



Report to Growth, Infrastructure and Housing Select Committee

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Title: Levelling Up White Paper

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Recommendations: That the Committee note this update on the Government's national Levelling Up White Paper and the Council's consideration of this new policy.

1. Background

- 1.1 On the 2nd of February, the Government published its Levelling Up White Paper which set out its approach to Levelling Up as a core economic policy.
- 1.2 This report sets out the key contents of the White Paper and the implications for Buckinghamshire (as a council and place), as well as the likely approach that the Council will take.

2. Summary of the Levelling Up White Paper

- 2.1 The White Paper sets out the economic, social, and moral mission of Levelling Up to unleash opportunity, prosperity, and pride in places, improving living standards, and quality of life. It makes the case for the need to address geographical disparities in social and economic outcomes across the UK.
- 2.2 The proposed contemporary model for Levelling Up has four key outcomes.
 1. **Boost productivity, pay, jobs, and living standards by growing the private sector**, especially in those places where they are lagging
 2. **Spread opportunities and improve public services**, especially in those places where they are weakest
 3. **Restore a sense of community, local pride and belonging**, especially in those places where they have been lost
 4. **Empower local leaders and communities**, especially in those places lacking local agency

- 2.3 Although led by the Department for Levelling Up, Housing and Communities, the recent White Paper is wide-ranging, crossing departmental policy areas and covering topics as diverse as innovation, education, and crime. It sets out a broad policy agenda for Levelling Up with announcements on housing and regeneration, education and skills, and innovation, as well as twelve mid-term Levelling Up Missions to be achieved by 2030.
- 2.4 It also included announcements about the UK Shared Prosperity Fund (UKSPF) which is expected to be launched shortly.

Six Capitals

- 2.5 Six forms of ‘capital’ are set out as a framework for evaluating existing geographical disparities. Individually, the ‘capitals’ are important drivers of growth, yet the Government suggest it is their interdependence and interaction with each other that reinforces their significance.
- 2.6 The ‘capitals’ are:
1. Physical: infrastructure, machines, and housing
 2. Human: skills, health, and experience of the workforce
 3. Intangible: innovation, ideas, and patents
 4. Financial: resources supporting the financing of companies
 5. Social: strength of communities, relationships, and trust
 6. Institutional: local leadership, capacity, and capability
- 2.7 It is worth noting that the White Paper does not identify natural capital in the above list. The rationale from Government for this omission is that existing policy strategies are already in place for this; their lack of inclusion should not be perceived as environmental concerns having a lower priority.

Five mutually reinforcing pillars

- 2.8 Turning to the proposed reform, five mutually reinforcing pillars underpin the Levelling Up policy regime as key elements.
- 2.9 The pillars are:
1. 12 Medium Term missions
 - i. An anchor for policy across government
 - ii. Rolling decade-long objectives intended to drive change through cooperation across sectors
 2. Reshaping central government decision-making
 - i. Levelling Up Cabinet Committee

- ii. Levelling Up Directors – will act as a single point of contact for Local Leaders
- 3. Empower local decision-making
 - i. New Devolution framework
 - ii. Private sector partnerships to support existing and embryonic private sector clusters of economic activity
- 4. The role of data, monitoring, and evaluation
 - i. Subnational data and analysis strategy
 - ii. New Spatial Data Unit within DLUHC
- 5. Transparency and Accountability
 - i. New external Levelling Up Advisory Council to support Ministers by providing independent expert advice

The Twelve Missions

2.10 As one of the pillars, Government have adopted a mission-based approach to addressing complex, long-term societal challenges through targeted, measurable, and time-bound objectives.

2.11 These Twelve Missions are:

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 40%, and over the Spending Review period by at least one third. This additional government funding will seek 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 areas.
7. By 2030, the gap in Healthy Life Expectancy (HLE) between local areas where it is highest and lowest will have narrowed, and by 2035 HLE will rise by five years.
8. By 2030, 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 and a simplified, long-term funding settlement.

2.12 [Initial headline metrics](#) have been published alongside the White Paper and Government have committed to developing a longer suite of metrics to track performance. More detail of each of these missions is also described in that document.

Devolution

- 2.13 Devolution and governance are core elements of the reforms. Principal to this is the long-awaited Devolution Framework. Alongside the framework, nine pathfinding County Deals and extensions to existing devolution deals were also announced.
- 2.14 Buckinghamshire was unfortunately not named as part of the initial set of pathfinder deals but continues to lobby Government for a County Deal as part of a future tranche.
- 2.15 The Devolution Framework (see appendix 1) is set out in three levels:
 - **Level 3** – A single institution or County Council with a directly elected mayor, across a functional economic area or whole county area

- **Level 2** – A single institution or County Council without a directly elected mayor, across a functional economic area or whole county area;
- **Level 1** – Local authorities working together across a FEA or whole county area e.g., through a joint committee

2.16 Buckinghamshire falls into ‘Level 2’ in the above list.

2.17 All Devolution Deals will be based on the four principles of:

1. Effective leadership: favouring prominent and accountable leaders.
2. Sensible geography: ensuring deals are based on recognisable communities with a sensible economic area.
3. Flexibility: making sure devolution deals are tailored to each area’s needs.
4. Appropriate accountability: ensuring transparency and value for money.

Other Key Components Relating to Growth from the White Paper

2.18 **Housing and Regeneration:** funding for town centre regeneration schemes and measures aimed at increasing house building (particularly outside the south east).

2.19 **Education and Skills:** increased investment and focus on areas where educational outcomes are currently the weakest.

2.20 **Innovation:** government investments in research development and the introduction of three ‘Innovation Accelerators’ in Manchester, Glasgow, and the midlands, which will place-based centres of innovation.

3. Other Aspects of Note from the White Paper

3.1 Buckinghamshire and our neighbours in the South East are not identified as priority areas for the focus for this policy agenda. The Levelling Up Policy has a geographical approach which focusses (primarily) on the Northern part of the country.

3.2 The White Paper sets out expectations of the role local government will have in levelling up their communities through empowering local leaders with the resources they need. Buckinghamshire is already exploring opportunities to tackle geographical variations in outcomes within the county, through discussions with our partners and in building a better understanding of these variations.

3.3 County Deals have been announced in 9 places, but as mentioned before, Buckinghamshire was not included in the first tranche. Additionally, in looking at the recent deal announcements, it appears that County Deals do not come with ‘new’ funding. However, the White Paper commits to agreeing deals with every area that wants one between now and 2030. There are options for Buckinghamshire to engage with government about our readiness for a deal with an eye to moving up the timetable.

- 3.4 The deal sets out a devolution framework which indicates a number of powers and freedoms and flexibilities which correspond to areas' level of 'devolution'. With 1 being the lowest devolved, and 3 being the highest, Buckinghamshire is currently classed in 'level 2'. Level 2 includes a number of new powers that Buckinghamshire could consider including greater control of local transport, ability to introduce bus franchising, the ability to provide input into local skills improvement plans, and Homes England compulsory purchase powers. Buckinghamshire is also considering what further powers could be secured beyond 'level 2' through negotiation.
- 3.5 The White Paper talks about an expanded remit for Homes England and new emphasis on their role in town centre regeneration This new alignment for Homes England is positive as it can be developed to support Buckinghamshire's regeneration proposals.
- 3.6 The White Paper clarified the new approach for the UK Shared Prosperity Fund (which replaces previous European Regional Development Funding). The formula basis for funding allocation indicates that Buckinghamshire is unlikely to receive a significant allocation.
- 3.7 The White Paper has a distinct emphasis on developing innovation-based growth. This emphasis plays into one of Buckinghamshire's economic strengths and could be a means for exploring options for investment.

4. Next steps and review

- 4.1 Buckinghamshire will engage with the new Levelling Up White Paper policy and explore how our County Deal proposition can be delivered going forward. This is likely to be a combination of eventually securing a County Deal with Government, but also developing ways for Buckinghamshire to take forward some aspects on our own.
- 4.2 Given the ambition and extent of the deals already announced, it is expected that there may be limited capacity at Government Departments to develop our County Deal in the short term.
- 4.3 The council (in conjunction with the Growth Board) has already developed our proposition very well and can respond at haste if a discussion about future County Deals turns to Buckinghamshire.
- 4.4 The full Levelling Up White Paper can be read at:
<https://www.gov.uk/government/publications/levelling-up-the-united-kingdom>

Appendix 1

Function	Detail	L1	L2	L3
Strategic role in delivering services	Host for Government functions best delivered at a strategic level involving more than one local authority e.g. Local Nature Recovery Strategies	✓	✓	✓
	Opportunity to pool services at a strategic level	✓	✓	✓
	Opportunity to adopt innovative local proposals to deliver action on climate change and the UK's Net Zero targets	✓	✓	✓
Supporting local businesses	LEP functions including hosting strategic business voice		✓	✓
Local control of sustainable transport	Control of appropriate local transport functions e.g. local transport plans*		✓	✓
	Defined key route network*			✓
	Priority for new rail partnerships with Great British Railways – influencing local rail offer, e.g. services and stations			✓
	Ability to introduce bus franchising		✓	✓
	Consolidation of existing core local transport funding for local road maintenance and smaller upgrades into a multi-year integrated settlement			✓
Investment spending	UKSPF planning and delivery at a strategic level		✓	✓
	Long-term investment fund, with an agreed annual allocation			✓
Giving adults the skills for the labour market	Devolution of Adult Education functions and the core Adult Education Budget		✓	✓
	Providing input into Local Skills Improvement Plans		✓	✓
	Role in designing and delivering future contracted employment programmes			✓
Local control of infrastructure decisions	Ability to establish Mayoral Development Corporations (with consent of host local planning authority)			✓
	Devolution of locally-led brownfield funding			✓
	Strategic partnerships with Homes England across the Affordable Housing Programme and brownfield funding			✓
	Homes England compulsory purchase powers (held concurrently)		✓	✓
Keeping the public safe and healthy	Mayoral control of Police and Crime Commissioner (PCC) functions where boundaries align^			✓
	Clear defined role in local resilience*		✓	✓
	Where desired offer MCAs a duty for improving the public's health (concurrently with local authorities)			✓
Financing local initiatives for residents and business	Ability to introduce mayoral precepting on council tax*			✓
	Ability to introduce supplement on business rates (increases subject to ballot)			✓

* refers to functions which are only applicable to combined authorities

^ refers to functions which are currently only applicable to mayoral combined authorities