

Levelling up the UK

Levelling Up White Paper summary and discussion

February 2022



The Levelling Up White Paper (LUWP) overview

- Sets out 12 inter-related ‘missions’, aimed at reducing regional disparities and inequalities, with a requirement in statute to report annually on progress against them.
- Aim is to remove national inequalities and create a country where “**by staying local, you can go far**”.
- Focus on 2030 – medium term plan to deliver impact on missions with metrics and an annual (independent) progress assessment
- Government have (finally) defined their understanding of levelling up:
 - **Boost productivity, pay, jobs, and living standards** by growing the private sector, especially in those places where they are lagging;
 - **Spread opportunities and improve public services**, especially in those places where they are weakest;
 - **Restore a sense of community, local pride and belonging**, especially in those places where they have been lost;
 - **Empower local leaders and communities**, especially in those places lacking local agency

Three big chunks to the LUWP



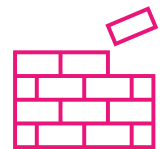
Evidence base

Extensive analysis of the challenge of regional disparities, theoretical underpinning and ‘capitals’ framework for evaluating regional disparity



System reform

Sets out Government’s ambition to gear central/local govt and public bodies to addressing geographic disparity, missions approach and critical role of robust subnational data and intelligence to drive decision making.



Policy programme

Policy proposals and interventions structured by the 4 objectives and 12 missions.

System change – gearing up to level up

- 12 missions put into law
 - policy across Whitehall expected to be aligned to achieving the outcomes in the LU missions
- Embedding spatial focus across Government:
 - Improved spatial impact focus of programmes and public procurement
 - Review of formula-based spending to target need and commitment to streamline funding landscape (ie. multiplicity of funding pots)
 - requirement for public bodies to have an objective of reducing geographical variations in the outcomes relevant to their business area (new Public Bodies Strategy)
 - New Levelling Up Regional Directors (civil service)
- Statutory annual report and independent LU Advisory Council
- Leadership College for Government – civil service and wider public sector, opening April 2022
- A new independent body in England focused on data, transparency and robust evidence
 - Central and local government working in partnership

System change – gearing up to level up

The System Change outlined in the LUWP has 5 pillars:

- a) a mission-oriented approach to setting policy
 - b) a reorientation of central government decision-making
 - c) greater empowerment of local government decision-making
 - d) a revolution in data and transparency at the subnational level
 - e) enhanced transparency and accountability of this new regime.
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- The Government is still using data from 2013/14 and formulas from mid-2000s for funding local government – there is a suggestion that this will be reformed in the LUWP but no date attached to it.
 - The government will put in place a process of engagement and informal consultation to inform levelling up delivery and future policy making. The process will include visits at ministerial level across the UK, setting up local panels from a wide range of stakeholders working closely with the new Levelling Up Directors once established, annual reports summarising key messages from these local panels and an online space where local ideas, proposals and initiatives around levelling up can be heard and co-ordinated

**Boost
productivity,
pay, jobs, and
living
standards by
growing the
private sector,
especially in
those places
where they are
lagging**

- Increase UK-wide R&D investment outside the Greater South East by at least 40%
- £100m to pilot new Innovation Accelerators in Greater Manchester, West Midlands and Glasgow City-Region
- Use £3bn Global Britain Investment Fund to attract more investment to all parts of the UK
- Mobilising £16bn of Local Government Pension Scheme into local projects and businesses
- Reference to the Integrated Rail Plan, City Region Transport Settlements, investment in roads and motorways and in bus, cycling and walking networks
- Reaffirmed commitment that by 2030, the UK will have nationwide gigabit-capable broadband and 4G coverage, with 5G coverage for the majority of the population

Spread
opportunities
and improve
public
services,
especially in
those places
where they are
weakest

- Create 55 “Education Investment Areas” in places where educational attainment is currently weakest - doesn’t include Sheffield
- Create the “UK National Academy”, a new digital education service to support pupils from all backgrounds and areas of the UK
- Roll out Local Skills Improvement Plans, with funding, across England
- Introduce the In-Work Progression offer to help people on low incomes address barriers to better employment opportunities
- Publish a Health Disparities White Paper
- Tackling poor diet and obesity through a new National Food Strategy along with a 3 year ‘Community Eatwell’ pilot.
- Introduce a new Tobacco Control Plan
- Improving diagnostic services by setting up at least 100 Community Diagnostic Centres in England by 2025

Restore a sense of community, local pride and belonging, especially in those places where they have been lost
(1)



- 20 towns and cities to undertake new regeneration projects
- 68 more local authorities to be supported by the High Streets Task Force to transform their town centres
- A new National Youth Guarantee so that by 2025 every young person in England will have access to out of school activities
- Develop a Strategy for Community Spaces and Relationships
- Unlock £44m from the Dormant Assets Scheme to support charities, social enterprises and vulnerable individuals
- Increase in arts spending outside London – 100% of CSR committed increase in Arts Council funding will be outside London
- A new £30 million parks fund to deliver up to £1 million to at least 30 parks in England for refurbishment
- £230m investment in grassroots football by 2025
- Locating more senior civil service roles out of London

Restore a sense of community, local pride and belonging, especially in those places where they have been lost (2)

- Housing: the '80/20 rule' which leads to 80% of government funding for housing supply being directed at 'maximum affordability areas' - in practice, London and the South East - will be ended
- New powers for councils to apply an up-to-100% premium to homes left empty for a year
- New Social Housing Regulation Bill (commitments following Grenfell)
- New decency standard for private rented homes in law and consult on a new Landlord Register
- Work with Mayors and local govt to take full advantage of the Affordable Homes Programme
- Invest £50m from the Safer Streets Fund every year
- Work with partners across the youth justice system to make sure 16- and 17-year-olds who commit crimes pay their community back through unpaid work

Empower local leaders and communities, especially in those places lacking local agency

- Devolution framework – menu of options based on four principles:
 - Effective leadership – ideally CAs
 - Sensible geography – FEAs, 500k+ populations
 - Flexibility – devo pathways for different areas
 - Appropriate accountability – data, transparency
- Levelling Up Fund, Towns Fund and Future High Streets Fund (all existing)
- Greater Manchester and West Midlands are negotiating ‘trailblazer’ deals which will be a blueprint for future mayoral CA deals
- Begin negotiations for new County Deals, plus new MCA deals for York, North Yorkshire and the North East
- Possible new flexibilities for MCAs and CAs to raise own funding through business rates
- Decentralise the £2.6bn UK Shared Prosperity Fund to local leaders ‘as far as possible’

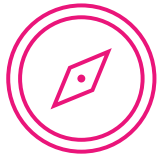
UK Shared Prosperity Fund

- The UK Shared Prosperity Fund pre-launch guidance was also announced
 - [UK Shared Prosperity Fund: pre-launch guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/uk-shared-prosperity-fund-pre-launch-guidance)
- More detailed prospectus to be published in spring 2022
- Delivery geographies are city regions – so SYMCA for us
- Aligned to LUWP objectives but also sets out investment priorities:
 - Communities and place – local pride, safe and strong neighbourhoods
 - Local business – jobs, increasing investment in growth, support for SMEs
 - People and skills – boost core skills, tackle skills disadvantage, move people closer to employment
- Each place will be given a conditional allocation of funding and to access this, by summer 2022 we will have to:
 - set out measurable outcomes we want to deliver
 - interventions we will prioritise in an Investment Plan
- Pre-launch engagement webinars start w/c **7th February.**

Challenges

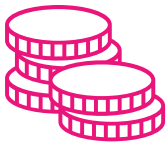
- Big ambitions, limited focus?
- No focus on clean growth / climate change
- Limited recognition on inequalities faced by specific communities and within places
- Gap between scale of ambition and scale of investment
- Backdrop of a decade of disproportionate cuts to the areas that Government's LU ambitions focus on:
 - Levelling down of revenue funding and reductions in core spending power and increased reliance on local tax base; investment disparity (e.g. transport spend)
 - school spending per pupil will remain below its 2009-10 high point until 2024/25
- Longevity – medium term missions but those missions need a 20yr+ plan (e.g. closing life expectancy gaps)
 - Needs sustained policy commitment and investment
- Competitive bids (LUF etc) benefit some; provide limited certainty/fairness
 - Some of most deprived areas have received much less than more affluent areas

Discussion – implications for Sheffield



Positioning – how do we maximise opportunities for Sheffield?

- **Politically** – how do we position ourselves and how/where does it aligns to our priorities (pilots etc)?
- **Influence** – how do we can we use key stakeholders and influencers to ensure we're seen at the front of the agenda?
- **Networks** – opportunity to play a leadership role in SYMCA and Core Cities.
- **Shaping system change** – can we build our connectivity with officials to shape the proposed 'system change'?
- **Future devolution** – how do we support the SYMCA and the new Mayor to get the next 'trailblazer' deal

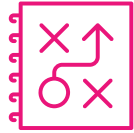


Investment – building on success

- **Aligning to our priorities** – how can we build on successful LUF and CRF to be ready for future funding aligned to LUF and our priorities?
- **SPF** – vital opportunity for SY and Sheffield. How to do ensure we have proposals and are supporting SYMCA?
- **Off the shelf** – can we identify capacity to develop ambitious business cases which could attract future investment?
- **Specific pots** – can we assess opportunities in the LUWP (parks, football, community safety) which could provide vital new resource?

Discussion – implications for Sheffield

Our strategic direction



- **City Strategy** – what do we need to do to ensure that our city vision (and missions) position us to capture opportunities through LU priorities?
- **Levelling up between and within** – opportunity to focus on within-place levelling up
- **Being proactive** – are there areas where we have existing strong proposals/ideas that could connect to/deliver Government's proposals now? Could be opportunities for early engagement with Government.

Annex – 12 missions

1. By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, and the gap between the top performing and other areas closing.
2. By 2030, domestic public investment in R&D outside the Greater South East will increase by at least one third over the Spending Review period and at least 40% by 2030, with that additional government funding seeking to leverage at least twice as much private sector investment over the long term to stimulate innovation and productivity growth.
3. By 2030, local public transport connectivity across the country will be significantly closer to the standards of London, with improved services, simpler fares and integrated ticketing.
4. By 2030, the UK will have nationwide gigabit-capable broadband and 4G coverage, with 5G coverage for the majority of the population.
5. By 2030, the number of primary school children achieving the expected standard in reading, writing and maths will have significantly increased. In England, this will mean 90% of children will achieve the expected standard, and the percentage of children meeting the expected standard in the worst performing areas will have increased by over a third.
6. By 2030, the number of people successfully completing high quality skills training will have significantly increased in every area of the UK. In England, this will lead to 200,000 more people successfully completing high quality skills training annually, driven by 80,000 more people completing courses in the lowest skilled area

Annex – 12 missions

7. By 2030, the gap in Healthy Life Expectancy between local areas where it is highest and lowest will have narrowed, and by 2035 Healthy Life Expectancy will rise by 5 years.
8. By 2030, measures of well-being will have improved in every area of the UK, with the gap between top performing and other areas closing.
9. By 2030, pride in place, such as people's satisfaction with their town centre and engagement in local culture and community, will have risen in every area of the UK, with the gap between top performing and other areas closing.
10. By 2030, renters will have a secure path to ownership with the number of first time buyers increasing in all areas; and the government's ambition is for the number of non-decent rented homes to have fallen by 50%, with the biggest improvements in the lowest performing areas.
11. By 2030, homicide, serious violence and neighbourhood crime will have fallen, focused on the worst affected areas.
12. By 2030, every part of England that wants one will have a devolution deal with powers at or approaching the highest level of devolution with a simplified, long term funding settlement.