

Report to: Place Regeneration and Housing Committee

Date: 8 March 2022

Subject: **Levelling Up White Paper**

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Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

1. Purpose of this report

- 1.1. To inform committee members about the implications of the Government's Levelling Up White Paper on the region.

2. Information

- 2.1. On 2 February 2022, Michael Gove, the Secretary of State for the Department of Levelling Up, Housing, and Communities, unveiled their flagship Levelling Up White Paper 'setting out a plan to transform the UK by spreading opportunity and prosperity to all parts of it'.
- 2.2. In summary, the White Paper does not give a definitive definition of 'Levelling Up' rather a narrative of productivity potential, and a mission to improve standards of living where areas have been lagging behind. Government sees levelling up as a commitment to address long-term challenges. At the centre of the White Paper are 12 'Missions' (appendix 1) to be achieved by 2030. The paper claims quantifiable metrics will underpin policy objectives to achieve levelling up, and therefore will be possible to track and monitor by local places. They will be given status in law in a Levelling Up and Regeneration Bill.

- 2.3. The White Paper announcement fell short of additional or forthcoming funding beyond what was already announced at the Spending Review in the Autumn 2021. The ambition of a mission-led approach with medium-term targets and objectives to 2030 is welcome, and there is commonality between the objectives it sets and the challenges in West Yorkshire.
- 2.4. The evidencing metrics are being investigated and reviewed by the Combined Authority's Research and Intelligence function, considering which indicators already feature in our State of the Region approach, and which additional supplementary indicators will be reported. There are a few points of note:
- Many of the indicators are already contained within the existing State of the Region indicator bank
 - Some indicators do not directly align with the CA's priorities (although they reflect general socio-economic performance) e.g., health
 - A number of the indicators cannot currently be measured at a West Yorkshire level, e.g., R&D, although there is an intention on the part of government to make more data available in the future
 - Others can be measured at a sub-regional level, but the robustness of the data is currently poor, e.g., well-being indicators.

Key messages

- 2.5. **Systems reform:** Government will reshape decision making as part of a new system of governance to deliver the long-term objectives. This includes detail of how further devolution will contribute to the core principles of Levelling Up, in summary:
- A new **Devolution Framework** for England to ***deepen devolution in a tiered approach that is clear and consistent***
 - The proposed direction of travel for devolution deals across England seem set to follow and build on the model we have in West Yorkshire
 - There may be 'scope to negotiated further powers', however, the devolution Framework table of powers provided in the White Paper does not offer much additionality to the powers currently held.
 - The strong private sector voice provided by LEPs will continue to play a crucial role in levelling up, supporting local businesses and the local economy (the Combined Authority's committee restructure has already taken steps to further integrate the private sector voice in the MCA)
 - The blueprint for further devolution will take time but the Combined Authority will seek every opportunity to feed into the process
 - Accountability will be improved with a statutory obligation on the UK Government to report annually on progress towards meetings the 'missions', and those reports will be subject to scrutiny by the public and Parliament
 - A new Levelling Up Advisory Council will be a part of overseeing the Government's levelling up 'missions' supporting Ministers with independent advice
 - Local places, including MCAs, will be empowered to have better information about their own performance and that of others

- 2.6. **Funding:** The White Paper makes the case that in order to secure better outcomes in places **government policy and associated funding needs to be better coordinated and the current fragmentation removed**, and a further review of formula-based spending to ensure funding is targeted where most needed. This is welcomed, however there is little detail regarding how this will be done and there are already examples of where flexibility has not been given such as on the Brownfield Housing funding (item 7 on agenda). It remains to be expected that there will continue to be some aspect of competitive bidding to some funding post for MCAs, subject to a wider review which the Combined Authority will continue to feed into.
- 2.7. We continue to await the UKSPF allocation methodology and will update the committee once this is known. It is proposed that the majority of UKSPF will be delivered and devolved to MCAs and will focus principally on 'Building Pride in Place,' under three broad pillars: Communities and Place; People and Skills; Supporting local businesses. However, not every part of England will receive as much UKSPF as European Structural and Investment Funds (ESIF).
- 2.8. **The Policy Programme** sets out four objectives against which the 12 missions will deliver:
- Boost productivity, pay, jobs and living standards by growing the private sector
 - Focus areas: Living Standards, Research and Development, Transport Infrastructure and Digital Connectivity
 - Spread opportunities and improve public services, especially in those places where they are
 - Focus areas: Education, Skills, Health, and Well-being
 - Restore a sense of community, local pride, and belonging, especially in those places where they have been lost
 - Focus areas: Pride in Place, Housing and Crime
 - Empower local leaders and communities, especially in those places lacking local agency.
 - Focus area: Local Leadership
- 2.9. Opportunities for West Yorkshire are evident across the Policy Programmes areas of focus, including of specific interest to this committee, on *Housing and Regeneration* and *Digital Infrastructure*. These are:
- Housing and Regeneration*
- 20 places in England to be transformed through an ambitious regeneration programme. (Sheffield and Wolverhampton announced, no detail yet on the other 18). It is understood that there is a long list of places that Government will prioritise based on criteria such as productivity.
 - Homes England will partner with local leaders, the private sector and community groups to turbocharge regeneration and deliver new housing, health and education and leisure facilities, roads, and railways.

- £120 million for Mayoral Combined Authorities will deliver 7,800 homes in the North and Midlands on disused brownfield land. West Yorkshire is to be allocated £22m over three years under the same criteria as the current Brownfield Housing Fund. Additional spend for additional deliverable sites within the same timescales as current fund will be extremely challenging.
- The Government will also launch a £1.5bn Levelling Up Building Fund, providing loans to small and medium-sized builders and developers to deliver 42,000 homes with the vast majority going outside London and the South East.

Digital Infrastructure

- The analysis in the White Paper outlines that coverage of gigabit-capable broadband is expected to reach c.80-90% across Yorkshire and Humber by 2025. 4G coverage is forecast to reach 90% by 2026. The Paper assumes this will be delivered by commercial roll out and publicly funded programmes in hard to reach/rural areas¹.
- The Government is currently delivering Project Gigabit across the country, with delivery in West Yorkshire and neighbouring areas due to commence in 2023 (subject to procurement). It is understood that the £5bn allocated nationally to Project Gigabit programme is approximately 1/4 of what is required to connect all premises in areas that are unlikely to be connected by commercial providers. Notwithstanding this level of investment, this may mean that between 10-15% of all West Yorkshire premises may not have access to gigabit capable broadband by 2025 if further investment is not realised.
- There will be a role for the Combined Authority and local partners to continue engagement with DCMS and the commercial sector to develop strategies to address this potential gap in coverage and understand which areas may need further assistance to enhance their digital connectivity.
- This year Government will publish the Wireless Infrastructure Strategy, and with it will review how far the private sector will deliver wireless infrastructure, including 5G, across the country, determining whether there are any market failures in places that need to be address, and if so, how the Government could tackle these. The development of the strategy is welcomed in principle as investment for 4G and 5G connectivity to reach rural areas, however, we await detail of associated funding.

2.10. Other opportunities for West Yorkshire include:

Transport

- £3bn allocated to transforming buses which is a re-announcement. The Bus Service Improvement Plans are not included but references different projects across the country.
- Refers to significant bus transformation in West Midlands and other MCAs including major rapid priority schemes and fares improvements in West Yorkshire.

¹ Including the Superfast West Yorkshire and York Broadband Programme and DCMS Rural Gigabit Vouchers

- In MCA areas, the UK Government will provide new powers of direction to increase mayors' control over Key Route Networks.
- Suggests CRSTS 'will simplify the funding landscape, increasing long-term funding certainty and giving city regions flexibility to develop long-term strategies' and also that they 'reinforce local leaders' responsibility for local transport. Mayors will design their plans based on their areas' needs and opportunities and be held to account on their delivery.' Includes the re-announcement of the £830m.
- The UK Government will also explore transferring control of taxi and private hire vehicle licensing to both combined authorities and upper-tier authorities.

Skills

- 55 cold spots where school outcomes are the weakest will receive targeted investment as 'Education Investment Areas'. This includes Bradford, Leeds, Kirklees, Wakefield but not Calderdale.
- Each region will have a 16-19 maths school. A new maths school will be opened in Leeds
- Additional £550m for skills bootcamps for adults, including access to the courses for prisoners as part of a new trial.
- New digital entitlement for adults with low or no digital skills to be introduced [additional to new AEB digital entitlement]. Local Digital Skills Partnerships (LDSP) to remain the partnership model. West Yorkshire is one of 7 current LDSPs
- The previously piloted, employer-led Local Skills Improvement Plans (LSIPs) will now be rolled out across England. Employers, convened by employer representative bodies, will work with providers, MCAs, and other stakeholders to develop LSIPs. The Government is also legislating to the LSIPs on a statutory footing.

Health

- Opportunities will be explored for MCAs to take on a duty to improve the health of their residents, concurrent with the existing duty of their constituent upper-tier councils.

Police and Crime

- £50m Safer Streets Fund invested every year to Police and Crime Commissioners, local authorities, and civil society organisations.
- 10-year Drugs Strategy (working with local authorities of 10-20 areas most affected by neighbourhood crime).

Innovation

- West Yorkshire has not been included as an Innovation Accelerator, which is disappointing, but involvement and conversations will be pursued to better understand roles and the important detail, building on the Leeds City Region *Innovation Deal*.

Culture

- The White Paper includes a commitment to direct more culture investment outside London including a priority for National Portfolio Organisations to deliver a more even distribution across the regions. A national Creative Sector Vision will be published later this year.

3. Tackling the Climate Emergency Implications

3.1 There are no climate emergency implications directly arising from this report.

4. Inclusive Growth Implications

4.1 There are no inclusive growth implications directly arising from this report.

5. Equality and Diversity Implications

5.1 There are no equality and diversity implications directly arising from this report.

6. Financial Implications

6.1 There are no financial implications directly arising from this report.

7. Legal Implications

7.1 There are no legal implications directly arising from this report.

8. Staffing Implications

8.1 There are no staffing implications directly arising from this report.

9. External Consultees

9.1 No external consultations have been undertaken.

10. Recommendations

10.1. That members note the content of the paper and the opportunities for West Yorkshire.

11. Background Documents

None.

12. Appendices

Appendix 1 – Missions