

levelling up – getting beyond the rhetoric

Robin Hambleton examines the government's 'levelling-up' policy and outlines two scenarios for the future

The Conservative government, elected in December 2019, promised to do two things: 'Get Brexit done', and 'Level up' the country. According to Ministers, Brexit is 'done' and 'levelling up' is now their top priority.

On 18 September 2021, Michael Gove, shortly after being appointed as the new Secretary of State at the now renamed Ministry of Housing, Communities and Local Government (MHCLG) – now the name plate says it is the Department for Levelling Up, Housing and Communities (DLUHC) – claimed that the levelling-up agenda had ascended to become 'the defining mission of this government'. In his speech to the Conservative Party Conference on 4 October 2021 he reiterated this theme, although policy substance remained lacking.

Leave aside whether Brexit is, in fact, 'done' (surely not) we can reasonably ask: 'What, exactly, does levelling up mean for the future of our country?' Recall that many commentators, including some Conservative MPs, have pointed out that 'levelling up' is a wholly vacuous concept.

A slogan in search of a policy?

Over the past two years Prime Minister Johnson – reflecting a well established pattern in his approach to national leadership – has prioritised slogans and flowery rhetoric at the expense of policy substance. For example, on 15 July 2021, he delivered what was billed as a 'flagship speech' on levelling up.¹ Given to an audience in Coventry this speech was a huge disappointment to those looking for substance. He failed to explain how he was going to address the problems of inequality and spatial economic imbalances that he had outlined, and spent time claiming, for example, that strong leadership was 'the ketchup of catch-up'. Respected think-tanks, including the Institute for Fiscal Studies, were not impressed, and said that it was time for deeds, not words.²

On 15 July 2021, shortly after the Prime Minister delivered his speech, Conservative MP Laura Farris attracted widespread media attention when she told the BBC, in an unintended Orwellian turn of phrase, that 'levelling up' is a phrase that 'means whatever anyone wants it to mean'. In a more scholarly vein, various think-tanks and many political commentators have pointed out that the government has completely failed to spell out what levelling up means; what the precise objectives of this policy are; how it will be delivered; and how the performance of action on this important policy will be measured.³

From a political point of view, it can be argued that policy ambiguity – deliberately avoiding being precise about policy aims – can have benefits. Far better, so the argument goes, for politicians to present themselves, in the vaguest way possible, as a party that is committed to helping 'left behind' areas.

The Cabinet reshuffle – an attempt to give momentum to levelling up?

It seems clear that during the summer of 2021 people around the Prime Minister realised that empty slogans could soon become vote-losers. Citizens across the country might notice that 'levelling up', however it was defined, was not, in practice, taking place. As a result, it was felt that steps needed to be taken to give the so-called 'levelling-up' agenda a bit of a boost – hence a White Paper was promised for the autumn, and is still to appear at the time of writing.

In advance of the publication of this White Paper we can record that, as noted earlier, the Cabinet reshuffle of September 2021 saw the appointment of Michael Gove, the only remaining Minister of the first coalition Cabinet of 2010 currently in government, to the position of Secretary of State at DLUHC. Mr Gove was also given the title of Minister for Intergovernmental Relations, with

responsibility for UK governance and elections and co-ordination with the devolved administrations. This suggests that the idea of 'uniting and levelling up every part of the UK' is now seen as a key part of the emerging Conservative strategy for the next general election.

Neil O'Brien, Parliamentary Under-Secretary of State at MHCLG, retains his role as the junior Minister responsible for the levelling-up agenda within the 'new' DLUHC. In addition, the former Bank of England Chief Economist, Andy Haldane, has been drafted into the Cabinet Office to head up the previously existing, but under-resourced, Levelling Up Taskforce. Mr Haldane was recently appointed as Chief Executive of the Royal Society of Arts (RSA), and his secondment for six months from the RSA is intended to provide assistance to the government.

What did the 2019 Conservative Party manifesto say about levelling up?

It is helpful to step away from the twists and turns of Westminster politics and look afresh at what the Conservatives promised in their manifesto for the December 2019 general election, which set out the two main aims of the levelling-up agenda as:

- *'in his first months as Prime Minister, Boris Johnson has set out an agenda for levelling up every part of the UK – not just investing in our great towns and cities, as well as rural and coastal areas, but giving them far more control of how that investment is made';* and
- *'In the 21st century, we need to get away from the idea that 'Whitehall knows best' [...] we as Conservatives believe you can and must trust people and communities to make the decisions that are right for them.'*⁴

Here, then, are the two linked facets to the declared Conservative Party policy for levelling up. First, the government says that it will invest in all areas in the UK to level up opportunities. If it really means this, it will have to direct major flows of resources to the areas that have the greatest needs – that is, the so-called 'left behind' areas. Second, the government has indicated that it will trust local people and communities to make decisions that are right for them. The logical outcome of such a commitment would be a significant devolution of power to localities. Two years on from the manifesto, the government has made little, or no, progress towards achieving either of these stated objectives.

To be credible, the levelling up White Paper will need to set out clear policies designed to deliver substantial change on both these fronts. In addition, it will need to provide precise details of how the success, or otherwise, of these policies will be measured.

Key tests that the levelling up White Paper needs to pass

Any effective approach to levelling up will require three related sets of policies – policies that:

- level up people;
- level up places; and
- level up power.

A convincing White Paper will set out clear policies on how to address these three closely intertwined dimensions of inequality at one and the same time.

Levelling up people

Taking levelling up people first, the starting point must be to recognise that the UK has become a remarkably unequal country. Moreover, inequality is getting worse by the day. There are many studies documenting this troubling trend, but here I mention just two.

In 2020 Sir Michael Marmot and colleagues shocked the nation when they revealed that, in the previous ten years, the health gap between wealthy and deprived areas had grown, that improvements in life expectancy had, after more than a century of improvement, stalled, and that, unbelievably, life expectancy for very poor women was actually in decline.⁵ Sir Michael explained that health inequalities had grown because ten years of public spending cuts had resulted in funding being taken away from the areas of greatest need.⁶

A recent study of life expectancy in English communities, carried out by researchers at Imperial College London, adds weight to the sobering analysis presented by Sir Michael. It found that, in the 2010-14 period, longevity began declining for women in one in 20 communities. This deterioration accelerated in the 2014-19 period, with life expectancy for women declining in almost one in five communities.⁷ The researchers noted that the regions and localities where life expectancy declines occurred often already had lower-than-average life expectancy. These areas were characterised by high levels of poverty and unemployment and low educational attainment.

In his speech to the Conservative Party Conference on 6 October 2021 Prime Minister Johnson did not refer to the spiralling rise in inequality between groups in society, still less to the decline in life expectancy for many poor people. Surprisingly, he did not mention the £20-a-week reduction in Universal Credit that came into force on the day he delivered his speech. According to the Joseph Rowntree Foundation, this cut is the biggest overnight reduction in the basic rate of social security since the foundation of the modern welfare state.⁸ By taking this step, the government plunged over 5 million families into poverty. This is, of course, the precise reverse of levelling up. Clearly any sound strategy to tackle inequality

must demonstrate how it will help, not punish, poor people.⁹

Levelling up places

Turning to our second dimension of inequality, given the startling variation in life chances between different localities it follows that a sound levelling-up strategy needs to have a strong spatial dimension. There are two reasons for this. First, the socio-economic dynamics of places vary, and it thus follows that the reasons why some localities have been 'left behind' also vary. Second, different places have different capacities for adapting and transforming their local economies and responding to the climate crisis.

While bold national leadership is essential, it is also clear that levelling-up policy must stem from place-based analysis and local leadership. Policies that are unable to respond constructively to the diversity of local circumstances are doomed to fail.

A new report from an independent group of planning practitioners and academics, hosted on the TCPA website, *Levelling Up: The Role of Planning*, makes an important contribution to this aspect of the levelling-up debate.¹⁰ It shows how strong approaches to place-based planning can contribute to tackling geographical inequality and current societal challenges in two main ways:

- by integrating policies relating to the improvement of wellbeing in a locality; and
- by strengthening the capacity of local communities to respond to social and economic problems, as well as the climate crisis.

The report explains how recent planning reforms, notably the extension of permitted development rights, are working directly against the levelling-up agenda. This is because these changes will destroy the ability of elected local authorities to plan their recovery from the COVID-19 pandemic and tackle climate change. The authors conclude that democratically accountable local planning needs to be strengthened, not weakened – and many leading planners, architects and urban designers are making the same argument.¹¹

Defenders of the government will claim that it has not neglected the geographical dimension of levelling up. They will point to the Towns Fund, announced in 2019, and the Levelling Up Fund, launched in 2021, and claim that these initiatives target needy areas. However, this is to misrepresent what has happened. The Towns Fund was designed to invest £3.8 billion, via so-called 'Town Deals', in over 100 towns in England.¹² Independent analysis of this scheme has shown that it is, in fact, a very large-scale and truly alarming example of pork barrel politics.¹³ Academic research carried out by Chris Hanretty of the University of London demonstrates, in detail, how Ministers in MHCLG took decisions that were

biased in favour of Conservative marginal seats. He states that:

'The findings call into question ministers' commitment, under the Nolan principle, to take decisions 'impartially, fairly and on merit, using the best evidence and without discrimination or bias'.'

When, in March 2021, he announced the Levelling Up Fund, Chancellor Rishi Sunak stated that the intention of the government was to invest £4.8 billion in 'high value local infrastructure'.¹⁴ In the prospectus he stated that the aim was to target 'ex-industrial areas, deprived towns and coastal communities'. In practice the government's funding methodology has, like the arrangements for allocating Towns Fund resources, come under fire because the allocations appear to be biased. For example, Rishi Sunak's own Richmondshire constituency receives funding from this scheme while areas with far higher levels of need have been given lower priority. Judges have agreed to allow a case to be brought by the Good Law Project. The High Court will decide, in the not too distant future, whether funds were unlawfully allocated to areas considered to be 'of political benefit to the Conservative party'.¹⁵

We may conclude that this is a wholly unsatisfactory state of affairs. The accumulating evidence suggests that the public resources provided via the Towns Fund and the Levelling Up Fund have been misdirected. The way that resources have been allocated signals a worrying collapse in the integrity and rectitude of decision-making at the heart of the UK government.

Levelling up power

The third dimension of levelling up – levelling up power relationships so that place-based communities really can influence what happens in their neighbourhoods, localities and cities – is the dimension that has received least attention from this government. This is because the Conservative Party has, over the years, shown no interest in devolving significant powers to elected local authorities and local communities. I have explained elsewhere how the super-centralisation of the English state has advanced in leaps and bounds in the period since 2010.¹⁶

Even during the years when George Osborne was Chancellor of the Exchequer (2010-2016), and notwithstanding his lofty rhetoric about devolution and frequent use of the 'Northern Powerhouse' slogan, elected local authorities in the UK were subject to truly devastating cuts in public expenditure. They gained no tax-raising power to enable them to do things differently – which is, of course, the key litmus test of any legitimate claim to devolution of power. There was, in short, no expansion in the fiscal power of local democracy vis-à-vis Whitehall

during this period. On the contrary, power was super-centralised in Whitehall through 'City Deals' and 'Devolution Deals' – mechanisms designed to ensure that Ministers' priorities could be imposed, in astonishing detail, on localities across the entire country. The Towns Fund and the Levelling Up Fund stem directly from this playbook.

It is important to record that this extraordinary process of super-centralisation is not happening in other Western democracies. Colleagues from overseas find it impossible to understand how the power of UK local government has been so weakened in recent years. In many other countries elected local authorities have constitutional protection from the imposition of power by an autocratic central state. They enjoy the political space to design and implement strategies suited to their areas – Denmark, Germany, Norway and Sweden spring to mind. In many European countries elected local leaders have the power to co-create solutions with local stakeholders, and the results – as measured by community wellbeing, quality of life and carbon reduction – are far more successful than the short-term policies being implemented in our super-centralised country.¹⁷

One of the main reasons why the Conservative Party is so averse to local democratic accountability is that Conservative MPs fear the emergence of what they see as rival place-based political leaders. Their concern is that democratically elected local mayors and other elected political leaders (Andy Burnham, Mayor of Greater Manchester, and other elected Labour Party politicians elsewhere in the country figure in their concerns) may become articulate advocates of an alternative vision for the future of the UK rather than one imposed, via Ministerial diktat, from Whitehall.

Here, then, is the central challenge for Michael Gove in his new role as Secretary of State. Does he really want to see a revitalisation of place-based civic purpose and local governance in England, which will require a massive shift in legal and fiscal power back to elected local authorities? Or does he believe that it is not, in fact, a good idea to deliver what the Conservative Party promised in its manifesto, when it said that it would 'trust people and communities to make decisions that are right for them'?

The way forward for levelling up: two scenarios

To prompt fresh thinking about the possibilities for 'levelling up' the UK, I offer two divergent scenarios – a gloomy scenario and an uplifting one.

Language trumps reality

This gloomy scenario draws insights from the perspicacious analysis of modern politics presented over 40 years ago by Murray Edelman, an influential American political scientist.¹⁸ Edelman, an expert in political psychology, was well ahead of his time in suggesting that it can be the *language* about

political events, rather than the events themselves, that everyone experiences. He explained that the language politicians use when they discuss issues can provide 'symbolic reassurance'. In this way policies that are demonstrably unsuccessful can have political viability.

This is, of course, the strategy used by many populist politicians across the world today. They strive to undermine and weaken other sources of understanding and authority in society – for example, locally elected councils, the courts, publicly funded broadcasters, universities, and even elected parliaments. These independent voices need to be hobbled so that the misleading narrative that populist leaders espouse can hold sway.

In this scenario the levelling-up strategy for the UK becomes a steady stream of eye-catching, but relatively inexpensive and insignificant infrastructure projects scattered across marginal constituencies. The aim would be to give the impression that something is being done. Meanwhile, the crushing inequality between people and places would continue, and could even get worse, and power would be further centralised at the heart of the autocratic state. Ultimately, as Paul Mason explains, populist strategies of this kind are likely to lead to a rise in fascism.¹⁹

A compelling strategy emerges

A more hopeful scenario is that the levelling up White Paper sets out detailed strategies on how to tackle the three dimensions of inequality set out in this article. As noted, policies are needed that level up people, level up places, and level up power. In this scenario (and to the surprise of many commentators), the analysis presented in the White Paper draws insights from societies that are already 'levelled up' and, by learning directly from these other countries, it proposes radical constitutional change, as well as a raft of new policies.

In my recent book, *Cities and Communities Beyond COVID-19*, I suggest that a wise strategy for the future of the UK should pick up on the values that have guided the wonderful community-based responses to the COVID-19 calamity – concern for others, working together, commitment to local communities, and a commitment to the co-creation of innovative solutions.²⁰

The core value that should guide any meaningful strategy for levelling up is caring for people and the planet. More than that, it is imperative that substantial power is devolved to elected local councils. The evidence from other countries is that empowering local leaders and communities to co-create plans and actions can lead to far better societal outcomes than the 'Whitehall knows best' style of government that now dominates politics in Britain.

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Notes

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