

DISTRIBUTED PUBLIC GOVERNANCE IN BRITAIN

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The structure of the British state is growing increasingly complex. This trend raises a number of questions that focus on the forces stimulating this complexity and its implications both for society-state relationships and the design and implementation of public policy. This article focuses on one specific element or strand of these debates: the growth in the number and role of quasi-autonomous public bodies within Britain. It seeks to analyse and reflect upon the distinctive approach taken by the Labour government, since winning office in May 1997, in relation to the sphere of 'distributed public governance' in Britain. Moreover, the article seeks to locate this analysis within broader debates surrounding the future of the British state and the Labour government's approach to statecraft through a thematic framework based around: growth, co-ordination, accountability, depoliticization and power. The central argument of this article is that the Labour government has increased considerably the sphere of distributed public governance in Britain. This process has been largely devoid of an underpinning rationale and this may have significant implications for successful policy delivery, the public's trust in government and the future trajectory of the British state.

'Distributed public governance' (OECD 2002) refers to the great number of 'fringe bodies' (Bowen 1978; Chester 1979), extra-governmental organizations (Weir and Hall 1994), non-majoritarian institutions (Thatcher and Stone-Sweet 2002) and quasi-autonomous non-governmental organizations (Mackenzie *et al.* 1975; Wilding 1982) that form a significant and administratively dense component of the British state. This article argues that this sphere of governance has been rapidly expanded since 1 May 1997 and that a clearer rationale and governance framework is needed. It concludes that the Labour government since 1997 has been short-sighted in relation to distributed public governance and this may have significant implications for successful policy delivery, the public's trust in government and the future trajectory of the British state. The acronyms frequently used to describe autonomous public bodies have been avoided for two reasons. First, to avoid the pejorative connotations they commonly invoke. Second, to encourage a more reflective analysis that recognizes the problems associated with traditional forms of government *in addition* to the challenges raised by autonomous public bodies. Moreover, the term 'distributed public governance' is more than simply a new term for well-trodden issues. The term

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emphasizes the changing nature of modern governance, the increasing scale and role of autonomous public bodies, and encourages a deeper and more analytically refined appreciation than the overly descriptive and frequently normatively charged accounts that dominated studies in this field during the 1970s and 1980s. Distributed public governance also widens the focus of analysis to encompass the growing number of independent bodies that operate at the supra-national and global level. In this context, sub-national and national quasi-autonomous actors frequently operate within the jurisdiction of an independent body operating beyond the nation state. For example, national independent banks operate within the jurisdiction of the European Central Bank. In essence, then, distributed public governance is less insular than traditional approaches to this field and emphasizes the evolution of different structures and models of multi-level governance existing at one removed from state structures.

Due to the degree of institutional hybridity within this dense tier of distributed public governance in Britain, definitional issues have been a perennial topic of debate (see Barker 1982; Jordan 1994; Greve *et al.* 1999). This article adopts a 'minimalist' position (Hogwood 1995; cf. Weir 1995; Flinders and Smith 1999) by focusing predominantly on Non-Departmental Public Bodies (NDPBs) and other quasi-autonomous bodies which operate at the national level. The first section examines the Labour government's promises in opposition and compares this with their performance in office. It particularly seeks to highlight what is distinctive about the Labour government's use of autonomous bodies. The second section utilizes a framework based upon five themes in order to explore the implications of the Labour government's approach to distributed public governance. The final section locates the specific topic of quasi-autonomous public bodies within wider debates concerning the residual core of the state and the location of power.

Within the British state there exist a great many bodies that are neither responsible nor directly responsive to the vote of the people. This is not a new phenomenon. The embryonic British state of the nineteenth century was largely based around independent appointed boards until concerns regarding accountability increased the popularity of the departmental model (Bagehot 1867; Keir 1953; Willson 1955; Hanham 1969). Parris (1969, pp. 80–106) employs the metaphor of a 'tidal sequence' to capture the flow of functions from and to appointed boards throughout the nineteenth and twentieth century. (Some independent bodies date back much further: for example, the Board of Excise and the Northern Lighthouse Board were created in 1643 and 1786 respectively.) In the first half of the twentieth century the creation and use of independent appointed boards increased markedly (see box 1). This was a particular outcome of the government's liberal legislation in the 1920s and 1930s that increased the size and responsibilities of the British state (Chester and Willson 1957).

As box 1 shows, despite the championing of the departmental unit by the Haldane Report (Committee on the Machinery of Government, Cd.9230) in

BOX 1 *Quasi-autonomous public bodies created 1901–51*

Board of Agriculture and Fisheries (founded 1903)
 Development Commission (1909)
 Roads Board (1909)
 Insurance Commission (1911)
 Highlands and Islands Medical Board (1913)
 Shipbuilding Industry Board (1918)
 Forestry Commission (1919)
 Electricity Commission (1919)
 Miners Welfare Commission (1920)
 Central Electricity Board (1926)
 British Broadcasting Corporation (1927)
 Sugar Commission (1928)
 Racehorse Betting Control Board (1928)
 Agricultural Mortgage Corporation (1928)
 Coal Mines Reorganisation Committee (1930)
 Milk Marketing Board (1931)
 Wheat Commission (1932)
 London Passenger Transport Board (1933)
 Unemployment Assistance Board (1934)
 Unemployment Insurance Statutory Committee (1934)
 Bacon Development Board (1935)
 Herring Industry Board (1935)
 British Sugar Corporation (1936)
 Cotton Spindles Board (1936)
 Tithe Redemption Commission (1936)
 Air Registration Board (1937)
 Land Fertility Committee (1937)
 Livestock Commission (1937)
 Cotton Industry Board (1939)
 British Overseas Airways Corporation (1940)
 War Damage Commission (1941)
 New Town Development Corporation (1946)
 Bank of England (1946)
 Arts Council (1946)
 Agricultural Land Commission (1947)
 Central Land Board (1947)
 Monopolies and Restrictive Practices Commission (1947)
 National Assistance Board (1948)
 Colonial Development Corporation (1948)
 Overseas Food Corporation (1948)
 White Fish Authority (1951)

1918, the creation and use of independent bodies increased (see Street 1950). Indeed, during the 1930s and 1940s, the Haldane doctrine was explicitly challenged by the Morrison model that doubted the efficacy of the ministerial department for business-related public functions (see Hood 1978). In the second half of the twentieth century, Labour and Conservative governments continued to create a wide range of quasi-autonomous public bodies. A pendulum movement can be identified in which opposition parties attack the government for creating these bodies and commit themselves to abolishing them, only to maintain and frequently increase the number of these bodies once in office. For example, Conservative politicians attacked the 1974–79

Labour government for creating a number of quasi-autonomous bodies, including Development Agencies and the Advisory, Conciliation and Arbitration (ACAS) (see Holland and Fallon 1978; Holland 1980). These criticisms overlooked the large number of independent bodies, such as the Civil Aviation Authority and Manpower Services Commission, created by the Conservative government of 1970–74. However, in the late 1970s, a number of academics were beginning to express concerns regarding the *ad hoc* proliferation of these bodies (see Goldston 1977; Doig 1978, 1979; Chester 1979; Johnson 1979).

The Conservative government that was elected in 1979 did not undertake the scale or type of ‘quango-cull’ they had promised while in opposition. On the contrary, new bodies were created and the powers of patronage were used to appoint Conservative supporters to key positions. Sir Leo Pliatzky was appointed to undertake a review of autonomous public bodies but the results could be described as minimal. Hood (1981, p. 102) identified, ‘a sharp contrast between the rhetoric of quangocide and the reality of spending cuts and token sacrifices’. Pliatzky (1992, p. 557) himself remarked, ‘...that such undogmatic findings should have been accepted, against the background of the dogmatic anti-quango campaign, seemed to me a satisfactory result’. Between 1979 and 1997 the extent of distributed public governance expanded as the government sought to achieve efficiency gains via the introduction of new tools of governance that frequently relied on delegating functions beyond the direct control of ministers or local councillors (see Ridley and Wilson 1995; Skelcher 1998). In opposition, the Labour Party adopted an ambiguous position. While shadow ministers made critical statements – at the 1995 Party Conference Tony Blair stated his intention to ‘sweep away the quango state’ – many of the Party’s policies were underpinned by new independent bodies. This was a fact not overlooked by the then Prime Minister, John Major (quoted below) and the Party’s progress in office will be the subject of the section that follows.

For the Labour Party these days, a quango a day keeps policy away because it has announced three so far this week. Yes, a new quango on Monday, a new quango on Tuesday and a new quango on Wednesday. We await today’s developments with some interest. (Hansard, 18 May 1995)

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Early policy announcements proposed, rather than rejected, the transfer of functions to autonomous ‘non-political’ bodies. The first act of the Labour government (1997–2001) was to grant the Bank of England a significant amount of operational independence. And indeed the first act of the second Labour government (2001–) was the introduction of legislation to make the competition authorities (Office of Fair Trading and Competition Commission)

fully independent as well. Shortly after they came to power in May 1997, the Labour government published a consultation paper *Opening Up Quangos* (Cabinet Office 1997). The document was important for two reasons. First, it was clear that the Labour government was adopting a far wider and more inclusive approach to the topic than had the previous Conservative government. While focusing mainly on NDPBs, the government acknowledged the debate and issues surrounding regional and local public spending bodies. Second, the tone of the document stood in marked contrast to the pre-election polemics. The document was balanced and stressed at some length the positive attributes and benefits of quasi-autonomous organizations over traditional governmental institutions. The document was a clear statement that a far-reaching cull of these bodies was not about to be conducted. Indeed, the document (p. 10) concluded that although the government intended to review all NDPBs, '... many will continue to exist, either as at present or in a revised or amalgamated form'.

During its first term the government rapidly created a range of powerful bodies and announced plans to create many more. The annual Cabinet Office publication *Public Bodies* offers a partial glimpse of distributed public governance in Britain. A comparison of the 1998 and 2003 editions reveals that during this period the number of public bodies fell from 1073 to 849 (executive NDPBs fell from 304 to 206). The number of NDPBs has been falling steadily since 1987 (Greve *et al.* 1999). However, this fall in numbers should not be taken as evidence of a reduction in the role and numbers of independent public bodies in the UK. The statistical reduction in numbers has been achieved through amalgamations, organizational reclassification and devolution of responsibility for many bodies to the Scottish Executive or Welsh Assembly (see HC 367 2001, para. 8). Moreover, the expenditure of executive NDPBs has not been significantly reduced under the Labour government and remains at around 25 billion pounds per year – around one-third of central government expenditure. In addition, a number of new organizations have been established without any formal classification and are therefore not accounted for in any of the government's documents or statistics (see also below). Table 1 provides an overview of some of the quasi-autonomous bodies that have been created by the Labour government. It is important to note that table 1 does not represent a complete list. As the Better Regulation Task Force (BRTF) found during its 2003 survey of independent regulators, there is no centrally held comprehensive list that includes all the quasi-autonomous bodies created by departments and it is extremely hard to identify how many independent bodies have been created within certain policy fields. As far as it is possible to ascertain, table 1 presents a near comprehensive review of the vast majority of independent bodies created at the national level and can therefore be taken as broadly representative of the increase in size and scope of this sector. Toynbee and Walker's (2001, p. 217) statement that: 'the quango state was alive and well' during Labour's first term is, therefore, supported by research.

TABLE 1 *Quasi-autonomous public bodies created since May 1997*

Policy area	Quasi-autonomous organization
Regional Policy	Regional Development Agencies, Regional Cultural Consortia, Regional Flood Defence Committees
Local Government	Standards Board for England
Northern Ireland	Parades Commission (N.I.), Sentence Review Commissioners (N.I.), Commission for Racial Equality (N.I.), Human Rights Commission (N.I.)
Regulation	Postal Services Commission (POSTCOMM), Office of Communications (OFCOM), Gas and Electricity Markets Authority, Consumer Council for Postal Services, Gas and Electricity Consumer Council, Statistics Commission, Gangmasters Licensing Authority
Food Policy	Food Standards Agency
Constitutional Policy	House of Lords Appointments Commission, Electoral Commission, Commission for Judicial Appointments, Office of the Information Commissioner, Human Rights Commission
Criminal/Legal Policy	Civil Justice Council, Sentencing Advisory Panel, Sentencing Guidelines Council, Local Probation Boards, Legal Services Complaints Commissioner, Youth Justice Board, Criminal Records Bureau, Independent Police Complaints Commission, National Police Training and Development Authority (CENTREX), Assets Recovery Agency, Security Industry Authority, Serious Organised Crime Agency, Civil Nuclear Police Authority
Industrial/Business Policy	Low Pay Commission, Better Regulation Task Force, Fair Trading Authority, Small Business Service, Ethnic Minority Business Forum, Nuclear Decommissioning Authority, Fuel Poverty Advisory Group, Independent Commission on Community Interest Companies, British Trade International, Insolvency Practices Council, Partnerships UK, Financial Reporting Council, Valuation Tribunal Service
National Lottery	National Lottery Commission, Big Lottery Fund
Transport	Strategic Railway Authority, Commission for Integrated Transport, Independent Railway Industry Safety Body, Office of Rail Regulation
Rural/Agriculture	British Potato Council, Countryside Agency, Rural Payments Agency
Economic Policy	Competition Commission, Financial Services Authority, Monetary Policy Committee, Statistics Commission, Independent Complaints Commissioner for the Financial Services Authority, Competition Service, Competition Commission Appeal Tribunal
Social Policy	New Deal Task Force, New Opportunities Fund, Race Relations Forum, Disability Rights Commission, Youth Justice Board, Pensions Compensation Board, Independent Pensions Commission, Community Forum, Children and Family Court Advisory and Support Service, Pensions Regulator, Office of the Children's Commissioner for England
Education	Qualifications and Curriculum Authority, General Teaching Council for England, Learning and Skills Council, Medical Education Standards Board, Schools Funding Agency, University for Industry, Office of Fair Access, National College for School Leadership, Adult Learning Inspectorate, Office of the Independent Adjudicator, Sector Skills Development Agency, Independent Complaints Adjudicator for OFSTED, Partnerships for Schools
Health	Commission for Health Improvement, National Institute of Clinical Excellence, Independent Reconfiguration Panel, National Care Standards Commission, Health Development Agency, Foundation Trusts, Primary Care Groups/Trusts, Commission for HealthCare Audit and Inspection, Commission for Patient and Public Involvement in Health, General Social Care Council, Air Quality Expert Group, Patient Information Advisory Group, NHS Information Authority, National Patient Safety Agency, National Treatment Agency, Retained Organs Commission, National Clinical Assessment Authority, Council for the Regulation of Health Professionals, Council for the Quality of Health Care, NHS Information Standards Board, Medical Education Standards Board, Nursing and Midwifery Council, Health Professions Council, Social Care Institute of Excellence, National Shared Standards Initiative, NHS University, NHS Bank, Commission for Social

TABLE 1 (Continued)

	Care Inspection, Health Protection Agency, NHS Appointments Commission, Family Health Services Appeals Authority, Counter Fraud and Security Management Service, Office of the Independent Regulator for NHS Foundation Trusts, National Care Standards Commission, Commissioner for Social Care Inspection for England
Security	Office of Surveillance Commissioners, Security Vetting Appeals Panel, Interception of Communications Commissioner, Intelligence Services Commissioner, Investigatory Powers Tribunal Special Immigration Appeals Commission
Genetics	Human Genetics Commission, Agriculture and Environment Biotechnology Commission, Genetics and Insurance Committee, Committee on Novel Foods and Processes, Sustainable Development Commission, Distributed Generation Coordination Group
Miscellaneous	Statistics Commission, National Archives, Hunting Commission, Independent Football Commission, Spoilation Advisory Panel, Committee for Monitoring Agreements on Tobacco Advertising and Sponsorship, Consumer Council for Postal Services, Brownfield Land Assembly Trust Co., Commission for Architecture and the Built Environment (CABE), National Endowment for Science, Technology and the Arts (NESTA), Land Registration Rule Committee, Office of the PPP Arbiter UK Film Council, Arm's Length Management Organisations (ALMOs), Local Improvement Finance Trusts (LIFTs), Public Interest Companies (CICs)

Sources: Better Regulation Task Force *Independent Regulators* (London: Cabinet Office, 2003); C. Skelcher and S. Weir, *Advance of the Quango State* (London: LGIU, 2001); HC 209 *Quangos Sixth Report* by the Public Administration Committee, Session 1998/99, London: HMSO; HC 367 *Mapping the Quango State Fifth Report* of the Select Committee on Public Administration, Session 2000–2001 (London: HMSO); Public Records Office (PROCAT); National Digital Archive of Datasets (NDAD); British Official Publications Collaborative Reader Information Service (BOPCRIS); Social Science Information Gateway (SOSIG), *Public Bodies 1997–2003*, www.polis.parliament.uk.

Table 1 contains a number of organizations that are for some reason omitted from the government's own statistics and publications on public bodies: for example, the Northern Ireland Parades Commission. Hood (1981) has demonstrated the capacity for quasi-autonomous bodies to be reincarnated in a similar guise but with a different name. Such a tendency is clear in relation to several of the organizations shown in table 1. The Royal Fine Arts Commission, for example, has been replaced by the Commission for Architecture and the Built Environment. Although some of the organizations may fulfil arguably minor advisory roles, it is clear that a great number of the new bodies shown in table 2 form central components of the government's policies in an enormous range of sectors. This is particularly clear in relation to health policy (see table 2).

TABLE 2 *The Department of Health: quasi-autonomous organizations created, announced and proposed since May 1 1997*

Name	Establishment/ stage	Primary role	FORMAL ORG. STATUS
<i>National Clinical Assessment Authority</i>	April 2002	To provide a support service to any health authority or hospital faced with concerns about the performance of an individual doctor.	Special Health Authority

TABLE 2 (Continued)

<i>Commission for Patient and Public Involvement in Health</i>	Jan. 2003	Oversee systems for patient and public involvement, highlight trends and concerns, run training programmes and ensure that minimum standards are achieved.	'Independent Statutory Body'
<i>Council for the Regulation of Health Professions</i>	Jan. 2003	To oversee and co-ordinate the professional regulatory bodies operating in the health sector.	'free standing legal body'
<i>Council for the Quality of Health Care</i>	March 2003	To oversee and co-ordinate NICE, NCAA and the CHI.	'independent non-statutory body'.
<i>Healthcare Commission</i>	April 2004	Inspect all NHS hospitals, licence private health care provision, conduct value-for-money (VFM) audits and publish information and statistics.	Independent statutory basis
<i>NHS Information Authority</i>	1999	Create a national infrastructure for an online NHS with electronic health records.	Special Health Authority
<i>NHS Information Standards Board</i>	1999	Approve and review NHS information standards for adoption by the service.	'independent board'
<i>Postgraduate Medical Education Standards Board</i>	Oct. 2003	Take over responsibility for postgraduate medical training, standard setting and inspection.	'independent statutory org'.
<i>Nursing and Midwifery Council</i>	April 2002	Establish and improve standards of nursing, midwifery and health visiting care in order to serve and protect the public.	Independent statutory body
<i>Health Professions Council</i>	April 2002	Protect the public by setting and monitoring standards of training, conduct and performance for the health professions.	Independent statutory body
<i>General Social Care Council</i>	Oct. 2001	Undertake responsibility for promoting, approving and assuring the quality of education and training for social work and social care staff.	Exec NDPB
<i>National Institute for Clinical Excellence</i>	April 1999	Ensure the growing NHS spending is targeted on the most cost effective treatments.	Special Health Authority
<i>Commission for Health Improvement</i>	April 2000	Assure monitor and improve the quality of patient care by undertaking clinical governance reviews.	Exec NDPB
<i>Genetics and Insurance Committee</i>	1999	To develop and publish criteria for the evaluation of specific genetic tests and their relevance to types of insurance.	Advisory NDPB
<i>New Opportunities Fund</i>	1998	Provide lottery funding for health, education and environmental projects which will help create lasting improvements to the quality of life.	Exec NDPB
<i>Social Care Institute for Excellence</i>	Oct. 2001	Review research and practice, and the views, experience and expertise of users and carers. It will identify what works in social care, produce best practice guidance, and will work to ensure their implementation at the local level.	Not for profit Co. limited by guarantee

TABLE 2 (Continued)

<i>Health Development Agency</i>	April 2000	Gather evidence of what works, advise on good practice and supports all those working to improve the public's health.	Special Health Authority
<i>National Care Standards Commission</i>	April 2001	To improve the quality of care services in England and improve the protection of vulnerable people using these services.	Executive NDPB.
<i>Foundation Trusts/ Hospitals</i>	Ann. April 2002	Foundation status will grant greater autonomy and independence in relation to board and governance structures coupled with full control over all assets and retention of land sales.	Public Interest Companies
<i>NHS University</i>	Oct. 2003	To support NHS staff with high quality education, training and development.	Royal Charter
<i>NHS Bank</i>	2003	To provide risk reserves for primary care trusts and overdraft finance for NHS Trusts. It would also fund long-term and innovative projects. Mutually controlled by the NHS and finance specialists from the health sector and elsewhere.	unknown
<i>Commission for Social Care Inspection</i>	April 2004	Carry out local inspections of all social care organisations – public, private and voluntary – including care homes to ensure national standards and publish reports of these inspections.	Statutory independent basis.
<i>Independent Reconfiguration Panel</i>	Nov. 2003	Provide advice and guidance to the minister in relation to reconfiguration appeals made by Community Health Councils or local authorities.	'Public Sector Working Group'
<i>National Patient Safety Agency</i>	July 2001	Improve the safety and quality of patient care through reporting, analysing and learning from adverse incidents and 'near misses' involving NHS patients.	Special Health Authority
<i>Health Protection Agency</i>	April 2003	Provide specialist support for health protection and health emergency planning in England.	Proposed as either an exec. NDPB or Specialist Health Authority
<i>NHS Independent Appointments Commission</i>	April 2001	Make all Chair and non-executive appointments to the boards of NHS Trusts, Primary Care Trusts and Health Authorities.	Special Health Authority
<i>Patient Information Advisory Group</i>	2001	To Advise the Secretary of State for Health on use of powers provided by Section 60 of the Health and Social Care Act 2001.	Advisory NDPB
<i>National Treatment Agency</i>	April 2001	Develop and disseminate guidance on substance misuse treatment methods and services.	Special Health Authority
<i>Human Genetics Commission</i>	May 1999	To analyse current and potential developments in human genetics and advise ministers on their likely impact on human health and health care.	Advisory NDPB

TABLE 2 (Continued)

<i>Retained Organs Commission</i>	Jan 2001	To give advice to the government on the taking and retention of organs and tissue at post-mortem examinations.	Special Health Authority
<i>Family Health Services Appeal Authority</i>	Nov. 2001	To hear and adjudicate on appeals from family health service practitioners.	Special Health Authority
<i>Office of the Independent Regulator for NHS Foundation Trusts</i>	2004	To regulate and oversee private sector borrowing by Foundation hospitals.	unknown

Given that the introduction to this article has stressed the historical use of autonomous public bodies, it is critical to appreciate what distinguishes the Labour government's approach from that of previous governments. The first distinctive aspect focuses on the political context. The development of distributed public governance in Britain since 1997 has taken place within a changed political context. This is a context in which a number of constitutional reforms have been implemented with the explicit aim of increasing transparency, accountability and openness. However, such a reform programme sits uncomfortably with the growth of independent bodies that operate largely beyond the constitutional framework. Paradoxically, a second characteristic of the Labour government's approach has been to create autonomous public bodies in order to foster public confidence in the operation of democracy in general (examples here are independent appointments commissions for the NHS and House of Lords, an Electoral Commission and a Statistics Commission) and the perceived failure of ministerial responsibility in particular (in the case of the Food Standards Agency, for example). This leads to the third distinctive trait; namely that the Labour government has not attempted to deconstruct the extensive layer of distributed public governance that it inherited. Instead it has preferred to remould and enlarge this 'grey zone' (Greve 1995) to suit its specific needs and its particular vision of reformed social democracy. In its rejection of ideological dogma and its search for a 'third way', the theoretical capacity of quasi-autonomous bodies – to offer independence and control while at the same time marrying the public and private sectors – make them a particularly attractive governance mechanism. As Robinson and Shaw (2001, p. 473) note:

Thatcherism and, more recently, New Labour's 'Third Way', have reduced the nature and contours of the state, with the result that much responsibility and power now lies with 'arms length' agencies within the purview, but outside, government.

Moreover, the July 2002 report by the Prime Minister's Office of Public Service Reform (OPSR) clearly indicated that delegation away from departmental units forms the centrepiece of current public sector reform strategies. The

Labour government's fourth trait has been to seek to increase its strategic steering capacity through initiatives and institutional reforms designed to deliver 'joined-up government'. However, the delegation of functions to autonomous actors increases fragmentation and the number of potential veto points. A distinctive feature of the Labour government's approach is therefore a tension between the devolutionary thrust of its public management reforms and the centralizing efforts by ministers to steer increasingly complex networks. This point leads into the fifth distinctive characteristic of Labour's approach – a vaunted belief in the 'depoliticization' of certain policy fields through delegation to independent bodies. Finally, although the Conservative governments of the 1990s initiated reforms in this area, it is clear that the Labour government has significantly developed and extended the non-statutory 'soft-law' governance framework which surrounds certain types of autonomous public bodies. The issues and paradoxes raised by the Labour government's approach to distributed public governance will be the topic of the next section.

Central issues

The central argument of this article is that the Labour Government has adopted mechanisms of distributed, or delegated, governance as a core element of its statecraft strategy. In order to support this statement this section employs five themes (growth, co-ordination, accountability, depoliticization and power) in order to provide a framework through which the consequences and implications of distributed governance can be understood (see box 2). The aim is to illustrate both the positive characteristics and opportunities presented by quasi-autonomous public bodies while also reflecting on some of the challenges and questions posed by the existence of such a large and expanding tier of distributed public governance.

Growth and co-ordination

Having already suggested that the extent of distributed public governance has increased under the Labour government since May 1997, it is possible to examine the first two themes together. In 1969, Michael Shanks published an article in *The Times* (4 September 1969, quoted in Hood 1978) in which he

BOX 2 *Themes arising from the existence of independent quasi-autonomous bodies*

1. Despite clear periods of decentralization and centralization, overall there is a clear tendency for the number of quasi-autonomous 'independent' organizations to increase as the functional responsibilities of any state project expand.
2. The institutional fragmentation occasioned by an increase in the number of single purpose quasi-autonomous bodies can cause problems in relation to co-ordination.
3. The existence of numerous quasi-autonomous actors can undermine, or at least complicate, traditional models of accountability.
4. The transfer of functions to 'independent' bodies is based on a belief that it is possible to 'depoliticize' certain issues. In reality this process of 'depoliticization' can be challenged on both practical and normative grounds.
5. The creation and use of quasi-autonomous organizations as a tool of governance is a central feature of contemporary debates regarding the transfer and location of power.

observed that the Labour government of the period appeared to be suffering from what he coined as 'institutionalitis' (the tendency to respond to every problem by setting up another organization).

A brief review of the Labour government's institutional creativity and reform since 1997 suggests that the current government is suffering from a similar malaise. In the health sector, the disagreement between the Chancellor of the Exchequer, Gordon Brown, and the then Health Secretary, Alan Milburn, regarding the proposals to allow certain hospitals greater managerial and fiscal autonomy as 'public interest companies', was brokered by the decision to create a new quasi-autonomous body. The Office of the Independent Regulator for NHS Foundation Hospitals will, according to the draft Health and Social Care Bill 2003, fix spending limits on the amount that these hospital trusts can borrow from the private sector, hence theoretically balancing the independence demanded by the Health Secretary with the control demanded by the Chancellor of the Exchequer. In the judicial system, the tension between the Home Secretary and senior members of the judiciary over sentencing has led to the creation of the autonomous Sentencing Guidelines Council. In the education sector, plans to increase the capacity of universities to raise tuition charges will be regulated by the new Office of Fair Access. The Home Secretary's new powers under the Anti-Terrorism, Crime and Security Act 2001 in relation to detaining individuals suspected of terrorist activity without charge and freezing their assets, are regulated by a statutorily independent watchdog, currently headed by Lord Carlile of Berriew. A range of independent bodies, including the Electoral Commission and the House of Lords Appointments Commission, now regulates aspects of the British constitution. The political tensions in Northern Ireland have led to the creation of a number of independent bodies, notably the Parades Commission and the Sentence Review Commission. Financial difficulties in the nuclear energy sector have led to the creation of the independent Nuclear Decommissioning Authority. Disputes between Transport for London and the various private contractors will be decided by the new Office of the Public Private Partnership Arbitrator. The BRTF report of October 2003 (p. 14) suggested that far too many independent bodies had been created and found identifying 'all those involved in a particular policy area very difficult indeed – it would be almost impossible to guarantee all had been identified'. The Task Force (2003, p. 3) continued:

We question whether even Ministers could be certain that they know of all the independent regulators that surround their Departments.

The rationalization for the disaggregation of large multi-functional bureaucracies into a number of quasi-autonomous single-purpose bodies is often based on critiques of 'generalist' bureaucrats and the need for specialism, political impartiality, market confidence and clear objectives. However, the unintended consequence of such an administrative strategy can often be a decline in strategic capacity, especially where institutions enjoy a legally

entrenched autonomy. The growth in the number of quasi-autonomous bodies at the national level has markedly increased the number of linkages in the chain of delegation. The growth in the number of linkages, and potentially the number of constriction (or even veto) points, is particularly problematic in policy sectors that demand an integrated approach or do not lend themselves to traditionally recognized functional distinctions. Issues such as mental health, homelessness and drugs awareness demand a high degree of inter-organizational collaboration in order to achieve effective outcomes. The Local Government Association, the main organization representing local authorities in England and Wales (HC 209, p. xxiv) has argued that the use of autonomous public bodies has resulted in:

a fragmentation in public service delivery in localities as more and more services are provided by single service agencies, thereby losing the benefits of corporate working across multi-agency authorities.

At the national level, Bogdanor (HC 209 1999, para. 4) has suggested that 'NDPBs represent a particular service, rather than the community as a whole. Their characteristic defect may be tunnel vision'. As a result, elected politicians must devise ways to steer increasingly complex networks while upholding the operational independence of the organizations concerned (see OPSR 2002). The Labour government has emphasized 'joined-up government' as a central aspect of its modernizing government initiative (Cm 4310, 1999) and has sought to devise new mechanisms or tools to steer dense organizational webs (Kavanagh and Richards 2001; Flinders 2002).

Paradoxically, a tool frequently used to increase the steering capacity of the centre is to create a new independent regulatory agency to oversee a complex network of actors in a specific policy sector where problems have demonstrated the need for greater integration. In Britain this has been clearly seen in relation to food safety, media regulation and the railway system. The Food Standards Agency, the Office of the Communications Regulator and the Strategic Railway Authority are all independent bodies created under the Labour government since 1997 to assume responsibility for specific policy sectors in which fragmentation is thought to have led to a range of concerns. However, a key hurdle to co-ordination in Britain is the lack of any firm administrative underpinning in terms of theoretical rationale or public law status. As the Public Administration Select Committee (PASC) noted: 'There is no firm or clear theoretical framework for British public administration that dictates which functions should rest directly under the control of elected politicians or quasi-autonomous bodies (HC209, p. xix)'. Despite Treasury and Cabinet Office guidance it is unclear how the Labour government, or more precisely departmental ministers and officials, decide whether a given body should become a NDPB, executive agency, non-ministerial department or even some 'unrecognized' form of quasi-autonomous body. Prior to devolution, Historic Scotland was an executive agency but English Heritage was an NDPB. The Royal Parks is an executive agency but the Countryside

Commission is an NDPB. The British Potato Council is classified as an NDPB but the British Wool Marketing Board is not. It is, for example, unclear why the Export Credits Guarantee Department is formally a non-ministerial department and not part of the Department of Trade and Industry. The Northern Ireland Parades Commission and the Sentence Review Commission for Northern Ireland have no formal organizational status at all.

The formal organizational status of an autonomous organization matters because it should clarify the accountability frameworks that apply to that body. Moreover, clarity of status helps to ensure the transparency of the overall topography of the administrative system and can have an important impact on levels of strategic capacity and the public's perception on the legitimacy of the state (see Robinson and Shaw 2001, p. 473). *Public Bodies* omits many of the new independent regulators created in the sphere of health policy, such as the Health Professions Council and the Council for the Regulation of Healthcare Professionals. This is because they simply exist as 'independent' or 'free standing' legal bodies outside the Cabinet Office's definition of a public body. Similarly, the Northern Ireland Parades Commission and the Sentence Review Commission for Northern Ireland have no formal status and are not, therefore, included in any of the various annual publications on distributed public governance in Britain.

The lack of a coherent structure is exacerbated by the fact that there are many formally private bodies that perform important public functions while enjoying a large degree of autonomy. The Bar Council (under the Courts and Legal Services Act 1990) is charged with the regulation of barristers, and the General Medical Council (under the Medical Act 1983) has a statutory duty to protect the public interest. However, although these organizations perform regulatory public functions they are not classified as NDPBs as the Police Complaints Authority and Competition Commission, which perform similar roles in different sectors, are. The Bar Council, as a private professional body, may warrant exclusion from NDPB status but the General Medical Council, as a statutory body appointed by ministers, should arguably be designated as an NDPB with the associated accountability framework.

The British Board of Film Classification (BBFC) exemplifies the innate confusion of British governance. Originally founded by the film industry in 1912 (as the British Board of Film Censors), it enjoys no legal status as it is purely an advisory body funded by charges. As a result the BBFC is free from the constraints that would apply if it were a statutory body in relation to films. There is no duty on the BBFC to act fairly, no right of appeal, and no clear opportunity for a judicial review of its decisions. However, the BBFC's status is very different in relation to videos. By the Video Recordings Act 1984, Parliament conferred a legal role on the BBFC and made it a legal offence to supply a video that does not have an appropriate certificate from the BBFC. In relation to video classifications, a non-statutory right of appeal against BBFC decision lies to the independent Video Appeals Committee (VAC). The Home Secretary in 1942, Herbert Morrison, commented that the

role of the BBFC was 'a curious arrangement [but] the British have a very great habit of making curious arrangements work well'. More recent Home Secretaries may not have been so sanguine. In May 2000, the Home Secretary, Jack Straw, made public his disappointment at the decision of the VAC to overrule a ban imposed on seven sexually explicit films by the BBFC. Within weeks the Home Office (2000) published a consultation document on the regulation of videos. This noted that 'there seems to be a general public perception that the [Video Appeals] Committee is unrepresentative and unaccountable' and that the system of appointment to the VAC was not 'as open as contemporary standards require'. Consequently the document proposes that the VAC be re-established as a statutory appeals tribunal whose appointments would be made by the Lord Chancellor and regulated by the Commissioner for Public Appointments. The BBFC is a quasi-statutory organization in that it enjoys a legal personality in relation to one strand of its work (classifying videos) but not in relation to the other (classifying films). Nearly 30 years ago Hood, Dunsire and Thompson (1978) encountered great difficulty in trying to ascertain the number of government departments. Contemporary research uncovers a far more complex jungle of organizational forms.

Overall, the Labour government has largely failed to institute reforms that would clarify the rationale and structure of the British state. Indeed, in October 2003, the Better Regulation Task Force called for the rationalization of arm's length bodies using both 'landscape' and 'end to end' reviews (see also OPSR 2002). Examples of this would be the December 1998 review of public bodies in the Department for Culture, Media and Sport (DCMS) and Lord Haskin's November 2003 review into the management of the British countryside, which recommended the abolition and amalgamation of a number of quasi-autonomous actors in the field of rural policy, and Lord Warner's review into the number and role of 'arm's length bodies' in the Department of Health. However, these represent very limited reviews of a much larger issue. The outcome of these reviews, like the DCMS's and the one conducted by the Scottish Executive in January 1991, have underlined how hard it is to abolish bodies once created and have led to arguably minimal reforms. The Labour government's limited approach is paradoxical in light of the same government's emphasis on 'modernizing' government and rhetorical commitment to openness, transparency and efficiency. The sphere of quasi-governance continues to grow without any clear organizational or democratic framework. Moreover, attempts to increase the executive's steering capacity increasingly depend upon the creation of new quasi-autonomous bodies. As the number of and role of these bodies increases so do concerns regarding their accountability.

Accountability

In Britain the theory of representative democracy posits a clear chain of accountability. Simply stated, bureaucrats operate within an organization,

traditionally a department, headed by a minister who is accountable to Parliament between elections and to the public at elections (Bergman *et al.* 2000). As the size and responsibilities of the British state have increased, the utility of this model has been the topic of many debates. The creation of organizations that are insulated to some degree from direct ministerial involvement produces further tensions in the traditional democratic framework. It is possible to isolate three critical issues in relation to the accountability of autonomous public bodies in Britain. First, it is important to adopt a normatively neutral position, as far as possible, in relation to these bodies. Second, the existence of organizations enjoying a degree of autonomy can make the lines of accountability somewhat opaque due to the existence of a 'buffer zone' between elected politicians and action. Third, the role and powers of Parliament and the public governance framework for quasi-autonomous bodies need to be coherent and explicit.

Tony Wright MP encapsulated the broad tone of the debates that have generally surround autonomous public bodies in Britain when he opened a debate on the topic in Westminster Hall (16 March 2000) by stating: 'Even as a word, quangos is pejorative'. The 'quango debate' has been a perennial one in British politics and it is arguably fair to suggest that these bodies are viewed at best as democratically suspicious and, at worst, democratically illegitimate. However, debates surrounding the accountability of quasi-autonomous bodies have tended to adopt a rather rosy view of the practical utility of traditional frameworks towards the latter end of the twentieth century. Moreover, in terms of legitimacy there has been a failure to acknowledge that 'electoral' legitimacy is just one form of a complex concept and that other forms (expertise, experience, objectivity, professionalism) should not be derided (see Beetham and Lord 1998). Moreover, falling turnouts in general elections across Europe, indications of low public trust in politics (Dunleavy *et al.* 2001; Bromley *et al.* 2001), and multiple examples of political scandal do not engender faith in 'traditional' models. It is therefore important to locate statements regarding the accountability of 'independent' agencies within a context that acknowledges the practical (in)adequacy, rather than the theoretical operation, of traditional modes of behaviour.

One of the justifications for creating 'independent' bodies is the perceived need to insulate certain activities from political influence. Therefore an organizational relationship is adopted in which the direct link between minister and bureaucracy is severed. This indirect inter-dependence creates a buffer zone that can, on occasion, allow ministers to shift blame and transfer responsibility for failures onto operational issues for which they cannot realistically be held responsible (see Hood 2002). However, this policy-operations dichotomy often veils the operational outcomes of poor policy decisions by ministers. The potential for shifting blame can to some extent be ameliorated through effective scrutiny procedures. However, a central theme running throughout the country reports of the OECD's (2001) inquiry into 'Distributed Public Governance' is the failure of parliamentary scrutiny

BOX 3 Quangos – opening the doors (*Cabinet Office 1998*): main proposals

- NDPBs should hold annual open public meetings, where practicable and appropriate.
- Where practicable, NDPBs should release summary reports of meetings.
- NDPBs should invite evidence from members of the public to discuss matters of public concern.
- NDPBs should aim to consult their users on a wide range of issues by means of questionnaires, public meetings or other forms of consultation.
- Executive NDPBs and Advisory NDPBs that have direct dealings with members of the public should be brought within the jurisdiction of the Parliamentary Ombudsman.
- The Government proposes to invite parliamentary select committees to take a more active role in scrutinising the work of NDPBs.
- The Government supports and encourages the close co-operation between local authorities and NDPBs with local offices.
- Board members' codes and registers of interest, which are already mandatory for executive NDPBs, will be extended to all advisory NDPBs.
- All advisory and executive NDPBs should produce and make publicly available Annual Reports.

mechanisms adequately to develop in a manner that allows them effectively to oversee their respective state structures. Moreover, the House of Commons' select committees have long lamented their failure to oversee the vast majority of autonomous bodies (see HC 209, 1998; HC 367, 2001; Hansard Society 2001).

The Labour Party's 1997 general election manifesto simply stated 'Quangos will be made properly accountable to the people' (p. 29) but in office it has adopted a typically British approach – 'unambitious, piecemeal and ad hoc' (HC 209, 1998–1999, p. ix). Although reforms have been introduced, they have, as noted above, taken the form of 'soft law' (guidance documents) rather than 'hard law' (legally enforceable rights) and only apply to an incomplete species of quasi-autonomous body (NDPBs and some NHS organizations), leaving a great number of bodies bereft of a legitimating framework or democratic rationale. In response to the consultation paper of November 1997, the government published *Quangos: Opening the Doors* in May 1998. This document outlined a number of good practice guidelines (see box 3).

The Labour government's approach to quasi-government stands, paradoxically, in marked contrast to its approach to local government. The former approach revolves around informality and a non-statutory framework; the latter approach involves a strict legal framework and, ironically, the creation of a powerful new independent body, the Standards Boards for England, to regulate and enforce this framework.

The weakness of this 'soft law' approach was demonstrated in October 2002 when the Qualifications and Curriculum Authority (QCA) took the unprecedented decision to exclude all journalists from its annual conference. The QCA were able to take this decision without ministerial approval and despite Cabinet Office guidance that stated that all executive NDPBs should 'hold annual open public meetings, where practicable and appropriate'. Given that the minister, as a result of an A-levels marking fiasco that year, had just dismissed the QCA's chief executive, it appears remarkable

that the body could limit its own public accountability in such a way. (Ironically, the quinquennial review of the agency in 2002 had noted that the agency should be more open to the media in order to enhance its public accountability.) The failure of the 'soft' law approach was also highlighted by the PASC's research into advisory NDPBs (HC 367, 2001, paras.36–37). The PASC found the average rates of compliance to their openness criteria was only 11 per cent for advisory bodies and 52 per cent for executive NDPBs. It was also evident from the PASC's research that many public bodies were simply unclear about the formal status of accountability frameworks surrounding them.

The Labour government has encouraged Parliament to adopt a greater role in holding autonomous public bodies to account. *Quangos: Opening the Doors* (Cabinet Office 1998, p. 7) invited '... parliamentary select committees to take a more active role in scrutinising the work of NDPBs'.

However, in reality the capacity of the select committee structure to oversee the vast layer of quasi-governance in Britain is restricted due to a range of practical (time, resources, staff, and so on) and political (influence of the whips, ambitions of the members, party majority, role of the chairman) factors. Consequently, most of the select committees find it difficult to review the work of more than a handful of the largest NDPBs that come within their remit. The detailed inquiry of the Select Committee on Culture, Media and Sport, *Department for Culture, Media and Sport and its Quangos* (HC 506 1999) provides the exception rather than the rule. Indeed, the responses of the majority of select committee chairmen reflect a degree of institutional apathy and political realism. The Chairman of the Agriculture Committee (HC 209 1999, p. 162) noted:

I'm afraid that there simply is not time for select committees to look at each and every one of the quangos within their remit... select committees simply do not have the time and resources to do what they already do, never mind having their burdens added to. I regard this as disappointing but an acceptance of reality.

The Chairman of the Health Committee suggested that in order for select committees to play a greater role, the committee structure and available resources would need to be revised accordingly. And yet it is clear from the caustic reports of the Liaison Committee (HC 300 2000; HC 301 2001) and the subsequent government reply (Cm 4737) that significant parliamentary reform has not been part of the Labour government's constitutional reform project (Flinders 2003). The PASC (HC 192, p. xxxiii) concluded:

If the Government expects select committees to be able to hold regular scrutiny sessions with each of the NDPBs which they cover then it needs to be disillusioned. While it is no doubt convenient for the Government to maintain that the question of quango accountability can be simply answered by the select committee system, it is not an answer that is at all practical.

Moreover, proposals that are based on parliamentary accountability are essentially asking the House of Commons to establish relationships with non-ministerial bodies such as it failed to develop in the nineteenth century when the British state was much smaller and simpler. Johnson (1979, p. 390) notes that reformers are in fact 'asking Parliament to find a solution to a problem which in essence it has faced before and preferred not to solve by the application of ministerial responsibility'.

Furthermore, the Labour government has not been sympathetic towards recommendations made by select committees in order to increase the standard of their scrutiny of public bodies. The PASC suggested that the minutes of meetings between ministers and the chairs of major public bodies should be reported routinely to the relevant select committee. It also recommended that select committees should have the right to interview individuals who ministers were minded to appoint to senior positions in order to ensure they enjoyed certain relevant skills and to assuage concerns regarding patronage. The Labour government rejected both proposals (HC 317 2000).

Accountability is a multi-directional concept. It has been suggested that upward accountability to Parliament is less important in relation to autonomous public bodies as these organizations have attempted to increase their downward accountability to the public. The government's 1998 document (*Quangos: Opening the Doors*, Cabinet Office 1998) states that NDPBs are expected to 'consult their users on a wide range of issues by means of questionnaires, public meetings or other forms of consultation', they are to have open meetings 'where practicable and appropriate', and other meetings in public 'where it is felt that these would be a useful means of consultation or would help the public to have a greater understanding of the work of the body'. There is, however, a range of difficulties associated with these recommendations. First, they are recommendations and not legal requirements. It is up to the NDPB rather than the public to decide whether a meeting is required or should be held in public, as in the case of the QCA noted above. Second, due to the commercial and sensitive nature of many executive, and particularly advisory, NDPBs, there are clear limits as to what can be aired in public. Third, there is no independent adjudicator to decide whether exceptions to public consultation have been taken on valid public interest grounds or as an excuse to avoid genuine public scrutiny of other aspects of the NDPB's work. While there are several examples of NDPBs actively seeking to increase their own legitimacy and accountability via direct conduits with user groups and the public, the PASC expressed doubts regarding the efficacy of these recommendations. It found that between 1997 and 2000 there had been only a very small increase – from 12 per cent to 17 per cent – in the number of NDPBs holding open meetings. 'We are disappointed at the low priority attached to public access to executive NDPBs. There are more black holes than examples of open governance' (HC 367 2001, para.34).

The Labour government has implemented a number of reforms in order to address concerns regarding the accountability of quasi-autonomous

public bodies. Select committees, for example, are now formally involved in the quinquennial review process and the government accepted the recommendation of the Sharman Report (2001) by making the Comptroller and Auditor General the statutory auditor of all executive NDPBs. However, these reforms can be interpreted as minimal adjustments to a structure arguably in need of fundamental reform. It is in explaining both the growth of quasi-government and the reluctance of the Labour government to implement wider reforms that more critical debates are revealed. These focus on the government's approach to statecraft, which is essentially constructed in many areas on a belief in the merits and possibility of 'depoliticization', and the transfer and location of power. These will be the topic of the next section.

Depoliticization and power

The transfer of functions from elected politicians to organizations enjoying a degree of autonomy is based on the largely unchallenged assumption that it is possible to insulate certain decisions from 'political' considerations (Burnham 2001). In a pure form, 'depoliticization' is impossible to achieve, and as a policy of statecraft should be subjected to a far higher degree of public and political debate (see Flinders and Buller 2003). The theoretical rationale is that politicians are rational, self-interested utility maximizers, who may adopt irrational policies for short-term political gains, the mere potential of which is said to undermine both policy credibility and the commitment of private actors. However, the adoption of such a theoretical position to legitimate the transfer of functions to insulated bodies largely beyond the scope of parliamentary politics needs to be substantiated with empirical evidence to legitimize the democratic costs of such a reform. The link between delegation and superior economic outcomes has been challenged (Van Thiel 2001). The creation of autonomous bodies can only be justified in exceptional circumstances as the democratic implications are far-reaching. As Shapiro (1997, p. 289) notes:

The creation of such an 'apolitical' independent agency is rather like constitutionally guaranteeing rights. It is the announcement by the demos that it does not trust itself and wishes to put certain policy questions beyond its own reach.

Moreover, 'depoliticization' involves the implicit (but rarely explicit) building of normative values, often free market, into the institutional structure (see Kerr 1998). This has been most obvious in relation to the regulatory bodies that have been established to oversee certain policy sectors, such as gas, electricity, water and postal services, which were previously controlled by the state. It is also possible to suggest that 'depoliticization' is a strategy that can be used to abdicate political responsibility for making highly emotive value-based judgements in policy sectors that are devoid of historical precedent or societal accord. The creation of the Human Fertilisation and Embryology Authority may be taken as a case in point. Historical

institutionalism emphasizes the significance of institutional values and cultures and the difficulties faced by those seeking to change or moderate entrenched norms and patterns of thinking (see Hay and Wincott 1998). This may have implications for future governments who do not share the normative values that have been embedded within the organizational culture of the state. Moreover, it may present difficulties should future governments decide to increase political control of previously delegated sectors (on human fertilization and embryology see Fukayama 2002, pp. 181–219).

There is also a more practical side to the debate on 'depoliticization' that has largely escaped attention. First, the difference between *de jure* and *de facto* levels of independence needs to be appreciated. It is clear from past experience and more recent research that a 'rhetoric-reality gap' (Van Gramberg 2002) commonly exists in relation to depoliticization. There are many examples from the national level of theoretically autonomous public bodies being subject to a number of informal political influences and control mechanisms, the nationalized industries for example. More recently, in February 2003, the Controller of the Audit Commission complained of: 'sustained and improper political pressure', which was exerted by the Labour government in seeking to interfere with independent reports on policy delivery (*Times* 12 February 2003). Second, while politicians may seek to insulate certain issues from the political domain, it is unlikely that the wider public of that polity will accept that a certain issue is no longer 'political' (see Grant 2003). If an issue becomes politically salient in the eyes of the public, be it electricity charges or ethical issues in relation to human cloning, it will make little difference to them whether the policy is the responsibility of a state-owned company, an independent regulator or a quasi-autonomous agency. The public will still look to politicians to act on their behalf or accept responsibility (Hood 2002). Third, the degree of true 'depoliticization' is questionable when the independent body operates within a frequently narrow and prescriptive policy framework set by ministers. Van Gramberg (2002, p. 12) notes: '... the reality is that tight prescription is achieved through the choice of policy framework'. Finally, the theme of depoliticization raises the question of where the boundary lies between a 'politicized' and 'depoliticized' function. If a spectrum of autonomy is envisaged, with ministerial departments at one end and purely private organizations at the other (with executive agencies, non-ministerial departments, public corporations, NDPBs and other forms of distributed public governance set out between these two poles), at which point along this spectrum would a function have to be placed for it to be 'depoliticized'?

Moreover, demands for the delegation of certain functions or the creation of new scrutiny frameworks are essentially debates about the (re)distribution of power within evolving state projects. As Majone (2002, p. 322) notes, 'the debate about the delegation of powers is really a debate about the fundamental political organisation of the polity, rather than merely an issue of political and administrative efficiency'. Organizational structure matters

because it influences who has power and it is therefore critical to appreciate that the discussion surrounding the Labour government's approach to quasi-government is enmeshed in wider and deeper debates about the future of the British state. The Labour government is faced with a public which appears to demand improved public services yet is unwilling to fund this through increased taxation. Both falling electoral turnouts and available survey data suggesting high levels of public apathy, at the same time, rekindle debates concerning 'delegitimation' and 'political bankruptcy' that were prevalent under the last Labour government of 1974–75 (see King 1975; Crozier *et al.* 1975; Birch 1984). In this context, the Labour government is compelled to adopt new tools of governance which theoretically offer to deliver a better service within current spending levels. This is particularly clear in relation to the government's use of public-private partnerships in a wide range of service areas (Flinders forthcoming). This process raises questions regarding the residual core of the state that should be insulated from the private sector. The most explicit debate regarding this issue has been in the sphere of health policy and particularly in relation to the creation of foundation hospitals. In March 2003 the Department of Health published the Health and Social Care (Community Health and Standards) Bill. This proposes that within five years the government would lose control over all England's hospitals to the Independent Regulator of Foundation Hospitals who would approve private sector borrowing, service provision and land sales as well as audit hospitals. The Chancellor of the Exchequer, Gordon Brown, has been less enthusiastic about the extension of market forces across the hospital network and has located his concerns directly within the wider debate about the residual core of the state. In a speech to the Social Foundation (3 February 2003) he noted:

We must have the strength to face up to fundamental questions that cannot be sidestepped about the role and limits of government and markets – questions in fact, about the respective responsibilities of individuals, for markets and communities including the role of the State.

A government of any political complexion would arguably be put in an invidious position by the public's expectations in relation to public services but it is especially problematic for Labour government due to its traditional scepticism of markets and commitment to the public sector. The result is the principled pragmatism of 'new' Labour that seeks to reject ideological dogma through recourse to a 'third-way' narrative which explores options for policy tools that are neither strictly 'public' nor 'private'. Within this project, quasi-autonomous bodies are frequently created to bridge the public/private divide and reconcile, to a greater or lesser extent, the institutional demands for market freedom with the political requirement for a degree of state control.

It is therefore fruitful to consider the evolving location and nature of power in Britain by reference to debates focusing on the 'hollowing out'

(Rhodes 1994) or evisceration of the state. The creation of autonomous public bodies operating at one remove from the government may be cited as further evidence of the diminution of the power of the state. Conversely, the creation of new strategic autonomous bodies, such as the Strategic Railway Authority, could be interpreted as an attempt at 'filling in' (Holliday 2000) or empowering state capacity. The inference is that any analyses of British 'independent' public bodies must be located within an appreciation of broader debates concerning the transfer and location of power and the implications this may have for governing capacities. Indeed, quasi-autonomous bodies play a central role in emergent structures of multi-level governance (Hooghe and Marks 2001). However, Smith (1997, p. 725) is correct to note that most approaches to multi-level governance have a 'paradoxical focus on government rather than governance'. It is clear that, properly employed, the concept *is* appropriate in relation to the emergence of quasi-autonomous public bodies. They are not traditional institutions of government and enjoy a semi-autonomous relationship within the wider context of governance. Autonomous bodies at the national level increasingly operate within a context structured and defined to some extent by autonomous actors at the supra-national and global level (Flinders 2004). As Hix (1998, p. 54) notes:

The EU is transforming politics and government at the European and national levels into a system of multi-level, non-hierarchical, deliberative and apolitical governance via a complex web of public/private networks and quasi-autonomous agencies.

The Food Standards Agency, for example, must operate closely with the European Food Standards Agency who, in turn, must normally co-operate with the Food and Drugs Administration in the US. The European Central Bank and the European Investment Bank, operating through the European System of Central Banks, fulfil a similar role in relation to global financial actors, including the World Bank, International Monetary Fund and the OECD. It is clear that the themes of 'depoliticization' and power raise a host of far-reaching questions. These will be the topic of the next section.

CONCLUSIONS

In 1983, Bulpitt (p. 25) wrote: 'The whole subject of non-elected agencies still requires considerable investigation, and nowhere is that more true than in the United Kingdom'. Two decades later his words remain important. Despite the growing numbers and roles of these organizations and their operation at the local, regional, national, supra-national and global levels, little research has been published in this field. The topic of 'quangos' has only been debated once in Parliament since May 1997, and then only a handful of MPs attended. Such lack of interest is bewildering given the specific concerns regarding patronage and accountability and wider concerns regarding the residual core of the state and emergent structures of multi-level governance.

This article has argued that Labour in government has increased considerably the sphere of distributed public governance in Britain while implementing reforms to assuage concerns regarding the legitimacy and accountability of this sector which are too weak and often not implemented. In terms of accountability, the government's approach has left the vast majority of quasi-autonomous bodies free from the most basic legal requirements for openness and transparency. It has failed to construct a clear framework and rationale for the existence and operation of this layer of governance and has implemented reforms that are based on 'soft law' codes of practice rather than legally enforceable public rights. It is within this context that the government has continued with the 'opportunistic pragmatism' (Johnson 1979, p. 384) which enables it to create a range of bodies devoid of a firm and explicit public law system. Consequently, it is possible to identify a process of 'fragemegration' (Rosenau 2004). This relates to the creation of an increasingly fragmented state structure (that is, more single purpose delegated agencies) while at the same time attempting to foster greater integration (via notions of 'joined-up' and 'holistic' government) within the overall system.

The dilemma between these centrifugal and centripetal pressures forms a central tension in the governance of modern Britain. It is particularly difficult to reconcile these dynamics, and distributed public governance more generally, with the traditional, essentially late-Victorian, notions of representative government which underpin the Westminster model. Jessop (2004) notes that the increasingly inter-dependent polity necessitates a 'different understanding of the nature and feasibility of democracy'. This may well involve the creation of new conduits between the public and quasi-autonomous public bodies underpinned by an explicit governance framework. In order to achieve clarity and consistency there is a need for a coherent 'directory of governance', as recommended by the PASC (HC 209 1998–99, paras.20–22, see also BRTF 2003, p. 9), buttressed by legally enforceable rights of access.

Moreover, there may be a need, however problematic in reality, to attempt to adjust the public's expectations about the capacity of the state: an issue the Labour government is acutely aware of (see Rawnsley 2000, p. 330). Overall, the Labour government has adopted a myopic approach which has failed to design new frameworks and mechanisms to legitimize the dense topography of quasi-government. Skelcher *et al.* (2000, p. 9) are broadly correct to assert that 'quangos are more central to the governance of England and Wales under the Labour government than they were at the end of the previous long Conservative regime'. This may be due to a new government being unwilling to fetter its power in relation to the design and role of the state (see Beetham *et al.* 2002). However, in order for the government to make a reality of its 'modernizing government' agenda and increase levels of public trust in government, it will, at some point, need to review and reform the structures of distributed public governance in Britain.

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