

LEVELLING UP 2.0

A Blueprint for the Future

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Leader of Breckland Council and Chair of the District Councils Network

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Foreword

Rt Hon Sir Robert Buckland KBE KC MP – South Swindon

Although the Prime Minister who coined the phrase ‘levelling up’ has now left office, the policy and its consequences live on. There continues to be much lively commentary about whether new descriptions for the policy will be used or whether or not the policy itself is to be scrapped. However, to adopt the famous Mark Twain misquote, reports of the death of levelling up are greatly exaggerated. The return of Michael Gove as Levelling Up Secretary, after his involuntary summer sabbatical last year, reinforces the fundamental point that the underlying policy approach will not change.

This book is the product of research and thinking carried out by a group of influential Conservatives, some of whom were first elected to the Commons in 2019 on a specific manifesto pledge of levelling

up. Another is the Chair of the Association of District Councils and there is also a significant contribution by a dynamic and successful Mayor of one of the major economic powerhouses of the UK. I hope that you find it to be a useful and constructive contribution to the ongoing debate as to how best to implement this key political objective of a Conservative Government that draws its support from communities the length and breadth of the UK – many of whom have been left behind by the economic progress enjoyed by other parts of the country.

Before we plunge into the excellent chapters written by my colleagues, it is worth looking again at the White Paper itself. Weighing in at over 300 pages and just under 3lb in weight, the Levelling Up the United Kingdom White Paper was long anticipated. Its fundamental ambition is to create a country where people with talent and ambition no longer have to leave their locality to succeed. The aims are not solely economic, either. Health, safety, and wellbeing, plus pride in place, are included in the indexes of success.

Crucially, the White Paper acknowledges that achieving these ambitions will require all layers of government, civil society, and the private sector. The need for local performance to be visible and monitored is emphasised, as is more devolution. These are the Paper's commanding heights. Criticism was made that the document does not contain sufficient clarity as to how levelling up is to be delivered. I think that this is somewhat unfair.

Chapter One's assimilation of domestic data helps to set the scene, together with the use of some useful international examples. To work out geographical disparities, the Paper outlines the six 'capitals', or

drivers, of growth. They are: physical, intangible, human, financial, social, and institutional. The section on local growth policy makes the important point that without five ‘foundations’, then such policies are likely to fail. These five are: long-term programmes with clear and consistent objectives; strategic coordination across public, private, and voluntary sectors; local decision-making; evaluation and monitoring of the programme; and clear national and local accountability for outcomes.

The five pillars of reform are set out in the second chapter: a mission-oriented approach to policy making; a reorientation of central government decision-making; greater empowerment of local government decision-making; better use of data and transparency locally; and enhanced accountability and transparency of the new system.

The heart of the White Paper is the Levelling Up Missions, which are outlined on pages 120 and 121. There are twelve missions contained within four focus areas. The first focus area is to boost productivity, pay, jobs, and living standards by growing the private sector, especially in those places where they are lagging. Within this area are four missions, relating to living standards, R&D, transport infrastructure, and digital connectivity.

The second focus area is to spread opportunities and improve public services, especially in those places where they are weakest. There are also four missions within this area, based on education, skills, health, and wellbeing.

The third focus area is to restore a sense of community, local pride, and belonging, especially in those places where they have been lost. This area has three missions, covering pride in place, housing, and crime.

Finally, the last focus area is to empower local leaders and communities, especially in those places lacking local agency, with a mission to deliver devolution deals to every part of England that wants one by 2030.

These missions apply to the entire United Kingdom. Each mission is to meet its target by 2030.

With targets, come metrics. In this regard, the White Paper does not disappoint.

To measure performance, there will be a list of metrics, as set out in the Technical Annex, which runs to 54 pages. Amongst the metrics are measurements such as the extent of the disability employment gap, the rate of homicides, and the rate of assaults involving a sharp weapon within the under 25 age group. It is in the Annex that we get closest to the hard and fast ways of measuring outcomes and, therefore, the lives improved by the levelling up agenda.

It is the strongest part of the White Paper.

On page 122, we see a proper acknowledgement of the need to improve central government decision-making. Firstly, there is a need for a clearer rationale for government spending, which has often been geographically uneven. Reforms to the Treasury Green Book process have been carried out, with requirements for the geographic impact of proposals now integrated within the process.

Secondly, there is a need for better incorporation of local involvement in policy initiatives, with Levelling Up directors working with local leaders and agencies as a single point of contact on projects.

Thirdly, there is a need for improved coordination of central government policies at a local level, with a complex and overlapping funding landscape with separate pots of resource that fail to join up. There will be a plan to streamline the funding landscape this year, which cannot come soon enough.

Fourthly, there is a need for a decrease in the distance between national officials and those affected locally by their decisions – a need to do things with local areas, not to or for them.

On the question of devolution and local decision-making, the Government has shied away from reform of existing local government structures, preferring to increase the proportion of England covered by devolution deals and regional Mayors, with a more consistent set of national criteria, such as a minimum of 500,000 per area.

This is a shame. Grasping the nettle of local government reform is not easy but once again, an opportunity to create more strategically appropriate unitary authorities seems to have been lost.

One bright spot for local government, and local factors more generally, comes at the end of Chapter Two. There, useful reference is made to the need to improve the range and depth of data at a subnational level, with a new Subnational Data Strategy and Spatial Data Unit being launched. The Office for National Statistics' (ONS) new Subnational Data Explorer will increase transparency. In line with the drive to

increase accountability, there will be a statutory duty to report on levelling up progress annually and a new Advisory Council will be set up to provide independent expert advice.

This data will be useful to local areas, politicians, papers, and councils. In the long run, it may cause the Government a headache. However, it will give agency to policymakers locally and lead to real progress on the agenda as a whole.

What then, does all of this actually mean for local delivery? I think that the best way to approach this is to look at the metrics and match the proposals to their delivery.

Take Mission One, for example. A key metric for the rise of employment and productivity by 2030 is the disability employment gap. Eight out of ten of the general working-age population are in employment. For disabled people, that number is five out of ten. For autistic people, it is a shocking two out of ten. It seems to me that programmes designed to support autistic people in employment and to ensure that they remain in work are not only going to help close this gap but could help with other metrics as well. The Department for Levelling Up, Housing and Communities (DLUHC) will not be responsible for delivering this. Instead, we need to look forward to furthering initiatives by the Department for Work and Pensions (DWP) in this area, particularly bearing in mind the current Secretary of State Mel Stride's own Review into economic inactivity and barriers to employment. In short, unless government acts as a catalyst to galvanise business and the private sector into better

methods of the recruitment and retention of disabled people, this target will not be reached.

Mission Five, relating to school standards, is of vital importance. A reduction in persistent absences for all pupils and disadvantaged/vulnerable cohorts of children looks to be an incredibly challenging task. However, as with earlier health interventions, I believe that the underlying causes of absence can be dealt with at the source. There are other examples, for example, local transport, which a regional or local delivery agency could use to frame a programme of levelling up improvement measures.

A relentless focus on the metrics not only makes sense from a process point of view but is a focus on the right priorities for our communities. How then, do we make all of this a reality?

In this book, we can see the ways in which colleagues want to fulfil their ambitions. Fay Jones MP rightly warns against an over-centralised approach to planning and development, whether it be from London or Cardiff, and reminds us that the ‘brain drain’ will continue to stymie the levelling up agenda. This is why digital connectivity projects that the Government continues to roll out are vital for rural areas, together with a focus on improving local skills and a recognition that our network of farms is not an outdoor museum but a living and breathing industry that is of huge importance to our domestic and export economy.

Sally-Ann Hart MP is crystal clear about the scale of the challenges facing coastal communities, such as the one in Hastings that she

represents. The need for clearer and more detailed data underpins her arguments. Importantly, she makes the point that levelling up must also be about health and social outcomes for people in these communities, which should be addressed by initiatives for education and skills, housing, and transport connectivity as the best way of making a lasting change. Sally-Ann also points to the value of environmental projects on our coast as a way not just of protecting the environment but of generating green growth as part of the zero-carbon agenda.

In his chapter, Bim Afolami MP pulls no punches when it comes to the scale of the productivity challenge that we still face. With just \$61 per hour being generated by UK workers, as opposed to \$72 in the USA and Germany, and the biggest fall since 2009 coming in the manufacturing sector, the link between Research and Development and investment needs to be stronger. Bim's exhortation to the UK Government to overcome its 'temperamental aversion' to picking winners and long-term planning is one that needs to be listened to. His proposal that government research grants should be linked to an obligation to engage with industry, and for industry to be incentivised to test speculative technologies, provides a way of unlocking the puzzle that has bedevilled us for too long. Bim's analysis of the patchwork quilt of English local government drives him to the conclusion that it is only with meaningful fiscal and economic devolution that local government and Metro Mayors can actually deliver results.

In her chapter, Jane Stevenson MP reveals her deep roots and civic pride in her home city of Wolverhampton and charts some real