
Report to: Leeds City Region Enterprise Partnership Board (LEP Board)

Date: 31 March 2022

Subject: **Levelling Up White Paper**

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1. Purpose of this report

- 1.1. To provide LEP Board members with information about the implications of the Government's Levelling Up White Paper for the region

2. Information

Levelling Up White Paper

- 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 core 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.

2.5 Any further updates following the government's Spring Statement on 23rd March will be provided verbally at the meeting.

Key messages

- 2.6 **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, and the future role of LEPs, 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)
 - Programme funding will be removed from the LEP, with the intention that LEPs are integrated into the MCA.
- 2.6. More information on what is proposed on the future of the LEP in light of this LUWP is reported at **Item 8** on this agenda.
- 2.7. **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. It remains to be expected that there will continue to be some aspect of competitive bidding to some funding pots for MCAs, subject to a wider review which the Combined Authority will continue to feed into.

2.8. We continue to await the UKSPF allocation methodology and will update the LEP Board 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).

2.9. **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 areas: Local Leadership

2.10. Opportunities for West Yorkshire supported by the role of the LEP include:

2.11. Innovation:

- Although it is disappointing that WY has not been included as an Innovation Accelerator, involvement and conversations are being pursued to better understand roles and the important detail. This will build on the LCR Innovation Deal, and is likely that the opportunity for West Yorkshire is to be next in line as an area for an Innovation Accelerator.

2.12. 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.

3. Tackling the Climate Emergency Implications

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

4. Inclusive Growth Implications

- 4.6. The Levelling Up agenda should be consistent with our inclusive growth ambitions, but the amount of investment committed to through the White Paper falls short of what is required.

5. Equality and Diversity Implications

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

6. Financial Implications

- 6.6. There are no financial implications directly arising from this report.

7. Legal Implications

- 7.6. There are no legal implications directly arising from this report.

8. Staffing Implications

- 8.6. There are no staffing implications directly arising from this report.

9. External Consultees

- 9.6. No external consultations have been undertaken.

10. Recommendations

- 10.6. That the LEP Board note the content of the paper and the opportunities for West Yorkshire including the opportunity for West Yorkshire to be next in line as an area for an Innovation Accelerator as detailed in paragraph

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

Appendix 1 – 12 Missions