available from Scottish Parliament's website. <http://www.scottish.parliament.uk/s3/committees/europe/index.htm>

With respect to ECP, the activities of the EERC have filled a gap in previous arrangements where there was one responsible Minister above the PMEs and Monitoring Committees but no wider accountability to the public. As observed by one interviewee,

You had no overall accountability. ... One Minister and a lot of civil servants is a completely different accountability as opposed to the very public situation that we now have, where people are called in the Committee and asked how things are operating. It's much more transparent and much more public, and there's more accountability in the system (SCO5).

A key improvement of the new arrangement in this respect is the fact that, whilst local politicians and interest groups could gain access to the responsible Minister under the previous arrangements, this occurred through private meetings that did not allow an overall picture, e.g. of other interest groups' positions.¹⁹⁶

One element noted during field research as potentially limiting the effectiveness of the control exerted by the EERC on the government's work on ECP is that the Minister responsible for European matters – and who has the obligation to submit an annual report to the Committee – has thus far not been responsible for the ERDF programmes. This does not appear as a particularly problematic issue, however, and it has not impeded the Committee in calling the Minister with ERDF responsibilities and related officials to give account on several occasions, as noted above. On the contrary, as ECP has become more integrated in the broader framework of domestic Scottish policies, issues relating to the co-financed programmes have increasingly appeared in the works of committees other than the EERC (e.g. those on the Economy, Energy and Tourism or on Local Government and Communities).

¹⁹⁶ This quote from one of the interviews well illustrates this point: 'I could have a meeting with the Minister, and I represented the West of Scotland European Consortium, but people represented the East of Scotland, people represented the H&I, and we were all working at different levels, so it was very difficult then to get an overall picture and then to say to the government. It was very disparate' (code omitted to prevent identification).

14.4.1.2 *Centralisation of the policy process*

The main, fundamental change that has taken place after the creation of the Scottish Executive has been the manifestation of the desire, progressively developed by Scottish Ministers and officials, to take control of the programming processes. As illustrated above, in the days of the Scottish Office the programmes were managed by PME's that enjoyed a considerable degree of autonomy. The first PME's, run under the aegis of the Regional Councils, successfully administered the programmes to the required standards and with the active involvement of local partners. Even when the Regional Councils ceased to exist, the PME's survived as the Scottish Office was not interested in taking Structural Funds programming directly under its reigns (whilst maintaining the formal responsibility for the programmes). On the contrary, the Scottish Office was content with decentralising the implementation of programmes to PME's, allowing them to fill the gap in local governance that had been left vacant by the abolition of the Councils.

The Scottish Office fulfilled its obligations with respect to the DTI and the European Commission. For example, Scottish Office officials (and later, Scottish Executive officials) chaired the programmes' Monitoring Committee meetings, but they did not take an active role in programme preparation and implementation: they would participate in Advisory Group meetings and in the Boards of the PME's, but in an observer capacity only. As the PME's essentially responded to the local partners, their relationship with the Scottish Office was not governed by any definitive agreement or act, but rather it evolved through practice. Until 2003, when Operating Agreements were introduced, 'there had been no formalisation of the nature of the relationship between government and the PME's' (SCO12).¹⁹⁷

Over time, however, and especially in the transition from the previous to the current programme period, Scottish Executive Ministers and officials took the view that ECP should contribute to the domestic policies that were being elaborated by the devolved

government and that the work of the PME's should be more tightly defined and overseen by the devolved administration. This led first, during the course of 2000-06, to the formalisation of the relationship between PME's and the Scottish Executive through the introduction of Operating Agreements, as noted above, where the responsibilities of the PME's were formally listed,¹⁹⁷ and, at a later stage, at the start of the current programmes, to the radical transformation of the PME's into external contractors, working for the Scottish Government. In this latter case, the Scottish Government issued calls for tenders to select the PME's for the 2007-13 period (which were renamed as IABs, Intermediate Administration Bodies) and formalised its relationship with them through a triennial, renewable contract, with precise indication of remuneration, tasks and reciprocal responsibilities.

The effects of this shift in the actual delivery of programmes have been quite remarkable, in that the new arrangement removed the PME's' capacity to imprint – in response to the local partnerships – a strategic vision on the programmes. It also took away the potential to inject bottom-up innovation and experimentation into the programmes, activities at which they had been successful in the past (for instance, regarding the mainstreaming of the horizontal themes; see Clement, 2009; Taylor *et al.*, 2001). On the other hand, the new arrangements are delivering cost-savings and increased scope for policy alignment with the domestic policy priorities of the Scottish Government. Nevertheless, as a result of this formal shift to the financing of IABs, these bodies are now mainly executors of the procedures necessary to deliver the programmes and, bound contractually to the Scottish Government, are now accountable to this level rather than to the local partners.

¹⁹⁷ This was also confirmed by another interviewee who underlined that 'the PME system has always operated on the basis that the Managing Authority has, in an informal non-specified way, historically delegated certain responsibilities to the PME's' (SCO2).

¹⁹⁸ This example provided by one of the interviewees is indicative of the types of motivations behind this move: 'Certain of the PME's and one in particular were decidedly resistant to having Scottish Government on the Board. In a bid to make the governance arrangements clearer, we brought forward Operating Agreements. There had been no formalisation of the nature of the relationship between government and the PME's, so that was something that we were keen to introduce both to make clearer to the outside world what the nature of the relationship was, but also to make clearer what the requirements, dependencies, risks etc. were, in having that kind of arm's-length operation' (SCO12).

This is a radical shift compared to the past and, as observed during interviews, a shift that entails some tensions both with regard to the independence of the IABs in their operation – ‘they are consultants ... they are dependent on the government to get the contract again, so they want to be careful about what they say’ (SCO5) – and with regard to their capacity to effectively support programmes and projects, given the loss of knowledge over the entirety of the programming process, for instance when assisting applicants in preparing project proposals.¹⁹⁹

Moving from the effects to the causes, a variety of factors has converged to determine this change in approach and this increasing desire by the Scottish Executive/Government Ministers and officials to control the policy process – including, according to a number of interviews, some ‘personality clashes’ (COM2; SCO2; SCO12) – but the main reasons can probably be traced back to the following seven.

First, Scottish Ministers and officials wanted to control the expenditure of ECP, so that it could contribute to domestic Scottish Executive/Government policies, an understandable goal in times of increasing fiscal and budgetary constraints. As observed during interviews, Scottish Executive officials were attracted by the English models of ECP implementation, where funding was more aligned with domestic regional economic strategies.²⁰⁰ Throughout the 2000-06 period, the Scottish Executive elaborated a number of own policies and strategies – such as the *Framework for Economic Development in Scotland* (2000 and 2004), *A Smart, Successful Scotland* (2000 and 2004), the *National Planning Framework for Scotland*

¹⁹⁹ The following quote illustrates well this last point: ‘Questions got asked about some of the aspects [of eligibility in the programmes], you know “what does that mean?”, and I don’t know, because I didn’t write it, and I don’t have ownership of it and it doesn’t mean anything to me and that’s always a danger. Whereas if you were involved in writing the programme, someone says “actually what did you intend here?” I could say, in previous programmes we were involved in, that’s what we intended. If that’s not clear then something went wrong. Now it’s really difficult’ (SCO9).

²⁰⁰ ‘Some government departments saw the situation in England, which was – because the civil servants controlled the Structural Funds much more – the government departments got a much larger slice of the money, and so some government departments here thought “we are losing out”, the monies are going to the third sector, going to local government, going to further education, where I believe there is far clearer demonstration of additionality. It is impossible to demonstrate additionality of the funding when money goes into government agencies, absolutely impossible’ (SCO10).

(2004), the *Regeneration Policy Statement* (2006), *Scotland's Sustainable Development Strategy* (2005), and so forth – and the idea of policy alignment emerged progressively, expecting the programmes to align with and contribute to the newly established domestic strategies.²⁰¹ This could be achieved with programme design (from 2007 onwards) and through implementation, particularly through project selection, and required the Scottish Executive/Government to take a more active role in these processes (in ways discussed in Section 14.4.2) and to break some of the rigidities of the PME system by entrusting portions of funding to government agencies and local authorities. As well illustrated by one of the interviewees:

You had programmes that were given a focus at the start of the programme period and the consultation on what they should contain, but then they were almost set in stone. So they were inflexible. And if the government came up with new strategies, new approaches, wanted a different kind of emphasis, wanted a different balance, had particular agenda in the whole economic development, employability etc. sphere that it wanted to pursue, they couldn't really do that to any considerable degree or with any great certainty if trying to do it using Structural Funds. So that was one aspect of why we advised that there be an approach that followed some of the English models that you would look at who your most obvious delivery agencies were going to be, you would look at being in a position to make the programmes closer to what government wanted to do, and of course that was not a popular message, at all (SCO12).

A second factor was the steep increase and rigidity of the controls and audit onus placed on programmes from the European level in the last few years.²⁰² Ultimately, it is the Scottish Executive/Government and its budget that bear the cost of any adverse audit; as a result, officials have sought to control the processes, so as to prevent such

²⁰¹ The utility to pursue more integration between ECP and 'other activities' (domestic policies, but also more integration between different EU sources of funding) was also raised by an *ad hoc* evaluation study carried out for the Scottish Executive (Hall Aitken, 2006), in which the consultants used the term 'tactical fit', stating that 'It would also be useful to integrate the funds more fully with domestic sources' (p. 17). The study uses the case of Nord-Rhein Westfalen in Germany as supporting evidence for this approach, where 'the NRW Objective 2 programme has been closely integrated with the regionalised structural policy of the Land for many years. This means that EU Structural Funding is interlinked with and works alongside the existing funding structures. According to interviewees, using the budgets of the Laender ensures strategic focus of ESF and ERDF. Project promoters have to demonstrate the strategic fit in their applications. Involving the monitoring committee also supports this aspect' (p. 59).

²⁰² See Davies *et al.*, 2009, and Davies and Polverari, 2011, on this issue and for a critique of the reasons that led to this evolution over time.

problems. The following two quotes from senior officials at the Scottish Government are emblematic of the two points discussed above:

As far as accountability is concerned, I think it's useful to go back to the previous programmes, 2000-06. I'm dealing with three or four major audit issues ... where, potentially, the Commission is looking for a very large de-commitment of the funds ... it has nothing to do with fraud and it has to do with the audit trail (we use the short-hand 'not keeping the bus ticket'). ... Now, however, that turns out it will fall to the Scottish Government. ... In terms of the financial buck, it stops with the Scottish Government (SCO4).²⁰³

Similarly,

The compliance regime – so Commission audits, Court of Auditors – that level of scrutiny was cranked up quite substantially, and that meant that we as Scottish Executive/Scottish Government became particularly exposed to any failings at project level. Also, perhaps, certainly through 2000-06, partner priorities, as manifested through Advisory Groups and Management Committees didn't always coincide as tidily or as neatly as we would have liked with our own, Scottish Executive priorities. In terms of project selection [there seemed to be] a bit too much power to influence decisions at the partnership level. There's probably a combination of all these things. [... As far as audit is concerned] it's about protecting Ministers, because to the extent that things go awry at project level and [there are] financial implications, this tends these days to be extrapolated across the programmes and we cannot visit these penalties on individual projects. We can if the project has failed in some ways, but if a project is perfectly ok we can't pass on a share of the penalty, so Scottish Government takes the hit.²⁰⁴ ... Even before, it was the Scottish Government [that would take the hit], but the penalties or tariffs were less severe and less formulaic ... In a sense, there's more risk that we have a penalty imposed on us and we're, I suppose, as an organisation and perhaps by nature, not much risk averse. It's public money and it's a factor (SCO11).

When Commission and Court of Auditors' audits also raised repeated concerns over the management fee collected from partners, which was viewed as a levy, this

²⁰³ See also Gordon, T. (2006, September 22). Executive hopes GBP20m EU clawback will be cut to GBP3m. *The Herald*, p. 7; Braiden, G. (2008, June 23). Holyrood may have to repay One Plus millions; EC is attempting to reclaim missing funds. *The Herald*, p. 7.

²⁰⁴ This is because 'audits only ever sample, so if they look at 10 projects and find a 5 percent error rate across the ten projects, we can't get any recovery from any of the 10 concerned, however what the Commission does is that it says "well, that was a random sample, multiply that at programme level" and Scottish Government is the only source for that' (SCO11).

reinforced the perception amongst Scottish Ministers and officials of the need to review the PME system.²⁰⁵

A third factor, similar to the one discussed above, that drove the above change in approach, was the introduction of the N+2 rule with the 1999 regulations. This rule, also known as automatic de-commitment rule²⁰⁶ and which is still in place, foresees the necessity to spend the annual Structural Funds allocations assigned to a programme by the end of the second year after the one to which the sums are budgeted in the programme's financial tables. Non-compliance with this requirement means that any under-spend is lost by the programmes. This stringent conditionality placed the Scottish Structural Funds delivery system under considerable pressure, and again, as with respect to audits, the Scottish Executive and its officials felt that they had little control on the levers that could determine the spending performance of programmes. As Ministers and, as a consequence, Scottish Executive officials became more exposed to public scrutiny, controlling and directing the programmes became a more pressing need.

It is in this vein that in 2003, the first year of application of the N+2 rule, the Scottish Executive established a high-level 'Scottish Structural Funds Forum', a body chaired by the competent Minister (Enterprise and Lifelong Learning) and inclusive of Scottish Executive officials, development agencies, local authorities, statutory bodies, MSPs, MEPs and other local stakeholders from across Scotland (as opposed to the area-specific, programme-based PMCs), tasked to review twice-yearly the progress reached in the implementation of the programmes, with particular emphasis on preventing de-commitments and also to discuss wider Structural Funds-related

²⁰⁵ As illustrated by this interview quote: 'The management fee was termed often pejoratively a "levy" on projects and so the court of auditors returned several times to that charge and we each time mounted a resistance and logical and, we thought, persuasive arguments to not to call it a levy and to explain what was delivered in a way of service for which the management fee was charged; but, of course, they were decidedly unconvinced and considered that that fee was an entrance fee, was an ability to at least enter the game and was therefore precluding open, transparent access to the funds. That is what I recall and it was of course an important part of the rationale for thinking that certainly there had to be major change' (SCO12).

²⁰⁶ Automatic de-commitment refers to the fact that the sums not spent within the second year are automatically de-committed from the European budget. Art. 31(2) of Council Regulation (EC) no. 1260/1999 and arts. 93-97 of Council Regulation (EC) no. 1083/2006.

issues, such as the recommendations of evaluation reports, the mainstreaming of the horizontal themes, and the reform of ECP for the 2007-13 period. It is interesting to note that the Forum did not include the Chairs or any representatives from the PMEs (see Table 18 below for full composition), in itself an indication of the above-mentioned desire by the Scottish Executive to take control of the policy implementation process (at the meetings, the updates on each programme were provided by the responsible officials from the Structural Funds Division).²⁰⁷

Table 18: Composition of the Scottish Structural Funds Forum (2003)

Institution	Number of components (33)
Scottish Executive	11 (Minister/Deputy Minister, Head of Enterprise and Industrial Affairs Group, Head of Structural Funds Division, 6 further members of the Structural Funds Division, Head of Analytical Services Division, Regional Selective Assistance)
MSPs	2 (Convener and Deputy Convener of the European & External Relations Committee)
MEPs	2
Agencies	4 (Chair of HIE, Chair of Scotland Europa, Learndirect Scotland, Chief Executive Scottish Enterprise Lanarkshire)
Local Authorities	6 (Leader of Scottish Border Council, Leader of Highlands Council, Deputy Leader of Falkirk Council, Glasgow City Councillor, COSLA President, Scottish Councillor representing the Conference of Peripheral and Maritime Regions)
Statutory Bodies	2 (SEPA, Equal Opportunities Commission)
Socio-economic Partners	3 (member of the Scottish Trade Union Congress, Director of the Scottish Council of Voluntary Organisations, Chief Executive of Scottish Council for Development and Industry)
Higher and Further Education	2 (Vice Chancellor of Aberdeen University, representative of the Scottish Further Education Funding Council)
Other	Representative from the Scottish Urban Regeneration Forum

Source: Scottish Executive, 2003.

The ‘power’ of PMEs to influence decisions at partnership level, mentioned in the above interview quote, is a delicate matter of course, but one that was also a factor. Even though the Scottish model was regarded positively by both the European Commission and domestically, over time some scepticism emerged over the fairness of the PME-supported decision-making system, which ‘in some cases didn’t work as well as it might do’ (SCO9) in terms of selecting the most appropriate projects. The

²⁰⁷ The Forum was in operation from February 2003 to February 2007. Most but not all meeting minutes are available online: 3 November 2003, 24 May 2004, 6 December 2006, 13 June 2005, 30 January 2006, 2 October 2006 and 12 February 2006.

perception also emerged that reliance on ECP funding had developed amongst certain beneficiaries: ‘there were sectors that had developed a dependence and an expertise, and the two went together in accessing Structural Funds, and they were embedded in the programmes and the programmes were embedded in them almost’ (SCO12). The fieldwork research also uncovered veiled criticisms of a certain politicisation of the partnerships, especially with regard to one of the PMEs. Interviewees’ views suggested that this was

not a case of people personally profiting from the resources, but about misuse of resources in order to do things that people wanted to do ... kind of combination of politicisation of the Structural Funds at local level and also the culture, which was ‘these were the partners’ programmes, it’s the partners money’. In that period in particular [2000-06], to some degree there was often carve up of resources amongst the partners and what is accounted in politics as ‘logrolling’ where people agree, ‘I support your application as long as you support mine’, and deals getting done inside decision-making bodies. And people would say, ‘you know, that’s just the nature of politics, it’s the way things are’ (SCO8).

Similar observations appear in the findings of an evaluation study commissioned by the Scottish Executive to assist the preparation of the current delivery systems, which established that notwithstanding the ‘broad consensus on the success of the existing European partnerships’, stakeholders’ interviews highlighted that these were not unanimous, including criticism over the fact that ‘locally based planning partnerships just work on local politics and cut up funding between the usual suspects – they are not objective’ (Hall Aitken, 2006, p. 19). The research carried out indicates that this assessment is too harsh, given the relative openness and transparency of the PME system. On the whole, the decision-making systems that underpinned the partnership appear to have been mostly transparent and clearly ruled by publicly available guidelines and scoring grids. Deciding by consensus, moreover, entailed a considerable degree of peer control, and there were *ad hoc* procedures in place to prevent conflicts of interests.²⁰⁸

²⁰⁸ This is the example provided by one of the interviewees, a PME Chair, about the actions taken to prevent possible conflicts of interest: ‘We managed the potential conflict of interest well, there was never, sometimes one or two people would raise issues, but they were always explored and managed and I don’t

Nonetheless, interview evidence points to the fact that the partnership arrangements benefited those partners who were involved in the processes, because they could gain useful knowledge on how to prepare a ‘good’ application, develop ideas based on the experiences and lessons learnt by other partners, exchange views with other partners and even develop joint projects with other organisations. As participation in the groups and committees was unremunerated, this ended up supporting larger and more-resourced organisations (though it also had a positive impact on the quality of the applications received and on the pace of spending).²⁰⁹

A fifth factor underpinning the drive by Scottish Executive/Government officials to take control of the policy process was the desire to achieve uniformity in the way Commission regulations and guidelines were operationalised across Scotland and, even more so, to streamline procedures. Acknowledging that there was an ‘effort to take control of things in house’ at the beginning of the current period, a senior government official observed that ‘the five PMEs all had their version of the guidance on the national rules, there’d be inconsistencies about eligibility’ (SCO4). Moreover, because each programme had its own selection procedures (forms, deadlines and project selection bodies), large organisations (such as the development agencies) had to apply for funding for similar projects across the various parts of Scotland – with different forms, to different PMEs and fulfilling different procedures

think there was ever any evidence of a significant problem with a conflict of interest. If somebody had an interest in a project, they would not take part in that scoring, or that discussion, or that decision, they left the meeting at that point or they didn’t come to the meeting, and they declared that. If we found somebody hadn’t declared an interest, it would be dealt with and that just didn’t happen: people accepted the rules and worked to it. ... We had rules that said: if you are from an organisation with a project, when that project was being considered, it was very clear you did not take part in that. If you were from a board of an organisation you would declare an interest. If you were an advisor, paid or otherwise, to that organisation you had to declare an interest. So sometimes when that interest was clear, you wouldn’t take part in the meeting or the decision, but it might be that that interest was very informal, you know somebody said “well I gave some of informal advice to that organisation because they wanted to find out about how we delivered a similar project”, that was acceptable. So that’s the kind of thing that was discussed’ (SCO10).

²⁰⁹ As noted by an interviewee who participated in one of the programmes’ Advisory Groups: ‘I didn’t recognise [any conflicts of interest, but] it wasn’t purely altruistic, in that although people had to leave the room or not take part in the debate, you learnt ... You saw what was successful, what was required and it wasn’t that people around the table said, ok several people are favouring that sort of project; it was more they got better intelligence on how to write a good proposal. Over time during the period ... there was definitely a learning process and the bigger organisations learnt better than the smaller ones. Although a lot of smaller organisations did get funding’ (SCO7).

– time and time again, with a disproportionate amount of effort and time devoted to this task. Over time, this was considered as inefficient by Scottish officials, who sought to implement a more streamlined approach to project selection, entrusting some of the key delivery bodies with portions of funding directly, at the beginning of the programme period. This was in line with the approach followed elsewhere in the UK. Entrusting key bodies, such as the Scottish development agencies (which depend on the Scottish Government), other governmental agencies and local authorities to manage portions of funds was also considered to be more conducive to the aforementioned policy-alignment, as already noted (the exact nature and scope of the changes introduced in this sphere are discussed in more detail in Sub-section 14.4.2.2).

A further underlying cause for this change of attitude by Scottish Executive/Government was the increased visibility that the Scottish Ministers – and as a consequence the officials – gained post-devolution as a result of the scrutiny placed upon them by the Scottish Parliament (as already discussed) and by the public. This external control, compounded by the exposure to potential loss of resources due to N+2 de-commitments and adverse audits, made it essential for the Scottish officials and Ministers to have exact knowledge and full ownership of what happened in the Scottish programmes.

Lastly, an increasing caution emerged over time amongst Scottish Ministers and officials about the opportunity-cost and sustainability of the PME model. This concern became more pressing towards the end of the 2000-06 period, when the prospect of further funding reductions for the forthcoming period (2007-13) came closer, but it was an issue that Scottish Ministers had cultivated from the early days of the devolved framework, albeit not so overtly. This is proven by the fact that, as early as March 2000, the report of the Steering Committee of the Scottish Executive review of the PME system concluded that ‘[t]he Programme Management Executive (PME) model should be maintained’ and ‘[t]here should be one PME for each of the five Programmes’, and yet that ‘[t]here should be a further review in early 2003 to ensure that each programme management system has an effective exit or continuation strategy’ (Scottish Executive, 2000a).

This attention by Scottish Ministers from the early days of post-devolution to the efficiency and value-for-money of the PME system became more and more pressing as time moved on. It was strengthened by the repeated problems raised by European audits with respect to the management fee, as noted above, and by a changing attitude amongst Scottish Ministers towards the commercial activities that some of the PMEs had started to pursue with the then EU10-12 candidate countries. Ministers praised these initiatives at first, not least because such activities promoted a positive image of Scotland abroad at a time when the Scottish Government did not have its own strand of internationalisation activities, but they became critical at a later stage, when the difficulties of reaching N+2 targets, particularly in the programme that was most active internationally (Scottish Executive, 2003), led them to question the initiative of senior PME staff pursuing different activities than those entailed in running the programmes. Concerns had also emerged with respect to possible state aids breaches, given that the PMEs were funded by public resources.²¹⁰ At some point, around mid-way in the 2000-06 period, these concerns became more pressing, so much so that in 2004 the Scottish Executive commissioned external consultants to undertake a value-for-money financial assessment. This work concluded that the PME system cost the public purse in the region of £4.5 million a year. As a consequence, the perception of the PME suddenly changed from European good practice to a ‘huge bureaucracy that sat apart from government that was for a variety of reasons very difficult to influence and rather expensive’ (SCO12). It had to be reformed.

Unquestionably, given the political situation that had generated the PME model, the issue of the future of the PME system was a thorny one for the Scottish Labour Ministers. This might explain why, initially at least, they might have kept a low profile, as confirmed by this statement from a senior Scottish Government official:

²¹⁰ This point relates in particular to SEP, which had pursued external work through a subsidiary company, Euroconnections, but without adequately separating out, initially at least, the resource arrangements for the two companies. This led to questions on whether the public resources through which SEP was funded to manage the programme were also used for commercial activities abroad (which in turn initiated an internal audit by the Scottish Executive).

It was difficult for Ministers, because there may have been an expectation that Ministers would have been more protective of the SMEs, and they were to a certain degree, but actually they had bigger responsibilities to discharge, so their interest was in being able to demonstrate that we had a value-for-money, strategically purposeful set of European Structural Funds programmes that were being delivered efficiently, and Ministers had had of course repeated exposure to adverse audit reports from the Commission and the Court of Auditors ... political loyalties only go so far, and we were certainly (and I was) charged early on with coming up with a review of the whole system of implementation of Structural Funds. It was clear from very early on that we were expected to bring forward constructive proposals for how the whole area could be reformed (SCO12).

14.4.1.3 More ministerial interest

The above considerations on policy alignment led to the second of the systemic changes mentioned. The alignment with Scottish policies and the inter-sectoral nature of the programmes, which cut across a number of ministerial remits, has resulted in Ministers becoming more interested in following ECP developments than they have been previously (and certainly prior to devolution). As emphasised by a senior government official, ‘what has struck me really over the last couple of years is ... the huge ministerial interest ... and the obvious question is for a relatively small amount of money – we are talking, say, £700 million over a seven-year period – why is this, when the Scottish budget is £30 billion a year?’ (SCO4). This increased interest emerged from 2000 onwards, but has perhaps grown under the present administration and manifested itself in the fact that it is not just the designated Minister in charge of ECP – currently, the Minister for Enterprise, Energy and Tourism, Jim Mather – that takes an active interest in the policy, but also other Ministers. They range from the Education Secretary (ESF), the Minister for Housing and Communities (local regeneration, e.g. the proposed JESSICA fund), and the Cabinet Secretary for Rural Affairs and the Environment (Rural Priority), to the Cabinet Secretary for Finance and Sustainable Growth (in charge of overall Scottish finances) and even the First Minister, who makes frequent reference to Structural Funds programmes to promote the image of the Scottish Government as efficient and

effective, as he did, for instance, at the ‘National Job Summit’ of 11 January 2010.²¹¹

As noted by an interviewee,

[whilst] in the past there would be one Minister who would be responsible for the Structural Funds, we are now finding Ministers in other policy areas, like education and health, where Structural Funds activities are impacting on those areas, are equally taking an active interest and it gives a degree of visibility and a significant PR platform now, in terms of Ministers announcing discreet decisions on particular strategic projects, it’s playing very well politically. There’s good and bad in that. It’s certainly good, because we have a degree of visibility in terms of Structural Funds that really wasn’t there in the past (SCO9).

In other words, publicity is given to ECP developments, for example as a way to reinforce the Government’s image of leading an effective response to the crisis (and thus, more generally, to promote the image of an ‘effective’ Scottish Government, an approach that was not so predominant previously).²¹² This greater Ministerial interest is reflected operationally in an increased role of Scottish Government officials in the Advisory Groups that select projects, which now also include policy officials from different Directorates and not just from the Structural Funds Unit (an issue discussed in more detail in Sub-section 14.4.2.2).

It is difficult to isolate the reasons for this development, especially since ERDF programmes were already multi-sectoral in previous periods (and perhaps even more so, given that up to 2006 they were pluri-fund and not as financially concentrated as at present).²¹³ However, one of the causes of this attitudinal change by Scottish

²¹¹ In illustration of this point, this is a statement to the press by Mr Salmond at the National Job Summit of January 2010, which can be watched on the Scottish Government’s website: ‘Well, start of the year, job summit, very, very important. And also the coordination of the agencies we have, rather symbolised in the big announcement we’ve got today which is the Community Planning Partnership and the Social Fund in Central Scotland, the Regional Development in the Highlands and Islands, together their applications are going to result in 34 million pounds and 28,000 people helped in training and in experience to work ... so it’s a great announcement to be made at the start of the year’. See also, http://news.bbc.co.uk/2/hi/uk_news/scotland/highlands_and_islands/8452386.stm

²¹² Dinwoodie, R. (2009, January 10). Success for store Swinney to boost capital spending; Plan to get through recession unveiled. *The Herald*, p. 5; GBP200m European aid money ‘front-loaded’ for job creation. (2009, January 6) *The Herald*, p. 8.

²¹³ For the current period, the principle of earmarking of resources on Lisbon agenda-related activities has been introduced, which entails, for the programmes of the EU15, the concentration of spending on Lisbon activities in the range of 75 percent of the total programme financial allocation for RCE programmes and

Ministers has likely been the tight situation of public finances, exacerbated by the recent economic crisis, and, related, the relative importance that ECP finance – albeit less in volume than in the past – has assumed as a funding stream.

14.4.1.4 Programme rationalisation

A third and fundamental development in the transition from the 2000-06 to the current programme period is the rationalisation of the programmes. Faced with almost a halving of Structural Funds resources in 2007-13, the then Labour-LibDem administration took the decision to streamline Structural Funds programmes and consolidate all support for what was then termed the Lowlands and Uplands part of Scotland (LUPS – essentially the whole of Scotland other than the Highlands and Islands) into a single ERDF Operational Programme (as already discussed, in 2000-06 this area had been subdivided in three programmes for the East, West and South of Scotland). A somewhat similar decision had already proven unpopular in the previous period, when the Borders and Dumfries and Galloway 1994-99 Objective 5b programmes were consolidated in 2000 under a single Objective 2 programme;²¹⁴ but in 1999, the then Scottish Executive's plans proved extremely controversial, because they meant reducing, together with the programmes, the number of PMEs, some of which, as has been illustrated, had been in place for two decades and had become very influential. The basic argument put forward by the Executive for the LUPS consolidation was that it made no sense to subdivide few resources amongst small programmes because of the limited impact that these would achieve and because of the disproportionate costs that management through three PMEs

60 percent for Convergence programmes. For the EU10, compliance is voluntary. There are no sanctions for not respecting these targets, but there are annual reporting obligations to the Commission. See Hübner, 2006; Polverari *et al.*, 2006.

²¹⁴ An interesting observation on this point was made by one of the interviewees who noted that 'in the South of Scotland you had Dumfries and Galloway and the Borders together for the first time and they didn't really want to have anything to do with each other. But I think the process of developing the programme, which was to some degree mediated by the *ex ante* evaluation, helped to develop some sort of cohesion in that partnership' (SCO8).

entailed.²¹⁵ The factors discussed in previous paragraphs also played a part, of course.

As a consequence, only two ERDF programmes were prepared for the whole of Scotland – one for the Highlands and Islands, and one for the rest of the country (Lowlands and Uplands Scotland, LUPS), accompanied by two further ESF OPs with same territorial coverage. In terms of implementation, this choice led to the retention of only two PMEs, with remits over both ERDF and ESF programmes. Given the different contractual arrangement adopted for the PMEs, as discussed above, notably that they are funded by the Scottish Government rather than by the partners, the two surviving PMEs were selected through open tenders in order to comply with public procurement rules. All the existing PMEs (including Western Scotland and Objective 3 in a joint bid) and a certain number of private companies with experience of Structural Funds technical assistance participated in the calls. At the end of the selection process, HIPP was appointed for the H&I OPs and ESEP was appointed for the LUPS programmes (the latter under the proviso that it would open a Glasgow office). As a consequence, Strathclyde European Partnership, the South of Scotland European Partnership and, for ESF, the Objective 3 Partnership were all closed at the end of 2008.

The implications of this shift for programme management are discussed in more detail in the following section, by reviewing the impact of the new arrangements on the main phases of the programming cycle. Nevertheless, at this juncture, it is useful to note that despite the controversy that this approach generated at the time – including concerns relating to the accountability of the new arrangements²¹⁶ – and

²¹⁵ As recalled by a Scottish Government official: ‘we didn’t have enough money to pay for all the number of programmes we had before. We didn’t think. If we had a separate South of Scotland, West of Scotland and East of Scotland programme, which the partners wanted, they would have been very small, they would have been inflexible – because the smaller the programme the more difficult it is to meet targets, because you have less scope for moving funding around – and the overheads would be huge, because you would have to pay for all the extra machinery to run programmes, which is massive’ (SCO2).

²¹⁶ As noted by an interviewee, ‘the partners said that what you are losing is accountability: by having larger programmes you destroy the partnerships, you are destroying that sense of connection between regional needs, the development of a strategy and the development of the projects and the running of the programmes, and we broke that connection’ (SCO2).

the understandable bitterness amongst those directly and negatively affected by the changes, the interviews uncovered a certain consensus on the fact that the rationalisation was justified in terms of cost-effectiveness and opportunity. This view was also taken by the final report of the dedicated parliamentary inquiry (2006) which, in acknowledging that the previous model had been successful and to provide reassurance regarding local accountability and partnership in the new system, recommended that there should be two ERDF and two ESF programmes in Scotland from 2007-13, a set of programmes for the Highlands and Islands and a set of programmes for Lowlands and Uplands Scotland, but that ‘the two programmes that cover Lowlands and Uplands Scotland should include geographical targeting where necessary and appropriate’ (Scottish Parliament, 2006, point 78). It would be difficult to imagine how the Committee could have recommended a different solution, given that when the inquiry report was finalised the Scottish Executive had already issued the calls for tenders for the selection of the two IABs. Nevertheless, it is plausible to argue that the key issue that swayed the Parliamentary Committee in favour of the restructuring proposed by the Scottish Executive was the amount of cost saving that abolishing three PMEs would entail, estimated to range between £3 million and £3.75 million per annum.²¹⁷

14.4.1.5 Subsuming European cohesion policy programmes under domestic policies

The final development that has been classified as a systemic change was subsuming the current generation of ECP programmes under existing domestic strategies. This is linked to the above discourse on policy alignment and, as observed by one

²¹⁷ The Committee concluded that: as ‘the collective administration costs between these five organisations, estimated at a total of £30.89 million (including £14.5 million of technical assistance from the European Commission), will be harder to accommodate in an environment of an estimated 35-40% reduction of Structural Funds in the Highlands and Islands, and a reduction of 55-60% in the rest of Scotland ... During evidence to the Committee, a Scottish Executive official told the Committee on 6 June 2006 that the current cost of the PMEs to the public purse was approximately £4.5 million per year and that these costs could fall to between £750,000 - £1.5 million if the system was restructured and streamlined. The Committee believes that this is a significant and welcome saving in administration costs which will free up more money for actual projects. The Committee agrees with the Scottish Executive that some restructuring is therefore required to maximise the reduced funds that Scotland will receive in 2007-13’ (Scottish Parliament 2006, point 19). [notes omitted]

interviewee, to the willingness of Scottish Government (at the time, Executive) Ministers and officials to assert themselves as the ones in charge of policy:

The Scottish Executive viewed themselves as the keepers of policy in Scotland and as such saw no reason to see the need for anything beyond this. Only with the preparation of the 2007-13 programmes, they had the opportunity to say: 'we now have domestic strategies and everything must comply with this' (SCO1).

This view was echoed by a Scottish Government official, who asserted that 'in 1999-2000 we were new boys on the block and therefore we did not have much of a role in developing the programmes, but in 2006 we had dozens of strategies, policies, powers and authority' (SCO2).

This desire of Ministers and officials to assert their authority²¹⁸ was compounded by a more general trend in the UK towards ensuring alignment with domestic policies, not just in Scotland but also in England and Wales. ECP programmes have always made coherence with existing EU and domestic strategies explicit in one of their standard sections – the section on the programmes' external coherence – as requested by DG Regio's checklists for programme design. This same coherence was also tested by independent evaluators in the *ex ante* evaluations. However, in 2007-13, the Scottish programmes went beyond this strategic coherence and almost inverted the logic of the programming process: whilst retaining, as required by the regulations, the socio-economic and SWOT analyses (which are still found at the outset of programmes and from which a number of 'key programme challenges' are derived), much more weight appears to be assigned to the alignment with existing strategies, listed copiously in Section 3 of the programmes ('Policy Background'), under the assumption that:

²¹⁸ The contentious relationship with some of the PMEs – particularly with that for the West of Scotland – may have also played a role in determining this 'assertion' of Scottish Government officials. As noted during the interviews, there was 'a power struggle, almost an element of competition as of who is the most important player in the field' (SCO1); 'the X PME was overtly critical of the Scottish Executive. More powerful partnership, wanted to do things their own way, had its own representation in Brussels' (COM3); 'a lot of scores were settled' (SCO3).

To be fully effective, the ERDF Programme must not only address the challenges set out in the analysis of the socio-economic background section, but link these to a range of policy actions in order to maximise the value added of the Structural Funds. These links must be established at different levels to ensure funding not only complements but builds on existing policy (2007-13 LUPS ERDF Programme, p. 37; Highlands and Islands ERDF Programme, p. 42).

The fact that there has been a change of government since the elaboration of the programmes has not affected this strategic shift, given that the present Administration has fully embraced this view, as demonstrated by the following statement from the 2008 draft Budget Bill: ‘European Structural Funds contribute to the improvement in Scotland's economic competitiveness ... underpinning a number of our Strategic Priorities in delivery of the Purpose’ (Scottish Government, 2008). In this respect, the Scottish case study is illustrative of a trend that also emerged in other EU15 RCE programmes where the share of ECP funding reduced significantly in 2007-13 compared to the previous period, including, as has been seen, in Tuscany. This means that accountability should be assessed at this upper level – the level of domestic policies – rather than looking solely at the ERDF programmes, since it is at this higher level that the key strategic and distributive decisions are taken.

14.4.2 Operational changes (organisation, management and delivery)

The previous sub-section outlined a number of fundamental changes in the allocation of responsibilities for Structural Funds management and implementation in Scotland that took place in the transition between 2000-06 and 2007-13. Whilst the formal relationships with the European Commission have remained unaltered over time, at Scottish level, the Scottish Executive/Government has taken a much more directing and controlling role in the delivery of the funds. This is having concrete consequences on policy delivery, for instance:

- the reduction of the PMEs to two across Scotland and the modification of their relationship with local partners and Scottish Government has made the remaining PMEs more reliant on the latter for funding, less independent in

their activity, and as a consequence they have become less strategic bodies. In the LUPS area, the PME has also lost its territorial focus; and

- the 2007-13 programme delivery arrangements included the abolition of the PManC, which acted as an additional partnership forum to discuss the strategic implementation of the programmes (although they were also contested by the partners in some cases, for instance, because of their perceived duplication of functions already fulfilled by the Advisory Groups).²¹⁹

The following analysis addresses how the changes discussed above are affecting the programming processes in more detail, particularly in the phases of: programme design; project appraisal and selection; monitoring and evaluation; and publicity and communication. Most of the changes observed have taken place in the transition from the 2000-06 programmes (technically, already post-devolution) to the current OPs, not least because the fixed, seven-year timescale of ECP programming did not provide the flexibility to the Scottish Executive to significantly modify the delivery system before 2006.²²⁰ Perhaps self-evidently, the organisational and operational changes discussed in the following paragraphs are in many respects a corollary of the systemic changes reviewed in the previous sub-section.

14.4.2.1 Programme design

There were fundamental changes in the way programme design was carried out for 2007-13 compared to previous programme periods. As with everything else, the

²¹⁹ In fairness, it should be mentioned that in the Highlands and Islands a Programme Review Group was established to allow a strategic discussion on programme implementation and priorities amongst the key stakeholders, filling the gap that would have been left by abolition of the Programme Management Group *tout court*. A key difference between the Programme Monitoring Committee and the Programme Review Group is represented by the type of membership, e.g. political representatives in the first versus administrators in the second, allowing for more concrete interaction in the PRG, including on technical issues.

²²⁰ As illustrated by the fact that in March 2000, Jack McConnell, at the time Minister for Finance, expressed a very positive view of the PME-based arrangements when commenting on the recommendations of a steering group tasked with reviewing the PME system: 'I welcome the fact the committee has recommended that administration of the new Programmes should be in local hands. Local partnerships are

strategic orientation and the content of the programmes (objectives, priorities and measures) until 2000 were largely determined by the partnerships. ‘Plan teams’ were established for each programme by the Scottish Office/Executive, involving representatives of local partners drawn from the public, private and voluntary sectors (Colwell and McLaren, 1999; Sutcliffe, 2002). The work of these teams was coordinated by the PMEs, who were in charge of the actual drafting, while coherence with Government priorities and across the different programmes was ensured by the involvement of the Scottish Office/Executive through chairing the various teams established across Scotland. For the 2000-06 programmes, this purpose was also served through the establishment of a Scotland-wide ‘coordination team’²²¹ inclusive of representatives from national bodies such as CoSLA, Scottish Enterprise and HIE, SCVO (Scottish Council for Voluntary Organisations), SEPA (Scottish Environmental Protection Agency); the socio-economic partners and the Programme Directors, ‘to provide overall strategic and planning co-ordination between plan teams and promote good practice, ensure consistency and ensure a close relationship is established to Scottish policy priorities as set by the Scottish Executive/Parliament and the other National public bodies’ (Colwell and McLaren, 1999, p. 7). Notwithstanding these mechanisms to ensure central coordination, the programmes were generated essentially bottom-up, driven by the partner-inclusive plan teams: these teams outlined the socio-economic and environmental analysis for the programmes, including assessing regional and local economic trends and establishing baselines, and defined the strategic priorities for the programmes (Colwell and McLaren, 1999). Moreover, initial programme drafts that emerged from the work of the plan teams were subsequently the object of consultation with the programme partnerships, allowing for wider involvement of partner organisations than the restricted plan teams allowed (Russell, 1995).

exactly what I want to see. They are the best option and will improve co-ordination as well as streamlining the whole system’ (McIver, 2006, p. 13).

²²¹ The Scottish Coordination Team was the ‘successor’ of the ‘the Post 1999 Co-ordination Group’ (Colwell and McLaren, 1999), which was established by the Scottish Office in 1997 to discuss the possible scenarios for Structural Funds support in Scotland for the 2000-06 period.

Moving on to the current period, the programmes mention that ‘throughout the development of the 2007-13 Programmes, there has been regular and intensive engagement with external partners’ (LUPS programme, p. 137; H&I programme, p. 134). Nevertheless, compared to 2000-06 and 1994-99, the procedures adopted for programme design in this last round have marked a radical break with previous practice. In 2005/2006, programme drafting was carried out in-house by a limited team of Scottish Government officials; it was a top-down process and a process that, even though supported by the required evaluation evidence and stakeholders’ consultation, was largely policy-driven.

With regard to the lesser participation of local stakeholders and partners in the design process, a caveat is that this statement does not mean that Scottish partners and stakeholders were not involved; they were involved, as is required by European regulations, but in a different way than previously. Partners and stakeholders participated in discussions over the content of the new programmes through different means, notably:

- the participation of local stakeholders as interviewees in a study commissioned by the Scottish Government Structural Funds Division in 2005 (Hall Aitken, 2006);
- four seminars held across Scotland in December 2005 and January 2006 (Dunfermline, Glasgow, Inverness and Melrose);
- the above-mentioned Scottish European Structural Funds Forum, which brought together senior representatives from the main Structural Funds partner organisations (and where programme design was a topic discussed in three meetings in early 2007);
- specific workshops on programme priorities and the horizontal themes (in each programme area);
- a consultation on the programmes’ Strategic Environmental Assessments; and

- two and a half months of public consultation on the draft programmes (which returned a high number of responses, particularly for the LUPS programmes: 103 responses, against 21 in the H&I).²²²

However, the process was essentially top-down, because the strategies and priorities of the programmes were largely defined by the Scottish Government writing team, based on Scottish Government policies and European guidelines, and overall the partners had limited scope to intervene and certainly less scope than previously. The following assessments by some of the interviewees, although reflecting different views, all converge to indicate this element of centralisation of the programme design process (see Box 6).

Box 6: Perceptions of the 2007-13 programme design process – interview quotes

‘In the past, we set up plan teams, we’d gone through very detailed and very comprehensive consultation processes. Very little of that happened: there was no plan team, it was largely down to [name] and a few other people. It’s not the way to write a programme, the consultation process was extremely truncated ... it was more information, it wasn’t genuine consultation. There was no dialogue. It wasn’t the case of “this is what we want, what do you think, can we have a discussion and can you feed back comments?” No: “this is what we are going to do and unless you can find a fundamental flaw in that, we’ll ignore it, we’re just telling you” ... but they were under enormous time pressures’ (SCO9).

‘By the time we got into 2007-13, the drafting was done in Edinburgh. It was done by one person who was drafting a document one-size-fits all, and really the benefit that we had in the previous two programmes was that the programming documents were bottom-up, designed locally, high level of local impact, the amount of buy-in, agreement in the vision, it was all there. In 2007-13, we are actually trying to make up areas of expenditure so that the local authorities can actually buy into this, and if we don’t, we won’t get our expenditure, we won’t spend the money’ (SCO6).

‘For 1994-99 and 2000-06, we actually established what were termed as “Plan Teams”, groups of partners around the table helping draft the programmes. For 07-13, for the current set of programmes, we actually took a step back from that, for a number of reasons. In practice, what it meant was that we had consultations with stakeholders, but it was more - I suppose - controlled, influenced by Scottish Executive, more driven by us’ (SCO11).

‘The big difference this time around, is that we did it. Now, we consulted with people, but we did not consult through a committee. What we did was that we had meetings and we asked people “what you think we should do?” and they told us; we then wrote the programmes, largely reflecting what we wanted but also reflecting what the Commission wanted and trying as best we can to reflect what

²²² The consultation for the LUPS ERDF programme ran from 24 October 2006 to 8 January 2007, whilst the consultation for the H&I ERDF programme took place from 26 October to 8 January. In the meantime, ESEP and HIPP were appointed at the end of 2006.

partners wanted; and then we put out the documents and we asked people “do you think this is right?” and they told us; and then we decided what we accepted and what we didn’t accept. There’s no question that this was a very, very top-down, centralised process. Less on the Highlands and Islands where there was a committee’, a Programme Review Group as it was called (SCO2).

‘Consultation was a sham, it was driven by politicians and by [name of Scottish Government official]. People felt squeezed out’ (SCO3).

The scope for integrating stakeholders’ requests in the programmes was limited by a number of factors including, perhaps unsurprisingly, the lack of consensus from across the different sectoral and territorial interests over what the programmes should contain. This issue emerged both in the fieldwork carried out²²³ and in the 2006 Scottish Parliament inquiry, which found that ‘responses [to the question “what do you think the main priority areas should be for the new Structural Funds programmes from 2007-13?”] from those who gave oral and submitted written evidence very much reflected the key interests of each respondent depending on sector’ (Scottish Parliament, 2006, point 35).

There were also aspects of the programmes on which the Scottish Government position was already set,²²⁴ either because an administrative decision had already been taken, as for instance the decision to have only two ERDF programmes or to establish a minimum project threshold,²²⁵ or because of political input, as was the case with the ring-fencing of resources for the South of Scotland.²²⁶

²²³ ‘The main thing that came to mind was, particularly in the LUPS, the lack of consensus ... So we actually found that it was very, very difficult. You couldn’t please everyone’ (SCO2).

²²⁴ This observation is illustrative of this point: ‘Going into the consultation, we had some things we felt very, very strong about that we weren’t going to change. So for example, we felt very strongly that we weren’t going to increase the number of programmes. We felt that was an important issue for us. But there were other things, like the number of priorities, what should be funded under the priorities, how much money you give them [on which we were] genuinely open and no-one said, “no, it has to be this, this and this”. We had a lot of pressure from the Commission to do certain things, [but] people would bring forward examples and say “can you change this?” and you’d actually think “this is something really to think about”’ (SCO2).

²²⁵ The consultation process highlighted a considerable dislike for this idea and there were concerns that setting up a minimum project threshold would disadvantage certain groups of potential beneficiaries or types of organisations. Stakeholders emphasised that ‘projects should be viewed on their merits and ability to deliver rather than the size’ (Scottish Executive, 2007a, p. 37). Yet, the Scottish Government did not change its stance, emphasising that ‘the Executive believes that a minimum project threshold across all priorities for the two Lowlands and Uplands Scotland Programmes will improve their administration and impact. A single threshold would be set at an annualised level of eligible project costs of £200,000. Such a threshold will encourage the development of more legacy-based and strategic projects and reduce the costs

Further factors that limited the real scope for stakeholders' views to be included in the programmes were: the Commission's strong push for earmarking;²²⁷ the new eligibility rules that excluded certain policy fields or sectors from support; the tight timetable under which programme drafting had to be carried out; and even the negative climate around which the consultation processes took place, dominated (particularly in the LUPS area) by an aura almost of hostility due to the perceived imposition of the decision to reduce to two programmes and PMEs.²²⁸

The second aspect of the changes in the way programme design was undertaken in 2007-13 was the policy-driven nature of the drafting process. Whereas in previous periods the plan teams – and thus the partners together with the PMEs and Scottish Office/Executive officials – discussed the programme areas' socio-economic situation and background analysis, strengths and weaknesses, it was observed that during the last round of programme preparations,

of administering separate projects for many partners. Where individual organisations or different applicants have related project bids, they can be encouraged to create single projects bids where appropriate as part of the two-stage application process discussed below. Such an approach would also manage expectations for project bidders in an environment of greatly reduced funding. A project threshold should not unfairly prejudice any sector or part of the region. It will be an important task of the IAB to work with projects advising how suitable project bids can be put together' (Scottish Executive, 2007a, p. 40).

²²⁶ Nonetheless, there were also other issues on which the Scottish Government was open and on which partners' views were heard, for instance with regard to the selection criteria for certain measures or the demarcation between ERDF and the Rural Development Fund. This remark by a Scottish Government official is quite explicit: 'The ring-fencing of money for the South of Scotland was deeply unpopular, but we were told to do it, that was political. I was against it, it was a terrible idea, it would cause trouble, but no-one asked my opinion on that' (SCO2).

²²⁷ As indicated by this interview quote from a Commission official: 'Partnerships have become a bit less wide. Part of that is inevitable because we pushed earmarking v. hard, because if the UK can't do the earmarking properly, than nobody can, quite frankly. So the social part (voluntary community sector) have less of a role, we don't have the Community Economic Development stuff, there is some but it is less, it is far more about getting the entire regional economy working well, not just concentrating on some poor areas' (COM3).

²²⁸ This statement by a Scottish Government official is rather emblematic: 'Because of the way in which the development of the programmes was handled, it turned out to be a much more antagonistic exercise than it should have been. We could have gotten the same result and gone the same direction but for a variety of reasons – which have more to do with personalities than to do with policy or even levels of governance – it turned out to be much more hostile, not hugely, but there was a lot of hostility there. And that meant that when we approached things like consultation – from my point of view, a civil servant point of view – what we were preparing for was hostility. Actually, what happened was much more complicated than that: people did use the consultation as a way to be hostile. They did use it as a way to attack not just our proposals, but the process about the underlying "why are you taking power away from us?", "why is this accountability changing?" Not a lot of people but significant numbers. But to be honest, most people used the consultation to genuinely comment on issues' (SCO2).

the Scottish Government civil servants took a strange view and said, 'these are the policies that we have, now go and find data' ... So it was rather peculiar, it was 'this is what we want you to do, now go and find the evidence'. Clearly the guidelines from Brussels were the other way around: what are the problems, what you want to get to, and how you are going to get there? (SCO7).

It could have hardly been otherwise, given the choice made to link the programmes upstream with already existing Scottish policies.

Since the formal regulatory requirements of background analysis, *ex ante* evaluation and partner consultation had been complied with, the European Commission desk officers did not contest the programme design approach or programme content, in some cases to the disappointment of Scottish stakeholders.²²⁹ Interview evidence suggests that Commission officials, like Scottish stakeholders, also ended up being absorbed in the debate over the rationalisation of the programmes (and PMEs), and that this took them away from their core task of appraising the quality of the proposed programmes.²³⁰

The Commission's perspective obviously differs on this issue. A DG Regio official noted during interviews that:

[As] the Scots aligned the Structural Funds programmes to their own domestic strategies, the Commission took a decision not to fight to have very distinctive programmes from the domestic ones of the Scottish Government. There is less money, so the Commission decided that it would be fine to align the OPs with the Scottish strategies – which are also Lisbon-oriented anyway – but that they (a) want visibility and (b) didn't want what Scottish Enterprise were trying to do (COM3).

²²⁹ Some interviewees observed that the Commission's input to the negotiations of the programme documents was disappointing. DG Regio officials were perceived as overlooking the merit of the strategic choices made and having just adopted a 'tick-the-box' approach.

²³⁰ DG Regio had been always appreciative of the work carried out by the Scottish PMEs which, as has been mentioned, it considered as European good practice. In addition to this, strong links had developed over time between some of the PMEs and DG Regio (SEP even had an office in Brussels). Initially, DG Regio tried to persuade the Scottish Executive to re-think their rationalisation plans (which in Scotland was seen as resulting from the officials' long-standing relationship with the PMEs and the political loyalties discussed above, rather than motivated by considerations of substance), but over time the Commission officials accepted that this was a decision for the Scottish Executive: an issue confirmed by interviews both in Brussels and Scotland (COM2; SCO12).

Accordingly, the focus was more on delivery arrangements than on programme content.

The fact that the start of the programme period was approaching fast was probably a factor in determining how the programmes were both prepared and negotiated. The programme period had started officially at the beginning of January 2007 when the public consultation was still open. Further, there was the prospect of the May 2007 Scottish Parliament elections. In the end, it is fair to say that both the Scottish officials and DG Regio took a pragmatic approach to the negotiations, focusing on the key issues only.

The final outcome of the different programme design approach adopted for 2007-13 by the Scottish Government was that Scottish programmes in their main thrust were: (i) largely similar to those of elsewhere in the UK, due to ‘a sort of political party coherence in the various capitals’ (COM3) and to the Commission-driven earmarking; (ii) less regionally targeted than previously, for the reasons outlined above; and (iii) according to some external observers, not particularly innovative (e.g. SCO7; SCO8). Entering into power, in line with the pragmatic approach displayed more generally (Mitchell, 2008), the SNP Administration did not prioritise the amendment of the programmes. However, fieldwork research anticipated that some adjustments were nevertheless forthcoming, designed to enable programmes to respond to some of the challenges raised by the recent economic crisis,²³¹ to address areas of expenditure not progressing as planned, particularly in the Highlands and Islands (where, for example, local authorities are finding it hard to spend), and to achieve a better fit with the current Government’s priorities and its overarching Purpose.

²³¹ In 2009, the Scottish Government commissioned two studies on the ERDF programmes’ continued validity in the context of the economic crisis. The evaluations pointed to some adjustments and adaptations, but highlighted that the overall strategic framing of the programmes was still correct.

14.4.2.2 Project appraisal and selection

Together with programme design, the other programming process that was considerably altered after 2006 relates to project appraisal and selection. Changes in this sphere have been two-fold: first, the reorganisation of project appraisal and selection from being solely based on competitive bidding to a ‘hybrid system’²³² comprising a mix of competitive bidding and direct commissioning; and, second, changes to the composition and functioning of the Advisory Groups, especially in the LUPS programme.

Until 2006, the appraisal and selection of projects was carried out exclusively through competitive bidding, based on detailed application forms submitted by potential beneficiaries and appraised by the PME-assisted Advisory Groups, as discussed in Section 14.3 (Danson *et al.*, 1997; Taylor *et al.*, 2000). In the current programme period, there has been a move to a system that mixes competitive bidding (known as ‘challenge fund’) and single-stream funding mechanisms, i.e. the direct commissioning to key delivery bodies that are also in charge of delivering domestic policies, and the parcelling out of portions of funding to be administered by the Community Planning Partnerships (selected with competitive procedures) and SoSEP (via a Global Grant).

The key reason for this move to a hybrid system is well illustrated by the testimony of the then Deputy Minister for Enterprise and Lifelong Learning, Allan Wilson, to the Scottish Parliament’s inquiry on 2007-13 Structural Funds programmes, in which he stated that:

We believe that there is a need to develop a more strategic approach in the present round ... To an extent, we are dealing with a moveable feast. Seven years into devolution, the time has come to adopt a more strategic approach and to align structural funds with the priorities that the Parliament and the Executive have set for Scotland. The delivery of structural funds must complement the strategic direction that we want to take across the range of

²³² Allan Wilson, at the time Deputy Minister for Enterprise and Lifelong Learning, giving evidence to the European and External Relations Committee on 6 June 2006. <http://www.scottish.parliament.uk/business/committees/europe/or-06/eu06-0902.htm#Col1902> .

domestic programmes ... With less funding available, it is crucial that we ensure that structural funds are effective in delivering on our objectives in the next seven-year programme. We want to ensure that the reduced amount of structural funds will add maximum value to our domestic policies. Those are the principal reasons for the extent of the change that we are proposing to how structural funds are delivered ... We are investigating a number of options, which include more direct use of the enterprise networks for the delivery of Lisbon-type economic development objectives, the use of community planning partnerships to deliver community regeneration and social inclusion priorities, and continued use of the challenge fund system for the rest of the programmes while we pilot the prospective co-financing arrangements. We have always said that a hybrid system is a strong possibility and nothing has happened to change that view.

And indeed, the hybrid system was introduced. The most important shift in this respect, compared to the past, is the ring-fencing in both ERDF programmes of a portion of resources ‘for the delivery of key strategic projects by particular organisations or groups, or Strategic Delivery Bodies (SDBs)’ (LUPS programme, p. 105), ‘to support projects for which they are the only bodies that can deliver, that is clearly additional to the bodies’ existing activities and which is fully eligible with the scope of the Programme’ (H&I programme, p. 105). These bodies, which in essence were pre-identified by the Scottish Executive and whose remit was negotiated bilaterally with the programme Managing Authority (i.e. the Scottish Government), are Scottish Enterprise for the LUPS programme and HIE and the University of the Highlands and Islands, for the H&I programme.²³³

This choice to anticipate the decision over resource distribution to the SDBs was contested both domestically and by the European Commission. The Commission was essentially concerned about additionality, i.e. that this ring-fencing would generate the use of ECP resources to fund operations that the agencies would carry out anyway, and about transparency. One interviewee from the Commission defined the choice to ring-fence resources to Scottish Enterprise in the LUPS programme simply as a ‘power grab’ by Scottish Enterprise.

²³³ In addition, as mentioned, the programme for the LUPS area foresees a Global Grant, ex art. 42 and 43 of the General Regulation, for the South of Scotland area (under Priority 4 – rural development), which is

Within Scotland, the consultations on the draft programmes and the evidence gathered through the 2006 parliamentary inquiry both highlighted a number of concerns. These included the fear by other potential programme beneficiaries of being squeezed out of the programmes, given that the yet unquantified earmarking of resources to the Enterprises could reduce their scope to access funding. There was also a concern over additionality, i.e. that the SDBs ‘could use the funds for their own priorities, diminishing the potential impact of the funds’ (Scottish Parliament, 2006, point 56). Furthermore, doubts over the accountability of the proposed arrangements were also raised, given the uncertain latitude of the autonomy that the SDBs would to enjoy (a point elaborated in more detail in the next paragraph). There was also more generic support for the *status quo*: some stakeholders, in responding to the consultation on the LUPS programme, for example, raised the objection that ‘commissioning may not necessarily be the most effective delivery method’, whilst many ‘questioned the need to change the current model and asked for more clarification about the role and accountability of IDBs’ (Intermediate Delivery Bodies, as the SDBs were originally termed) (Scottish Executive, 2007a, p. 36).²³⁴ Responses received on the Highlands and Islands draft programme, on the other hand, were more favourable to strategic commissioning; for example, ‘seven respondents felt that there was a strong case for a greater use of pro-active commissioning of projects rather than simply waiting for suitable project bids to come forward under the different priorities’ (Scottish Executive, 2007b, p. 20). Nevertheless, remarks were made on the fact that ‘the challenge fund approach should also apply to funding going to the Intermediate Delivery Bodies’ and that ‘the challenge fund allocation in each priority needed to be sufficiently large to make it effective and genuinely competitive’ (Scottish Executive, 2007b, p. 20).

delivered by the South of Scotland Alliance. The programmes also include the financing of selected Community Planning Partnerships to deliver small parcels of projects in urban areas.

²³⁴ This is the explanation provided by the Scottish Executive in its response to the Consultation: ‘Several concerns were made about the role of Scottish Enterprise. In delivering the research and innovation goals of the new Priority 1, it is a primary agency in delivering Lisbon objectives and key Programme activity. This role and the potential for implementing major strategic projects for benefit to the region as a whole provides a compelling case for its selection. Close monitoring of spend, performance and additionality will be

Despite the above criticisms, Scottish Government officials saw and continue to see this approach as sensible, particularly because it allows streamlining of the time and resource-consuming efforts that the SDBs had to put in place to gain access to funding during past programmes, when they had to prepare a variety of applications under the many funding streams of the different programmes (with application forms that varied from programme to programme and with applications that had to be submitted at different deadlines, for instance) and with the potential risk of not being successful. By ring-fencing a block of funding at the outset, these bodies would gain more certainty (Michie, 2009) and be able to tie in the funding coming from the ECP programmes with their own budgets: ‘if the process that we adopt allows people to factor an expectation of that nature into their business plans, then that is much better than the uncertain hazard “will I/won’t I?” competitive approach that had applied in the past’ (SCO12).

Thus, one of the reasons behind the choice of direct commissioning was a desire to gain administrative efficiency.²³⁵ In addition, direct commissioning was found to be consistent with the overall thrust to subsume the operational programmes under domestic strategies (as emphasised by Allan Wilson in the above quote), in that it would ‘give the Scottish Executive a greater ability to tie the funds to Scottish Executive priorities’ (Scottish Parliament, 2006, point 55) by allowing the SDBs to ‘invite tenders from organisations to provide projects which align closely with [their] strategic priorities’ (McIver, 2006, p. 18).

conducted by the Managing Authority. A substantial share of funding under Priority 1 would remain open to bids from other bodies’ (Scottish Executive, 2007a, p. 39).

²³⁵ A senior Scottish Government official described it as follows: ‘You had – leaving aside the Highlands – four programmes and you had Scottish Enterprise as the major user of Structural Funds having to write different applications, 12-15 times and the view was held, I think quite rightly, that it made sense to consolidate that and say to Scottish Enterprise: “Look, you are the development agency for Scotland, it seems right that you have a major role to play in the Structural Funds, it would look odd if you didn’t, but what we want from you is a strategic bid that draws things together, isn’t just a series of *ad hoc* projects, but reflects a coherent strategic perspective that we can look at and judge it on that basis”. I think we are edging towards that, it has taken a while – as you implied, they’ve got budgetary issues of their own, massive upheaval in terms of structural change, a change of Chief Executive amongst everything else, they’ve moved away from some of the softer things, including the training side, which is now with Skills Development Scotland – that is still settling down. I still think that it’ll work and we have evaluations planned for the SDBs and the CPPs as well, which is the other innovation. So we’ll see how that goes’ (SCO4).

A further practical benefit of the approach was that it would place the onus of match-funding on the SDBs; this was considered to be a marked improvement compared to past experience when ‘some organisations found that having to source match funding, often from a wide number of other organisations, placed a heavy burden on them and complicated the required auditing and accounting procedures’ (Scottish Parliament, 2006, point 55). [original text in the present tense]

To assess the accountability implications of this move it is necessary to look into the relationship between the SDBs and the Managing Authority and the control exerted by the latter on the selection of projects by the SDBs. In the end, the decision was taken to regulate the relationship between the SDBs and the programme Managing Authority through ‘Operating Agreements’ that set out the framework of operations that the SDBs should implement and the targets to be achieved, and which are subject to approval by the programmes’ Monitoring Committees. Such Operating Agreements were approved for an initial period of three years, so as to allow their review if necessary. The Agreements also set out the ‘rationale, the selection criteria, the EU value added and their contributions to Programme and priority goals’ of the projects that would be selected by the SDBs (Scottish Government, 2007c, p. 106).

Fieldwork evidence suggests that the origins of the choice to formalise the relationship between SDBs and Scottish Government in this way are not clear. Scottish Government officials see this framework as originating because of the realisation that, as something new, ‘there would be interrogation of how the SDBs would work, either from the Commission auditors or from people making FOI requests. It just made sense to formalise it, so we know what is required, Scottish Enterprise do, and then we can compare notes in due course’ (SCO4). European Commission accounts indicate that this might not have been the original intention of the Scottish Executive and that it was DG Regio’s insistence in the negotiations that ensured that the PMC decided the amount of resources to be allocated to Scottish Enterprise, and that Scottish Enterprise was required to produce annual reports to the programme Monitoring Committee. Such accounts also suggest that there was disagreement in the negotiations but that, in the end, the Scottish Government relaxed some of their earlier positions on these issues to see the programmes

approved, given that the process of programme approval had stalled considerably (COM2). Either way, in the framework that emerged as a result of the negotiations, the SDBs are indeed accountable, notably to the PMC (with all the limitations that this body presents) and the Scottish Government.²³⁶

The second aspect of the changes introduced relates to the modifications to the part of project appraisal and selection that relates to the traditional competitive system, often called the challenge fund. The changes in this sphere relate to the Advisory Groups' composition and working, and they particularly affect the LUPS programme. In both OPs, a fundamental change in the composition of the Advisory Groups relates to the enhanced role of Scottish Government officials. Until 2006, the Advisory Groups – which were chaired by the PMEs – included only one representative from the Scottish Government in an observer capacity: an official from the Structural Funds division. This latter would view the applications and, when deemed relevant, would circulate them to the competent policy officials in other Units or DGs and then feed back any issues raised to the Advisory Group. Scottish Executive policy officials did not attend the meetings. The present situation is wholly different: first of all, it is the Scottish Government that chairs the Advisory Groups, represented by an official from the Structural Funds division; and, second, policy officials from the different thematic DGs interested in the programmes participate actively in the Advisory Groups, assessing and scoring projects, just as any other Advisory Group member.

One last important shift concerns the criteria used for selecting projects where the fit with domestic strategies is always effectively *conditio sine qua non* for funding. As underlined by one interviewee:

In terms of the scoring, policy fit, strategic fit is a key consideration. If something doesn't fit with Scottish Government policy, then it could pretty

²³⁶ One question is of course the effectiveness of the move, i.e. whether the choice to allocate resources directly to the SDBs has been a successful one in terms of ensuring better-quality projects and thus higher programme effectiveness and management efficiency. An independent evaluation on how the SDBs arrangement is performing is anticipated to be launched by the Scottish Government in 2010.

much be ruled out. Now, that rarely happens, but that possibility exists. In a sense it existed in the past, but it's now being very clearly managed and monitored, in a way that it wasn't before (SCO9).

The whole process is now much more centralised as a result of these changes.

There are also two further important changes that relate solely to the LUPS programme: the first is the reduced scope for stakeholders from across the LUPS area to participate in the Advisory Groups, resulting from the rationalisation of programmes. On the one hand, there are fewer Advisory Groups, because there are two-thirds fewer programmes; on the other hand, there are more stakeholders that would be eligible to participate in these bodies, given the wider territorial scope of the LUPS programme. These factors and the increased participation of Scottish Government officials in these bodies mean that there are fewer tables to sit around and also fewer places around these tables: the scope for partners to be included in programme delivery or to be representatives on Advisory Groups has diminished. The second change that was introduced in the LUPS programme is that the Advisory Groups are now only 'virtual', meaning that they do not meet up physically. Advisory Group members simply score the applications in isolation and pass the paperwork on to the IAB.

Are there implications for accountability entailed by these shifts? Not fundamental ones perhaps, as the whole process continues to be transparent and rigorous, but insofar as the participation of stakeholders in the process is reduced, there is clearly less scope for non-governmental actors to intervene on the merit of the choices made. This shift also questions in practice the whole validity of the previous system, a validity that had been unanimously recognised in the 2000 parliamentary inquiry (Scottish Parliament, 2000c)²³⁷ (and confirmed during interviews), and of which

²³⁷ The report even concluded that "[t]he Committee welcomes the conclusion that there should be five PMEs, each a company limited by guarantee as it believes that this "model" represents an effective structure which maximises the effective management of the programmes whilst ensuring independence in their daily functioning. The Committee recommends that the Executive consider plans, in co-operation with the European Commission, to promote the "Scottish model" on a wider European scale as an effective means of managing Structural Fund programmes. This might be done in the future specifically in terms of

some of the acknowledged strengths had been the capacity of the approach to generate learning and innovation during the collective discussion of projects, as has been seen, and the valorisation of the local and expert know-how. The consultation on the LUPS programme, for example, endorsed the Advisory Group-based system, indicating that ‘peer group appraisal of projects through advisory groups should be maintained in some form (12 respondents), although the process could be streamlined. It was felt that this process demonstrated true partnership and transparency and provided good value-for-money’ (Scottish Executive, 2007a, p. 37). The Scottish Government response, that ‘[t]he Executive does not believe that the current decision-making structures need substantial revision. Advisory Groups and the principle of peer review will remain in place’ (Scottish Executive, 2007a, p. 40), appears therefore to have been largely contravened, perhaps because the extent of the impact of these procedural changes was underestimated.

To conclude this review of the changes in the process of appraising and selecting projects, one final question needs to be addressed: does the political level intervene in the decision-making process, and if so, what is the extent of political interference and how does it relate to past practice? Overall, the degree to which politicians seek to influence the decision-making process has emerged as minimal, but it is there and has increased in the current round of programmes, as the observations presented in Box 7 highlight. Based on the evidence gathered through field research and on the broader analysis of the evolution of the project selection system, it would seem that the degree of political/ministerial influence in decision-making has indeed increased in the current programme compared to the previous period, but mostly because the whole system has been re-engineered to ensure increased consistency with domestic priorities and thus if a project is strategic for the Scottish Government and eligible for co-financing it will be funded by the programmes. The fact that the Minister has ultimate responsibility for signing off projects has remained a constant throughout programme periods, and despite an apparent nuanced shift in the understanding of

the Scottish Executive’s link with the Czech Republic and any potential involvement of this candidate state in subsequent regional development programmes.

this ministerial competence – from theoretical possibility in past programmes, to last resort in the current – in reality, the whole system is conducive to decision-making in line with ministerial expectations.

Box 7: Perceived ministerial influence in project selection

‘Because they are Ministers, they are getting lobbied all the time. We have annual rounds in both LUPS and H&I, but we also have a fast-track process for genuinely exceptional cases and so Ministers are lobbied, not excessively, but there’s always somebody whispering in the ears saying “I’ve got my project, it’s running into difficulties, can you do something about it”. Now, again to their credit, Ministers respect the process, they know we have an Advisory Group process, Programme Monitoring Committees. They know that they have the final decision, fair enough, and that the PMC is only making recommendations ... We had a couple of cases in the last couple of weeks: Ministers go to meetings or breakfasts on the economy and somebody sidles up. I don’t think they like it, I don’t think it does projects any favours when they do that, cause Ministers don’t like being door-stepped in that way, but inevitably I would get a call or X would get a call saying, “Well, can you just follow up this particular project?” But it’s left to us then to deal with, rather than the Minister saying to the lobbyists: “Definitely, I’ll make sure you get your money”. And often we as officials can then refer back to the eligibility criteria anyway and just say to the Minister, “Look, this is a good project – there were a couple in LUPS, very good projects – should be supported somehow, but not by Structural Funds because it is not eligible, and if you do support it, you’ll just get the auditors back in two years time”, and they, I think, respect that’ (SCO4).

‘I think Ministers are more interested, if that’s a way of putting it diplomatically. I think what has always been the case is that there is sometimes, let’s call it, intervention rather than interference, and my perspective would be that it is largely positive. It’s very, very unusual – in fact I’d be struggling if you asked me to find an example of Advisory Group recommendations to support a project, any of those being turned down by the Monitoring Committee or, in turn, by the Minister. What does happen, occasionally, is that the Advisory Group will perhaps be slightly undecided or just on the negative side, and the Monitoring Committee might talk the project in, [or] Minister might. So, it tends to be more benign or positive intervention, rather than throwing out good projects’ (SCO11).²³⁸

‘We are living in difficult times, unprecedented times, we are seeing national strategic projects coming forward in response to the recession – particularly around ESF and training – and on that basis, they are coming from Scottish Government, they are being backed and pushed by Scottish Ministers, to the extent which the wider partnership would say, “Oh you know, the hell with that sort of thing, our projects are going to get pushed out of the way because of these”. It’s hard to argue against those responses. People know these are coming out, at a strategic, political level, and it’s always the case, you know, we will fund them. The issue then is, why would you not fund them? What are the issues? But to be fair, the Advisory Groups would challenge those projects, not because of the design, or the aim, or the intention of the projects, but sometimes because they are rushed through the system, they are not good applications. And part of the job is to try and strengthen the application through the appraisal process. That’s the reality and, I am sorry, there will not be a programme anywhere in the EU that doesn’t have a level of political influence. Interference, no, that’s not happened so far’ (SCO9).

²³⁸ Except, one might observe, that in a context of scarce resources, throwing in a project almost automatically means throwing out another, competing one.

‘What we do see, what we have seen is ... more and more government schemes, government projects coming through in 2000-06, and certainly now, utilising the Structural Funds. So, effectively, decisions are being taken out of the hands of our Monitoring Committee and the decisions are effectively being made by the Minister. Now that’s not huge, it is still quite marginal ... but it is noticeable ... because the Structural Funds have built more into government policy ... Now, I wouldn’t say we have actually turned down and rejected projects that are coming through from partners on the basis that they’re not consistent with policy, but it’s the way in which things have been embedded more within policy for the Structural Funds and it has given the opportunity, I think, for more direct government intervention in the way in which the money is utilised. We have a project just now, for example, that has gone through the appraisal process and the Advisory Groups have, on at least two, maybe three occasions, recommended that the project not be funded. Now, the view we are getting now is, ‘Well, the Minister will take a decision and will fund it’, which is fine. But what’s the point in putting an application through the process? Our view is that that project does not fit with the Operational Programme’ (SCO6).

14.4.2.3 Monitoring and evaluation

Some remarks also need to be made with regard to monitoring and evaluation. These processes have not been subject to any fundamental reshaping from 2000 onwards, but they present developments that in many respects simply reflect the broader changes in the management of the programmes discussed above.

First, with respect to monitoring, in line with the Structural Funds regulations, the Monitoring Committee continues to undertake the functions of surveillance of progress in implementation and of ‘guiding the key programme decisions’ (McIver, 2006, p. 16). Likewise, the composition of the Monitoring Committee has remained broadly in line with previous practice in terms of the types of organisations concerned, as is illustrated in the table below (though the current PMCs encompass both ERDF and ESF programmes in each area, thus also include representatives from third-sector organisations with ESF interest). These factors have not changed across programme periods, in line with the Structural Funds regulations.

However, for the LUPS area, the reduction in the number of Monitoring Committees – due to the consolidation of the previous three programmes into one and the merger of the PMCs of ERDF and ESF programmes into a joint Committee – has *de facto* limited the representativeness of this body. This is perhaps not a fundamental loss, in the sense that the Monitoring Committee has in any case been found to be a largely bureaucratic body, which in many instances formalises decisions already taken at

political or administrative level (Polverari and Michie, 2009).²³⁹ Nonetheless, the reduced representativeness, coupled with the abolition of the PManCs and, for the LUPS programme, with the absence of interaction amongst Advisory Group members, ends up limiting the availability of arenas where partners and stakeholders have the opportunity to exchange views, ideas and concerns. Once again, this is a trend that supports the assessment of a centralisation of decision-making in the hands of the Scottish Government and its officials.

Similarly, with regard to evaluation, there have been no radical changes in this sphere, other than those intrinsically determined by the systemic and operational shifts discussed above. Structural Funds evaluation in Scotland has always been the responsibility of the Scottish Office/Executive/Government, which issued guidelines, supported and oversaw the PMEs in their work in this sphere (e.g. Bachtler *et al.*, 2000) and imprinted a strategic direction on the overall framework for the monitoring and evaluation of Scottish programmes, for instance by introducing programme evaluation plans and rolling evaluations as early as in 1994 (Williamson, 1996), anticipating the European Commission by one decade.

²³⁹ Although it should be mentioned that, in the view of Scottish Government officials, the tasks of the PMCs in Scotland go beyond those envisaged by the Regulations, as is perhaps witnessed by the fact that the LUPS PMC, for instance, met four times in 2009 due to the economic crisis, as opposed to the mandatory two. PMC tasks at present include: making adjustments to applicant guidance; formulating recommendations on the Strategic Delivery Body (SDB) Outcome Agreements and the performance of those agreements; and considering the recommendations of Advisory Groups on challenge fund projects, setting out a list of recommended awards for Scottish Ministers (Michie, 2009).

Table 19: Comparison of composition of Programme Monitoring Committees – Objective 2 Eastern Scotland 2000-06 and RCE Lowlands and Uplands Scotland 2007-13 programmes

	Eastern Scotland Obj. 2 2000-06 (ERDF programme)	LUPS 2007-13 PMC (ERDF and ESF LUPS programmes)
Institution	Number of components (18)	Number of components (20)
Scottish Executive/ Government	3 (Head, Deputy Head and official from European Structural Funds Division, Scottish Executive)	1 (Head of European Structural Funds Division – Convenor)
Agencies	3 (Scottish Enterprise Edinburgh & Lothian; General Manager, West Fife Enterprise; Chief Executive, Scottish Enterprise Fife)	3 (West Fife Enterprises Ltd; Scottish Enterprise Lanarkshire; Skills Development Scotland)
Local Authorities	3 Councillors (East of Scotland European Consortium – Chair ; Cabinet Spokesperson for Strategic Services, Midlothian Council; Aberdeenshire Council)	4 (East Lothian Council; Aberdeen City Council; Scottish Borders Council; North Ayrshire Council)
Statutory bodies	1 (SEPA)	1 (SEPA)
Socio-economic partners	3 (Policy Development Officer, Federation of Small Businesses; Secretary, Scottish Fishmerchants Federation; Scottish Trades Union Congress)	2 (LINC Scotland, the Scottish Angel Capital Association; Scottish Trade Union Congress)
Higher and Further Education	3 (Head of the School of Contemporary Sciences, University of Abertay Dundee; Principal, West Lothian College; Principal, The Adam Smith College Fife)	2 (Langside College; University of Strathclyde)
Voluntary Sector	1 (Council of Ethnic Minority Voluntary Sector Organisations (CEMVO) Scotland)	4 (Scottish Funding Council; Big Lottery Fund; SCVO; Scottish Association of Mental Health)
European Commission	1 (Desk Officer, DG Regio)	2 (Desk Officers from DG Regio and DG EMPLOY)
Other	-	1 (Dame Barbara Kelly, former chair of the Chair of the Dumfries and Galloway LEADER programme)

Source: esep.co.uk website.

There was also a considerable degree of inter-governmental collaboration between the Scottish Office/Executive and the DTI or other UK Government departments; for instance, the Treasury's 2003 Green Paper on evaluation was adopted as a reference point for Scottish policies (including ECP). Nevertheless, the commissioning and coordination of programme evaluation work was carried out by the PMEs, which – within the confines of the regulatory obligations and with variable resources and skills – had considerable freedom in selecting evaluation topics and questions. This contributed to render evaluation in Scottish programmes 'integral to the management and delivery of programmes' (Raines, 2006, p. 287). As recalled by a PME Chair,

we used evaluation as a management tool and, as much as we were the stewards of the programme, on a day-to-day basis we knew what was going on, we knew what wasn't working, why it was not working, we would know intuitively or we would have a pretty good idea: if we wanted to confirm our own understanding or we clearly thought 'this is a complex issue and there are things that we are not understanding that are going on, underlying trends that we don't particularly understand', you commissioned a piece of work. Because we had the feel and we had the ability to draw down that money: we had a budget [for evaluation] and, I remember, we got commended for a number of things that we commissioned (SCO12).

Notwithstanding the diverging capacities, skills and resources across programmes during previous periods,²⁴⁰ programmes were generally proactive in undertaking evaluation work and displayed a propensity to go beyond regulatory obligations. In most cases, evaluations were real 'programming and implementation tools and fed directly into the implementation process' (Bachtler *et al.*, 2000, p. 20).

Under the current programme period, by contrast, and in line with developments in other processes of the programming cycle, evaluation is entirely driven by the Scottish Government (Polverari *et al.*, 2007). The attitude towards this task is well illustrated by this quote from a senior Scottish Government official:

*The regulations charged the Managing Authorities or the member states, but the Managing Authority as far as we're concerned in Scotland, with developing an evaluation plan, and we developed the evaluation plan and **informed** the Monitoring Committee. If there were ad hoc evaluations, one-off thematic evaluations, then it's perfectly open to Monitoring Committee members to propose and we would reflect on that, but ... I think, kind of in keeping with this idea that we take more control, then that's the way we're headed with evaluation and communication plans too. Again, Managing Authority responsibility so, we get on with it (SCO11).*

²⁴⁰ A study carried out for the Scottish Executive in 2000 found that 'larger industrial/urban programmes have more staff, more resources and more regional organisations to draw on (e.g. for statistics, parallel studies, analytical capability and expertise). Smaller PMEs inevitably rely more on Scottish Executive guidance which, in turn, has often responded more to industrial/urban issues than rural ones, because of their relative financial importance. In this framework, two additional sources of guidance have become valuable to the smaller programme management teams: evaluation consultants themselves; and the expertise of other PMEs, consulted on an ad hoc basis or in the course of regular Scottish programme manager meetings. In terms of developing evaluation capacity at programme level, this exchange of experience is a key resource' (Bachtler *et al.*, 2000, p. 22).

So, for the current programmes, the Scottish Government's Structural Funds division has prepared the Evaluation Plan suggested by the European regulations (one plan for both ERDF programmes) and is responsible for commissioning the evaluations, for which it has set aside an *ad hoc* budget. An evaluation steering group – the Monitoring and Evaluation Group, MEG – covers both ERDF programmes, with responsibilities for the drafting and revision of the Evaluation Plan, oversight of the evaluation work carried out, decisions on the budget to be spent for different evaluations, and for drafting tender specifications and commissioning the evaluation work (Polverari *et al.*, 2007). However, this group predominantly comprises Scottish Government officials (half of the total) and does not entail any non-governmental representation, but only representatives from local Councils, the IABs and the Enterprise agencies.²⁴¹

Crucially, the evaluation budget is retained by the Managing Authority and none of it has been passed downstream to the IABs, as they had hoped. As with everything else in the current programmes' arrangements, the approach adopted for evaluation reinforces strategic focus and allows the channelling of limited resources towards a number of key themes; however, this is again achieved through the centralisation of decision-making in the hands of the Scottish Government, with very limited involvement of non-governmental stakeholders (through the programme Monitoring Committee) and, possibly, with under-exploitation of the intelligence that the two IABs (ESEP and HIPP) could offer to support evaluation as a programming tool.

In continuity with past practice, evaluation reports are presented to the PMCs and disseminated to the public – so transparency is served – but the reduced dialogue and openness represent a lost opportunity, particularly at a time when the European regulatory framework allows considerably more flexibility in the choice of evaluation questions and timings for the evaluation activities.

²⁴¹ At January 2009, the MEG was composed of 16 members: 8 Scottish Government officials, 3 representatives from the IABs (2 ESEP and 1 HIPP), 3 representatives from local councils, and one representative each for Scottish Enterprise and HIE.

One final point that should be mentioned regarding evaluation relates to the focus of evaluation work: in keeping with the subsuming of the programmes under domestic policies, the focus of the evaluations undertaken or planned for the current programmes is mostly on operational issues – such as the appraisal of projects above £2 million and the assessment of the new management and delivery arrangements (e.g. the working of the Strategic Delivery Bodies, Community Planning Partnerships and South of Scotland Global Grant) – and on the continued relevance of the programmes’ strategy in the changed economic context determined by the economic and financial crisis (Scottish Government, 2009c; Fraser Associates, 2009; Blake Stevenson, 2009). However, issues such as impacts, effects and effectiveness are peripheral to evaluation, arguably because it is only at a higher, policy level that these issues could be assessed.

14.4.2.4 Publicity and communication

There have been no fundamental developments with respect to the way the information on the co-funded programmes is communicated to the public and to prospective recipients, other than the changes derived from the whole range of modifications to the previous system of programme delivery that have already been discussed above, and those enabled by the improvements in information technologies and the dissemination of the internet amongst public administrations and households. The activities of animation on the programmes are now carried out by the IABs and the SDBs, and general information to the public is channelled through the IABs and Scottish Government websites in a similar way as previously channelled via the PMEs’ websites.

As already noted, moreover, Scottish Ministers now take a closer interest in ECP funds than did the Ministers in charge of the Scottish Office in the early post-devolution phases. News items about Structural Funds projects or funding now appear more regularly in the Scottish Government press releases and mass media.

One development worth mentioning, but which relates to overall Scottish governance rather than the implementation of ECP specifically, is that both the Scottish Parliament and the Scottish Government place considerable emphasis on information

to the public through their institutional websites: virtually all governmental and parliamentary acts (including committee meeting reports and minutes) are routinely made available to the public through the official sites. The opportunity to access documentation not publicly accessible through these sites is also guaranteed by the Freedom of Information Act, as already discussed. On the whole, therefore, the Scottish governance system can undoubtedly be described as very transparent.

14.5 Conclusions: devolution's impact on the accountability of Scottish European cohesion policy

The above review of the changes in the governance, management and implementation of ECP in Scotland following devolution has uncovered a trajectory of fundamental and widespread change.

As discussed in Chapter 11 and Section 14.2, the devolution reforms brought in a number of fundamental changes to the overall Scottish governance system, which have preceded and thus enabled (when not caused by) the changes observed in the management and delivery of ECP. These overall changes in Scottish governance included: (i) the increased parliamentary scrutiny of governmental activity and enhanced transparency on the work of Scottish public authorities (through the Scottish Parliament's Commissions/Committees system, institutional websites and Scottish FoI Act); (ii) the stronger relative weight of the Scottish Government compared to its pre-devolution counterpart, the Scottish Office; (iii) the emergence of a closer relationship between Scottish Government Ministers and officials; (iv) the emergence of a number of Scottish policies and strategies; (v) the intense use made of stakeholders' consultations and the related increased accessibility for decision-takers to Ministers and officials; (vi) the emphasis placed on local-level partnership-based work; (vii) an increased emphasis on public spending monitoring (part of a wider UK trend) and, more recently, on outcome and performance measurement and reporting; and, lastly, (viii) a more explicit political direction provided to Scottish governmental agencies and local authorities, so as to link their activity more markedly with Scottish policies.

The changes that relate specifically to the management and implementation of ECP – discussed in Section 14.4 – have also been considerable both in nature and scope. They have been classified as ‘systemic’ and ‘operational’. Systemic changes include the increased parliamentary scrutiny of ECP; the centralisation of the policy cycle in the hands of Scottish Government officials and the ensuing abolition of the PMEs (replaced by two Intermediate Administration Bodies selected with public procurement); the increased ministerial interest in this policy, reflected in ECP becoming a more prominent feature of political (governmental) communication; the rationalisation of the number of programmes implemented across Scotland; and the subsuming of ECP under domestic Scottish policies.

These systemic changes were accompanied by a number of operational changes related to the different phases of the policy process, notably: (i) the centralisation of programme design, which at the beginning of the current period became markedly top-down and policy-driven; (ii) the re-organisation of project generation, appraisal and selection into a ‘hybrid’ system comprising a competitive challenge fund component managed by the IABs, direct commissioning to Strategic Delivery Bodies, and parcelling out to local partnerships (CPPs and South of Scotland Global Grant); (iii) the rationalisation and reorganisation of Advisory Groups for the selection of projects under the challenge fund (more Scottish Government-dominated and, in the LUPS programme, only ‘virtual’); (iv) the increased ministerial influence in project selection (though still at relatively low levels); (v) in the LUPS area, the reduction of the number of Programme Monitoring Committees, in line with that of the number of programmes; (vi) a more marked Scottish Government drive in evaluation activities; and (vii) lastly, the undertaking of communication on the programmes by the IABs, SDBs and Scottish Government, rather than the PMEs.

All these changes have resulted in a radical reconfiguration of ECP governance, management and implementation, the essence of which is the increased control of the policy-making process exerted by the Scottish Government. As a consequence of this radical reshaping of Scottish governance overall and of the Scottish system for implementing ECP, the accountability of ECP in Scotland has also been transformed, particularly with regard to the ‘downstream’ accountability line that goes from the

Scottish Government level to the policy's beneficiaries and the public. A full assessment of this requires a return to the dependent variables outlined in the analytical framework (Sub-section 8.2.1) and an appraisal of the relative weight of the different causes of the changes observed. These two sets of factors are addressed in the Sub-sections below.

14.5.1 The impact of devolution on different accountability types

Beginning with the first classification of accountability provided in Sub-section 8.2.1, based on the subjects of the accountability relationships – i.e. political, administrative and participative accountability – an important conclusion of the case study is that devolution has determined a change with regard to both the main actors in the ECP arena in Scotland and their relative weight in the policy process. Whereas prior to devolution and in the initial phases of the first post-devolution programme period, the PMEs and the main programme partners played a dominant role in the programming processes – notably those who participated in the PME boards and various Committees and Groups that informed the then management system (PMC, PManC, Advisory Groups) – this same dominant role is now occupied by the Scottish Government, its Ministers and officials. Devolution has been a principle cause of this evolution, of course, in that the creation of a Scottish Parliament and Government has rendered the very political need for the European partnerships redundant (as discussed in Section 14.4.1). This fundamental change has augmented political accountability, because decisions on ECP are now more clearly linked to the Scottish Government's policies which, in turn, are framed in a structured system of accountability that did not exist to the same extent prior to devolution, and which finds its ultimate sanction in the four-yearly Scottish Parliament elections. Because of the new devolved arrangements, and in particular because of the oversight role played by the Scottish Parliament and its Committees (a role that, as has been seen, is effective and not purely formal), political accountability, in the double meaning of ministerial and democratic accountability, has greatly increased, both generally and with respect to ECP.

The internalisation of ECP responsibilities within the Scottish Government administration – where Scottish Government officials chair PMC meetings, but also oversee the activity of the IABs (now publicly selected contractors of the Scottish Government) and SDBs, and are in control of the levers that can ensure that N+2 targets are met, for instance – has also strengthened administrative accountability. Scottish Government officials are now in charge of the policy-making process, and they are directly and unambiguously accountable for their work to Scottish Ministers.

Conversely, however, the operational changes reviewed also point to a reduction of the participative dimension of accountability: the subsuming of ECP under the broader framework of domestic Scottish policies, and the related and overt centralisation of the process of programme design (which, for the current programmes, has been top-down and policy-driven); the changes made to the project selection system (discussed in Sub-section 14.4.2.2); the rationalisation of the number of programmes (and of the Programme Monitoring Committees) in the LUPS area; and the stronger Scottish Government drive with regard to evaluation all point to a reduced scope for local stakeholders and partners to intervene in the policy-making process. This is not to suggest that there were no flaws in the previous system (a number of weaknesses were discussed in the case study) or that the current system is not more efficient or does not represent more value-for-money than the previous one (considerations that were paramount for the introduction of the operational changes discussed); but, purely from the perspective of participative accountability, i.e. the capacity of decision-takers to inform the decision-makers' choices over strategies and resource allocation, this appears to have diminished.

This insight may indicate that the new political and administrative elites (the Scottish Executive/Government, on the one hand, and the senior Scottish administration, on the other hand), i.e. the real drivers of the changes discussed, have been unsuccessful in achieving a productive synthesis between their legitimate aspirations to control the policy process and draw selectively upon the strengths of the previous system while addressing its weaknesses (i.e. the need to promote wider inclusion, limit politicisation and improve efficiency). It may also indicate, however, that in the new, devolved policy framework, where ECP is subsumed under domestic policies,

participative accountability must be sought at this level. Thus, since domestic policies inform ECP, the question should be: do local stakeholders have the scope and capacity to influence decisions over such domestic policies? If so, then the reduction of participative accountability in ECP would be compensated by this higher-level participative accountability. However, the remit of the present study does not allow a comprehensive answer to this wider question.

In summary, a key conclusion of the Scottish case study is that, as far as the first categorisation of accountability is concerned – which is based on the distinction between political, administrative and participative accountability – devolution has led to the strengthening of political and administrative accountability, but also, as far as ECP is concerned at least, to a reduction in participative accountability.

Turning now to the second set of accountability types that were identified as dependent variables for this research – those relating to the classification based on the object of accountability (financial, procedural, outcome and performance accountability) – the case study supports the conclusion that devolution has had no significant impact on these types of accountability as far as the implementation of ECP is concerned. Just as before devolution, ECP accountability is essentially about the use that is made of resources, the correctness of delivery and compliance with rules, and the tracking of outcomes (outputs and results). Performance accountability, as defined in this study, continues to be marginal in Scottish ECP implementation. This contrasts with a more general trend in Scottish policy-making towards outcome and performance measurement, as has been seen. It leads to the conclusion that whilst devolution may have had an impact in strengthening outcome and performance accountability with regard to Scottish public policy overall, the same trend has not been observed with respect to ECP. For instance, following devolution, the performance of the PMEs was subjected to scrutiny, as has been seen, as part of the formative stages of the reorganisation plans, which ultimately led to the abolition of these bodies. However, in this assessment, ‘performance’ was interpreted essentially as the administrative efficiency and value-for-money of the PMEs, rather than as their capacity to deliver the strategic goals set out in the programmes. Apart from a small-scale study undertaken in 2007 for the Scottish Parliament’s Enterprise

and Culture Committee (Davies *et al*, 2007) and the premature efforts of the programmes' mid-term up-dates (e.g. Scottish Executive, 2005b), there has been no real attempt at assessing the impacts delivered by past programmes, nor are there any plans to carry out such an assessment in future on the current programmes.²⁴²

A second conclusion of the case study is thus that, whilst devolution has strengthened outcome and performance accountability for Scottish public policy overall, on the whole the accountability placed on ECP has largely continued to be on financial progress, procedures and physical outcomes. This is largely due to the influence of the European regulatory framework, which places particular emphasis on these aspects of accountability (especially financial and procedural accountability, notably because of the significant and tangible consequences associated with non-compliance with the N+2 rule or failure to comply with audit requirements).

Returning to the conceptualisation of accountability along the stages of dialogue, information and rectification, the case study research highlights that whilst the information stage of accountability in ECP implementation is still high and indeed has probably improved over time (in line with the improvement in IT technologies and the compliance with European rules introduced in 1999 on ECP communication and publicity), the stages of dialogue and rectification have been undermined by devolution, as the abolition of the PME system has not been accompanied by the introduction of other means to ensure effective partner-involvement in decision-making, and due to the top-down and policy-driven approach displayed by the Scottish Government in both programme design and implementation. An overriding conclusion of the case study is thus that, specifically considering ECP, devolution has led to a weakening of the dialogue (especially) and rectification stages of accountability.

²⁴² This is a pragmatic response to the European regulations, which assign responsibility for *ex post* evaluation to the European Commission, and a functional choice, given by the difficulty to assess the programmes' impacts, due to 'the significant methodological problems of calculating net effects and counterfactuals where EU funding is relatively small with respect to the size of the regional economy it targets' (Scottish Government, 2009c, p. 12).

This last consideration leads to the second part of the research argument, according to which devolution has had an impact on ECP accountability in Scotland, but it has not been the only factor.

14.5.2 Devolution a fundamental factor, but not the only one

The devolution reforms, and the related introduction into the Scottish policy arena of a new political class endowed with governmental responsibility and tools, have been fundamental and, arguably, the main factor leading to the changes observed in Scottish governance overall and in determining a new positioning of the ERDF programmes within the broader Scottish programming framework.

Devolution, and the ensuing birth of a new actor, the Scottish Parliament, with a key role as the primary ‘overseer’ of policy processes and governmental activity, has increased the degree of parliamentary scrutiny of all policies implemented in Scotland, including ECP. It has also led to the emergence of a Scottish-level Government and, related, new Scottish-level policies.

These changes have also effected a fundamental reshaping of the system of ECP implementation. They have superseded the political reasons for introducing the locally-based PMEs and increased the degree of parliamentary and public scrutiny of the policy (given the increased visibility of ministerial action). The availability of Scottish policies led to a corresponding alignment of the ERDF programmes, which now represent the overarching framework for Structural Funds programmes (a necessity enhanced, more recently, by the austerity entailed by the economic crisis). The creation of a new Scottish-level Government also led to a reappraisal of the efficiency and value-for-money of the previous system: Scottish Ministers and officials progressively aimed to gain control of the policy process. This responded to a number of needs, for instance to ensure that the programmes contribute to the wider policy goals of Scottish policies, but also to carefully monitor the policy process and prevent potentially harmful mistakes (e.g. with respect to audits carried out by European institutions or with respect to the spending progression required to avoid automatic de-commitments). Scottish Ministers also became increasingly committed

to delivering value-for-money and administrative efficiency, not least in anticipation of the significant cuts in ECP allocations expected for the current period (for instance, with respect to project selection, where the competitive system in place was deemed too dispersed).

From the analysis developed in this case study, it is clear that devolution was the key factor determining most of the changes reviewed. However, the changes identified were also driven by other factors that were exogenous to Scotland. These pertain both to the European level (particularly the mutated European regulatory framework) and to the domestic level (such as the New Labour public sector reform agenda, the emergence of a new regional policy paradigm, the political change in 2007, and the recent financial and economic crisis, as has been discussed).

The significant reduction in funding anticipated for the 2007-13 period was a fundamental factor leading to the questioning of the opportunity-cost and sustainability of the PME model. The strengthened EU rules on financial management and increased pressures from EU auditors also made the new Scottish Government and its administration feel more exposed to potential failings than the Scottish Office had hitherto. Thus, the changes in the European regulatory framework were also important drivers for change: the introduction of the N+2 rule required closer monitoring of progress and bottlenecks; the increased audits by EU authorities raised concerns over the control that the Scottish Executive administration had over PMEs' activities; the further reduction of Structural Funds resources in 2007-13, the Lisbon-earmarking and the elimination of area designation all contributed to the choice to rationalise and re-orient the programmes.

Lastly, the improvements in Information Technologies and dissemination of internet/broadband amongst public authorities and households were also significant factors, over time allowing a wider dissemination of programme information than had previously been the case (notably via the internet, although this was already considerably exploited during the 2000-06 period, under the previous system).

As a result of the review of these factors, it is fair to conclude that the demands of the Structural Funds regulations, as well as the necessity to counterbalance change and continuity, constrained the degree of flexibility that the new, devolved institutions

had in driving change. The hybrid project selection system adopted for the new programmes, for instance, appears very much like an unfinished rationalisation plan. It may be therefore that some of the accountability shortcomings found in the present system are due to this factor, as well as the necessity for the devolved institutions, Scottish Executive/Government *in primis*, to focus on other needs that appeared more pressing.

This is well illustrated by two dynamics: first, the different emphasis placed on performance in domestic *vis-à-vis* ECP, discussed above; and, second, the fact that even though accountability was an explicit concern with respect to ECP during earlier programme periods, it has progressively slipped from the policy-makers' agenda. The latest reforms of the programme management system, in particular, introduced by the Scottish Executive at the onset of the current programme period, did not have public accountability as their primary objective, but rather the goals of policy alignment, tighter control on expenditure and efficiency maximisation through a centralisation of the decision-making process and externalisation of delivery (at the expense of participation). In other words, accountability was a key concern explicitly pursued by Scottish officials soon after devolution, but intended as accountability of the PMEs to the Scottish Executive, which was considered to be lacking, rather than broader-based accountability.

14.5.3 Concluding case study assessment

The above review of the changes in the governance, management and implementation of ECP in Scotland following devolution, and of the evolution of Scottish governance more generally, has uncovered a trajectory of fundamental and widespread change. Commencing halfway through the previous programme period and especially from the preparatory phases of the current programmes, Scottish Government authorities have overtly sought to control and direct both the design and the implementation of policy. This is in sharp contrast to the previous system, when the Scottish Office took a more arm's-length approach, delegating programme management to local partnerships. Devolution has been the key causal factor for

most of the changes reviewed, although these have also been in part enabled or stimulated by other changes, at both European and domestic level, as has been seen. Changes have related both to Scottish governance overall and to the implementation of ECP specifically (where they have been both systemic and operational in nature).

As a consequence of this radical reshaping, the accountability of ECP in Scotland has changed significantly, particularly regarding the ‘downstream’ accountability line that goes from the Scottish Government level to the beneficiaries and the public at large. Some aspects of accountability – notably its administrative and political facets – have increased, while others, notably the participative dimensions of accountability, have diminished. The changes do not seem to have impacted on the emphasis placed on financial and procedural accountability as opposed to outcome and performance accountability (as relates to ECP).

In conclusion, the main research hypothesis put forward in the introduction to this thesis, that devolution has had, and indeed continues to have, an impact on the accountability of ECP is confirmed, but at closer inspection the analysis has highlighted that such impact has been neither univocal (across accountability types and between wider governance versus ECP arrangements) nor unidirectional (i.e. accountability has not simply ‘increased’). Amongst the interviewees, views on whether the present system is more or less accountable differed considerably, depending on the emphasis placed on one or the other type of accountability. Nevertheless, overall, the research leads to the conclusion that the accountability of Scottish ECP has increased.

First, as a result of devolution, the new ECP implementation system benefits from an overall framework of increased political and administrative accountability, where overall accountability is strengthened (i) between the electorate, Scottish Parliament and Scottish Government, (ii) between Scottish Government and Scottish officials, and (iii) between the Scottish administration and external policy implementers (IABs, agencies, project holders). Accountability lines between different actors are clearer, often more formalised and more publicly supervised. However, this strengthening of political and administrative accountability of ECP has occurred to the detriment of the participative dimension of accountability.

Second, the changes introduced to the various policy phases have largely been driven by the Scottish Ministers and administration. They reflect a trend that can be found elsewhere in the EU of subsuming ECP under domestic policy, but also an all-consuming concern by Scottish civil servants over the minimisation of the risk of loss of resources, perhaps losing sight of the more fundamental question represented by the policy's performance. Accountability with regard to ECP is still much more focused on inputs and procedures than on outcomes and performance.

Third, returning to the operational definition of accountability provided in Section 7.1, and linking the above analysis to the three stages of information, dialogue and rectification that constituted this definition, a key conclusion is that the dialogue stage appears quite considerably diminished, whilst the rectification stage appears to relate mainly to the electoral juncture and, in addition to this, to the potential for stakeholders to engage with MSPs to solicit parliamentary inquiries (see Table 20). Up until 2006, in comparison, more informal channels existed for local stakeholders to intervene in the programming processes. Although not perfect, as these channels presented important access costs and opportunity asymmetries, as has been seen, they ensured a level of dialogue and rectification that has hitherto been lost. Therefore the finding of previous studies are confirmed by the present case study, i.e. that

the shift from the former, Westminster-Scottish Office regime of accountability to the new Scottish Parliament-Executive axis has brought a substantial increase in the volume of scrutiny [and] a significant change in the regime of parliamentary accountability for the civil service in Scotland ... However, it is apparent that this change has taken place within the overall context of a continued reliance upon traditional mechanisms of parliamentary scrutiny, which by their very nature tend to facilitate the weaker, more anodyne forms of accountability ('answerability' or 'explanatory accountability') rather than leading to enhanced amendatory accountability, redress, or sanctions (Kirkpatrick and Pyper, 2001, p. 82).

Fourth, academic analyses converge in indicating that devolution has increased the accountability of the public sector in Scotland (McGarvey, 2008). The present assessment confirms this, but with respect to ECP the diminution of participative accountability should not be underplayed. The Consultative Steering Group's aspirations for more open decision-making have been frustrated in the specific context of ECP. With respect to participatory accountability, devolution has entailed

a regression compared to previous practice, due to a centralisation of decision-making in the hands of Scottish Government Ministers and officials, in a context where the increased Parliamentary scrutiny is counterbalanced by a domination of the Executive over Parliament. Keating's observations that one of the distinctive features of the 'second round devolution' is that the devolved institutions 'themselves become actors in the process as well as structuring opportunities' and that the policy-making 'process is taken into the hands of the political class, with less involvement in the civil society' (Keating, 2009) are strongly echoed by the findings of this case study on ECP implementation (even though prior to devolution the participation of civil society was mediated through the Partnerships, which meant that some actors had more opportunities than others to influence decision-making).

A final remark relates to the territorial dimension of policy-making. ECP is an intrinsically spatial policy and one that is conceived as 'place-based', as discussed in Chapter 3. As such, it is assumed to be informed by the emergence of local-level, bottom-up policy preferences and priorities. On the contrary, the governance and accountability shifts observed in Scotland after devolution appear to have determined the emergence of a vision of Scotland as a *unicum* and reduced the scope for participatory accountability. This is particularly true for the LUPS programme, since in the Highlands and Islands the territorial cohesiveness of the region allowed the preservation of a more marked territorial dimension and stakeholders' involvement in ECP decision-making.

Table 20: Summary of changes detected and accountability implications

	Main Changes	Accountability implications			
		Dialogue	Information	Rectification	Notes
GENERAL GOVERNANCE CHANGES	Stakeholder consultations as <i>modus operandi</i> of Scottish Executive/Government	+	+	+? (dependent on stakeholders' influencing potential, to be assessed)	
	Increased parliamentary scrutiny of governmental activity	+	+	+ Scottish Parliament has tools to enforce its recommendations	
	Enhanced transparency through Scottish Parliament Commissions, FoI Act, institutional communication via SP and SG websites	+ indirectly (by improving access to information that can inform dialogue)	+	+ transparency on whether rectification has been effectively pursued	
	Scottish Government more dominant than Scottish Office and more visible to Scottish public	=	+	+ through electoral process	
	Closer relationship between Ministers and officials, clearer accountability lines	=	=	+ through electoral process	
	More emphasis on public spending monitoring, capacity and outcome and performance measurement	=	+	+ through electoral process	Dependent on public capacity to interpret the information available
	More clear direction of work of Scottish agencies and local authorities, linked to Scottish Government policies	=	=	+ through electoral process	
	More emphasis on local level, joined-up partnership based-work for local service delivery (CPPs)	+? (but to be assessed based on CPP operation and performance)	+? (but to be assessed based on CPP operation and performance)	+? (but to be assessed based on CPP operation and performance)	

Source: own elaboration based on empirical investigation. + indicates enhanced; = no impact; - decreased; ? uncertain impact; + or - followed by ? indicates potential increase/decrease. Most important changes/effects are indicated in bold.

Table 20: Summary of changes detected and accountability implications (Continued)

	Main Changes	Accountability implications			
		Dialogue	Information	Rectification	Notes
SYSTEMIC CHANGES	Increased parliamentary scrutiny	+ stakeholders and citizens can (and indeed do) approach the EERC to raise issues that the Committee may take up	+ information on parliamentary inquiries available to public; previous arrangements mainly fulfilled accountability to partners	+ EERC checks progress towards recommendations made following inquiries	
	More ministerial interest in ECP	No impact	+ Ministers communicate ECP more	=	
	Subsuming ECP under domestic Scottish policies	Stronger direction by Scottish Government (MA) on programmes' content. Accountability to be sought at the level of Scottish policies design arrangements	=	- More limited scope for stakeholders to influence content of programmes (more tied to domestic Scottish policies)	
	Centralisation of policy process	- Less scope for local stakeholders to intervene	=	+ SG officials are more able to implement changes, BUT only if they/the Ministers deem relevant to do so → increased through electoral process	
	Programmes rationalisation	- fewer programmes and thus fewer PMCs/ involvement opportunities	=	=	
	Abolition of PME s (replaced by two Intermediate Administration Bodies selected with public procurement)	- IABs are external contractors and depend on Scottish Government for funding renewal. Scope for acting as dialogue facilitators is diminished	=	=	

Source: own elaboration based on empirical investigation. + indicates enhanced; = no impact; - decreased; ? uncertain impact; + or - followed by ? indicates potential increase/decrease. Most important changes/effects are indicated in bold.

Table 20: Summary of changes detected and accountability implications (Continued)

	Main Changes	Accountability implications			
		Dialogue	Information	Rectification	Notes
ECP	Programme design: centralisation	- Strategies driven by domestic Scottish policies (and constrained by EU regulatory framework, e.g. Lisbon earmarking)	+ Process of programme consultation more transparent (though due to information technology advancements)	- Less scope for stakeholders to obtain changes to the programmes strategies. SG policy alignment drive has rendered process more rigid	
	Project appraisal and selection: Re-organisation of project generation (a) hybrid system comprising challenge fund and single-stream funding	- Lesser role for AGs and fewer partners involved (at least in LUPS programme). CPPs might part-compensate this	=	? Pre-identification of SDBs, their periodic reporting to PMC (if publicly available) might inform electoral accountability	Too early to assess CPPs operation
	Project appraisal and selection: Re-organisation of project generation (b) for LUPS programme only, reduction of number of AGs, virtual scoring	- Less scope for local actors to be actively involved and for cross-fertilisation	=	=	
	Project appraisal and selection: Re-organisation of project generation (c) increased presence of SG in AGs, low but increased ministerial influence	- Less scope for local actors to be involved	- Less insider knowledge dissemination and more scope for political lobbying	=	
	Monitoring: Reduction of number of PMCs in LUPs area	- Less scope for local actors to be involved	= Documents made available via websites	-?	
	Evaluation: driven by Scottish Government (rather than PMEs/partners)	- Less scope for local actors to be involved	=	-?	
	Communication/publicity: carried out by IABs and SDBs, rather than PMEs	=	=	=	

Source: own elaboration based on empirical investigation. + indicates enhanced; = no impact; - decreased; ? uncertain impact; + or - followed by ? indicates potential increase/decrease. Most important changes/effects are indicated in bold.

PART 5: ASSESSMENT AND CONCLUSIONS

15. CHALLENGING THE DEVOLUTION BETTER-ACCOUNTABILITY EQUATION

The research stemmed from the observation that the political and institutional context for accountability is in flux in many European countries. Radical changes have taken place in the allocation of powers and the constellation of actors involved in policy-making, characterised by the shift from ‘government’ to ‘governance’ and the multi-level nature of the latter. The period from the late 1990s to the early years of the new millennium, in particular, has witnessed trends of decentralisation, deconcentration or devolution of competencies from the national levels to the sub-national levels in a variety of countries (Ventura, 2008; Pollitt and Bouckaert, 2007; O’Dwyer, 2006). As shown in this thesis, these trends re-cast the subject, content and nature of accountability through new dynamics between decision-makers and decision-takers (Held, 2004). Implicit or explicit in many of the discussions about devolution is that by bringing the design and delivery of policy ‘closer to the people’, devolution increases policy accountability in terms of characteristics such as transparency, legitimacy and responsiveness.

Accountability has become a topical theme in policy and academic debates in recent years. Although the notion of public accountability originated in the Anglo-Saxon world (Bovens, 2007; Dubnick, 2002), it has recently become a popular subject in public policy debates and in academic research across the entire EU, as illustrated in Chapter 4, responding to a number of factors that include: the permeation of NPM reform agenda themes in EU member states (Pollitt and Bouckaert, 2004), including those more anchored to the French administrative system (Olsen, 2003); the emergence of multi-level and networked forms of governance (Piattoni, 2010; Bache and Chapman, 2008; Benz *et al.*, 2007; Harlow and Rowling, 2007; Papadopoulos, 2007; Bache and Flinders, 2004; Rhodes, 2003); the process of European integration (Benz *et al.*, 2007; Curtin, 2007; Nicolia, 2005; Harlow, 2002; Metcalfe, 2001); globalisation (Dowdle, 2006); and a generic increase in public interest and concern regarding this issue (Gregory, 2007; Mulgan, 2003; Walker, 2004).

A key (and thus far relatively unexplored) question is whether the new, devolved institutional framework is more or less conducive to public accountability. The purpose of this thesis has been to examine this key question empirically, while focusing on one of the most important and resourced European policies: European cohesion policy (ECP).

Several important issues led to framing the research in this way. First, although research on accountability is substantial, it is relatively unestablished (Mulgan, 2003) and has been found to be often hampered by insufficient conceptual clarity (Mashaw, 2006), methodological rigour (Bovens, 2010) or empirical anchoring (Bovens, 2010). Second, whilst significant research has been carried out on the *modus operandi* and policy styles of the new, devolved institutions, and on the impact of devolution on policy innovation and divergence (Greer, 2001 and 2007; Keating, 2005 and 2010), not much research has been conducted specifically on the impact that devolution has had on public accountability. Third, whilst the accountability of public policies has been addressed from the perspective of a number of policies, as shown in Chapter 4, the accountability of ECP remains relatively unaddressed. This topic has only seldom been investigated, and assessments have generally focused on the issues of partnership, inter-institutional relations (especially between EU and national levels) and additionality (Bachtler and Mendez, 2007; Bache, 2004; Polverari and Michie, 2009 and 2010; Rhodes, 2003; Svensson and Östhol, 2001), neglecting the key processes through which regional policy is delivered and which have fundamental bearings on accountability. Fourth, ECP displays some peculiar features that differentiate it from many policies implemented in the member states, notably its multi-level and networked nature, of which the impact on accountability has been assessed mostly in abstract, without empirical testing (Bovens, 2007 and 2010; Papadopoulos, 2007). Further, whilst extensive research has been undertaken on the impact of EU developments on domestic policy-making (Europeanisation and multi-level governance research), not much has focused on how domestic developments are affecting the implementation of EU policies, notably ECP, in practice. Lastly, the fact that ECP is administered across the EU in accordance with a common set of rules established in the regulations governing the Structural Funds, and based on a

common policy agenda, rendered this policy an ideal theme for comparative research.

In order to test the common assumption that devolution necessarily entails improved accountability, the research aimed to answer the following two key questions:

- *What* has been the impact of devolution on the accountability of ECP? And,
- *How* has the accountability of ECP been affected by devolution?

By answering the above questions, the study aimed to test the research hypothesis that **devolution has had, and indeed continues to have, an impact on the nature of the accountability of ECP, the full extent and scope of which, however, needed to be empirically tested.**

In order to address the above questions, the research adopted an in-depth, qualitative, case study approach, focusing on two meso-level territorial units with long-term experience in the implementation of ECP and with recent experience of devolution: Tuscany, in Italy, and Scotland, in the UK. By concentrating on these two meso-levels, the study aimed to establish and assess: (i) the changes that occurred to the way ECP was designed, managed and implemented before and after devolution in these two meso-levels, framed in the context of the wider governance and policy-making developments entailed by devolution; (ii) the extent to which devolution was a causal factor in the changes observed (and whether any other factors played a role); (iii) and, lastly, the degree to which the policy's accountability transformed in response to the changes observed, so as to assess whether devolution impacted on regional development policy and its accountability, and to identify the type of impact.

The research faced a number of methodological challenges, as discussed in Sub-section 9.3. These included: dealing with key concepts – devolution and accountability – that are intrinsically politically charged; the (until recently) extraneousness of the concept of accountability to the Italian context; the cross-national nature of the research, which necessitated a thorough understanding of the two distinct policy contexts; the complexity of devolution processes; and the

difficulty of ‘isolating’ devolution as the determinant factor for the changes observed, in the context of competing and overlapping trends (such as the evolving ECP regulatory framework, wider domestic public administration reforms, political change and others). The timing of the research, furthermore, was a particular challenge, given the unsettled nature of the devolution processes observed, requiring the adoption of a longitudinal approach in acknowledgement of the time necessary for the reforms to take shape and for them to impact on domestic choices in the implementation of ECP.

Notwithstanding these challenges, the research approach on the whole proved useful to test the proposed research hypothesis, providing answers to the above questions to a considerable degree, as is illustrated in the section below (Section 16). It has also led to a re-conceptualisation of the notion of public accountability and how it should be researched, not least in the context of comparative analyses (Section 17). As was to be expected, however, some aspects of the above research questions could not be answered in full, and the research led to the emergence of further issues and lines of inquiry that had not been anticipated at the outset of the study. These and their implications are briefly reviewed in Section 18.

16. EMPIRICAL FINDINGS, INFERENCES AND EXPLANATIONS

The research has led to at least three overriding conclusions with regard to the hypothesis that was put to the test. They relate to: (a) the diverging degree and scope of the change to governance and policy-making caused by devolution in the two case studies (including in the specific field of ECP); (b) the impact of devolution on the accountability of overall governance and policy-making and of ECP management and implementation arrangements; and (c) the fundamental role played by devolution in the production of the changes observed (whilst not being the only causal factor). The conclusions on these three main issues can be supplemented by more specific findings on a number of elements uncovered by the research, notably: (d) that both cases displayed a strong path-dependence; (e) that rectification remains the weakest of the three accountability stages; (f) that the problem of ‘many hands’ is overstated as far as ECP in the two reviewed cases is concerned; (g) that the influence of the European regulatory framework has been fundamental in shaping accountability relations in ECP management and implementation in both meso-levels (justifying the similarities detected); and, lastly, (h) that public accountability post-devolution has on the whole increased in both meso-levels, but that its future evolution is uncertain and will require further monitoring and analysis. All of these findings are summarised below.

(a) Different starting points, different breadth of reforms, different extent of change

One important consideration that needs to be borne in mind in assessing the changes introduced by devolution to meso-level policy-making and ECP management in the two case studies is that the devolution reforms introduced have been different in the two cases due to their differing starting points. Whilst both Tuscany and Scotland were amongst the first European recipients of ECP support, having been beneficiaries of ERDF since 1985 and 1975 respectively (as discussed in Sections

13.3 and 14.3), Tuscany has existed as a regional authority with an elected assembly and Regional Government since 1970, and thus over the past forty years it has gained experience in autonomous policy-making and administration. This has included the tasks of administering EU Funds, which were managed internally by the regional administration under the responsibility of the thematically competent *Assessore*. Scotland, on the other hand, lacked autonomous representative institutions of self-government, except at the level of the local authorities, represented by the Regional Councils until 1996 and subsequently by the local Councils. Thus in Scotland, policy-making and delivery in the fields of economic development, regeneration and social policy were coordinated by a deconcentrated UK administration, the Scottish Office, which largely lacked political leadership as ‘most functions were the responsibility of junior Ministers without their own authority’ (Keating, 2010, p. 37). ECP was administered as a responsibility of this deconcentrated administration, but, following the abolition of the Regional Councils, the tasks of programme management and delivery were mostly assigned to limited companies, the *ad hoc* established Structural Funds Partnerships.

These different starting points have had a marked impact on both the general scope of the devolution reforms – which has been much more far-reaching in Scotland (with the establishment of an elected Scottish Parliament and its Executive arm) – and, related, on their effect both on governance and policy-making at the two meso-levels and on the management and implementation of ECP.

For Tuscany, the devolution reforms essentially strengthened the Regional Executive and its leader, changing the form of government from parliamentary to what has been defined as ‘neo-parliamentary’ (Baldi and Baldini, 2008), whilst also extending the competences assigned to the regional authority and its coordination function over lower tiers of government. The devolution reforms have not introduced a new, radically different institutional organisation between the state and the meso-level; but they have altered the interrelations between meso and local levels of government. In Scotland, on the other hand, the reforms entailed the introduction *ex novo* of an elected assembly (the Scottish Parliament) and a corresponding Executive/Government, in line with the cabinet system of government (Keating,

2010), as discussed in Chapter 11, thus bringing in wholly new meso-level democratic institutions. This has revolutionised the pre-existing interrelations between national (UK), meso and local levels of government.

As a consequence, whereas the reforms in Tuscany have mainly entailed the perfection of a pre-existing programming system, as well as the reshaping of the balance between different Tuscan-level institutions (executive versus legislature; leader of the executive versus the collegial executive and versus its individual components; vertical and horizontal subsidiarity), the reforms in Scotland have entailed the gradual introduction of a range of new Scottish-level policies on a number of devolved matters, devised by the Scottish Executive/Government and voted on by the Scottish Parliament, and upon which the Scottish Parliament exerts considerable, active and competent control and supervision through its system of parliamentary committees and commissions. In this context, moreover, the reforms have led to the emergence of a new *modus operandi* for the Scottish institutions, one that places strong emphasis on transparency, open decision-making through stakeholders' consultations, and on the monitoring of public spending (all features that in Tuscany, by contrast, were already consolidated prior to the reforms reviewed), whilst at the same time placing the Scottish Executive/Government strongly at the helm of the public policy decision-making process.

Looking at the effects of the reforms on the overall governance, policy-making and programming in the two regions, some common traits emerge from the two case studies. In both Tuscany and Scotland, the reforms have led to the affirmation of the role of the meso-level Executives as the key decision-makers (and thus the key public policy accountors) in contexts in which: (i) the elected assemblies predominantly exert a control function over the Executive's action, rather than imparting a strong political direction; (ii) stakeholders are involved in policy-making in different ways (though with different emphases placed on the concept of 'consensus' – much more pronounced in the Tuscan case); and (iii) extremely strong emphasis is placed on transparency and accessibility of information for the public.

However, these common features should not mislead, as the two case studies also uncovered a number of fundamental differences. In Tuscany, devolution has led to

the strengthening of the 'monocratic leader' (Musella, 2009), accompanied by a further reinforcement of the pre-existing cross-sectoral and multi-annual programming approach, and of the senior-level civil service (notably through the CTP, in charge of substantial coordination functions); whilst in Scotland the new Executive/Government has configured itself as a more collegial body, a trend further enhanced with the coming to power of the SNP. Policy-making in Scotland before the SNP Government was also more sectoral than in Tuscany; a more cross-sectoral approach, accompanied by a more marked outcome-orientation, has emerged relatively recently.

These characteristics configure both the Tuscan and Scottish systems as largely accountable systems, with clear responsibility lines over public policy, a good degree of dialogue with stakeholders to inform policy design, transparency in policy-making, and the existence of formal channels through which stakeholders can access decision-makers and seek rectification (e.g. the parliamentary commissions), though, in both cases, the electoral juncture is maintained as the key rectification stage.

As far as the management and implementation of ECP is concerned, the reforms in Tuscany have led to a number of changes but mostly of operational rather than systemic character, embedded in a framework of continuity with past practice. In Scotland, by contrast, the reforms have introduced a centralisation of policy-making in the hands of the newly born Scottish institutions, particularly the Executive, and the abolition of the established partnership-based PME that had been in charge of Structural Funds delivery since the mid-1990s. Thus the two case studies indicate that the changes in the way ECP is managed and implemented have been much broader in scope in Scotland than in Tuscany, the only common – but fundamental – feature being represented by the fact that in both cases the ERDF programmes are now subsumed under the broader economic policy and programming framework of the meso-level institutions. Having lost the previous stand-alone status – which saw the programmes emerge from a process of needs analysis and stakeholders' consultations – they have become essentially implementation and funding tools for meso-level domestic development policies.

A detailed summary of the changes identified in the two case studies, with regard to both the overall governance and programming framework and the management and implementation of ECP, is provided in Table 22 in Appendix I, but a first overriding conclusion of the research is that the degree of change introduced to Tuscan and Scottish governance and policy-making, on the one hand, and to ECP management and implementation, on the other hand, has been affected by the differing scope and nature of devolution reforms and starting points. Notwithstanding this observation, commonalities were observed across the two case studies, notably the empowerment of the executive branch as the key decision-maker, the articulation of the role of the regional parliaments on control/supervision functions, a marked commitment to involve stakeholders in decision-making, and a strong emphasis on transparency and accessibility of information to the public.

(b) Devolution's impact on the accountability of overall governance and policy-making arrangements and on ECP management and implementation

A second comparative conclusion from the two case studies is that, notwithstanding the vast difference in the changes introduced following devolution, as discussed above, in both cases the reforms delivered a strengthening of the accountability of the overall governance and programming system of the two meso-levels, but this same trend was not reflected in the accountability of ECP specifically in such a clear-cut manner.

In particular, with regard to the first classification of accountability prospected in the analytical framework (Chapter 7) – that based on the subject of the accountability relationship, i.e. on the distinction between political, administrative and participative accountability – the two case studies show that whilst the devolution reforms and the ensuing changes to the governance and policy-making have strengthened all types of accountability with respect to the overall governance and programming approach of both Tuscany and Scotland, with specific regard to ECP they have strengthened

political accountability in both cases (linked to the broader governance changes and, in Scotland, to some of the related ‘systemic’ changes introduced to ECP) and administrative accountability, especially in Scotland (in Tuscany, it was initially high and has consolidated further). However, at both meso-levels but particularly in Scotland, the changes discussed have caused a reduction of participative accountability within ECP. This reduction is due amongst others to the fact that subsuming the ECP programmes under domestic, meso-level policy frameworks has *de facto* moved the stage of dialogue with stakeholders upwards to the level of the overarching policies towards which the ERDF programmes now contribute. It may be that this reduction of participative accountability within ECP is compensated by strengthened participative accountability at the more general level of Tuscan and Scottish governance and policy-making; however, a full appreciation of whether this is the case and its full extent would necessitate further investigation.

Further, if one considers the second classification of accountability proposed in the analytical framework – that based on the object of accountability, i.e. on the distinction between financial, procedural, outcome and performance accountability – the case studies show that whilst devolution has led to a strengthening of financial, procedural and outcome accountability (excluding impacts) in Tuscan policy-making and of outcome and performance accountability in Scottish policy-making, the impact of devolution on these types of accountability within the management and implementation of ECP specifically has been neutral, as ECP accountability continues to be the same in both case studies as prior to the devolution reforms, i.e. primarily based on financial inputs, procedures and outcomes (excluding impacts), with the exception of the planned (and thus prospective) stronger emphasis on impact and performance accountability in Tuscany. However, if this were to materialise, it would be more a consequence of the recently introduced national unitary regional policy – and of the associated evaluation standards defined at the national level – rather than being due to devolution.

The neutral impact of devolution on the object-based classification of accountability can probably be explained by the cogent nature of the ECP regulatory framework that – with its emphasis on spend (N+2 rule) and procedural correctness (enforced by

frequent and rigorous audits and controls) – has encouraged Managing Authorities to place emphasis on financial and procedural accountability to the detriment, *ceteris paribus*, of the consideration of impacts and performance.

Lastly, from the perspective of the different processes of the policy cycle through which ECP is delivered and the three stages of dialogue, information and rectification – which have been analysed in depth in the two case studies and summarised in Table 15 and Table 20 – the research shows that the specific accountability impact at the two meso-levels in each phase of the policy cycle following devolution has been largely neutral and in some cases even negative (especially with respect to the dialogue stage of accountability and particularly in Scotland). A strengthening of accountability has only been recorded with respect to the openness in the provision of information to the public, a trend attributable not so much to devolution as to the evolving European regulatory framework, and which has been facilitated by improvements in information and telecommunication technologies. A summary review of the impact of devolution on the different types of accountability discussed above is provided in Table 21.

Accordingly, a second overriding conclusion from the research is that the impact of devolution on accountability has been different depending on the perspective taken (overall governance versus ECP management and implementation). Thus far at least, devolution has indeed strengthened accountability in the governance and programming approach of the two meso-levels, especially in Scotland. At the same time, if one considers ECP specifically, the impact of devolution on accountability is diversified across the different types of accountability. With regard to participative accountability and the dialogue stage of accountability, moreover, and especially in Scotland, the changes introduced to ECP management and implementation following devolution have reduced rather than strengthened accountability.

Table 21: Accountability impact of the changes observed in the period 1994-2009

		Overall governance		ECP	
		Tuscany	Scotland	Tuscany	Scotland
Subject-based classification of accountability	Political				
	- ministerial	+	+	+	+
	- democratic	+	+	+	+
	Administrative	+	+	+ (but high to start with)	+
	Participative	+/-	+	- (marginally)	- (considerably)
Object-based classification of accountability	Financial	+	NA	= (high to start with)	= (high to start with)
	Procedural	+	NA	= (high to start with)	= (high to start with)
	Outcome (excluding impacts)	+	+	= (high to start with – excl. impacts)	= (high to start with – excl. impacts)
	Performance	+(planned)	+	(+) (planned)	=

Source: own elaboration. ‘+’ indicates increase, ‘-’ indicates decrease and ‘=’ indicates no variation; +/- indicates contrasting trends.

In sum, thus, the research carried out confirms the initial argument that devolution has had and continues to have an impact on the accountability of ECP. It has also shown that such impact has been neither univocal nor unidirectional, and that the devolution/better accountability equation does not necessarily hold if focused on a specific policy field, notably ECP.

However, three caveats should be borne in mind in reading this overall conclusion. First, ECP has been particularly innovative with regard to the introduction of public management principles such as transparency, stakeholders’ involvement and subsidiarity (all elements that strengthened the policy’s accountability), and in this respect probably more advanced, historically, than other policies implemented domestically. This might explain the assessment made with regard to the loss of participative accountability. Second, ECP is on the whole an accountable policy due to its multi-level nature and the related compounded character of accountability

relations in this sphere, which involve a range of actors at a plurality of territorial levels. Anecdotal fieldwork evidence on Tuscany suggests that the accountability of different policies within the same meso-level can be significantly different from policy to policy, and that – because of its multi-level nature, and the deriving layered accountability system – ECP is more accountable than other policies where the accountability chain ends at the meso-level. Lastly, devolution has increased the accountability of the overall governance and programming system of the two regions and, as a consequence, also resulted in an increase of ECP accountability, not least given the above-noted subsuming of ECP in the wider domestic economic development frameworks and policies of the two meso-levels.

(c) Devolution as the main (but not exclusive) causal factor

A third main conclusion that can be drawn from the research is that devolution has been a fundamental factor in the changes detected in both case studies. With regard to ECP management and implementation in particular, it has been the fundamental cause for the key systemic change of the subsuming of ECP under domestic regional policy-making.

As discussed, the changes in ECP management and implementation have been more wide-ranging in Scotland than in Tuscany, due to the fact that devolution in Scotland has caused the emergence of a new political class endowed with governmental responsibility and tools (resources and policy-making autonomy in devolved matters), which has been a key driver for the radical reconfiguration of ECP design, management and implementation. This contrasts with the largely diffused perception, recorded during the fieldwork interviews, of how reforms to the way ECP is designed, managed and implemented were driven by the senior-level civil servants in charge of the policy: the civil service, trusted by the political leadership, indeed had a key role in assessing the need for change and determining the scope and content of change to be introduced, but the input and mandate for this were provided by the political leadership. The changes introduced to ECP, reviewed in detail in Chapter 14 (Scottish case study), had various aims, including that of integrating ECP in the new

Scottish policies, which had gradually begun to emerge, and ensuring that an efficient system be put in place to meet the performance targets and administrative requirements of the EU regulatory framework. Nevertheless, a key driver seems to have been the desire by the newly established Scottish institutions, and particularly by the then Executive, to assert themselves as the key decision-makers in the Scottish public policy arena (as demonstrated by the top-down approach adopted for the design of current ECP programmes).

This said, in both Tuscany and Scotland, there were other factors in addition to devolution that played a role in determining the changes in the management and implementation of ECP discussed above.²⁴³ In Scotland, these were predominantly linked to the altered EU financial and regulatory framework for the policy (halved resources, tightening EU-level audits and controls, eligibility of PME's funding model) and to a number of perceived flaws that the management system in place hitherto was considered to have displayed (notably the value-for-money of the PME system, the too-dispersed project selection system, the preferential treatment enjoyed by some main partners, and concerns over politicisation relating to one of the PMEs in particular). In Tuscany, by contrast, previous experience of implementing ECP and the broader legacy of a well-established domestic (Tuscan) programming tradition played the dominant role in determining the extent and scope of the adaptation of regional policy-making after the constitutional reforms of 1999 and 2001. In this latter context, the evolution of the management of ECP has also been affected by national-level domestic changes to regional policy – notably the introduction of a unitary regional policy in 2007, with the 2007-13 National Strategic Document (Ministero dello Sviluppo Economico, 2007) – but this has been a secondary factor, compared to the other developments reviewed (and a factor whose future evolution is at best uncertain, as has already been noted).

²⁴³ A summary review of all the causal factors discussed above, as they have emerged from the two case studies, is presented in Table 23 in Appendix II.

(d) High path-dependence

Notwithstanding the different causal factors that, in addition to devolution, have determined the changes reviewed, a strong path-dependence was observed in both cases: the path of change taken in each meso-level was strongly informed by their pre-devolution institutional system, previous experience (or lack thereof) of autonomous policy-making, political *modus operandi* and specific experience with implementing ECP (both positive and negative aspects). This path-dependence has been particularly apparent in Tuscany, given the forty-year-long administrative and political experience of the regional authority, which contrasts with the much more confined administrative autonomy that Scotland enjoyed pre-devolution. In line with this, the implementation of ECP in Tuscany has since its inception been gradually integrated with the domestic approach to policy-making in a process of mutual cross-influencing; whereas in Scotland the new devolved arrangements, compounded by EU-level pressures, generated a fracture that rendered the previous approach to ECP implementation both unnecessary and undesirable after devolution. In this latter case, the pursuit of better accountability was one of the factors that determined the systemic changes discussed in Sub-section 14.4.1, intended in particular to provide improved accountability of the administration to the political decision-makers, and via them to the Scottish stakeholders and public. Furthermore, in Scotland the altered ECP financial and regulatory framework has been a much more weighty factor determining change than in Tuscany, primarily because of the loss of Structural Funds resources experienced in the transition from the 2000-06 to the 2007-13 period, which led to questioning of the cost-effectiveness of the pre-existing system and consideration of the opportunity to streamline funding in a reduced number of programmes. It also provided a justification to the Scottish Executive to take direct control of the policy process in this policy area.²⁴⁴

²⁴⁴ In comparison, Tuscany maintained a basically unaltered ERDF allocation in 2007-2013 (see Section 13.3).

It is perhaps exactly due to this pre-devolution legacy, i.e. the different contexts in which devolution reforms have taken place, that Tuscany appears more institutionally advanced than Scotland as far as accountability is concerned. Obviously, devolution has determined a fundamental step change in terms of accountability of policy-making in Scotland, because it has increased legitimacy. Whereas the Scottish Office previously responded to the UK Government, it now implements its policies based on ‘the authoritative choices of a representative Scottish legislature’ (Mitchell, 2009, p. 141). However, the lack of political autonomy prior to 1999 had the consequence that the new-born Scottish authorities, notably the Scottish Executive, have been chiefly preoccupied with asserting themselves as the new, legitimate decision-makers. In the context of ECP, which had successfully experimented with a form of Scottish autonomy from London before devolution, this has been carried out in such a way that it has not produced an effective synthesis between this aspiration of the new Scottish Executive/Government and the positive features of the pre-devolution system, and it has resulted in negative – but certainly not irreversible – consequences for participative accountability.

(e) Rectification: the weakest of the three accountability stages

Looking at the three constituent and necessary stages of public accountability (as defined in the present research) – dialogue, information and rectification – the research highlighted that rectification remains the weakest of the three with regard to the implementation of ECP. Rectification is anchored predominantly, and more so than in the past (given the subsuming of ECP under the broader policy framework), in the electoral process. By contrast, information has increased substantially post-devolution (though more in response to the European rules and IT developments, rather than because of devolution), whilst the dialogue stage of accountability has witnessed contrasting trends, having diminished in both meso-levels – significantly in Scotland, marginally in Tuscany – with respect to ECP, but on the whole

improved overall with respect to general policy-making (significantly in Scotland, but less clearly in Tuscany, where contrasting trends were detected).

This relative weakness of the rectification stage of accountability and the reduced dialogue with regard to ECP are linked to the subsuming of ECP under the wider policy framework of the two meso-levels, but can be read as an indication of a wider trend of centralisation of the policy-making process in the hands of the meso-level Executives. This has been particularly noticeable in Scotland, where devolution has created a wholly new political elite (the Scottish MSPs and Ministers), who, when in Government, have overtly acted to take full control of the policy process without, however, achieving a productive synthesis between this legitimate aspiration and the ambitions of the 1997 Consultative Steering Group for more participative decision-making. With respect to ECP specifically, this represents a step backwards, given that up until 2006 more informal channels existed for local interest groups and stakeholders to intervene in the programming processes. Although not perfect, as these channels presented important access costs and opportunity asymmetries, as has been seen, they ensured a level of dialogue and rectification that has now been lost.

(f) The problem of ‘many hands’ is overstated

The above conclusion has important implications for the falsification of an argument that was found in the literature reviewed, according to which multi-level and networked forms of governance – such as that which characterises ECP, as has been seen – are hampered by the complexity of decision-making arrangements and the ‘difficulty of attributing to any one actor in particular responsibility for the final decision’ (Piattoni, 2010, 225); Bovens (2007) described this factor as the ‘problem of many hands’.

From the case study research carried out, however, it appears that, at least as far as the implementation of ECP in the two case studies is concerned, this is not an issue, because in both cases the devolution reforms have led to the assertion of the meso-level Executive as the key decision-maker in determining the direction and content of

the programmes. This assertion of the meso-level government, and of its administration, as the key decision-maker has affected not just the interrelation between meso-level governments and the policy's partners and stakeholders, but also the interrelation between the meso-level governments and the European Commission. In a sense, therefore, at least as far as ECP is concerned, both cases have completed a return-loop from 'governance' to 'government'.

Thus the research findings of this study strongly support the conclusion that the problem of 'many hands', which has been identified as typical of multi-level governance (Bovens, 2007), is overstated in the context of the two case studies discussed here.

(g) The fundamental influence of the European regulatory framework

A further conclusion that emerged from the empirical research relates to the strong influence of the regulatory framework of ECP. The accountability of this policy is strengthened by the EU regulatory framework and the shared management approach in which accountability relations involve a wide range of actors from a plurality of levels of government and accountability is compounded: scrutiny does not stop at the meso-level (as is the case for devolved competences) or at the national level (for shared or reserved matters), but continues up to the European level. This strengthens accountability. Fieldwork evidence suggests that this is not always the case for domestic policies implemented at the meso-level, where the accountability lines may end at this point (TOS3).

However, the strong, stringent nature of the EU regulatory framework also dictates to a large extent the types of accountabilities at play. It limits the scope for flexibility that the meso-level institutions have in determining both the content and the implementation methods for the policy, placing considerable emphasis on certain types of end-accountability to the detriment of others, i.e. financial and procedural to the detriment of outcome and performance accountability (Davies and Polverari,

2011). However, the approach promoted by the EU regulatory framework may be ill-suited to the domestic ‘sensitivity’ and may also hinder efficiency and effectiveness. More consideration should thus be given to the involvement of meso-level and sub-meso-level governments and stakeholders in a process aimed at reaching agreement on where the accountability emphasis for this policy should lie, including the scope for flexibility that may be required, from an EU-wide perspective, to accommodate differing meso-level aspirations and needs.

(h) Stronger post-devolution accountability, but uncertain future

Lastly, the key conclusion of the present study is that on the whole public accountability in both meso-levels has improved as a result of devolution, both in general and, as a consequence, with regard to ECP. However, considerable elements of uncertainty remain over the future evolution of devolved policy-making (and of ECP programming). On the one hand, as the Scottish case study shows, there is still some way to go in terms of the ‘dialogue’ stage of accountability. On the other hand, questions should be raised over the sustainability of the progress made after devolution. As the experience of ECP implementation in Italy has shown, positive achievements can be reversed in a very short time, especially when political commitment fails.

In both countries, furthermore, there are considerable uncertainties over the future evolution of the devolved arrangements: in Italy, this relates to the yet undefined implementation of administrative and fiscal devolution; in Scotland, this relates to the review of the current financial settlement between devolved and UK authorities. Currently the subject of lively debate amongst the main political parties, these uncertainties raise important questions over the future evolution of accountability in the two meso-levels.

There are also some contrasting trends. The strengthening of the Regional *Giunta* (*vis-à-vis* the legislature) and its leader, as identified in Tuscany, presents tensions for accountability: less pluralism, a more rigid timetable for stakeholders’ influence

(i.e. along the lines of the timetable of elections), and a reduction of the role of the Regional Council as controller of the Executive (along a model that is more characteristic of the UK Westminster tradition than of the traditional parliamentary system of Italy).

In both Tuscany and Scotland, the past decade has been a period of institutional learning and fine-tuning, and it is not possible to predict how the above tensions and issues will be resolved in future. This means that any current assessment of post-devolution accountability is not definitive. The hope is that it will provide a solid basis for future research.

17. THEORETICAL CONSIDERATIONS FOR THE STUDY OF ACCOUNTABILITY

Whilst the main aim of the research has been to comprehend the impact of devolution on the accountability of ECP and how it has occurred, the study has also shed new light on the concept of public accountability, allowing the derivation of important epistemological and methodological implications. As illustrated below, they relate to: the need to re-conceptualise the notion of public accountability; the necessity to complement traditional approaches to the investigation of public accountability with a more policy-centred approach; and the desirability of more comparative research on accountability.

(i) The need to re-conceptualise public accountability

The research has shown that it is relevant for definitions of accountability to embrace the whole policy-making cycle (from policy formulation to impact evaluation), and for accountability not to be solely regarded as *ex post* account-giving, as typified by much of the literature on this topic (Bovens, 2007; Mashaw, 2006; Dowdle, 2006; Romzek and Ingraham, 2000; SIGMA, 1999; Oliver, 1991).

There are solid conceptual arguments to support this view. Asserting that public accountability is about account-giving by policy-makers (those responsible for public policy) to policy-takers (other public actors, stakeholders and ultimately the public) on the actions taken by the former, so as to enable the latter to check the appropriateness of such actions and obtain redress, calls for recognition that the recipients of this account-giving activity (the policy-takers) ought to have the opportunity to participate in defining what is meant by appropriate action and that this opportunity must be institutionalised. This is because implicit assumptions of what the right course of action might be may lend themselves to fallacy.

Thus one of the conclusions of this research with regard to how accountability should be conceptualised is that policy-takers' participation in decision-making is an

essential component of accountability that should be part of the ‘core’ understanding of this notion. Accountability, in other words, is a concept that should be viewed as having necessarily at the same time an *ex ante* as well as an *ex post* connotation. This is why definitions such as those proposed by Bovens (2007) – recalled on page 43 - are incomplete.

A methodological corollary to this is that accountability cannot be understood and studied in a linear fashion (viewed as a more-or-less disjointed web of accountability lines) but as a circular set of interrelations that starts and ends with the end-users of public action: the policy-takers. If one accepts this approach, one will also accept that focusing only on one of the two sides of accountability – the *ex post* side – can be deceptive, as demonstrated by the results of the empirical research conducted here, which show that *ex ante* and *ex post* forms of accountability can display diverging trends.

(j) A public policy accountability research agenda

The above-mentioned conceptual re-framing of accountability carries important methodological implications. The present author concurs with Bovens (2010) that studies on public accountability are generally undertaken from two main approaches:

- a first approach that considers the architecture according to which public accountability is framed, the structures that govern the interrelations between policy-makers and policy-takers (i.e. the institutional weights and balances that govern public action, e.g. Mulgan, 2003; Harlow, 2002; Oliver, 1991) and the means or mechanisms through which such interrelations take shape in different contexts, such as elections, administrative procedures, judiciary action and so forth (e.g. Harlow, 2002; Mulgan, 2003); and
- an alternative actors-centred approach that focuses on the specific behaviours of the decision-makers – as the ‘accountors’ (Mulgan, 2003) or ‘accountability holdees’ (Papadopoulos, 2007) – in specific contexts (such as certain types of administrative actors in the EU, e.g. Curtin, 2007) or

situations (such as junctures of perceived accountability failures, e.g. Romzek and Ingraham, 2000).

This thesis has shown the validity of complementing a structural approach (which has informed the first part of each case study, focused on the devolved government arrangements) with a different approach: a policy-centred approach, where accountability is assessed from the perspective of the distinct policy processes that constitute the policy-making cycle (Section 7.2), from the stage of policy conception to those of policy design, implementation, and *ex post* assessment and review (an approach that has informed the second part of each case study, focused on the implementation of ECP). The findings of the empirical research have shown that there are merits in this combined approach, because it uncovers accountability patterns and bottlenecks that a structural/mechanicistic approach would not have captured.

(k) The need for more comparative research on accountability and for consensus on a core definition

The extensive literature review carried out for this thesis leads the present author to support Bovens' (2010) call for more systematic comparative research on public accountability. Bovens relates this conclusion purely to a scholarly perspective, lamenting that the lack of systematic comparative research has a negative effect on the use of the term (increasingly looser and diverse) and that it prevents 'empirical progress in the broad field of accountability studies' (Bovens, 2010, p. 947).

However, there is also another rationale for this requirement: as traditional types of accountability lose ground, as the long-standing hegemony of the electoral and bureaucratic forms of accountability become eroded by new forms of governance and by globalisation (Dowdle, 2006; Mulgan, 2003; Rhodes, 2003; McGarvey, 2001), and as different and new forms of accountability come to the fore in the public arena (Rhodes, 2003; Papadopoulos, 2007), there is scope for national parliaments, governments, administrations, agencies and stakeholders, as well as for European

institutions, *to learn from each other*. More systematic comparative research would assist such institutional learning, potentially feeding a virtual circle which could lead to a wider-ranging and more effective fulfilment of public accountability.

As pointed out by Bovens (2010), however, a principle barrier to more systematic comparative research is represented by the fragmentation and disjointed nature of current accountability studies (Bovens, 2010; Dowdle, 2006), where scholars tend to use their own definitions of accountability – ranging from very loose to very narrow – making it very difficult to ‘cumulate’ knowledge on this topic (Bovens, 2010). Not only is it the case that ‘every volume and author tries to redefine accountability in his or her own way’ (Bovens, 2010, p. 947), but also, as this thesis’ literature review showed, in many instances scholars omit to provide a definition of accountability and focus instead on key characteristics, dimensions or types of accountability, proceeding in their analyses by typologies rather than by what could be termed as ‘core’ analyses. This is perhaps understandable – considering the complexity and extensive nature of the topic, and the natural tendency of scholars to privilege those analytical perspectives that more closely match their background and interests (Dowdle, 2006; Mulgan, 2003) – but there would be considerable merit in promoting more academic debate on what a ‘core’ definition of accountability should be (for example, whether it should include the *ex ante* stages of policy-making, and the potentiality of sanctions). In fact, although it is true that public accountability has assumed new connotations as a consequence of the emergence of new forms of governance and of globalisation – which are leading accountability systems to become more fragmented, dispersed and characterised by softer, more indirect enforcement mechanisms (Papadopoulos, 2007) – such new connotations relate to how accountability is fulfilled, not to its constituent nature, and the two plans should not be confused.

Reaching agreement on what the necessary elements of public accountability should be, i.e. on those requisites without which a public actor or policy are not considered accountable, would create a common baseline for comparative research. Such an agreement would also be invaluable to protect the term from misuse. This would be particularly valuable in continental European environments, where accountability is a

newcomer, as noted, and, as such, more susceptible to differing (not always orthodox) interpretations; but it would be equally relevant in the UK, the US, Australia or Canada, where this word has been a longer-standing feature of the political lexicon, yet in similar fashion frequently used as a purely rhetorical device (as illustrated by Dubnick, 2002).

18. OUTLOOK

The research carried out has, to a considerable degree, facilitated answers to the two key questions proposed at the outset – what has been the impact of devolution on the accountability of ECP, and how has the accountability of ECP been affected by devolution – by explaining the changes that occurred to the way ECP has been designed, managed and implemented before and after devolution in the two meso-levels, by assessing the extent to which devolution has been a causal factor in these changes, and by appraising the degree to which the policy’s accountability has transformed in response to the changes observed (while also considering the wider governance and policy-making developments entailed by devolution). On the whole, the research has confirmed the initial hypothesis that devolution has had and continues to have an impact on the accountability of ECP. It has shown that this impact has been positive overall, but also that it has not been univocal or unidirectional, and that the devolution/better accountability equation does not necessarily hold if focused on a specific policy field, notably ECP. Nevertheless, and as was to be expected, some aspects of the above research questions could not be answered in full, and consequently the research led to the emergence of further issues and lines of inquiry that had not been anticipated at the outset of the study. They are summarised below.

(I) Uncertain impact of the ‘dialogue’ with stakeholders

A first unanswered question relates to the actual impact of stakeholders in decision-making. Chapter 3 shows that stakeholders’ involvement in decision-making (the dialogue aspect of accountability discussed in Sub-section 8.2.3) is one of the mandatory principles of ECP programming (under the so-called ‘partnership’ principle). The study has uncovered two quite different styles in the interpretation of this principle in the overall policy-making of these regions – linked largely to the pre-existing tradition and practices of interpreting stakeholders’ involvement prior to devolution – and identified an evolutionary process over the last 15 years that has

seen the extent and scope of stakeholders' inclusion in the decision-making processes become broader.

In Tuscany, emphasis is placed on achieving consensus through 'concertative' procedures; in Scotland, the approach is instead one of consultation, whereby the Executive/Government assumes the faculty to adopt (or discard) the contributions received from stakeholders through consultation processes (based on its democratic mandate). In practice, the real borderline between these two practices – concertation and consultation – can be ambiguous. The significance of consensus, for instance, can be limited by the way issues are framed and by the scope of the decisions subjected to such consensus. Similarly, the influence of different stakeholders in concertation and consultation processes can vary depending on the type of stakeholder, their endowment (skills, capacities and financial resources) and lobbying opportunities. This study has not been able to isolate the *real impact that the involvement of stakeholders has had on the decisions that are taken both with respect to ECP and more generally*.

The research has shown that devolution has brought about important changes to the dialogue stage of accountability in the governance and policy-making of both meso-levels. However, the actual extent of the influence that stakeholders exert in these two contexts could not be explored. Previous comparative research on stakeholders' involvement in ECP has shown that the gap between theory and practice can be considerable (Polverari and Michie, 2009 and 2010). This is thus an area on which further research is needed. It should be carried out through engagement with stakeholders to clarify their views on the means by which their inputs are sought and whether they are utilised – given that these can be quite different than the policy-makers' views, as past research has shown (Polverari and Michie, 2009 and 2010) – as well as through document analysis to assess the degree to which the points raised are subsequently taken into account and reflected in policy documents.

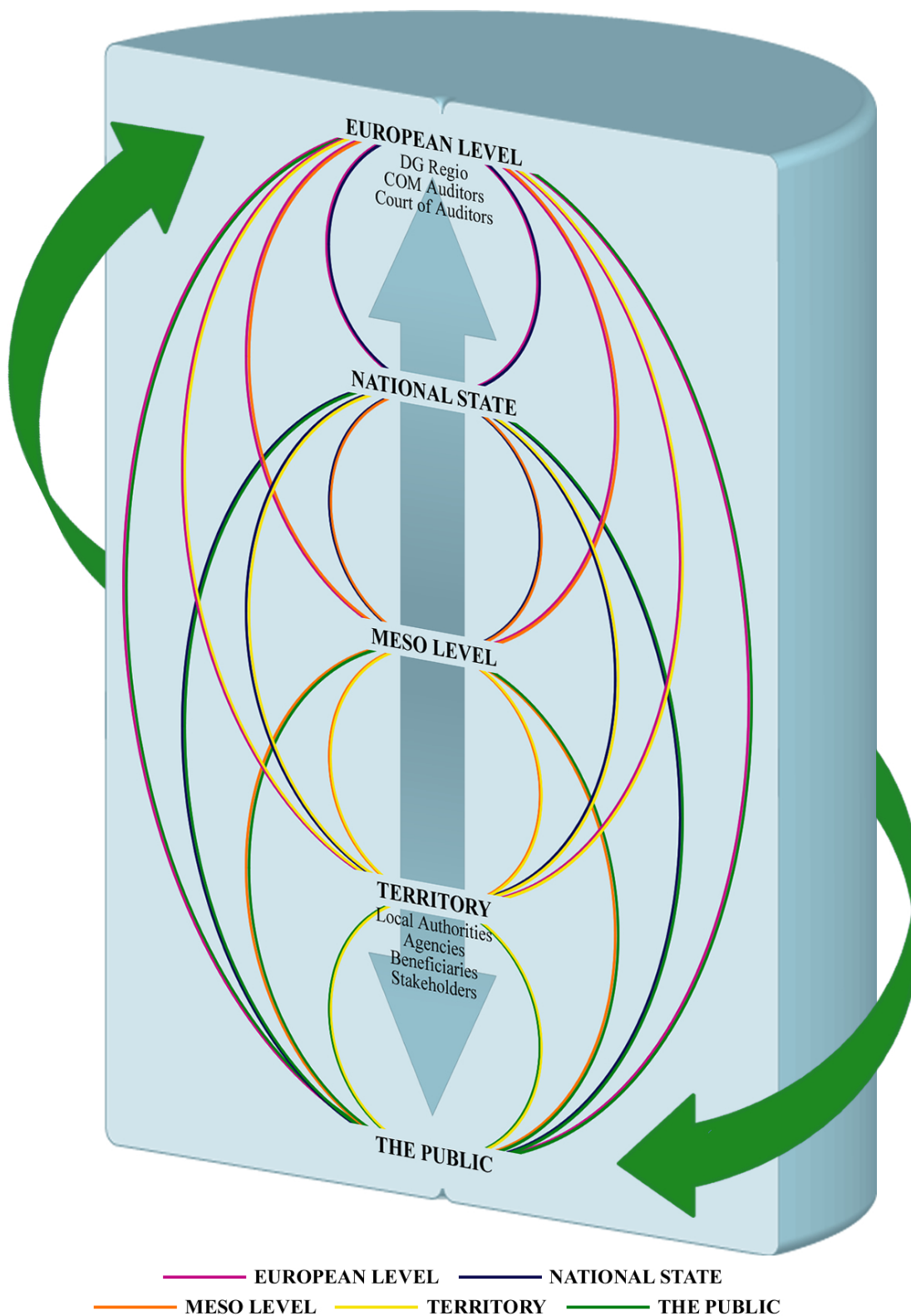
(m) The accountability/efficiency trade-off

As has been discussed, the focus of this research was on the meso-level and on the upwards and downwards accountability relations with regard to this level. However, from a wider perspective, ECP entails a broader range of potentially overlapping accountability linkages between actors from different levels, as illustrated in the diagram in Figure 10. This figure represents the accountability relations of ECP as contained within a cylinder that includes the different levels of government and governance at which the policy intersects.

There is a plurality of accountability relationships, not just because of the plurality of levels that the policy involves (i.e. relations between levels, represented by the double-coloured arrows that link the various levels), but also because of the existence of a number of relevant actors at each level, as represented by the tri-dimensional character of the figure (where the linkages displayed comprise just a section of a wider universe). A key question is therefore whether certain accountability relations, and the processes that govern them, are or should be more essential than others, i.e. whether some accountability lines should be ‘thicker’ than others.

This question emerges because, as noted in Section 4.4, enacting accountability imposes costs (Gregory, 2007; Mulgan, 2003; Barberis, 1998). Because of these costs, there is a natural trade-off between accountability and efficiency, and this carries the question of what the optimal balance between the two goals should be and how it should be achieved. In other words, a key unresolved question is what the minimum threshold of dialogue, information and rectification should be for accountability to be fulfilled. In fact, whilst the goal of ensuring that accountability is fulfilled is uncontested, establishing such minimum thresholds is not clear-cut. This is a topic that has not been sufficiently investigated in past research and that necessitates further theoretical and empirical work, bearing in mind that such thresholds will necessarily be context-specific.

Figure 10: Upstream and downstream ECP accountability (from a meso-level perspective) and wider accountability relationships



Source: own elaboration.

(n) The influence of the national context

This research has also shown that the influence of the national context should not be underplayed. Chapters 10 and 11 show that Tuscany and Scotland are peculiar realities in the context of their nation-states. Tuscany is one of the so-called ‘red’ regions of Italy, politically cohesive and stable, and over time it has developed a tradition of inclusive policy-making (both vertically and horizontally). Scotland is a ‘nation’ within the United Kingdom, with distinct national identity and cultural attitudes, as has been recalled. Yet they are both parts of nation-states. In both cases, national developments, as much as meso-level developments, will constrain and shape the future evolution of the devolved arrangements: for instance, the possible exacerbation of the ‘English question’ (Mitchell, 2009) that may result from the different-colour governments north and south of the border would inexorably affect future financial allocations to Scotland (and, related, further reform); similarly, in Italy, the actual operationalisation of the principle of fiscal federalism will largely depend on the compromise that will be reached amongst the various political forces of national, meso and local levels of government on the relative weight of a more recently emerged ‘northern question’ versus the perennial ‘southern question’.

In addition, beyond the implementation of reserved and shared policies, the national contexts are bound to affect the broader political developments of the two meso-levels. This issue is particularly crucial for Italy. Chapter 4 makes explicit that public accountability is a concern in the context of democratic systems, yet it is undeniable that Italy today is facing an unprecedented (since the end of WWII) anti-democratic drift. The largely biased mass media (owned or controlled by the President of the Council of Ministers), levels of corruption and organised crime amongst the highest in Europe,²⁴⁵ the considerable interference of the Catholic church in the running of the state, a stale and self-preserving political élite (which has been referred to as ‘the

²⁴⁵ In the latest ranking by Transparency International (Corruption Perceptions Index), Italy is sixth-bottom amongst the EU27 Member States, in 55th position, only followed by Greece (in 57th position), Lithuania and Poland (joint 58th), Romania (70th position) and Bulgaria (ranked 72nd) (Zinnbauer *et al.*, 2009, pp. 397-399).

caste’) (Stella and Rizzo, 2007), and a chiefly ignorant governing class (Mammone and Veltri, 2010)²⁴⁶ are all characteristics that have contributed to qualify Italy as ‘the sick man of Europe’ (Mammone and Veltri, 2010). It is evident that all these factors and their evolution would need to be fully appraised to comprehend and assess the full context that informs the accountability of Italian policy-making after devolution. Further research in these areas is thus warranted.

With respect to ECP specifically, fieldwork evidence suggests that the overall accountability framework attached to Italian regional policy has been characterised by a progressive loss of buy-in from the political class, a disengagement of the national Parliament (evidenced by the abandonment of the practice of periodic reporting by the Head of the Department for Development and Cohesion Policies to the Parliament’s Commission on Depressed Areas), and a widespread lack of attention from the national press. These points were strongly made in interviews conducted both at national and European level (ITA2; COM1) and have also emerged in recent literature on this topic (Viesti, 2009). They are further evidenced by two key issues: on the one hand, the failure in previous years to comply with the commitment to concentrate 30 percent of capital spending on the lagging *Mezzogiorno* (and, at a later stage, the suppression of this commitment from official government documents) (Viesti, 2009); and, on the other hand, the failure of the ‘unitary regional policy’ approach, which was largely abandoned (in practice, not in principle) after the change of government of 2008. The main message to emerge in this respect is that regional policy in Italy has for a decade – essentially since its re-birth around 1998-1999 – been ‘a matter for a restricted group of *addetti ai lavori*’ (COM1), and it has lacked political commitment, public opinion engagement and press attention. Even though the implementation of ECP has been exceedingly

²⁴⁶ Mammone and Veltri, in their introduction to the above-quoted volume, recall a documentary produced by a popular TV programme (*Le Iene*) on the cultural knowledge of the Italian MPs. Basic (and politically relevant) questions such as ‘Who is Nelson Mandela’, ‘Where is Guantanamo/Darfur’, ‘Who is Venezuela’s current President?’ were simply not answered by the MPs or answered with bitterly comical responses, such as: (i) ‘We [Italians] should not have it [Darfur]. We are a country of “style”, a country of good food ... [The Darfur] is a lifestyle, a type of behaviour ... [the Darfur] is for food’; (ii) Mandela is ‘the South-American President ... he is Brazilian’; (iii) Guantanamo is ‘in Afanistan’ (not just the wrong country but also pronounced wrong) (Mammone and Veltri, 2010, p. 1).

accountable in the Tuscan context, as has been discussed (largely due to the political support and higher visibility of the policy in the system of territorial governance), if a stronger accountability were placed on this policy at national level it would certainly further reinforce the accountability of Tuscan regional policy (as has been the case in the past, for instance with respect to evaluation).

Lastly, whilst the study has focused essentially on the meso-level – i.e. on the changing interactions between the meso-level of government and the upper/lower (mostly lower) levels' governments, institutions and actors in the design, management and implementation of ECP – there are fundamental aspects of this policy that precede the policy process reviewed in this study, notably with regard to decisions on overall resources and their distribution across member states and regions, and on the objectives and priorities that the policy should pursue. These decisions are largely taken above the meso-level, in a dialectic process that mainly involves the member states and the European institutions (with meso-level involvements that vary from member state to member state, depending on the constitutional and institutional arrangements). This study has not dealt with these aspects of the ECP cycle, but it is acknowledged that a full comprehension of the changing accountability of this policy would also require investigating the changing intergovernmental dynamics between member state and EU level, and the role and weight that the devolved, meso-level institutions have in these interactions. For instance, Scottish devolution arrangements foresee the participation of Scottish representatives in the European Council of Ministers when it deliberates on devolved functions that are subject to European Union law (but supporting a common line and, in case of disagreement, in a context in which Whitehall takes supremacy) (Keating, 2010). It would be useful to assess these dynamics in the new devolved contexts, exploring the related accountability tensions (especially now that the administrations at these the two levels are led by different parties) and how they may contribute to raise the accountability of the policy as a result of devolution.

(o) What future for deliberative/participative democracy?

A second question brought forward by the research relates to the experimentation with deliberative/participatory democracy that is being carried out in Tuscany and that has been appraised as *potentially* enhancing accountability. This is not a practice that has been used within the sphere of ECP specifically, but it certainly could be transferred to this policy. However, the actual extent to which such practices do indeed enhance accountability is unclear. Have the participatory democracy events held throughout Tuscany under the auspices of the regional law on participation been real instruments for dialogue and rectification, or have they ended up being largely façade procedures, or indeed procedures carried out for political gain, to justify potentially controversial policy decisions, rather than to lead towards responsive and effective policies? Further, how is the equitable access and weight of different interest groups and stakeholders ensured? Do such types of procedures reproduce, rather than overcome, the limitations that are typical of ECP partnership arrangements?²⁴⁷

The body of academic research on this subject has grown in recent years (e.g. Fishkin, 1991 and 2009; Fishkin *et al.*, 2000). Nevertheless, the Tuscan experiences are new and largely unexplored, and there is thus a need to address this topic in more detail. Further research is required to verify whether in the specific Tuscan context, but also more generally, the piloted activities (discussed in Sub-section 13.2.6) can indeed be a tool to overcome the limitations of the concertation/consultative approaches through which the ECP partnership principle has been operationalised. Similarly, it would be useful to clarify whether such experiences present valid outcomes – and under which circumstances – that may render them useful to the ECP policy-making process, in Tuscany as well as in other regions, as a means to improve the accountability of the policy further.

²⁴⁷ Discussed in Polverari and Michie, 2009 and 2010.

(p) Public accountability in other meso-levels and policies

The research has focused on two case studies only. The choice to delimit the investigation to two as opposed to more case studies was made for a carefully considered and relevant set of reasons illustrated in Chapter 8. This approach has been advantageous in that it has allowed an in-depth investigation of the issues at hand and the generation of conclusions that, albeit context-specific and with the necessary caveats, can be generalised. Nevertheless, the research has demonstrated the importance of the pre-devolution context in shaping post-devolution developments and the choices made with respect to ECP implementation, both pre- and post-devolution, uncovering a considerable path-dependence of the evolution of accountability in devolved ECP governance. There is no doubt, for example, that if the research had focused on other Italian regions – for instance Calabria or Campania – it would have led to considerably different outcomes (notwithstanding the fact that the devolution reforms were the same as in Tuscany). This suggests that further empirical investigation of other cases would be necessary in order to test the research hypothesis of this study more extensively. This should focus on other meso-levels that have experienced recent devolution or where, in the transition from the 2000-06 to the 2007-13 period, there has been a regionalisation of ECP management and implementation responsibilities (particularly in the EU12 member states).

At the same time, focusing on ECP is not sufficient to draw overall conclusions on the extent to which public accountability *per se* has improved following (and as a result of) devolution. To overcome this limitation, Sections 13.2 and 14.2 consider how the broader meso-level governance and policy-making arrangements have changed as a result of devolution, and various conclusions are drawn on the impact of such changes on public accountability. However, a more complete assessment of the key question of this research, i.e. whether devolution has proven conducive to accountability, would require a more comprehensive review of the evolution of other key policies implemented at the meso-level, such as healthcare, education (in Scotland) and wider economic development.

(q) The key issue of stakeholders' interest and capacity

A further element that the research did not appraise relates to sociological aspects of accountability, notably the capacities of stakeholders (levels of education and critical spirit) and their interest in public policy. Research on the implementation of the partnership principle in ECP has shown that stakeholders and organised interests are often disinterested when it comes to bringing public authorities to account on the results achieved by the policy. Organised interests, notably socio-economic partners, tend to intervene in the policy process in those stages concerned with resource allocation – notably programme design and project selection – in order to attract resources towards measures that pursue their constituents' interests, whilst the public at large generally does not engage with the policy (Polverari and Michie, 2009 and 2010). Yet the accountability stage of information is 'a two-directional issue, whereby it is not sufficient solely to provide information – there must also be a demand for such information'.²⁴⁸ This is a crucial point, of course, and one that highlights the necessity to examine the finding regarding the substantial emphasis that Tuscan and Scottish authorities place on the information stage of accountability, in the light of a more in-depth analysis of the attitudes, behaviours, perceptions and actions of organised interest groups and stakeholders in these contexts. The time and opportunity constraints impacting on the present research did not allow investigation of these aspects, but their further examination would undoubtedly be insightful and as such should be encouraged.

To conclude, and returning to the main research hypothesis of this study, the main conclusion of the thesis is that devolution has had and indeed continues to have an impact on the accountability of ECP implementation in the two meso-levels assessed. This impact has been positive overall but, as far as ECP is concerned, it has been

²⁴⁸ For this observation, I am grateful to Dr Paola Casavola, former Director General at the (then) Department of Development and Cohesion Policies (now Department for Development and Economic Cohesion), with whom I had a brief exchange of views on the topics that are the subject of this thesis within the context of an interview carried out for another research project. Dr Casavola was responsible for a number of years for the production of the Department's annual report on the implementation of regional policy in Italy (both co-financed by the ECP and domestic regional policy).

neither univocal nor unidirectional, as different types of accountability have been affected in different ways. Furthermore, this impact has not been caused by devolution as a development in isolation from other factors, but rather it has emerged through the interplay of the new devolved arrangements (themselves the result of their historical path) (Mitchell, 2009) with a range of additional factors, such as the pre-devolution power allocations, previous policy practices, concomitant domestic public management and institutional reforms, and the prospective scenarios presented to the key actors of devolved governance. This last point relates not least to the anticipated evolution of the European regulatory framework governing regional policy and to the future constitutional evolution of the two countries investigated, both of which are highly uncertain at the moment.

The research has left some questions open, relating to the 'real' impact of the dialogue with stakeholders, the trade-off between accountability and efficiency, the effective potential of deliberative/participative democracy, the accountability of ECP at levels other than the meso-level, the applicability of the research conclusions to other European meso-levels that, like Tuscany and Scotland, have undergone recent devolution processes, and, lastly, the capacities and interest of stakeholders. These themes are left to future investigation.

BIBLIOGRAPHY

- C. Abelmann and R. Elmore with J. Even, S. Kenyon and J. Marshall (1999) *When Accountability Knocks, Will Anyone Answer?*, CPRE Research Report Series RR-42, Consortium for Policy Research in Education, University of Pennsylvania.
- F. Aiello and V. Pupo (2009) *The Impact of Structural Funds in Italy*, MPRA Paper No. 14429, 24 March 2009.
- M. Alessandrini (2002), "Introduction" to Bacci L., *Sistemi locali in Toscana. Modelli e percorsi territoriali dello sviluppo regionale* (IRPET, Franco Angeli, Milan 2002).
- D. Allen (2010), "The Structural Funds and ECP" in H. Wallace, M. A. Pollack and A. R. Young, *Policy-Making in the European Union* (OUP, Oxford, 2010, Sixth edition, 229-252).
- A. Amin (2001) "Moving on: institutionalism in economic geography", *Environment and Planning A*, 2001, 33, 1237-1241.
- A. Amin, D. Massey and N. Thrift, *Decentering the Nation. A radical approach to regional inequality* (Catalyst, September 2003).
- W. P. Anderson (2004) "Mises versus Weber on Bureaucracy and Sociological Method", *Journal of Libertarian Studies*, 18(1), Winter 2004, Ludwig von Mises Institute, Auburn, Alabama (www.mises.org).
- M. Annesi (2000) "Mezzogiorno, Costituzione e federalismo", *Rivista Giuridica del Mezzogiorno*, XIV, 4, 1315-1323.
- C. Ansell (2008) "Network Institutionalism", in R. A. W. Rhodes, S. A. Binder and B. A. Rockman, *Political Institutions* (Oxford University Press, Oxford, 2008, Paperback edition, 75-89).
- C. Ansell (2000) "The Networked Polity: Regional Development in Western Europe", *Governance: An International Journal of Policy and Administration*, 13, 3, 303-333.
- I Anselmo, M. Brezzi, L. Raimondo and F. Utili (2004) *Making administrations accountable: the experience of the Italian performance reserve system*, Paper presented to the Fifth European Conference on Evaluation of the Structural Funds, "Challenges for Evaluation in an Enlarged Europe", Budapest 26-27 June 2003.

H. Armstrong and J. Taylor, *Regional Economics and Policy* (Third edition, Blackwell, Oxford, 2000).

A. Arnall and D. Wincott (eds.), *Accountability and Legitimacy in the European Union* (Oxford University Press, Oxford, 2002).

M. Arsi (2000) "Incentivi alle imprese e federalismo amministrativo" in *Rivista Giuridica del Mezzogiorno*, XVI, 4, 995-1038.

S. S. Artobolevskiy, *Regional Policy in Europe* (Regional Studies Association, Regional Policy and Development Series 11, 1997).

Auditor General for Scotland (2002) *How government works in Scotland*, Edinburgh, November 2002.

Audit Scotland (2010) *An overview of local government in Scotland 2009*, Edinburgh, February 2010.

Audit Scotland (2006) *Community planning: an initial review*, Edinburgh, June 2006.

Audit Scotland (2002), *Local Economic Forums. A Baseline Performance Statement*, Report prepared for the Auditor General/Accounts Commission, October 2002.

Bacci L. (2002) *Sistemi locali in Toscana. Modelli e percorsi territoriali dello sviluppo regionale* (IRPET, Franco Angeli, Milano, 2002).

I. Bache (2010) "Partnership as an EU Policy Instrument: A Political History", *West European Politics*, 33, 1, 58–74, January 2010.

I. Bache (2004) "Multi-level Governance and European Union Regional Policy", in I. Bache and M. Flinders (eds.), *Multi-level Governance* (Oxford University Press, Oxford, 2004, 165-178).

I. Bache (1999) "The Extended Gatekeeper: Central Government and the Implementation of EC Regional Policy in the UK", *Journal of European Public Policy*, 6, 28–45.

I. Bache (1998) *The Politics of European Union Regional Policy. Multi-level Governance or Flexible Gatekeeping?* (UACES, Sheffield Academic Press, 1998).

I. Bache and R. Chapman (2008) "Democracy through Multilevel Governance? The Implementation of the Structural Funds in South Yorkshire", *Governance: An*

International Journal of Policy, Administration, and Institutions, 21, 3, July 2008, 397–418.

I. Bache and M. Flinders (eds.), *Multi-level Governance* (Oxford University Press, Oxford, 2004, 165-178).

I. Bache e J Olsson (2001) “Legitimacy through Partnership? EU Policy Diffusion in Britain and Sweden”, *Scandinavian Political Studies*, 24, 3, 215-237.

J. Bachtler (2002) with F. Josserand and R. Michie, *EU Enlargement and the Reform of the Structural Funds: The Implications for Scotland*, Scottish Economic Policy Network , Scotecon Report, 2002.

J. Bachtler (2001) “Where is Regional Policy Going? Changing Concepts of Regional Policy”, Paper to the 22nd International Meeting of the Regional Policy Research Consortium, Ross Priory, 7-9 October 2001, European Policies Research Centre, University of Strathclyde, 2001.

J. Bachtler, “Quod erat Demonstrandum? The Evaluation of Regional Policy” in H.F. Eckey, D. Hecht, M. Junkernheinrich, H. Karl, N. Werbeck and R. Wink R (eds.) *Ordnungspolitik als konstruktive Antwort auf wirtschaftspolitische Herausforderungen - Festschrift zum 65. Geburtstag von Paul Klemmer* (Lucius & Lucius Verlag, Stuttgart, 2001, 3-20).

J. Bachtler (1997) “New Dimensions of Regional Policy in Western Europe” in M. Keating and J. Loughlin (eds.) *The Political Economy of Regionalism* (Frank Cass, London, 1997, 77-89).

J. Bachtler and C. Mendez (2010), *The reform of ECP after 2013: More Concentration, Greater Performance and Better Governance?*, IQ-Net Thematic Paper 26(2), European Policies Research Centre, University of Strathclyde, Glasgow.

J. Bachtler and C. Mendez (2007) “Who Governs EU Cohesion Policy? Deconstructing the Reforms of the Structural Funds”, *Journal of Common Market Studies*, 45, 3, 535-564.

J. Bachtler and L. Polverari (2007) “Delivering Territorial Cohesion: European Cohesion Policy and the European Model of Society” in Faudi A. (ed.) *Territorial Cohesion and the European Model of Society (provisional title)* (Lincoln Institute Books, Lincoln Institute of Land Policy, Cambridge (Ms, US), 2007).

J. Bachtler and D. Yuill (2001) *Policies and Strategies for Regional Development: A Shift in Paradigm*, Regional and Industrial Policy Research Paper, 46, European Policies Research Centre, University of Strathclyde, Glasgow.

J. Bachtler, L. Polverari, H. Oraže, K. Clement, F. Gross, I. McMaster, H. Tödting-Schönhofer and I. Naylor (2009a) *Ex post evaluation of the management and implementation of Cohesion policy, 2000-06 (ERDF), Final comparative report to the European Commission*, DG Regio, Brussels, August 2009 (referred to in the text as Bachtler *et al* 2009a).

J. Bachtler, L. Polverari and I. McMaster (2009b) *Ex post evaluation of the management and implementation of Cohesion policy, 2000-06 (ERDF), The 'added value' of Cohesion policy in the EU15. Comparative report (Task 3)*, DG Regio, Brussels, August 2009 (referred to in the text as Bachtler *et al* 2009b).

J. Bachtler, L. Polverari and F. Gross, with S. Davies and R. Downes (2008) *Ex post evaluation of the management and implementation of Cohesion policy, 2000-06 (ERDF), The Management and implementation of Cohesion policy (ERDF) in the EU25, 2000-06, Task 1: Summary Report*, DG Regio, Brussels, October 2008.

J. Bachtler and P. Raines (2002) *A new Paradigm of Regional Policy? Reviewing Recent Trends in Europe*, Paper prepared for discussion at the XXIII Meeting of the Sponsors of the European Policies Research Centre, Ross Priory, 7-8 October 2002, University of Strathclyde, Glasgow.

J. Bachtler, F. Wishlade and D. Yuill (2003) *Regional Policies After 2006: Complementarity or Conflict?*, Plenary Paper for the Sub-Rosa Strategic Discussion, final draft, Club Universitaire, Brussels, 13-14 June 2003.

J. Bachtler, L. Polverari, S. Taylor and B. Ashcroft, K. Swales (2000), *Methodologies used in the Evaluation of the Effectiveness of European Structural Funds: A Comparative Assessment*, Final Report to the Scottish Executive, September 2000.

B. Baldi and G. Baldini (2008) "Italia" in S. Ventura (ed) *Da stato unitario a stato federale. Territorializzazione della politica, devoluzione e adattamento istituzionale in Europa* (Il Mulino, Bologna, 2008, 69-112).

R. Balme (1997) "Regional Policy and European Governance" in M. Keating and J. Loughlin (eds.) *The Political Economy of Regionalism* (Frank Cass, London, 1997 63-76).

P. Barberis (1998) "The New Public Management and a New Accountability", *Public Administration*, 76, Autumn 1998, 451-470.

F. Barca (2009) *An agenda for a reformed Cohesion policy. A place-based approach to meeting European Union challenges and expectations*, Independent report prepared at the request of Danuta Hübner, Commissioner for Regional Policy, April 2009.

F. Barca, *Italia Frenata. Paradossi e lezioni della politica per lo sviluppo* (Donzelli, Roma, 2006).

A. D. Barton (2006) “Public sector accountability and commercial-in-confidence outsourcing contracts”, *Accounting, Auditing & Accountability Journal*, 19, 2, 256-271.

F. Bassanini (2010) “Una riforma difficile (ma necessaria): il federalismo fiscale alla prova della sua attuazione”, *astrid-online.it* (last downloaded 14.11.2010).

P. Benneworth (2006) “The ‘rise’ of the region”, in I. Hardill, P. Benneworth, M. Baker and L. Budd (ed.) *The Rise of the English Regions?* (Routledge, Oxon, 2006, 44-67).

P. Benneworth, I. Hardill, M. Baker and L. Budd (2006) “The rise of the English regions: an introduction”, in I. Hardill, P. Benneworth, M. Baker and L. Budd (ed.) *The Rise of the English Regions?* (Routledge, Oxon, 2006, 3-21).

M. Bennett, J. Fairley and M. McAteer (2002) “Devolution in Scotland. The impact on local government”, Joseph Rowntree Foundation, <http://www.jrf.org.uk/sites/files/jrf/184263092x.pdf> (last downloaded 29 January 2011).

S. Bennett, S. Russell and A. Mills (2006) *Institutional and Economic Perspectives on Government Capacity to Assume New Roles in the Health Sector: A Review of Experience*, HEFP Working Paper 01/96, LSHTM, http://www.hefp.lshtm.ac.uk/publications/downloads/working_papers/01_96.pdf, 1996 (last downloaded 29 January 2011).

A. Benz, C. Harlow and Y. Papadopoulos (2007) “Introduction”, *European Law Journal*, 13, 4, 441-446 (Special Issue on Accountability in EU Multilevel Governance).

L. Bernardi (2000) “La finanza pubblica e l’aggiustamento strutturale degli anni ’90: premessa e sintesi del rapporto”, in L. Bernardi (ed.) *La finanza pubblica italiana. Rapporto 2000* (Il Mulino, Bologna, 2000, 9-41).

Bertelsmann Stiftung (2009a) *Policy Performance and Executive Capacity in the OECD. Sustainable Governance Indicators 2009* (Verlag Bertelsmann Stiftung, 2009).

Bertelsmann Stiftung (2009b) *Sustainable Governance Indicators 2009 Accountability. Citizens report* (Verlag Bertelsmann Stiftung, 2009).

Bertelsmann Stiftung (2009c) *Sustainable Governance Indicators 2009 Accountability. Parliament report* (Verlag Bertelsmann Stiftung, 2009).

Bertelsmann Stiftung (2009d) “Sustainable Governance Indicators 2009 Accountability. Intermediary organizations report” (Verlag Bertelsmann Stiftung, 2009).

T. Blackman and C. Ormston (2005) “Discourses of Accountability: Policy Scrutiny of an English Regional Development Agency”, *Regional Studies*, 39, 3, 375-386.

R. Blaug, L. Horner and R. Lekhi (2006) *Public value, politics and public management: a literature review* (The Work Foundation, London, 2006).

Blake Stevenson (2009) *Highlands and Islands structural funds socio economic spot check. Overview Report*, April 2009.

F. Boccia, R. Leonardi, E. Letta and T. Treu (2003), *I Mezzogiorni d'Europa. Verso la riforma dei Fondi strutturali* (Il Mulino, Bologna, 2003).

V. Bogdanor (1999) *Devolution in the United Kingdom* (OUP, Oxford, 1999).

T. Börzel (1999) “Towards convergence in Europe? Institutional adaptation and Europeanisation in Germany and Spain”, *Journal of Common Market Studies*, 37, 5, 73–96.

T. Börzel and T. Risse (2000a) *Who is Afraid of a European Federation? How to Constitutionalise a Multi-Level Governance System*, Jean Monnet Working Paper No. 7/2000, Symposium: Responses to Joschka Fischer, Harvard Law School, Cambridge MA.

T. Börzel and T. Risse (2000b) *When Europe Hits Home: Europeanization and Domestic Change*, European Integration online Papers (EIoP), 4, 15.

R. Boschma and R. Schobben (2000a) “Introduction”, *Regional and Federal Studies*, 10, 2, Summer 2000, 1-9.

R. Boschma and R. Schobben (2000b) “Governance in the European Union: Some concluding remarks”, *Regional and Federal Studies*, 10, 2, Summer 2000, 126-140.

M. Bovens (2010) “Two Concepts of Accountability: Accountability as a Virtue and as a Mechanism”, *West European Politics*, 33, 5, 946-967.

M. Bovens (2007) "Analysing and Assessing Accountability: A Conceptual Framework", *European Law Journal*, 13, 4, 447-468 (Special Issue on Accountability in EU Multilevel Governance).

M. Bovens (2005) "Public Accountability", in E. Ferlie, L.E. Lynn Jr and C. Pollitt (eds.) *The Oxford Handbook of Public Management* (Oxford University Press, Oxford, 2005).

M. Bovens, T. Schillemans and Paul 't Hart (2008) "Does Public Accountability Work? An Assessment Tool", *Public Administration*, 86, 1, 225-242.

J. Bradbury (ed.) (2008) *Devolution, Regionalism and Regional Development. The UK experience* (Routledge, Abingdon, 2008).

J. Bradbury (2008) "Introduction", in *Devolution, Regionalism and Regional Development. The UK experience* (Routledge, Abingdon, 2008).

J. Bradbury and J. Mitchell (2002) "Devolution and Territorial Politics: Stability, Uncertainty and Crisis", *Parliamentary Affairs*, 55, 2, 299-316.

J. Bradbury and J. Mitchell (2001) "Devolution: New Politics for Old?", *Parliamentary Affairs*, 54, 2, 257-275.

S. Brechin, P. Wilshusen, C. L. Fortwangler and P. C. West (2002) "Beyond the Square Wheel: Toward a More Comprehensive Understanding of Biodiversity Conservation as Social and Political Process" *Society and Natural Resources*, 15, 41-64.

D. Brinkerhoff (2004) "Accountability and health systems: toward conceptual clarity and policy relevance", *Health and Policy Planning*, 19, 6, 371-379.

J. Broadbent and R. Laughlin (2001) *Control and Legitimation in Government Accountability Processes: The Private Finance Initiative in the UK*, Paper for presentation at the Third Asia Pacific Interdisciplinary research in Accounting Conference, Adelaide, South Australia 15-17 July 2001 (Draft).

Archie Brown (1998) "Asymmetrical Devolution. The Scottish Case", *The Political Quarterly*, 69, 3, 215-223.

Alice Brown (2001) "Scotland", *Parliamentary Affairs*, 54, 4, 701-711.

Alice Brown (2000) "Designing the Scottish Parliament", *Parliamentary Affairs*, 53, 3, 542-556.

- T. A. Bryer (2008) "Warning: The Hollow State Can be Deadly", *Public Administration Review*, 68, 3, 587-590.
- E. Buglione (2006) *Per un federalismo sostenibile*, Commento alle proposte dell'Alta Commissione di studio per la definizione dei meccanismi strutturali del federalismo fiscale, from <http://www.issirfa.cnr.it/3409,46.html> (last downloaded 29 January 2011).
- G. Busia (2009) "Verso la riforma delle conferenze", *Italianieuropei*, 1/2009, 116-126.
- M. Busuioc (2009) 'Accountability, Control and Independence: The Case of European Agencies', *European Law Journal*, 15, 5, 599-615.
- F. Callisti (ed.) (2000) *L'intervento del FESR in Toscana nel periodo 1994-1999: il contributo alla crescita regionale e al conseguimento degli obiettivi strategici di sviluppo* (Giunta Regionale Toscana and ECOTER S.r.l., Rome, December 2000).
- R. Camagni (2007) "Territorial Development Policies in the European Model of Society", in A. Faudi (ed.) *Territorial Cohesion and the European Model of Society* (Lincoln Institute Books, Lincoln Institute of Land Policy, Cambridge (Ms, US), 2007).
- J. Campbell and L. McSorley (2008) "EU Regional Policy After 2006: Will Scotland Notice the Difference?", *European Planning Studies*, 16, 6, 877-888.
- A. Campos (1990) "Accountability: quando poderemos traduzi-la para o português?", *Revista de Administração Pública*, 24, 2, 30-50.
- A. Caporale (2003) "La Toscana guarda ai PIT, Progetti Integrati di Sviluppo Locale", in *QCS News*, 19, March 2003, 20-21.
- B. Caravita di Toritto (2010) "The Italian challenge between federalism and subsidiarity", *federalismi.it*, 5/2010, 10 March 2010.
- C. Carman and M. Shepard (2009) "Committees in the Scottish Parliament", in C. Jeffery and J. Mitchell (eds.) (2009) *The Scottish Parliament: 1999-2009. The First Decade* (Hansard Society, Luath Press Ltd, Edinburgh, 2009).
- G. Carpani, *La Conferenza Stato-regioni. Competenze e modalità di funzionamento dall'istituzione ad oggi* (Il Mulino, Bologna, 2006).
- P. Casavola and L. Tagle (2003) *Building Capacity for Evaluation: Lessons from Italy*, Paper presented at the Fifth European Conference on Evaluation of the Structural Funds, Budapest, 26-27 June 2003.

S. Cassese (2004) "Federalismo e Mezzogiorno" *Rivista Giuridica del Mezzogiorno*, 4/2004, 989-996.

CEC (2007) *Growing Regions, growing Europe. Fourth report on economic and social cohesion*, Luxembourg, May 2007 (http://ec.europa.eu/regional_policy/sources/docoffic/official/reports/cohesion4/pdf/4_cr_en.pdf, last downloaded 29 January 2011).

CEC (2001) *European Governance. A White Paper*, COM (2001) 428, 25 July 2001 (http://ec.europa.eu/governance/white_paper/en.pdf, last downloaded 27 January 2011).

CEC (2000) *White Paper on European Governance. "Enhancing democracy in the European Union"*. Work Programme. Commission Staff Working Document, SEC (2000) 1547/7 final, 11 October 2000 (<http://ec.europa.eu/governance/work/en.pdf>, last downloaded 29 January 2011).

CEC (1999) *Europe's Agenda 2000. Strengthening and widening the European Union*, Draft of Commission information brochure for the general public on Agenda 2000, Final version 31.8.1999.

CEC, Direzione generale delle politiche regionali (1994) *Fondo Europeo di Sviluppo Regionale, Fondo Sociale Europeo: Italia, Toscana, Documento unico di programmazione 1994/1996*, FESR: 94.05.13.019; FSE: 94.00.10.12; ARINCO: 94.IT.16.012, Obiettivo 2.

R. Cerreto (2009) "Introduzione", *Italianieuropei*, 1/2009, 17-22.

A. Chardas (2010) *Conceptualising the domestic impact of Europe: the Regional Policy of the European Union and the third Community Support Framework (2000-2008)*, Paper presented at the Regional Studies Association Annual Conference, University of Pecs, 24-26 May, 2010.

A. Chiaramonte and G. Tarli Barbieri (2007) *Riforme Istituzionali e rappresentanza politica nelle regioni italiane* (Il Mulino, Bologna, 2007).

B. A. Cigler (2007) "The "Big" Questions of Katrina and the 2005 Great Flood of New Orleans", *Public Administration Review*, 67 (Special Issue), 64-76.

K. Clement (2009) *Ex post evaluation of Cohesion policy programmes 2000-2006 co-financed by ERDF (Objective 1 and 2). Work Package 11: Management and Implementation Systems for Cohesion policy. Final Report to the European Commission. Task 4 Case Study Report: United Kingdom (Scotland)*, European Policies Research Centre, University of Strathclyde, Glasgow, UK.

K. Clement and R. Fitzgerald (1997) *Regional Environmental Integration: Changing Perceptions and Practice with Objective 2 Programmes*, IQ-Net Thematic Paper 2(3), European Policies Research Centre, University of Strathclyde, Glasgow, UK.

F. Clementi and A. Vannucci (2010a) “In Toscana Rossi e il centrosinistra unito vincono con il 60% dei voti. Exploit di Lega e Italia dei valori”, *federalismi.it*, 6/2010, 31 March 2010.

F. Clementi and A. Vannucci (2010b) “L’attività statutaria, legislativa e regolamentare della Regione Toscana nella VIII legislatura (2005-2010)”, *federalismi.it*, 4/2010, 24 February 2010.

CLES S.r.l (2005) *Rapporto di aggiornamento della valutazione intermedia*, Rome, December 2005.

CLES S.r.l. (2004) *L’esperienza dei progetti integrati di sviluppo locale (pisl): primi risultati della valutazione*, Rome, December 2004.

Commission on Scottish Devolution (2009) *Serving Scotland Better: Scotland and the United Kingdom in the 21st Century*, Final Report, June 2009.

M. Considine (2002) “The End of the Line? Accountable Governance in the Age of Networks, Partnerships, and Joined-Up Services”, *Governance: An International Journal of Policy, Administration, and Institutions*, 15, 1, January 2002, 21-40.

A. Colwell and G. McLaren (1999) *The Scottish Experience of preparing and implementing Structural Fund Programmes*, Scotland Europa Paper No. 18, September 1999.

P. Cooke (2003) *Varieties of Devolution: Visionary and Precautionary Economic Policy Formulation in Scotland and Wales*, Devolution and Constitutional Change Programme,
http://www.devolution.ac.uk/pdfdata/Cooke%20Varieties_of_Devolution.pdf (last downloaded 30 January 2011).

C. A. Cooper, H. Gibbs Knotts, K. M. Brennan (2008) “The Importance of Trust in Government for Public Administration: The Case of Zoning”, *Public Administration Review*, 68, 3, May/June 2008, 459–468.

Corte Costituzionale della Repubblica Italiana, *Sentenza n. 372/2004*, Sentenza nel giudizio di legittimità costituzionale degli articoli 3, comma 6; 4, comma 1, lettere h), l), m), n), o), p); 32, comma 2; 54, commi 1 e 3; 63, comma 2; 64, comma 2; 70, comma 1; 75, comma 4, dello statuto della Regione Toscana, approvato in prima deliberazione il 6 maggio 2004 e, in seconda deliberazione, il 19 luglio 2004,

pubblicato nel Bollettino Ufficiale della Regione n. 27 del 26 luglio 2004', Bollettino Ufficiale della Regione Toscana n. 49, 3.12.2004.

P. Courty and G. Marschke (2007) "Making Government Accountable: Lessons from a Federal Job Training Program", *Public Administration Review*, September-October 2007, 904-916.

COSLA (undated) *Local Government In Scotland Act 2003. Elected Member Leadership in Best Value*, Advisory Note.

M. Crescini (1998) *The on-going evaluation of the SPDs, Objectives 2 and 5b of the region of Tuscany*, Paper prepared for the Seville European Conference, 16-17 March, 1998.

M. Crescini and E. Carnevali (2009) *Ex post evaluation of Cohesion policy programmes 2000-2006 co-financed by ERDF. Work Package 11: Management and implementation systems for Cohesion policy. Final Report to the European Commission, Task 3 – Case study report Italy (Tuscany)*, European Policies Research Centre, University of Strathclyde, July 2009.

CSES (2003) *Italy - Ex post evaluation of the 1994-99 Objective 2 programmes, Executive Summary*, April 2003.

T. Curristine (2005) "Performance and accountability: Making government work", *OECD Observer*, 252/253, November 2005, 11-12.

D. Curtin (2007) "Holding (Quasi-)Autonomous EU Administrative Actors to Public Account", *European Law Journal*, 13, 4, 523-541 (Special Issue on Accountability in EU Multilevel Governance).

D'Atena (2003) *Le Regioni speciali ed i 'loro' enti locali, dopo la riforma del titolo V*, Relazione al Convegno nazionale su "Le autonomie locali nelle Regioni a statuto speciale e nelle Province autonome" (Cagliari 20 March 2003), <http://www.issirfa.cnr.it/909,908.html?PHPSESSID=2f602c8279f90095b4bdf564de73913c> (last downloaded 29 January 2011).

R. A. Dahl "Polyarchy, Participation and Opposition", in A. Lijphart *Le democrazie contemporanee* (Universale Paperbacks Il Mulino, 1988).

M. Danson, J. Fairley, G. Lloyd and I. Turok (1997) *The Governance of European Structural Funds: The Experience of the Scottish Regional Partnerships*, Scotland Europa Paper No. 10, March 1997.

P. Dardanelli (2005) "Democratic Deficit or the Europeanisation of Secession? Explaining the Devolution Referendums in Scotland", *Political Studies*, 53, 320-342.

P. Day and R. Klein (1987) *Accountabilities: five public services* (Tavistock Publications Ltd, London, 1987).

S. Davies and L. Polverari (2011) “Financial accountability and EU Cohesion Policy”, *Regional Studies*, first published on: 10 January 2011 (iFirst).

S. Davies, F. Gross and L. Polverari (2008) *The Financial Management, Control and Audit of EU Cohesion Policy: Contrasting Views on Challenges, Idiosyncrasies and the Way Ahead*, IQ-Net Paper 23(2), European Policies Research Centre, University of Strathclyde, Glasgow.

S. Davies, J. Bachtler, F. Gross, R. Michie, H. Vironen and D. Yuill (2007) *The Impact of Structural Funds Programmes in Scotland 1994-2006*, European Policy Research Papers, No. 60, University of Strathclyde, Glasgow.

C. De Fiore (2009) *Note critiche sul federalismo fiscale*, online journal of Costituzionalismo.it, 2/2009, <http://www.costituzionalismo.it/articolo.asp?id=315> (last downloaded 29 January 2011).

D. Della Porta (2008), “Comparative analysis: case-oriented versus variable-oriented research”, in D. Della Porta and M. Keating (eds.), *Approaches and Methodologies in the Social Sciences. A pluralist perspective* (Cambridge University Press, Cambridge, 2008, 198-222).

D. Della Porta and M. Keating (eds.) (2008), *Approaches and Methodologies in the Social Sciences. A pluralist perspective* (Cambridge University Press, Cambridge, 2008).

C. Demke, G. Hammerschmid and R. Meyer (2006) *Decentralisation and Accountability. A Focus of Public Administration Modernisation* (Austrian Federal Chancellery, Imprint, Vienna, 2006).

N. de Montricher (1998) “Public Sector Values and Administrative Reforms”, in B. G. Peter and D. J. Savoie (eds.) *Taking Stock: Assessing Public Sector Reforms* (McGill-Queen’s University Press, Montreal, 1998, 108-136).

R. B. Denhardt and J. Vinzant Denhardt (2000) “The New Public Service: Serving Rather than Steering”, *Public Administration Review*, 60, 6, 549-59.

Department of Trade and Industry (DTI), Regional European Funds Directorate, *United Kingdom National Strategic Reference Framework*, October 2006.

C. Desideri (1995) “Italian Regions in the European Community” in B. Jones and M. Keating (eds.) *The European Union and the Regions* (Clarendon Press, Oxford, 1995, 65-87).

P. A. B. De Sousa (2001) *Independent and Accountable Central Banks and the European Central Bank*, European Integration online Papers (EIoP), 5, 9.

D.G. Regio (2005) *Partnership in the 2000-06 programme period. Analysis of the implementation of the partnership principle*. DG Regio Discussion Paper , DG Regio, November 2005, http://ec.europa.eu/regional_policy/sources/docoffic/official/reports/pdf/partnership_report2005.pdf (last downloaded 29 January 2011).

M. A. Diez (2002) “Evaluating New Regional Policies. Reviewing the Theory and Practice”, *Evaluation*, 8, 3, 285-305.

E. di Gropello (2004) *Education Decentralization and Accountability Relationships in Latin America*, World Bank Policy Research Working Paper 3453, November 2004.

E. Diodato and A. Lippi (2007) “Politiche di internazionalizzazione e arene della rappresentanza. Una comparazione tra Lombardia e Toscana”, *Rivista italiana di scienza politica*, XXXVII, 2, agosto 2007, 207-231.

R. Di Quirico (2006) “I fondi strutturali tra centro e periferia”, in V. Fargion, L. Morlino and S. Profeti, *Europeizzazione e rappresentanza territoriale* (Il Mulino, Bologna, 2006, 93-122).

M. Dogliani and I. Massa Pinto ‘La crisi costituzionale italiana nell’attuale fase della “lotta per la Costituzione”’ in *Sovranità/sopranazionalità*, Costituzionalismo.it, Fascicolo 1/2006, <http://www.costituzionalismo.it/articolo.asp?id=199> (last downloaded 29 January 2011).

M. W. Dowdle (ed.) *Public Accountability. Designs, Dilemmas and Experiences* (Cambridge University Press, Cambridge, 2006).

P. Dunleavy and C. Hood (1994) “From Old Public Administration to New Public Management”, *Public Money & Management*, July-September 1994.

M. J. Dubnick (2002) *Seeking Salvation for Accountability*, Paper presented at the 2002 Annual Meeting of the American Political Science Association, August 29-September 1, 2002, Boston, <http://mjdubnick.dubnick.net/papers/2002/salv2002.pdf> (last downloaded 29 January 2011).

A. Ebrahim (2005) “Accountability Myopia: Losing Sight of Organizational Learning”, *Nonprofit and Voluntary Sector Quarterly*, 34, 1, 56-87.

Economic and Social Research Council (ESRC) *Devolution Programme. Final Report*, March 2006,

<http://www.devolution.ac.uk/Final%20Conf/Devolution%20in%20Scotland.pdf> (last downloaded 29 January 2011).

M. Emmerich (2003) “The Differing Stories of Devolution in England, Scotland and Wales”, *Amministrazione in Cammino*, <http://www.amministrazioneincammino.luiss.it/?p=11720> (last downloaded 29 January 2011).

European Commission (2010a) *Investing in Europe's Future. Fifth report on economic, social and territorial cohesion*, Preliminary Version, November 2010, Publications Office of the European Union, Luxembourg.

European Commission (2010b) *Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions and the National Parliaments. The EU Budget Review*, Brussels, 19.10.2010, COM (2010) 700 final.

European Commission (2010c) *Communication from the Commission Europe 2020. A strategy for smart, sustainable and inclusive growth*, Brussels 3.3.2010, COM (2010) 2020.

European Commission (1999) *Evaluating socio-economic programmes. Principal evaluation techniques and tools*. MEANS Collection, Volume 3, European Communities, Luxembourg, 1999.

European Commission (1998) *General Report on the Activities of the European Union 1997*, Office for Official Publications of the European Communities, Commission of the European Communities, Luxembourg.

European Commission (1997) *Agenda 2000 – Volume I – Communication: For a stronger and wider Union*, DOC/97/6, Commission of the European Communities, Strasbourg, 15 July 1997.

European Policies Research Centre (EPRC) (2009) *Ex post evaluation of the management and implementation of Cohesion policy, 2000-06 (ERDF), Work Package 11: Management and Implementation Systems for Cohesion Policy, Overview of Management and Implementation Systems of Cohesion Policy in 2000-06, United Kingdom*, Final version, October 2008.

T. Exadaktylos and C. M. Radaelli (2009) “Research Design in European Studies: The Case of Europeanization”, *Journal of Common Market Studies*, 47, 3, 507-530.

S. Fabbrini and M. Brunazzo (2003) “Federalising Italy: The Convergent Effects of Europeanisation and Domestic Mobilisation”, *Regional and Federal Studies*, 13, 1, 100-120.

V. Fargion (2006) "I fondi strutturali tra politica e amministrazione nelle regioni del centro-nord", in V. Fargion, L. Morlino and S. Profeti, *Europeizzazione e rappresentanza territoriale* (Il Mulino, Bologna, 2006, 125-179).

V. Fargion (1997) *Geografia della cittadinanza sociale in Italia. Regioni e politiche assistenziali dagli anni settanta agli anni novanta* (Il Mulino, Bologna, 1997).

V. Fargion, L. Morlino and S. Profeti (2006) *Europeizzazione e rappresentanza territoriale. Il caso italiano* (Il Mulino, Bologna, 2006).

E. Ferlie, L. E. Jr. Lynn and C. Pollitt, *The Oxford Handbook of Public Management* (Oxford University Press, Oxford, 2007, Paperback edition).

M. Ferry (2010) "Radical Policy and Institutional Reform: Regional Policy Developments in the United Kingdom, 2009-2010", in EPRC, *Regional Policy Developments in Europe: Country Reviews 2009-2010*, EoRPA Paper 10/2, European Policies Research Centre, University of Strathclyde, Glasgow, 213-221.

M. Ferry (2004) "United Kingdom", in D. Yuill (ed.), *A Country-by-Country Review of Recent Regional Policy Developments in the Member States and Norway: Policy Change in 2003-04*, EoRPA Paper 04/2, European Policies Research Centre, University of Strathclyde, Glasgow, 216-230.

M. Ferry (2003) *Regional Governance in the EU: A Comparative Assessment*, EoRPA Paper 03/5, European Policies Research Centre, University of Strathclyde, Glasgow.

M. Ferry and I. McMaster, "Regional Governance in Industrial Regions in Central and Eastern Europe: A Polish-Czech Comparison" in I. Sagan and H. Halkier (eds.) *Regionalism Contested. Institutions, Society and Governance* (Ashgate, Aldershot, 2005, 177-200).

M. Ferry and P. Raines (2003), "United Kingdom", in D. Yuill (ed.) *A Country-by-Country Review of Recent Regional Policy Developments in the Member States and Norway*, European Policies Research Centre, University of Strathclyde, Glasgow, September 2003, 132-148.

M. Ferry, F. Gross, J. Bachtler and I. McMaster (2007) *Turning Strategies into Projects: The Implementation of 2007-13 Structural Funds Programmes*, IQ-Net Thematic Paper 20(2), European Policies Research Centre, University of Strathclyde, Glasgow.

D. Fisichella (1992) *Lineamenti di scienza politica. Concetti, problemi, teorie* (La Nuova Italia Scientifica, 1992, Roma, prima edizione, 1988).

- J. S. Fishkin (2009) “La bella babele democratica”, *Reset*, 114, August 2009, 54-55.
- J. S. Fishkin (1991) *Democracy and deliberation: new directions for democratic reform* (Yale University Press, New Haven, 1991).
- J. S. Fishkin, R. C. Luskin and R. Jowell (2000) “Deliberative Polling and Public Consultation”, *Parliamentary Affairs*, 2000, 53, 4, 657-666.
- A. Floridia (2009) “La democrazia deliberativa in pratica, il caso Toscana”, *Reset*, 114, August 2009, 58-60.
- M. Florio (2000) “Lo stato senza proprietà: una valutazione in itinere”, in Bernardi (ed.) *La finanza pubblica italiana. Rapporto 2000* (Il Mulino, Bologna 2000, 125-151).
- J. Forester (2008) “Policy Analysis as Critical Listening”, in M. Moran, M. Rein and R. E. Goodin (eds.), *The Oxford Handbook of Public Policy* (Oxford University Press, Oxford, 2008, Paperback edition, 124-151).
- S. Fothergill (2005) “A New Regional Policy for Britain”, *Regional Studies*, 39, 5, 659-667.
- Fraser Associates (2009) *European Structural Funds Programmes in the Lowlands and Uplands (2007-2013): Socio-economic and Policy Spot-check Report, Final Report*, April 2009.
- G. K. Fry (1984) “The Development of the Thatcher Government’s ‘Grand Strategy’ for the Civil Service: A Public Policy Perspective”, *Public Administration*. 62, Autumn 1984, 322-335.
- S. H. Fuhrman (1999) “The New Accountability”, *CPRE Policy Brief*, RB 27 January 1999, Graduate School of Education, University of Pennsylvania, Philadelphia, PA.
- C. Fusaro (2007) “Statuti e forme di governo”, in A. Chiamonte and G. Tarli Barbieri, *Riforme istituzionali e rappresentanza politica nelle Regioni italiane* (Il Mulino, Bologna, 2007, 13-40).
- C. Ghisalberti (1977) *Storia costituzionale d’Italia* (Laterza, Bari, 1977).
- P. Giarda (2004) *Decentralization and intergovernmental fiscal relations in Italy: a review of past and recent trends*, Paper presented at the Special Session on “Reforming the Italian public sector: Outcomes, lessons, perspectives” of the 60th Congress of the International Institute of Public Finance, Milano, Università Bocconi, August 23-26, 2004.

M. Gilbert (1993) "Warriors of the new Pontida: the challenge of the Lega Nord to the Italian party system", *Political Quarterly*, 64, 1, 99-106.

Giunta Regionale Toscana (2009) *Programma operativo regionale "Competitività Regionale e Occupazione"* FESR 2007-2013, Firenze, marzo 2009 (last revision of the OP at the time of writing).

Giunta Regionale Toscana (2008) *Docup Obiettivo 2, anni 2000-2006, Toscana*, Firenze, luglio 2008 (last revision of the SPD).

Giunta Regionale Toscana (2007) *Programma operativo regionale "Competitività Regionale e Occupazione"* FESR 2007-2013, Firenze, luglio 2007.

P. Goldschmidt, M. Darul'ová, T. Niculescu and A. Stemberger (eds.), *Reference Guide for Horizontal Integration* (NISPAcee, Bratislava, 2005).

W. T. Gormley and S. J. Balla (2004) *Bureaucracy and democracy. Accountability and Performance* (CQ Press, Washington, 2004).

M. Grassi, P. Baldi and M. C. Montomoli (2003) "La programmazione regionale e il territorio", in M. Morisi and A. Magnier (eds.) *Governo del territorio: il modello della Toscana* (Il Mulino, Bologna, 2003, 139-162).

M. Green Cowles, J. Caporaso and T. Risse (2001) (eds.) *Transforming Europe: Europeanization and Domestic Change* (Cornell University Press, Ithaca, NY, 2001).

S. L. Greer (2007) "The fragile divergence machine: Citizenship, policy divergence and devolution", in Alan Trench (ed.) *Devolution and Power* (MUP, Manchester, 136-159).

S. L. Greer (2004) *Territorial politics and health policy. UK health policy in comparative perspective* (MUP, Manchester, 2004).

S. L. Greer (2001) *Divergence and Devolution* (The Nuffield Trust, London, 2001).

S. L. Greer and H. Jarman (2008) "Policy Styles and Devolution", in A. Trench (ed.) *The State of the Nations 2008* (Imprint Academic, Exeter, 2008, 167-196).

R. Gregory (2007) "Accountability in Modern Government", in G. Peters and J. Pierre (eds.), *The Handbook of Public Administration, Concise Paperback Edition* (Sage, London, 2007, 339-350).

T. Groppi (2009) "C'è il federalismo in Italia?", *Italianieuropei*, 1/2009, 35-47.

- E. Gualini (2004) *Multi-level Governance and Institutional Change. The Europeanization of Regional Policy in Italy* (Ashgate, Aldershot, 2004).
- H.M. Government (2010) *Local growth: realising every place's potential*, presented to Parliament by the Secretary of State for Business, Innovation & Skills by Command of Her Majesty, 28 October 2010.
- H. Halkier (2006) *Institutions, Discourse and Regional Development. The Scottish Development Agency and the Politics of Regional Policy* (P.I.E. Peter Lang, 2006).
- H. Halkier (1992) "Development agencies and regional policy: The case of the Scottish development agency", *Regional & Federal Studies*, 2, 3, 1 – 26.
- Hall Aitken (2006) *Making every euro count*, Final Report on EU Structural Funds administration options for Scotland, January 2006.
- I. Hardill, M. Gray and P. Benneworth (2006) "Harnessing all a region's capacities" in I. Hardill, P. Benneworth, M. Baker and L. Budd (eds.) *The Rise of the English Regions?* (Routledge, Oxon, 2006, 87-102).
- C. Harlow (2002) *Accountability in the European Union* (Oxford University Press, Oxford, 2002).
- C. Harlow and R. Rawlings (2007) 'Promoting Accountability in Multilevel Governance: A Network Approach', *European Law Journal*, 13, 4, 542-562 (Special Issue on Accountability in EU Multilevel Governance).
- C. Hart (1998) *Doing a Literature Review. Releasing the Social Science Research Imagination* (Sage, London, 1998).
- M. Haque (2002) "Government Responses to Terrorism: Critical Views of Their Impacts on People and Public Administration", *Public Administration Review*, 62, 170-180.
- C. Hay (2008) "Constructivist Institutionalism", in R. A. W. Rhodes, S. A. Binder and B. A. Rockman, *Political Institutions* (Oxford University Press, Oxford, 2008, Paperback edition, 56-74).
- D. Held (2004) "Democratic Accountability and Political Effectiveness from a Cosmopolitan Perspective", *Government and Opposition*, 39, 2, 364-391.
- D. Held and M. Koenig-Archibugi (eds.), *Global Governance and Public Accountability* (Blackwell, Oxford, 2005).

D. Held and M. Koenig-Archibugi (2004) "Introduction", *Government and Opposition*, 39, 2, 125-131.

H. M. Treasury (2003) *The Green Book. Appraisal and Evaluation in Central Government*, Treasury Guidance, London TSO, 2004.

S. Herbert (2008) *Single Outcome Agreements*, SPICe Briefing, 16 September 2008, 08/47.

Herz and Ebrahim (2005) *A Call for Participatory Decision-Making: Discussion Paper on World Bank-Civil*, Paper Commissioned and Presented by the Civil Society Members of World Bank-Civil Society Joint Facilitation Committee (JFC) Society Engagement, 15 June 2005.

S. Hix (1998), "The Study in the European Union II: the 'new governance' agenda and its rival", *Journal of European Public Policy*, 5, 1, 38-65.

D. Hübner (2006), *Delivering Lisbon through Cohesion Policy*, Committee of the Regions – Territorial Dialogue 2006, Brussels, 1 March 2006.

B. W. Hogwood and M. McVicar (1996) *Agencies and Accountability*, Paper prepared for ERSC seminar on Theorizing Internal Public Sector Regulation, London School of Economics and Political Science, 22-23 March 1996.

C. Hood (1991) "A public management for all seasons?", *Public Administration*, 69, Spring 1991, 3-19.

L. Hooghe (1998) "EU Cohesion Policy and Competing Models of European Capitalism", *Journal of Common Market Studies*, 36, 4, 457-477.

J. Hopkin (2008) "Regno Unito", in S. Ventura (ed) *Da stato unitario a stato federale. Territorializzazione della politica, devoluzione e adattamento istituzionale in Europa* (Il Mulino, Bologna, 2008, 113-155).

A. Hughes Hallet and D. Scott (2010) *Scotland: A New Fiscal Settlement*, Policy Forum Reform Scotland, Edinburgh, 3 June 2010, www.policyforumscotland.com/include/publications/A_New_Fiscal_Settlement_second_edition.pdf (last downloaded 29 January 2011).

C. Hunold (2001) "Corporatism, Pluralism, and Democracy: Toward a Deliberative Theory of Bureaucratic Accountability", *Governance: An International Journal of Policy and Administration*, 14, 2, 2001, 151-167.

Independent Commission for Good Governance in Public Services (2004) *The Good Governance Standard for Public Services* (OPM and CIPFA, London, 2004).

IRS (2006) *Lo sviluppo delle capacità amministrative e istituzionali nelle regioni beneficiarie dell'Obiettivo 2 (2000-2006): fattori critici di successo e lezioni per il prossimo ciclo di programmazione*, rapporto finale, 14 novembre 2006.

P. M. Jackson (2001) "Public Sector Added Value: Can Bureaucracy Deliver?" *Public Administration*, 79, 1, 9-11.

C. Jeffery (2009) "Devolution in the United Kingdom: Problems of a Piecemeal Approach to Constitutional Change", *Publius: The Journal of Federalism*, 39, 2, 289-313.

C. Jeffery (2007) "The Unfinished Business of Devolution: Seven Open Questions", *Public Policy and Administration*, 2007, 22, 1, 92-108.

C. Jeffery (2005) "Devolution and Divergence: Public Attitudes and Institutional Logics", Paper presented at the seminar Devolution in Practice II - Public Policy Differences within the UK, 19 July 2005.

C. Jeffery (2002) "Devolution. Challenging Local Government?" *Foundations, Analysis informing change*, <http://www.jrf.org.uk/sites/files/jrf/012.pdf>, October 2002 (last downloaded 30 January 2011).

C. Jeffery and J. Mitchell (eds.) (2009) *The Scottish Parliament: 1999-2009. The First Decade* (Hansard Society, Luath Press Ltd, Edinburgh, 2009).

B. Jessop (2001) "Institutional re(turns) and the 'strategic-relational approach'" *Environment and Planning A*, 33, 1213-1235.

B. Jones and M. Keating (eds.) *The European Union and the Regions* (Clarendon Press, Oxford, 1995).

M. Jones (2001) "The rise of the regional state in economic governance: 'partnership for prosperity' or new scales of state power?" *Environment and Planning A*, 33, 1185-1211.

M. Jones, M. Goodwin and R. Jones (2005) "State Modernisation, Devolution and Economic Governance: An Introduction and Guide to Debate", *Regional Studies*, 39, 4, 379-403.

P. Jones (2008) "Scotland: The Nationalist Phoenix", in A. Trench (ed.) *The State of the Nations 2008* (Imprint Academic, Exeter, 2008, 23-55).

M. Keating (2010) *The Government of Scotland: Public Policy Making after Devolution* (Edinburgh University Press, Edinburgh, 2010, Second edition).

- M. Keating (2009) *Second Phase Devolution. Constitutional Reform and Spatial Rescaling in Spain, Italy and the United Kingdom*, Paper presented at the XXIII SISP Conference, Rome, 17-19 September 2009.
- M. Keating (2005a) “Higher Education in Scotland and England after Devolution”, *Regional and Federal Studies*, 15, 4, 423-435.
- M. Keating (2005b) “Policy Convergence and Divergence in Scotland under Devolution”, *Regional Studies*, 39, 4, 453-463.
- M. Keating (2004) “How Distinctive is Holyrood? An Analysis of Legislation in the first Scottish Parliament” (Birmingham: Devolution and Constitutional Change Programme, 2004, http://www.devolution.ac.uk/pdfdata/keating_2004_policy_paper.pdf).
- M. Keating (1997) “The Political Economy of Regionalism” in M. Keating and J. Loughlin (eds.) *The Political Economy of Regionalism* (Frank Cass, London, 1997, 17-40).
- M. Keating (1995) “Europeanism and Regionalism” in Jones B. and Keating M. (eds.) *The European Union and the Regions* (Clarendon Press, Oxford, 1995, 1-22).
- M. Keating (1976) “Administrative devolution in Practice: The Secretary of State for Scotland and the Scottish Office”, *Public Administration*, 54, 2, 133-145.
- M. Keating and N. McEwen (2005) “Introduction: Devolution and Public Policy in Comparative Perspective”, *Regional and Federal Studies*, 15, 4, 413-421.
- M. Keating and J. Loughlin (1997) “Introduction”, in Keating M. and Loughlin J. (eds.) *The Political Economy of Regionalism* (Frank Cass, London, 1997, 1-13).
- I. N. Kessides (2005) “Infrastructure Privatization and Regulation: Promises and Perils”, *The World Bank Research Observer*, 20, 1, Spring 2005, 81-208.
- D. F. Kettl (2009) “The 2008 John Gaus Lecture – Administrative Accountability and the Rule of Law”, *Political Science and Politics*, January 2009, 42, 1, 11-17.
- I. Kickbusch (2000) “The development of international health policies – accountability intact?” *Social Science and Medicine*, 51, 979-989.
- I. Kirkpatrick and R. Pyper (2001) “The Early Impact of Devolution on Civil Service Accountability in Scotland”, *Public Policy and Administration*, 16, 3, 68-84.

E. Kolthoff, L. Huberts and H. Van Den Heuvel (2007) *The Ethics of New Public Management: is Integrity at Stake?*, *Public Administration Quarterly*, Winter 2007, 399-439.

J. Koppell (2005) "Pathologies of Accountability: ICANN and the Challenge of "Multiple Accountabilities Disorder", *Public Administration Review*, 65, 1, 94-108.

S. Kustec-Lipicer and P. Kovač (2008) *Quality of Governance Through the Lenses of Administrative Reform in the Post-Socialist Circumstances*, Paper presented at the European Consortium for Political Research, Workshop 11 "Administrative Reform, Democratic Governance, and the Quality of Government", Rennes, 11-16 April 2008.

Independent Commission for Good Governance in Public Services (2004) *The Good Governance Standard for Public Services* (OPM and CIPFA, London, 2004).

A. La Spina, *La politica per il Mezzogiorno* (Il Mulino, Bologna, 2003).

R. Leonardi (2005) *Cohesion Policy in the European Union. The Building of Europe* (Palgrave Macmillan, London 2005).

R. Leonardi and R.Y. Nanetti (eds.) *Lo sviluppo regionale nell'economia europea integrata. Il caso toscano* (Marsilio, Venezia, 1993).

R. Leonardi and R.Y. Nanetti (eds.) *The Regions and European Integration. The Case of Emilia Romagna* (Pinter Publishers, London 1990).

M. S. Levitt and M. A. S. Joyce (1987) *The Growth and Efficiency of Public Spending*, Cambridge University Press, Cambridge.

P. C. Light (1997) *The Tides of Reform – Making Government Work 1945-1995* (Yale University Press, New Haven, 1997).

A. Lijphart (1998) *Le democrazie contemporanee* (Universale Paperbacks Il Mulino, Il Mulino, 1988).

A. Lippi (2006) "Partenariato e rappresentanza nelle regioni del centro-nord", in V. Fargion, L. Morlino and S. Profeti, *Europeizzazione e rappresentanza territoriale. Il caso italiano* (Il Mulino, Bologna, 2006, 181-220).

A. Lippi (2000) "One theory, many practices. Institutional allomorphism in the managerialist reorganization of Italian local governments", *Scandinavian Journal of Management*, 16, 455-477.

G. Lloyd and D. Peel (2008) "Reconstructing regional development and planning in Scotland and Wales", in *Devolution, Regionalism and Regional Development. The UK experience* (Routledge, Abingdon, 2008, 166-182).

M. G. Lloyd and B. M. Illsley (1999) "An idea for its time? Community Planning and Reticulism in Scotland", *Regional Studies*, 33, 2, 181-184.

J. Loughlin (2003) "Hard Choices, Policy autonomy and priority-setting in public expenditure: Autonomy is strength", in S. Gibson (ed.) *English identities in the context of UK devolution* (The British Council, London, 2000) from M. Ferry, *Regional Governance in the EU: A Comparative Assessment* (EoRPA Paper 03/5, European Policies Research Centre, University of Strathclyde, Glasgow, 2003).

J. Loughlin (2000) "Regional Autonomy and State Paradigm Shifts in Western Europe", *Regional and Federal Studies*, 10, 2, Summer 2000, 10-34.

J. Loughlin and S. Sykes (2004) *Devolution and Policy-making in Wales: Restructuring the System and Reinforcing Identity*, Devolution and Constitutional Change Programme, http://www.devolution.ac.uk/pdfdata/Loughlin_and%20Sykes_policy_paper.pdf (last downloaded 31 January 2011).

J. Lovering (2001) "The Coming Regional Crisis (And How to Avoid It)" *Regional Studies*, 35, 4, 349-354.

M. Luciani (2005) *Gli istituti di partecipazione popolare negli statuti regionali*, Relazione al Convegno organizzato dall'ISSIRFA su I nuovi statuti delle Regioni ad autonomia ordinaria, Roma, 4 luglio 2005, <http://www.issirfa.cnr.it/3416,908.html?PHPSESSID=9285246b678aee1b215464130ffaa804#4> (last downloaded 30 January 2011).

N. Lupo (2009) "Perché il federalismo in Italia?", *Italianieuropei*, 1/2009, 24-34.

L. E. Jr. Lynn (2007) "Public Management. A concise history of the field" in E. Ferlie, L E Jr. Lynn and C. Pollitt, *The Oxford Handbook of Public Management* (Oxford University Press, Oxford, 2007, Paperback edition, 27-50).

G. MacLeod (2004) "Beyond soft institutionalism: accumulation, regulation, and their geographical fixes" *Environment and Planning A*, 33, 1145-1167.

G. MacLeod (1998) "In what sense a region? Place hybridity, symbolic shape, and institutional formation in (post-) modern Scotland", *Political Geography*, 17, 7, 833-863.

A. Mammone and G. A. Veltri (2010) *Italy Today. The sick man of Europe* (Routledge, London, 2010).

J. G. March and J. P. Olsen (2008), "Elaborating the "New Institutionalism"" in R. A. W. Rhodes, S. A. Binder and B. A. Rockman (2008) *Political Institutions* (Oxford University Press, Oxford, 2008, Paperback edition).

J. G. March and J. P. Olsen (1984) "The New Institutionalism: Organizational Factors in Political Life", *American Political Science Review*, 78 (September), 734–749.

P. Marconi (1997) "Public administration reform and government responsiveness to citizens in Italy", OECD, Public Management Service.

G. Marks and L. Hooghe (2004) "Contrasting Visions of Multi-Level Governance", in I. Bache and M. Flinders (eds.), *Multi-level Governance* (Oxford University Press, Oxford, 2004, 15-30).

G. Marks, L. Hooghe and K. Blank (1996) "European Integration from the 1980s: State-Centric v. Multi-level governance", *Journal of Common Market Studies*, 34, 3, 341-378.

G. Marks (1992) "Structural Policy in the European Community", in A. Sbragia (ed.) *Euro-politics. Institutions and Policymaking in the "New" European Community* (The Brookings Institution, Washington DC, 1992).

A. Markusen (2003) "Fuzzy Concepts, Scanty Evidence, Policy Distance: The Case for Rigour and Policy Relevance in Critical Regional Studies", *Regional Studies*, 37, 6 & 7, August-October 2003, 701-717.

S. Martin, "The Effects of EU Regional Policy on Local Institutional Structures and Policies" in J. Bachtler and I. Turok (eds.) *The Coherence of EU Regional Policy. Contrasting Perspectives on the Structural Funds* (Regional Studies Association, London, 1997, 51-66).

J. Mashaw (2006) "Accountability and Institutional Design: Some thoughts on the grammar of governance", in W. Dowdle (ed.) *Public Accountability. Designs, Dilemmas and Experiences* (Cambridge University Press, Cambridge, 2006, 115-156).

G. McCrone, *Regional Policy in Britain* (unwin university books, University of Glasgow Social Economic Studies, 1969).

N. McGarvey (2008) "Devolution in Scotland" in *Devolution, Regionalism and Regional Development. The UK experience* (Routledge, Abingdon, 2008, 25-44).

- N. McGarvey (2001) "Accountability in Public Administration: A Multi-Perspective Framework of Analysis", *Public Policy and Administration*, 16, 2, 17-28.
- A. McGuire (2010) *Achieving outcomes through collaborative gain*, The Scottish Government, The Improvement Service, Briefing Paper 6, March 2010.
- I. McIver (2006) *Future Structural Fund Programmes in Scotland 2007-2013*, SPICe Briefing, Scottish Parliament, 06/45.
- E. McLaughlin (1992) "The Democratic Deficit. European Union and the Accountability of the British Police", *British Journal of Criminology*, 32, 4, Autumn 1992, 473-487.
- I. McLean (2001) "Scotland: Towards Quebec – or Slovakia?", *Regional Studies*, 35, 7, 637-644.
- L. McNary (2008) "Quality Management in the Public Sector: Applying Lean Concepts to Customer Service in a Consolidated Government Office", *Public Administration Quarterly*, Summer 2008, 282-304.
- G. Meloni (2003) "Il decentramento delle competenze amministrative nelle regioni a statuto speciale e il nuovo modello costituzionale dell'amministrazione", *Amministrazione in Cammino*, www.amministrazioneincammino.luiss.it/.
- F. Mer, "Introduction officielle de l'atelier, Discours de bienvenue", Partenaires en evaluation du developpement - Apprendre et rendre compte, Atelier organisé par la France et le Groupe de travail sur l'évaluation de l'aide auprès du CAD, Paris, 25-26 March 2004, in *Actes de l'atelier*, 6-9.
- L. Metcalfe (2001) "Reforming European Governance: Old Problems or New Principles?", *International Review of Administrative Sciences*, 67, 415-443.
- N. Mezlev (2003) "L'évaluation, un instrument de la redevabilité", Partenaires en evaluation du developpement - Apprendre et rendre compte, Atelier organisé par la France et le Groupe de travail sur l'évaluation de l'aide auprès du CAD, Paris, 25-26 March 2003, in *Actes de l'atelier*, 78-80.
- R. Michie (2009) *New Partnership Dynamics in a Chancing Cohesion Policy Context – UK*, unpublished IQ-Net Country Thematic Paper, European Policies Research Centre, University of Strathclyde, Glasgow, October 2009.
- R. Michie and J. Bachtler (1996) *Managing the Structural Funds: Institutionalising Good Practice*, IQ-Net Thematic Paper 1(1), European Policies Research Centre, University of Strathclyde, Glasgow, UK.

A. Midwinter (2002) "Territorial Resource Allocation in the UK: A Rejoinder on Needs Assessment", *Regional Studies*, 36, 5, 563-577.

A. Midwinter and N. McGarvey (2001) "The New Accountability? Devolution Expenditure Politics in Scotland", *Public Money & Management*, July-September 2001, 47-55.

D. Millar (2000) "Scotland's Parliament: A Mini Westminster, or a Model for Democracy?" in A. Wright (ed.) *Scotland: The Challenge of Devolution* (Ashgate, Aldershot, 2000, 14-26).

Ministero dell'Economia e delle Finanze (MEF), Dipartimento per le Politiche di Sviluppo e Coesione, *Rapporto Annuale 2005 del Dipartimento per le Politiche di Sviluppo sugli interventi nelle Aree Sottoutilizzate*, 31 January 2006.

Ministero dell'Economia e delle Finanze (MEF), Dipartimento per le Politiche di Sviluppo e Coesione, *Second Italian Memorandum on the Reform of the EU Regional Policy 2007-2013*, December 2002.

Ministero dell'Economia e delle Finanze, Dipartimento della Ragioneria Generale dello Stato/I.G.R.U.E. (2001) *Le politiche strutturali dell'Unione europea, l'attuazione in Italia*, II Trimestre 2001.

Ministero dello Sviluppo Economico, Dipartimento per lo Sviluppo e la Coesione Economica (2009) *Rapporto annuale 2008 del Dipartimento per lo Sviluppo e la Coesione Economica sugli interventi nelle aree sottoutilizzate*, March 2009.

Ministero dello Sviluppo Economico, Dipartimento per lo Sviluppo e la Coesione Economica (2007) *Quadro Strategico Nazionale per la politica regionale di sviluppo 2007-2013*, Rome, June 2007.

J. Mitchell (2010a) "The Narcissism of Small Differences: Scotland and Westminster", *Parliamentary Affairs*, 63, 1, 98-116.

J. Mitchell (2010b) "The Westminster Model and the State of Unions", *Parliamentary Affairs*, 63, 1, 85-88.

J. Mitchell (2009) *Devolution in the UK* (Manchester, Manchester University Press, 2009).

J. Mitchell (2008) "Ever Looser Union", in A. Trench (ed.) *The State of the Nations 2008* (Imprint Academic, Exeter, 2008, 245-260).

J. Mitchell (2006a) "Evolution and Devolution: Citizenship, Institutions, and Public Policy", *Publius: The Journal of Federalism*, 36, 1, 153-168.

- J. Mitchell (2006b) "Devolution's Unfinished Business", *The Political Quarterly*, 77, 4, 465-474.
- J. Mitchell (2004) "Scotland: Expectations, Policy Types and Devolution", in A. Trench (ed.), *Has Devolution Made a Difference? The State of the Nations 2004* (Imprint Academic, Exeter, 2004).
- J. Mitchell (2000) "New Parliament, New Politics in Scotland", *Parliamentary Affairs* 53, 3, 605-621.
- J. Mitchell (1998) "The Evolution of Devolution: Labour's Home Rule Strategy in Opposition", *Government and Opposition*, 33, 4, 479-496.
- S. Modell (2004) Performance Measurement Myths in the Public Sector: A Research Note, *Financial Accountability & Management*, 20, 1, February 2004, 0267-4424, 39-55.
- B. Morgan, 'Technocratic v. convivial accountability' in W. Dowdle (ed.) *Public Accountability. Designs, Dilemmas and Experiences* (Cambridge University Press, Cambridge, 2006), 243-268.
- F. Moro (2002) "Federalismo differenziato e devolution", *Rivista economica del Mezzogiorno*, XVI, 2002, 4, 737-744.
- R. Mulgan (2003) *Holding Power to Account: Accountability in Modern Democracies* (Palgrave MacMillan, New York, 2003).
- R. Mulgan (2002) "Accountability Issues in the New Model of Governance", Graduate Program in Public Policy, Australian National University, Paper for Political Science Program seminar, RISSS, 3 April 2002.
- R. Mulgan (2001) *The accountability of the Community Sector Agencies: a comparative framework*, Discussion Paper no. 85 of the Graduate Programme in Public Policy of the Australian National University (Canberra, Australia).
- R. Mulgan (2000), "'Accountability': an ever-expanding concept?", *Public Administration*, 78, 555-574.
- R. Mulgan and J. Uhr (2000), *Accountability and Governance*, Discussion Paper no. 71 of the Graduate Programme in Public Policy of the Australian National University (Canberra, Australia), September 2000.
- F. Musella, *Governi monocratici. La svolta presidenziale nelle regioni italiane* (Il Mulino, Bologna, 2009).

R. Y. Nanetti (1993) “La politica regionale della Toscana nel contesto europeo”, in R. Leonardi and R. Y. Nanetti (eds.), *Lo sviluppo regionale nell’economia europea integrata. Il caso toscano* (Marsilio, Venezia, 1993, 65-94).

K. Newcomer (2004) “Quali sono le conseguenze della misurazione delle performance e della rendicontazione sull’esercizio dell’accountability nell’amministrazione federale statunitense?”, *Rassegna Italiana di Valutazione*, VIII, 29, 2004.

L. Nicolia (2005) “La questione dell’accountability nel modello comunitario di governance”, *Amministrazione in cammino*, <http://www.selectedadv.it/amministrazioneincammino/wp-content/uploads/2010/04/nicolia.pdf> (last downloaded 29 January 2011).

M. Haverland (2005) *Does the EU cause domestic developments? The problem of case selection in Europeanization research*, European Integration online Papers (EIoP), 9, 2.

C. O’Dwyer (2006) “Reforming Regional Governance in East Central Europe: Europeanization or Domestic Politics as Usual?” *East European Politics & Societies*, 20, 2, 219-253.

OECD (2009) *OECD Economic Surveys: Italy*, Volume 2009/8, June 2009.

OECD (2005) *Modernising Government. The Way Forward* (OECD, 2005).

OECD (2003) *Policy Fact Sheet: High-Level Meeting on Innovation and Effectiveness in Territorial Development Policy*, 25-26 June 2003, Martigny, Switzerland, 19 June 2003, GOC/TDPC(2003)14/REV1.

OECD (1999) *European Principles for Public Administration* (SIGMA Papers: 27, CCNM/SIGMA/PUMA(99)44/REV1, 1999).

D. Oliver, *Government in the United Kingdom: The Search for Accountability, Effectiveness and Citizenship* (Open University Press, Milton Keynes, 1991).

I. Oliver (1987) *Police, Government and Accountability* (Sheridan House, Dobbs Ferry, 1987), (online abstract: <http://www.ncjrs.gov/App/Publications/abstract.aspx?ID=104888>, last downloaded 27 January 2011).

J. Olsen (2003) “Towards a European administrative space?” *Journal of European Public Policy*, 10, 4, 506-531.

B. Östhol and A. Svensson, *Partnership responses – Regional Governance in the Nordic states* (Nordregio R2002:6, 4, September 2002).

Oxford English Dictionary (Oxford University Press, Second edition 1989).

R. Padovani (2003) “Le Linee del Rapporto” in SVIMEZ, *Rapporto 2002 sull’economia del Mezzogiorno* (Quaderno n. 20 di “Informazioni SVIMEZ”, Roma, April 2003, 25-46).

Y. Papadopoulos (2007) “Problems of Democratic Accountability in Network and Multilevel Governance”, *European Law Journal*, 13, 4, 469-486 (Special Issue on Accountability in EU Multilevel Governance).

R. Parry (2004) “The Civil Service and Intergovernmental Relations”, *Public Policy and Administration*, 19, 2, 50-63.

E. Pavolini (2008) “Governance regionali: modelli e stime di performance”, *La Rivista delle Politiche Sociali*, 3, Luglio-Settembre 2008, 149-177.

B. G. Peters (2008) “Institutional theory: problems and prospects”, in J. Pierre, B. G. Peters and G. Stoker (eds.) *Debating institutionalism* (Manchester University Press, Manchester, 2008, 1-21).

B. G. Peters (2005) “Institutional Theory in Political Science. The ‘New Institutionalism’” (Continuum, London, 2005, Second edition).

B. G. Peters and J. Pierre (eds.) (2007), *The Handbook of Public Administration, Concise Paperback Edition* (Sage Publications, London, 2007).

M. Pezzini *Meeting Summary*, Meeting of the EU Sub-Committee on Spatial and Urban Development, Brussels, 18 February 2003.

S. Piattoni (2010) *The Theory of Multi-level Governance. Conceptual, Empirical, And Normative Challenges* (OUP, Oxford, 2010).

F. Pica (2009) (ed.) *Il Federalismo Fiscale. “Schede tecniche” e “Parole chiave”*, *Quaderno Svimez*, 21, Rome, July 2009.

J. Pierre, B. G. Peters and G. Stoker (eds.) *Debating institutionalism* (Manchester University Press, Manchester, 2008).

P. Pietrangelo (2009) “La forma di governo regionale e il ruolo delle assemblee legislative”, *Italianieuropei*, 1/2009, 72-80.

A. Pike (2004) "Heterodoxy and the governance of economic development" *Environment and Planning A*, 36, 12, 2141-2161.

A. Pike and J. Tomaney (2004) "Subnational governance and economic and social development", *Environment and Planning A*, 36, 12, 2091 -2096.

A. Pizzorusso (2008) "Verso uno Statuto della Regione Toscana: orientamenti di massima e questioni aperte", <http://www.associazionedeicostituzionalisti.it/materiali/anticipazioni/toscana/index.html> (last downloaded 27 January 2011).

C. Pollitt and G. Bouckaert "Public Management Reform: A Comparative Analysis" (Oxford University Press, Oxford, 2004, Second Edition).

L. Polverari (2010) "Policies in Flux: Regional Policy Developments in Italy, 2009-2010", *Regional Policy Developments in Europe, Country Reviews 2009-2010*, European Policies Research Centre, University of Strathclyde, EoRPA research series, EoRPA Paper 10/2, 115-137.

L. Polverari (2009a) "Il dibattito sul bilancio UE 2014+ e le implicazioni per la future politica di coesione: la bozza di Comunicazione della Commissione europea al Parlamento europeo e al Consiglio su 'Un programma di riforma per un'Europa globale - riformare il bilancio", *Rivista giuridica del Mezzogiorno*, a. XXIII, 4/2009, 1435-1437.

L. Polverari (2009b) "Policy Developments in Italy", *Regional Policy Developments in the Member States and Norway: Country Reviews 2008-09* European Policies Research Centre, University of Strathclyde, EoRPA research series, EoRPA Paper 09/3, 79-82.

L. Polverari (2008) "Policy Developments in Italy", *Regional Policy Developments in the Member States and Norway: Country Reviews 2007-08*, European Policies Research Centre, University of Strathclyde, EoRPA research series, EoRPA Paper 08/2, 71-105.

L. Polverari (2007) "Policy Developments in Italy", *Regional Policy Developments in the Member States and Norway: Country Reviews 2006-07*, European Policies Research Centre, University of Strathclyde, EoRPA research series.

L. Polverari (2006) "Policy Developments in Italy", *Regional Policy Developments in the Member States and Norway: Country Reviews 2005-06*, European Policies Research Centre, University of Strathclyde, EoRPA research series.

L. Polverari (2000 to 2005) "Policy Developments in Italy", *Regional Policy Developments in the Member States and Norway: Country Reviews (2004-05, 2003-*

04, 2002-03, 2001-2002, 2000-2001) European Policies Research Centre, University of Strathclyde, EoRPA research series.

L. Polverari (2004) *Case Study of Toscana: Italy, ESPON 2.2.1. Work-Package 6*, May 2004.

L. Polverari and R. Michie (2010) “Il partenariato orizzontale: chimera, specchio per le allodole o reale strumento di policy?”, *Rivista Giuridica del Mezzogiorno*, 4/2010, 75-105.

L. Polverari and R. Michie (2009) *New partnership dynamics in a changing Cohesion Policy context*, IQ-Net Thematic Paper 25(2), European Policies Research Centre, University of Strathclyde, Glasgow.

L. Polverari, C. Mendez, F. Gross and J. Bachtler (2007) *Making sense of European Cohesion policy: Ongoing evaluation and monitoring arrangements*, IQ-Net Thematic Paper 21(2), European Policies Research Centre, University of Strathclyde, Glasgow.

L. Polverari, I. McMaster, F. Gross, J. Bachtler, M. Ferry and D. Yuill (2006), *Strategic Planning for Structural Funds Programmes in 2007-13. A Review of Strategies and Programmes*, IQ-Net Thematic Paper 18(2), European Policies Research Centre, University of Strathclyde, Glasgow.

L. Polverari, I. McMaster, F. Gross, J. Bachtler, M. Ferry and D. Yuill (2006), *The New National Strategic Reference Framework. Between Myth and Reality. Towards a New Generation of Structural Funds Strategies*, Paper prepared for the IQ-Net 10th Anniversary Conference “Strategic Planning for Structural Funds Programmes in 2007-13”, 27-28 June 2006.

L. Polverari and J. Bachtler, *Assessing the Evidence: The Evaluation of Regional Policy in Europe*, EoRPA Paper 04/5, European Policies Research Centre, University of Strathclyde, December 2004.

L. Polverari, J. Bachtler and S. Taylor (2000) “La valutazione degli interventi cofinanziati dai Fondi strutturali in Italia e negli altri paesi dell'UE: tendenze comuni e buone pratiche”, *Rivista Economica del Mezzogiorno*, XIV, 4, 1267-1308.

I. Proeller and K. Schedler (2007) “Change and Continuity in the Continental Tradition of Public Management”, in E. Ferlie, Jr L. E. Lynn and C. Pollitt, *The Oxford Handbook of Public Management* (Oxford University Press, Oxford, 2007, Paperback edition, 695-719).

S. Profeti (2006a) “La politica di coesione in Europa”, in V. Fargion, L. Morlino and S. Profeti, *Europeizzazione e rappresentanza territoriale* (Il Mulino, Bologna, 2006, 63-122).

S. Profeti (2006b) “Fondi strutturali, *policy learning* e modernizzazione amministrativa in Toscana. L’esperienza dei PISL tra regione ed enti locali”, in IRS (2006) *Lo sviluppo delle capacità amministrative e istituzionali nelle regioni beneficiarie dell’Obiettivo 2 (2000-2006): fattori critici di successo e lezioni per il prossimo ciclo di programmazione*, rapporto finale, 14 novembre 2006.

S. Profeti (2004) *La politica di coesione e il ruolo comunitario delle regioni italiane. I come e i perché della diversa europeizzazione*, tesi di dottorato di ricerca in Scienza della Politica, Università degli Studi di Firenze.

S. Puntscher Riekmann (2007) “In Search of Lost Norms: Is Accountability the Solution to the Legitimacy Problems of the European Union?”, *Comparative European Politics*, 5, 121–137.

S. Puntscher Riekmann (2006) *In Search for Lost Norms: Is Accountability the solution to the legitimacy problems of the European Union?*, EIF Working Paper Series, Working Paper 21, available online from <http://www.eif.oeaw.ac.at/downloads/workingpapers/wp21.pdf> (last downloaded 27 January 2011).

R. D. Putnam, R. Leonardi, R. Y. Nanetti (1993) *Making democracy work: civic traditions in modern Italy* (Princeton University Press, 1993).

C. Radaelli (2004) *Europeanisation: Solution or problem?*, European Integration online Papers (EIoP), 8, 16.

C. Radaelli (2001) *The Europeanisation of Public Policy: Notes on Theory, Methods, and the Challenge of Empirical Research*, Paper presented at the PAC/IUC Research Training Residential School, York, 2001.

C. Radaelli (2000) *Whither Europeanization? Concept stretching and substantive change*, European Integration online Papers (EIoP), 4, 8.

B. A. Radin (2007) “The Instruments of Intergovernmental Management”, in G. Peters and J. Pierre (eds.) *The Handbook of Public Administration*, (Sage, London, 2007, 365-376).

C. Ragin, *Fuzzy Set Social Science* (Chicago, University of Chicago Press, 2000), quoted in P. Vennesson (2008) *Op. Cit.*

P. Raines (2001) "United Kingdom", in D. Yuill (ed.), *Regional Policy Developments in the Member States: A Comparative Overview of Change, Annex 2: Country Reviews*, European Policies Research Centre, University of Strathclyde, Glasgow, October 2001, 113-127.

P. Raines (2000) "United Kingdom", in D. Yuill (ed.), *Regional Policy Developments in the Member States: A Comparative Overview of Change, Annex 2: Country Reviews*, European Policies Research Centre, University of Strathclyde, Glasgow, October 2000, 94-102.

Regione Toscana (2010) *Elezioni regionali 2010. Risultati e prime analisi a cura dell'ufficio e osservatorio elettorale regionale*, edited by A. Floridaia, April 2010.

Regione Toscana, Autorità Regionale per la Partecipazione (2009) *Relazione 2009. Attività svolta nel periodo 1 ottobre – 31 dicembre 2008. Attività previste per l'anno 2009*, edited by R. Lewanski, amended version 20 March 2010.

Regione Toscana, Autorità Regionale per la Partecipazione (2008) *Relazione 2008. Attività svolta nel periodo 1 ottobre – 31 dicembre 2008. Attività previste per l'anno 2009*.

Regione Toscana (2008a) *Documento di sintesi ricognitivo e riassuntivo del Programma Regionale di Sviluppo 2006-2010 (PRS) idoneo a declinare la strategia di politica regionale di coesione unitaria 2007-2013 (con valenza di Documento Unico di Programmazione –DUP-)*, Annex A to the *Giunta Deliberation* no.144 of 25 February 2008.

Regione Toscana (2008b) *Piano di valutazione della politica unitaria della Regione Toscana 2007-2013*, Annex B to the *Giunta Deliberation* no.144 of 25 February 2008.

Regione Toscana (2006), *Programma Regionale di Sviluppo 2006-2010*, proposta approvata dalla Giunta Regionale, 30 May 2006, Florence.

Regione Toscana (2005a) *Statuto della Regione Toscana*, Bollettino Ufficiale della Regione Toscana n.12, 11.2.2005.

Regione Toscana (2005b) *Toscana 2010. Programma di governo per la VIII legislatura*, May 2005, Florence.

Regione Toscana (2003), "Vivere bene in Toscana. Programma regionale di sviluppo 2003-2005", *supplemento La Regione Toscana XI*, 2/3, February-March 2003.

Regione Toscana, Giunta Regionale, Dipartimento dello Sviluppo Economico, Servizio Programmi Comunitari in materia extra-agricola and Resco S.c.a.r.l. (2002),

“L’impatto del Doc.U.P. Obiettivo 2 anni 1994-96 della Regione Toscana. Una analisi ex-post degli interventi FESR”.

Regione Toscana (1999) “Guida Pratica alla valutazione degli interventi regionali”, *Quaderni della programmazione*, 1, giugno 1999.

Regione Toscana (1997), *Documento Unico di Programmazione per le aree a declino industriale*, 1997-99, No. FESR: 970513003; No. ARINCO 97IT16003; No. FSE 970010I-2.

R. Reiner (2000) *Politics of the Police* (OUP, New York, 2000, Third edition) (online abstract: <http://www.ncjrs.gov/App/Publications/abstract.aspx?ID=201840>, last downloaded 27 January 2011).

Repubblica Italiana, *Costituzione della Repubblica Italiana*, <http://www.camera.it/files/costituzione/costituzione.pdf> (last downloaded 27 January 2011).

R.A.W. Rhodes, “Old Institutionalisms”, in R. A. W. Rhodes, S. A. Binder and B. A. Rockman, *Political Institutions* (Oxford University Press, Oxford, 2008, Paperback edition, 90-108).

R.A.W. Rhodes, *Understanding Governance: Policy Networks, Reflexivity and Accountability* (Open University Press, Buckingham, PA, 2003 (first published 1997)).

R. A.W. Rhodes (1996) “The new Governance: Governing Without Government”, *Political Studies*, XLIV, 652-667.

R. A. W. Rhodes, S. A. Binder and B. A. Rockman, *Political Institutions* (Oxford University Press, Oxford, 2008, Paperback edition).

G. Rivosecchi (2009a) “La legge delega sul federalismo fiscale tra buone intenzioni e occasioni mancate”, *Italianieuropei* 3/2009, 179-186.

G. Rivosecchi (2009b) “La riforma del bicameralismo e il Senato delle autonomie locali”, *Italianieuropei* 1/2009, 107-115.

S. Rizzo, *La cricca. Perché la Repubblica italiana è fondata sul conflitto d’interessi*, (Rizzoli, Milano, 2010).

N. C. Roberts (2002) “Keeping Public Officials Accountable Through Dialogue: Resolving the Accountability Paradox”, *Public Administration Review*, 62, 6, 658-669.

- A. Rodríguez-Pose and N. Gill (2004) “Is there a global link between regional disparities and devolution?”, *Environment and Planning A*, 36, 2097-2117.
- B. S. Romzek and P. W. Ingraham (2000) “Cross Pressures of Accountability: Initiative, Command, and Failure in the Ron Brown Plane Crash”, *Public Administration Review*, 60, 3, May/June 2000, 240-252.
- E. Royles (2006) “Civil Society and the New Democracy in Post-devolution Wales – A Case Study of the EU Structural Funds”, *Regional and Federal Studies*, 16, 2, 137-156.
- I. S. Rubin and J. Kelly (2007) “Budgeting and accounting reforms” in E. Ferlie, Jr L. E. Lynn and C. Pollitt, *The Oxford Handbook of Public Management* (Oxford University Press, Oxford, 2007, Paperback edition, 563-590).
- M. Ruotolo (2006) “Costituzione e riforme”, *online journal of Costituzionalismo.it*, 2/2006, <http://www.costituzionalismo.it/articolo.asp?id=220> (last downloaded 27 January 2011).
- L. Russell (1995) *The Strathclyde European Partnership*, Scotland Europa Paper No. 2, July 1995.
- L. Russell and J. McCready (1996) *The Impact of the Strathclyde Integrated Development Operation 1988-1992*, Scotland Europa Paper No. 9, October 1996.
- E. Sanders (2008) “Historical Institutionalism”, in R. A. W. Rhodes, S. A. Binder and B. A. Rockman, *Political Institutions* (OUP, Oxford, 2008, Paperback edition, 39-55).
- S. Saurugger (2007) “Democratic ‘Misfit’? Conceptions of Civil Society Participation in France and the European Union”, *Political Studies*, 55, 2, June 2007, 384-404.
- D. J. Savoie (1994) *Thatcher, Reagan and Mulroney: In Search of a New Bureaucracy* (University of Toronto Press, Toronto, 1994).
- L. J. Scharpe (1993) *The rise of meso government in Europe* (Sage, London, 1993).
- K. A. Shepsle (2008) “Rational Choice Institutionalism”, in R. A. W. Rhodes, S. A. Binder and B. A. Rockman, *Political Institutions* (Oxford University Press, Oxford, 2008, Paperback edition, 23-38).
- J. A. Scherpereel (2007) “Sub-National Authorities in the EU’s Post-Socialist States: Joining the Multi-Level Polity?” *Journal of European Integration*, 29, 1, 23-46.

F. Sciola (2006) *La legge elettorale toscana*, Presidenza della Regione Toscana, Attività legislativa della Presidenza, Osservatorio Legislativo Interregionale, Rome, 21–22 September 2006.

P. Schmitter (2008), “The design of social and political research”, in D. Della Porta and M. Keating (eds.), *Approaches and Methodologies in the Social Sciences. A pluralist perspective* (Cambridge University Press, Cambridge, 2008, 263-295).

P. Schmitter (2007) *Political Accountability in ‘Real-Existing’ Democracies: Meaning and Mechanisms*, Istituto Universitario Europeo, Firenze, Italia, gennaio 2007, available online from <http://www.eui.eu/Documents/DepartmentsCentres/SPS/Profiles/Schmitter/PCSPoliticalAccountabilityJan07.pdf> (last downloaded 27 January 2011).

P. Schmitter (2004) “The ambiguous virtues of accountability”, *Journal of Democracy*, 15, 4, October 2004, 47-60.

P. Schmitter and T. L. Karl (1991) “What democracy is ... and is not”, *Journal of Democracy*, 2, 3, Summer 1991, 75-88.

R. Schwartz (2000) “School Accountability – An Elusive Policy Solution: The Israeli Experience in Comparative Perspective”, *Journal of Public Policy*, 20, 3, 195-218.

Scottish Executive (2007a) *Lowlands and Uplands Scotland 2007-2013 Structural Funds Programmes: Analysis of Consultation Responses and Scottish Executive Response*, April 2007.

Scottish Executive (2007b) *Highlands and Islands 2007-2013 Structural Funds Programmes: Analysis of Consultation Responses and Scottish Executive Response*, April 2007.

Scottish Executive (2007c) *Choosing Scotland’s Future. A National Conversation. Independence and responsibility in the modern world*, August 2007.

Scottish Executive (2006) *Measuring Progress Towards a Smart, Successful Scotland: 2006* (Scottish Executive, Edinburgh, 2006).

Scottish Executive (2005a) *Scottish Economic Report. December 2005*, SE/2005/230: Laid before the Scottish Parliament by the Scottish Ministers, December 2005 (Scottish Executive, Edinburgh, 2005).

Scottish Executive (2005b) *The Mid-Term Evaluation Update Report for the Western Scotland Objective 2 Programme 2000-06*.

Scottish Executive, European Structural Funds Division (2004), *Europe and Scotland making it work together. Annual Summary Document 2003. Scotland*, July 2004.

Scottish Executive (2003) European Structural Funds Division, *Scottish European Structural Funds Forum. Minute of Meeting held on Monday 3 November 2003*.

Scottish Executive (2002) Scottish Executive response to European Committee's Report on the future of European Structural Funds post 2006, 4 September 2002, <http://www.scotland.gov.uk/Publications/2002/09/15471> (last downloaded 27 January 2011).

Scottish Executive (2001a) *A Smart, Successful Scotland. Ambitions for the Enterprise Network*.

Scottish Executive (2001b), Enterprise and Lifelong Learning Department, *Local Economic Forums National Guidelines*, March 2001.

Scottish Executive (2000a) *Report of the Steering Committee of the Review of the Programme Management Executives*, prepared for the Scottish Executive, 6 March 2006.

Scottish Executive (2000b) *Review of the relationship between Scottish Executive and the Programme Management Executives. Process Mapping Technical Report*, prepared by Process Mapping Team & Englington Management Centre, March 2000 (annex D to Scottish Executive 2000a).

Scottish Government (2009a) *Governance and Accountability in the Scottish Government: Roles and Responsibilities*, August 2009, <http://www.scotland.gov.uk/Publications/2009/08/10141828/0> (last downloaded 27 January 2011).

Scottish Government (2009b), *A National Conversation. Your Scotland, Your Voice*, November 2009.

Scottish Government (2009c) *Evaluation Plan 2007-2013 Scottish Operational Programmes*, second version, June 2009, <http://www.scotland.gov.uk/Resource/Doc/917/0084386.pdf> (last downloaded 27 January 2011).

Scottish Government (2008) *Scottish Budget. Draft Budget 2009-2010*, September 2008.

Scottish Government (2007a) *Scottish Budget Spending Review 2007*, November 2007.

Scottish Government (2007b) *Scottish Economic Development Framework*, November 2007.

Scottish Government (2007c) Operational Programme European Regional Development Fund: 2007-2013 Highlands & Islands Scotland. Final, CCI: 2007UK161PO001 (the actual document does not mention authorship).

Scottish Government and COSLA (2007), *Concordat between the Scottish Government and local government*, 14 November 2007, <http://www.scotland.gov.uk/Publications/2007/11/13092240/concordat> (last downloaded 29 January 2011).

Scottish Information Commissioner (2004) *Scottish Information Commissioner Annual Report 2004*, St. Andrews, November 2004.

Scottish National Party (2007), *SNP It's time. Manifesto 2007*, <http://www.snp.org/node/13534> (last downloaded 29 January 2011).

Scottish Parliament (2008) *The Work of Committees in the Scottish Parliament*, Third edition, July 2008.

Scottish Parliament (2006) *European and External Relations Committee Report. Report on an inquiry into the Scottish Executive's plans for future structural funds programmes 2007-13*, SP Paper 611, EU/S2/06/R4, <http://www.scottish.parliament.uk/business/committees/europe/reports-06/eur06-04-01.htm> (last downloaded 29 January 2011).

Scottish Parliament (2001) *Subject Map: European Structural Funds*, 4 April 2001

Scottish Parliament (2000a) *Commission on local government and the Scottish parliament (McIntosh Commission)*, Research note, 99/14, 12 August 2000.

Scottish Parliament (2000b), Local Government Committee, *Issues arising from the McIntosh Report*, 3rd Report 2000, SP Paper 73.

Scottish Parliament (2000c), European and External Relations Committee, European Committee, *Report on European Structural Fund Programme Management Executives and their relationship with the Scottish Executive*, 2nd Report, SP Paper 92.

Scottish Parliament (2000d), European and External Relations Committee, European Committee, *Report of the Inquiry into European Structural Funds and their implementation in Scotland*, 6th Report, SP Paper 210.

SIGMA (1999) *European Principles for Public Administration*, SIGMA Papers No. 27, OECD, Paris.

D. Silvermann, *Interpreting Qualitative Data: Methods for Analysing Data, Text and Interaction* (Sage, London, 1993).

Lord Steel of Aikwood (2009) "A Dozen Differences of Devolution", in Jeffery and J. Mitchell (eds.), *The Scottish Parliament: 1999-2009. The First Decade* (Hansard Society, Luath Press Ltd, Edinburgh, 2009, 15-19).

S. Steinmo, "Historical institutionalism", in D. Della Porta and M. Keating (eds.), *Approaches and Methodologies in the Social Sciences. A pluralist perspective* (Cambridge University Press, Cambridge, 2008, 118-138).

G. A. Stella and S. Rizzo, *La casta. Così i politici italiani sono diventati intoccabili* (Rizzoli, Milano, 2007).

A. Stepan (2001) "Toward a New Comparative Politics of Federalism, (Multi) Nationalism, and Democracy: Beyond Riker Federalism", in A. Stepan, *Arguing Comparative Politics* (OUP, Oxford, 2001, 315-361), quoted in S. Ventura 2008, *Op. Cit.*.

E. Stern (2003) "The Rationale and Challenges for Evaluation of Public Policies", *Key note speech to the Paper presented to the Fifth European Conference on Evaluation of the Structural Funds, "Challenges for Evaluation in an Enlarged Europe"*, Budapest 26/27 June 2003.

G. Stoker (2002) "Life is a lottery: New Labour's strategy for the reform of devolved governance", *Public Administration*, 80, 417- 434.

A. Strauss and J. Corbin (1991) *Basics of Qualitative Research. Grounded theory Procedures and Techniques* (Sage, London, 1991).

Strathclyde European Partnership (2006) Scottish Parliament European and External Relations Committee, *An Inquiry into the Scottish Executive's Plans for Future Structural Fund Programmes 2007-2013*, SEP Response http://www.scottish.parliament.uk/business/committees/europe/inquiries/structFunds/eu_SFDS_SEP.pdf (last downloaded 29 January 2010).

B. Svensson and A. Östhol (2001) "From Government to Governance: Regional Partnerships in Sweden", *Regional and Federal Studies*, 11, 2, 25-42.

SVIMEZ (2001a), *Rapporto 2001 sull'economia del Mezzogiorno* (Il Mulino, Bologna, 2001).

SVIMEZ (2001b) “Riforme Federaliste e politiche per lo sviluppo delle aree economicamente svantaggiate. Documento sulle implicazioni delle recenti riforme costituzionali”, *Informazioni Svimez*, Quaderno 10.

SVIMEZ (2001c) *Rapporto 2001 sull'economia del Mezzogiorno. Linee Introduttive* (Il Mulino, Bologna, 2001).

C. Talbot (1999) “Public Performance – towards a new model?”, *Public Policy and Administration*, 14, 3, 15-34.

G. Tarli Barbieri (2009) “I sistemi elettorali regionali”, *Italianieuropei*, 1/2009, 60-71.

D. Tarschys (2005) *The Enigma of European Added Value: Setting Priorities for the European Union*, SIEPS, Stockholm.

D. Tarschys (2003) *Reinventing Cohesion. The Future of European Structural Policy*, Sieps, 2003:17, Stockholm.

S. Taylor, J. Bachtler and L. Polverari (2001) “Structural Fund Evaluation as a Programme Management Tool: Comparative Assessment and Reflections on Germany” *Informationen zur Raumentwicklung*, Special issue: Evaluation und Qualitätsmanagement der EU-Strukturpolitik, 6/7, Bonn.

S. Taylor, J. Bachtler and L. Polverari (2001) *Information into Intelligence: Monitoring for effective Structural Fund Programming*, IQ-Net Thematic Paper 8(2), European Policies Research Centre, University of Strathclyde, Glasgow.

S. Taylor, J. Bachtler and M. L. Rooney (2000) *Implementing the New Generation of Programmes: Project Development, Appraisal and Selection*, IQ-Net Thematic Paper 7(2), European Policies Research Centre, University of Strathclyde, Glasgow.

S. Taylor, L. Polverari and P. Raines (2001) *Mainstreaming the Horizontal Themes into Structural Fund Programming*, IQ-Net Thematic Paper 10(2), European Policies Research Centre, University of Strathclyde, Glasgow.

B. Thompson (2009) “Access and Participation: Aiming High”, in Jeffery and J. Mitchell (eds.) (2009) *The Scottish Parliament: 1999-2009. The First Decade* (Hansard Society, Luath Press Ltd, Edinburgh, 2009, 43-48).

A. E. Töller (2004) *The Europeanization of Public Policies – Understanding hydiosyncratic Mechanisms and Contingent Results*, European Integration online Papers (EIoP), 8, 9.

L. Torchia (2000), "Verso un'amministrazione moderna", in L. Bernardi (a cura di) *La finanza pubblica italiana. Rapporto 2000* (Il Mulino, Bologna, 2000, 345-378).

H.M. Treasury, DTI and Office of the Deputy Prime Minister, *A Modern Regional Policy for the United Kingdom* (Crown Copyright, London, March 2003).

A. Trench (ed.) *The State of the Nations 2008* (Imprint Academic, Exeter, 2008).

A. Trench (ed.), *Has Devolution Made a Difference? The State of the Nations 2004* (Imprint Academic, Exeter, 2004).

C. Trigilia, *Grandi partiti e piccole imprese* (Il Mulino, Bologna, 1986).

J. B. Sutcliffe (2002) "Subnational influence on the Structural Funds: The Case of the Highlands and Islands of Scotland", *Regional & Federal Studies*, 12, 3, 102-107.

United Nations (2003) *Improving Public Sector Effectiveness*, Report of the United Nations Expert Group Meeting, Dublin, 16-19 June 2003.

D. Valler and A. Wood (2004) "Devolution and the politics of business representation in Britain: a strategic-relational approach" *Environment and Planning A*, 36, 1835-1854.

S. Vassallo (2005) "Le elezioni regionali del 2005. Alternanze, personalizzazione e ricambio", *Le Istituzioni del Federalismo*, 6, 987-1006.

P. Vennesson (2008) "Case studies and process tracing: theories and practices", in D. Della Porta and M. Keating (eds.), *Approaches and Methodologies in the Social Sciences. A pluralist perspective* (Cambridge University Press, Cambridge, 2008, 223-239).

S. Ventura (ed.) (2008) *Da stato unitario a stato federale. Territorializzazione della politica, devoluzione e adattamento istituzionale in Europa* (Il Mulino, Bologna, 2008).

S. Ventura (2008b) 'Introduzione. Federalismi per associazione e federalismi per devoluzione', in S. Ventura (ed) *Da stato unitario a stato federale. Territorializzazione della politica, devoluzione e adattamento istituzionale in Europa* (Il Mulino, Bologna, 2008, 7-26).

G. Viesti, *Mezzogiorno a tradimento. Il Nord, il Sud e la politica che non c'è* (Laterza, Bari, 2009).

R. K. Yin (2003), *Applications of case study research* (Sage, Thousand Oaks, Second edition, 2003).

D. Yuill (2005) *Preparing for the Next Policy Phase: A Comparative Overview of Recent Regional Policy Development*, EoRPA Paper 05/1, European Policies Research Centre, University of Strathclyde, October 2005.

D. Yuill (ed.) (2000), *Regional Policy Developments in the Member States: A Comparative Overview of Change, Annex 2: Country Reviews*, European Policies Research Centre, University of Strathclyde, Glasgow, October 2000.

D. Yuill, J. Bachtler and F. Wishlade, *European Regional Incentives 1999. Directory and Review of Regional Grants and Other Aid Available for Industrial Business Expansion and Relocation in the Member States of the European Union and Norway* (Bowker Saur, East Grinstead, 1999).

D. Walker (2002) *In Praise of Centralism: A Critique of the New Localism* (Catalyst, London, 2002).

D. W. Walker (2004) *GAO Answers the Question: What's in a name?*, available online from the U.S. Government Accountability Office, <http://www.gao.gov/about/rollcall07192004.pdf> (latest downloaded 19 June 2008).

S. Walker (2006) *Police Accountability: Current Issues and Research Needs*, Paper presented at the National Institute of Justice (NIJ) Policing Research Workshop: Planning for the Future. Washington DC, November 28-29 2006.

B. Waterhout (2007) "Territorial Cohesion: Discourses Underlying" in A. Faludi (ed.) (Lincoln Institute Books, Lincoln Institute of Land Policy, Cambridge (Ms, US), 2007).

W. F. West (2004) "Formal Procedures, Informal Processes, Accountability and Responsiveness in Bureaucratic Policy-Making: An Institutional Policy Analysis" *Public Administration Review*, 64, 1, 66-80.

E. Williamson (1996) *The development of the concept of rolling evaluation of European Structural Funds in Scotland*, Paper presented at the First European Evaluation Conference, Berlin, 2-3 December 1996.

B. K. Winetrobe (2001) "Realising the Vision: a Parliament with a Purpose An audit of the first year of the Scottish Parliament", Paper prepared for the Constitution Unit, UCL, October 2001.

World Bank, *World Development Report 2004* (World Bank and Oxford University Press, Washington, 2003).

- A. Wright (ed.) *Scotland: The Challenge of Devolution* (Ashgate, Aldershot, 2000).
- E. Zapico Goñi (1997) *Issues and Perspectives, Performance-Based Accountability in Spain's Public Service*, OECD Country Commentary: Spain, OECD Public Management Service, <http://www.oecd.org/dataoecd/10/33/1902615.pdf> (last downloaded 20 March 2010).
- J. Ziller (2001) "European Models of Government: Towards a Patchwork with Missing Pieces", *Parliamentary Affairs*, 54, 102-119.
- D. Zinnbauer, R. Dobson and K. Despota (eds.) *Global Corruption Report 2009. Corruption and the Private Sector* (Transparency International, CUP, Cambridge 2009).
- W. Zonnenveld and B. Waterhout (2005) "Visions on territorial cohesion" *Town Planning Review. Special Issue on European territorial cohesion* 76, 1, 15-27.

18.1 Appendix to the bibliography - Website Directory

www.associazionedeicostituzionalisti.it/

www.bbc.co.uk/

www.camera.it/

www.capire.org/esperienze_regionali/toscana/

<http://www.costituzionalismo.it/>

<http://www.dps.mef.gov.it/>

www.devolution.ac.uk/

http://ec.europa.eu/regional_policy/index_en.htm

www.economist.com/

www.eprc.strath.ac.uk/iqnet/default.cfm

www.eprc.strath.ac.uk/eorpa/default.cfm

www.federalismi.it

www.governo.it

www.heraldscotland.com/

www.ilsole24ore.com/

www.issirfa.cnr.it/1,1.html

www.regione.toscana.it

www.repubblica.it/

www.scotland.gov.uk

www.senato.it

ANNEX I - LIST OF INTERVIEWS

Tuscany

Fabrizio Barca, Director General at the Italian Ministry of Economy and Finance, and former Head of the Italian Department for Development Policies, Glasgow, 10 November 2008.

Monica Bartolini, Regione Toscana, Objective 2/RCE ERDF programme secretariat, responsible for the programme's communication and publicity, Florence, 7 April 2009.

Albino Caporale, Regione Toscana, Head of the Managing Authority of the Objective 2/RCE ERDF programme and acting Director General for Economic Development, Florence, 7 April 2009.

Alessandro Cavalieri, Regione Toscana, Director General Budget and Finance, Florence, 8 April 2009.

Eleonora Carnevali, RESCO S.c.a.r.l., Ancona, 20 July 2009.

Manuela Crescini, Director, RESCO S.c.a.r.l., Ancona, 20 July 2009.

Jack Engwegen, Head of Unit, D.G. Regional Policy, European Commission, Brussels, 26 September 2008.

Valeria Fargion, Professor, Department of Political Science and Sociology, University of Florence, Florence, 8 April 2009.

Andrea Floria, former D.G. of the Mountainous Community of Mugello and former *Dirigente* at the Province of Prato, Florence, 6 April 2009.

Vincenzo Gazerro, *Dirigente*, Department for Economic Development and Cohesion, Ministry of Economic Development, Rome, 8 September 2008.

Andrea Lippi, Assistant Professor, Department of Political Science and Sociology, University of Florence, Florence, 6 April 2009.

Angelita Luciani, Regione Toscana, Objective 2/RCE ERDF programme secretariat, responsible for the programme's evaluation, Florence, 8 April 2009.

Antonio Marino, *Dirigente*, Province of Lucca, Innovation and Economic Development Service, Lucca, 7 April 2009.

Maria Chiara Montomoli, *Dirigente*, Regione Toscana, Settore Strumenti della programmazione regionale, Florence, 6 April 2009.

Stefania Profeti, Contract Professor, Department of Political Science and Sociology, University of Florence, Florence, 9 April 2009.

Alessandro Rainoldi, European Commission (currently at the Institute for Prospective Technological Studies (IPTS) of Seville, previously at D.G. Regio), Brussels, 12 September 2008.

Scotland

Mike Danson, Professor, University of the West of Scotland, Paisley, 15 December 2009.

Jonathan Denness, Deputy Head of Unit, D.G. Regional Policy, European Commission, Brussels, 26 September 2008.

Jack Engwegen, Head of Unit, D.G. Regional Policy, European Commission, Brussels, 26 September 2008.

Alec Fraser, Director, Fraser Associates, Stirling, 16 December 2009.

Iain Jenkins, Director, EKOS Ltd, Glasgow, 7 December 2009.

Malcolm Leitch, Glasgow City Council, Development and Regeneration Services, Funding and Resources Team, 4 May 2010.

Dennis Malone, Chief Executive, Highlands and Islands Structural Funds Partnership (HIPP Ltd), Inverness, 14 December 2009.

Diane McLafferty, Scottish Executive, Head of the Structural Funds Division (2001-2006), Edinburgh, 18 March 2010.

Gordon McLaren, Chief Executive, Eastern Scotland European Partnership (ESEP Ltd), Glasgow, 16 December 2009.

Rona Michie, Research Fellow, European Policies Research Centre, University of Strathclyde, Glasgow, 30 January 2007.

Jim Millard, Scottish Executive/Government, Structural Funds Division, Glasgow, 21 December 2009.

Irene Oldfather, Member of the Scottish Parliament and Convener of the European and External Relations Committee), Edinburgh, 10 December 2009.

Philip Raines, Scottish Executive, Structural Funds Division, Glasgow, 6 December 2007 and in March 2003.

John Rigg, Scottish Executive/Government, Head of the Structural Funds Division (2006 to present), Glasgow, 8 December 2009.

Laurie Russell, Chief Executive, Strathclyde European Partnership (SEP Ltd), Glasgow, 17 December 2009.

APPENDICES

Appendix I: Post-devolution changes in Tuscan and Scottish governance and ECP management and implementation

Appendix II: Causal factors

Appendix III: Meanings attributed to the word ‘accountability’ by interviewees

Appendix I: Post-devolution changes

Table 22: Post-devolution changes in Tuscan and Scottish governance and ECP management and implementation

	Tuscany	Scotland
General governance changes	<ul style="list-style-type: none"> • New dialectic between executive and legislature: strengthening of the executive • New dialectic within the executive: strengthening of the leader of the executive, the President of the <i>Giunta</i>. • Strengthening of the top technocratic level, the CTP • New programming framework: <ul style="list-style-type: none"> • Operational, long-term, complex and (prospectively) territorialised (through the PASL) • Evolving role of provincial authorities → through the PASL • More emphasis on tools enhancing policy effectiveness <ul style="list-style-type: none"> • Six-monthly monitoring of the Regional Development Plan and strategic reporting → overcoming previous sectoral and fragmented approach • Introduction of compulsory <i>ex ante</i> evaluation for each plan and programme • Enhanced concertative tradition <ul style="list-style-type: none"> • Institutionalisation of concertative procedures (codification in legislation and in the new statute) • Enlargement of scope and range of actors involved • Multiplication of loci of concertation from regional to regional and provincial • Explicit attention to political minorities (ring-fencing of 35% of seats in the in the regional Council guaranteed by electoral law) • Experimentation with participatory governance: participation law, Regional Participation Authority, budget and ‘public debate’ projects at both regional and local level 	<ul style="list-style-type: none"> • Scottish Government more dominant and more visible than Scottish Office (more Ministers, more circumscribed ministerial remits, based in Scotland, responds to Scottish electors and stakeholders, primary career ambitions in Scotland) • Production of Scottish policies and strategies • More open decision-making pursued through generalised use of stakeholders’ consultations; increased access to (Scottish) government for Scottish/local interest groups (actual potential for stakeholders to influence decision-making should be assessed, however) • More emphasis on local-level partnership-based work (e.g. CPPs, LEFs) [part of wider UK trend for joined-up government] • Increased parliamentary scrutiny of governmental activity (including local authorities, agencies and officials) • Enhanced transparency on the activity of government and other public authorities through Scottish Parliament’s Commissions/Committees system, institutional websites and Scottish FoI Act • Closer relationship between Scottish Government Ministers and officials and (recently) alignment of administration with ministerial mandates • More emphasis on public spending monitoring [part of wider UK trend], analytic capacities and, more recently, performance and outcome measurement and reporting • More explicit direction of work of Scottish agencies and local authorities, linked to Scottish Government policies (and, more recently, accountability on performance for local authorities)

Table 22: Post-devolution changes in Tuscan and Scottish governance and ECP management and implementation (Continued)

	Tuscany	Scotland
ECP ‘systemic’ changes	<ul style="list-style-type: none"> • Subsuming of the ERDF programme under domestic Tuscan policies and programming system (the Regional Development Plan) 	<ul style="list-style-type: none"> • Subsuming of the ERDF programme under domestic Scottish policies • Increased parliamentary scrutiny of ECP (via Scottish Parliament) • Centralisation of policy process in the hands of Scottish Government, abolition of PMEs (replaced by two Intermediate Administration Bodies selected with public procurement) • More ministerial interest in this policy • Programmes rationalisation
ECP ‘operational’ changes	<ul style="list-style-type: none"> • More policy-driven programme design (based on RDP) • Naming of selected strategic projects in the programme • New approach to evaluation (selective, no SG, joint evaluation plan with the domestic regional policy programme) and drafting of evaluation plan for both strands of regional policy (ECP and domestic regional policy) • Over time increased – and overall extremely high – emphasis on information and transparency • Re-adoption of the non-compulsory programme complement (made available to all via the website) • Ring-fencing of part of the publicity and communication budget for activities carried out by the associations of local authorities 	<ul style="list-style-type: none"> • Centralisation of programme design: top-down and policy-driven • Re-organisation of project generation, appraisal and selection → hybrid/mixed system with challenge fund (competitive), direct commissioning to Strategic Delivery Bodies, and parcelling out to CPPs (competitively selected) and South of Scotland Global Grant • For challenge fund part, rationalisation and reorganisation of Advisory Groups (more SG-driven and, in LUPS programme, only virtual) • Low but nevertheless increased ministerial influence in programme processes (particularly project selection) • Reduction of number of PMCs in LUPS area → potentially reduced representativeness • Evaluation driven by Scottish Government (not the PMEs/partners) • Communication to beneficiaries carried out by IABs, SDBs, and Scottish Government, rather than PMEs predominantly • ECP more prominent feature of political (governmental) communication → higher visibility of programmes across Scotland

Source: own elaboration based on empirical investigation.

Appendix II: Causal factors

Table 23: Causal factors for the changes observed in ECP design, management and implementation

	Tuscany	Scotland
Domestic meso-level factors linked to devolution	<ul style="list-style-type: none"> • Changed electoral law and direct election of the President of the Region • More competences → revision of domestic programming framework: more comprehensive and operational 	<ul style="list-style-type: none"> • Overcoming the political reasons leading to introduction of PMEs • Scottish Parliament's role as overseer of policy processes and Executive's work • Emergence over time of Scottish Executive/Government's own policies: Structural Funds should contribute to these (compounded, more recently by public finance tightening/economic crisis) • Scottish Executive and administration's exposure to potential failings linked to N+2 and European audits (matched by perceived inadequate oversight and influencing potential) • Prospective reduction of funding and audit concerns over PMEs funding (management fee) raised questions over opportunity-cost and sustainability of PME model • Efficiency of project selection: competitive system too dispersed • Effectiveness of the PME system: project selection procedures and processes largely seen as fair and transparent, but some concerns over <i>de facto</i> preferential treatment of main partners and politicisation (with respect to one PME)
Other domestic meso-level factors	<p>Longer-term legacy of pre-existing administrative tradition, political culture, economic and territorial fabric:</p> <ul style="list-style-type: none"> • Political and administrative stability and continuity have determined the emergence and consolidation of a concertative programming culture • Desire of emancipation from the central state due to national solidarity pact led to attention to efficiency and monitoring of public spending • Outward orientation and openness to stimuli from external environments have proven favourable to institutional innovation 	<ul style="list-style-type: none"> • Political change in 2007 (SNP minority government)

Table 23: Causal factors for the changes observed in ECP design, management and implementation (Continued)

Domestic national-level factors	<ul style="list-style-type: none"> • Introduction in 2007 of the ‘unitary regional policy’, which merges domestic regional policy implementation through the national FAS (Fund for Underutilised Areas) with ECP. 	<ul style="list-style-type: none"> • New Labour public sector reform agenda (best value, joined-up government) • New regional policy paradigm (evidence-based and bottom-up)
European financial and regulatory framework	<p>Longer-term</p> <ul style="list-style-type: none"> • ECP programming approach well matched with pre-existing domestic programming culture, reinforcing it • ECP partnership approach well matched with pre-existing domestic programming culture, reinforcing it • Monitoring and evaluation rules permeated domestic approach (previously sectoral, no integrated monitoring, and lack of evaluation culture) <p>Post-devolution</p> <ul style="list-style-type: none"> • Publicity and communication rules’ strong impact on communication activities (e.g. creation of website for the 2000-06 programme) • Restriction in scope of eligible activities (suppression of PISL and replacement with PIUSS) 	<ul style="list-style-type: none"> • Introduction of N+2 rule required closer monitoring of progress and bottlenecks • Increased audits by EU authorities raised concerns over the ‘control’ that the Scottish Executive administration had over PMEs’ activities • Further reduction of Structural Funds resources in 2007-13
Other developments	<ul style="list-style-type: none"> • Improvements in Information Technologies and dissemination of internet/broadband amongst public authorities and households 	

Source: own elaboration based on empirical investigation.

Appendix III: Meanings attributed to the word ‘accountability’ by interviewees

Interviewees for the Tuscan case study

A definition of the word accountability was provided by most interviewees.²⁴⁹ Definitions varied (see below), essentially highlighting two lines of interpretation: (i) accountability as account-giving on results, procedures or resources; and (ii) accountability as ‘responsabilisation’ (*responsabilizzazione*) or shared decision-making. One interviewee also made the distinction between democratic/electoral accountability and mediated forms of accountability, i.e. between horizontal and vertical forms of accountability.

Interviewees’ definitions are reported below (translated from Italian into English by the author):

- ‘The capacity to give account, the philosophy to give account on something, perhaps *responsabilizzazione* in Italian’, i.e. accountability as the capacity of those who programme and implement policy to give account to others (COM1).
- ‘Accountability in Italy has traditionally been understood as the act of giving account on procedures, independently from results and performance’ (ITA2).
- ‘The capacity of a certain phenomenon to be the subject of account-giving by whoever implements it to those interested by it. This presupposes at the very least some knowledge of this phenomenon; thus, first of all, there has to be someone who knows that something is happening, who is interested in knowing the evolution of this and in receiving account, and who has the instruments to know such things: information, interest and account-giving’ (TOS1).

²⁴⁹ One interviewee was not asked (this question was integrated into the questionnaire subsequent to the interview) (ITA1); three interviewees asked the researcher what she meant by accountability at the outset of the interview (COM2, TOS4 and TOS11); one ‘admitted’ that she/he had come across the term but had not

- ‘The capacity of the [public] administration to give account – above all to the citizen, to society – of the realisation of policies in relation to what was programmed. I would translate it with transparency ... and participation’ (TOS2).
- ‘To give account, in terms of responsibility, in relation to an objective. To give account with regard to the results, the objectives and the commitment taken’ (TOS3).
- ‘Simply, to give account of what a policy produces. Without doubt, the Structural Funds have introduced this concept, even though not theorised in this way. That is the accounting – giving account of what I have spent. The transition, the value that is given to this concept in the phase 2000-07 with regard to evaluation, is even wider, in the sense that there is a sort of “qualitative” account-giving of what has been done; that is, whether what has been done made sense or not, whether it was useful or useless, effective or not effective’ (TOS6).
- ‘The co-responsabilisation between institutions – in particular between the regional institution and the local institutions – but also between institutions and stakeholders, those with interests in information, programmes and shared actions ... When one shares data, which is always a very complicated thing, and launches a project in which one discusses the things to be done, agreement is reached on them (wholly or not) and on the monitoring and the follow-up of [such] actions. If this happens, then there is accountability’ (TOS7).
- ‘To give account of the use of resources first of all to the stakeholders and then to whomever provides the resources, basically [for EU Cohesion policy] the Commission, the Member State, the organisations and associations of citizens, and the citizens’ (TOS8).

given any thought to how to define it (TOS5); and lastly, one respondent did not provide her/his own definition, but rather a definition of how this concept has been intended in Italy (in her/his view).

- ‘The mechanism that allows the governed to control the governors ... With particular reference to the Structural Funds, it is opportune to make a distinction ... according to which accountability can be both horizontal and vertical, in that there is a relationship of control between electors upon those who are elected, but there is also control of who takes the decisions by other intermediate bodies - not the electors, but the economic, social and elective representations ... If one starts from the assumption that accountability is to be accountable for, i.e. to be responsible over something, I need transparent mechanisms that allow me to see exactly what has been done, with which procedures, and if something has been violated, also in terms of the rule of law; and on the other hand, I need mechanisms that allow me to sanction or at least give some form of punishment to whomever infringes the basic principles of the democratic orientation. ... In the Structural Funds, one finds both these two faces of accountability [horizontal and vertical], ... the procedures of the Structural Funds tend to decline accountability with principles that are slightly different from the traditional ones of representative democracy as we intend it’ (TOS10).
- ‘The information “baggage” that one acquires over time and which allows him to become more responsible for the function that he is undertaking. Something that you acquire through which you then have more responsabilisation over your role’ (TOS12).

Interviewees for the Scottish case study

Considerable variation in the way accountability is understood was also found amongst those interviewed for the Scottish case study, as the definitions reported below demonstrate. In similar fashion to the Tuscan case study, a definition was not provided by all interviewees (SCO1, SCO3, SCO4, COM2 and COM3).

- ‘Accountability is very precisely defined in Structural Funds regulations, so there has always been a formal sense of accountability, and that is the point that has always been defined specifically. There are three types of accountability in the

regulations in relation to the roles of: Managing Authority; what used to be the Paying Authority (now called Certifying Authority); and the Audit Authority' (SCO2).

- 'I think it's more than transparency. It's a system where in public the Scottish Government has to explain and defend the policy and how the policy's being administered and implemented and so on, in a very public way, where stakeholders could come back to the parliamentary committee and say, "Well, I didn't agree with that" or "The government has got that wrong". So the government's scrutinised, publicly on the policy' (SCO5).
- 'Accountability is about ensuring that you optimise the positive view of where the partnership and the programme should be going. So it's optimisation: you'll never get everyone to agree, but if you get everyone on board – which includes the Commission and the Scottish Government ... in a direction everybody is consistent with and happy with' (SCO6).
- 'The word comes from "accountable", so that those who implement policy and those who create policy must explain themselves to the electorate or the ministry or whatever, so they must be responsible and answerable for their actions and their policies and how they do things and so on' (SCO7).
- 'I have been thinking: what does accountability actually mean? It's not something I am aware of there being a hard definition of, but it's about a relationship that exists, or it's about the dynamic of a relationship where there are certain expectations about performance or about the granting of authority. And I think there is also a question about "accountability for what?" Because, thinking about this in the context of the Structural Funds, I can see that there is accountability on the level of not spending the money on the things that it shouldn't be spent on, but how much accountability is there for the actual performance of a project and so forth? I think that's much less clear' (SCO8).
- 'Accountability can have a number of definitions and it depends in which context you place accountability, but inasmuch as we are managing public funds then

there has to be. I mean, the Commission's rules require that there's a level of accountability. The decisions that are taken, the processes that are taken all have to be transparent and agreed; so accountability permeates the whole system. And setting aside devolution, to me accountability came in quite strongly in the Structural Funds in the very early days, and the reason I say that is because it came in very much on the back of partnership: because accountability doesn't just rest with the member state, with the national government, it rests with the stakeholders. And I think because we embraced the partnership model in all its wonderful flavours and dimensions, that brought, I think, a significant level of accountability that may not have been there in the past' (SCO9).

- 'I don't know if I have ever really thought about it. It's a combination of things I think: there's political accountability or democratic accountability, where at some point you are tracing the accountability back to elected representatives, and with European policy that's obviously split between elected representatives at different levels; but in terms of the implementation of regional policy and the Structural Funds, it has in effect been devolved to the Member States and with a regional perspective, and the regional perspective means that you bring in the local political democracy ... I think with the principles of the Structural Funds and the spirit of the Structural Funds being about economic and social regeneration, it's broader than that and the accountability is to the residents of a region through whatever mechanisms can be set up that are not as politically structured or formal as the political system and that can be about participation, so a more participative democracy, finding ways of getting residents and the community to play a role in regional policy' (SCO10).

- 'From an immediate perspective, as a civil servant ... accountability for me and for my colleagues is partly about us being accountable to Ministers, but also at the same time, us recognising that Ministers themselves are accountable to Parliament' (SCO11).

- ‘Being in the position to deliver evidence of the actions that you have embarked upon delivering what you promised they would, in essence having clarity, transparency of intent, of roles’ (SCO12).
- ‘Accountability has a number of dimensions. Accountability could be legal accountability, it could be financial accountability, and it could also of course be political stroke democratic accountability. There are several aspects to the concept ... [subsequently describing each in the context of cohesion policy and the Structural Funds regulations]’ (SCO13).