Local Trust trusting local people

Data briefing for St George's House consultation, 27-28 February 2023

Levelling up 'left behind' neighbourhoods

Published in February 2022, the Levelling Up White Paper (LUWP) sets out the government's plan to spread opportunity more equally across the UK. This briefing summarises the LUWP's policy programme and 12 missions across the four thematic objectives used by the All-Party Parliamentary Group for 'left behind' neighbourhoods' inquiry into levelling up. It also draws upon research conducted for the inquiry to provide further context.

The LUWP emphasises the importance of the six "capitals" to economic growth: **physical capital** (e.g. infrastructure and housing), human capital (e.g. skills and health), **intangible capital** (e.g. innovation and ideas) **financial capital** (e.g. business finance and resources), **social capital** (e.g. the strength of communities, relationships and trust), and **institutional capital** (e.g. local leadership, capacity and capability).

Places across the country that have an abundance of these capitals benefit from a virtuous circle, whereby they are positively reinforced by each other. In contrast, areas where these capitals are weak can fall into a downward spiral, a situation in which they are "unable to attract or retain talent, businesses are less likely to invest and innovate, civic institutions tend to lack capacity and capability, and pride in local communities is depleted."

The LUWP's four focus areas and missions are designed to increase the stock of these capitals and to begin to close the gap between the best and worst performing areas over the medium-term, by 2030. The APPG structured its inquiry into levelling up around these same objectives – aimed at improving economic, social, community and investment outcomes – to measure the current situation in 'left behind' neighbourhoods and to identify key issues on which the LUWP is silent or could contain more impactful proposals.

This briefing surveys the LUWP's focus areas and missions and the data we have for 'left behind' neighbourhoods in relation to them.

Economic outcomes

White Paper focus area: Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging

Mission 1: Living standards – foster a growing private sector to raise productivity, pay and living standards.

Mission 2: Research and development - boosting R&D spending, focusing on areas outside of the South East.

Mission 3: Transport infrastructure - improving transport connectivity outside London.

Mission 4: Digital connectivity - improving digital connectivity, including by rolling out high-speed gigabit-capable broadband.

This objective will see the development of and investment in all capitals, particularly physical and intangible capitals.



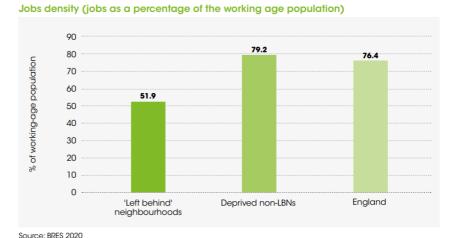




Key considerations for 'left behind' neighbourhoods²

Living standards

- A higher proportion of people in Local Authorities containing 'left behind' neighbourhoods (LA-LBNs) are paid below the Living Wage Foundation rate and all 225 LBNs have a lower proportion of people working in skilled employment, compared to the national average.
- LBNs have lower household income estimates than the national average, while there are notably fewer jobs located in the local area, compared to other deprived areas. All 225 LBNs have higher rates of worklessness than the national average.



Residents of LBNs are uniquely vulnerable to

the current cost-of-living crisis, with households showing the highest rates of financial, food and hardship vulnerability than other deprived areas and the average across England.³

People living in LBNs saw an 8.8% rise in fuel poverty between 2011 and 2020, compared to 2.3% across England as a whole. LBNs are often located in areas with a relatively high default tariff cap and have higher levels of pre-paid electricity meters.

Research and development

- LBNs are generally concentrated away from higher levels of R&D expenditure, with only 16% of LBNs located in the three regions with the highest expenditure.
- LBNs lag behind other deprived areas and the national average in terms of the presence of private sector businesses and net FDI earnings.

Transport infrastructure

- 84% of LBNs have worse overall connectivity than the English average and 57% are more disconnected than other deprived areas. 50% of all railway stations in LBNs were closed by the Beeching cuts in the 1960s.
- Communities in LBNs are more dependent on bus services, with 13% more bus journeys per head made in 2019/20.
- People in LBNs must travel an average 2km further to an A&E and 34% of LBNs have further travel times by public transport to a hospital than the English average.
- Further analysis of transport infrastructure in 'left behind' neighbourhoods shows people living in LBNs are more likely to depend on private transport to access employment, with two-thirds of employees travelling to work in cars, compared to 58.8% in other deprived areas and 62.9% across England.

² The following data is taken from OCSI research supporting the inquiry: 'Left behind' neighbourhoods: Performance on the 12 Levelling Up Missions, Missions 1-4: Boost productivity, pay, jobs and living standards (PDF), 2022 and APPG for 'left behind' neighbourhoods and the Campaign for Better Transport, Connecting Communities: improving transport to aet 'left behind' neighbourhoods back on track (PDF), March 2021.

3 OCSI, Financial vulnerability in 'left behind' neighbourhoods (PDF), 2022.

- Less than half as many jobs within one hour travel time by public transport exist in LBNs
 compared to the average across other deprived areas and England as a whole, which is linked
 to a lack of available jobs and a lack of transport provision in these areas.
- The difficulty of travelling to work for people in LBNs is compounded by low car ownership levels, 39.7% of households don't own a car, compared to the English average of 25.8%

Average number of jobs available by public transport/walking	LBN	Deprived non-LBN	England
Average jobs within 15 minutes travel time	3,306	7,388	5,957
Average jobs within 30 minutes travel time	24,275	47,946	44,968
Average jobs within 60 minutes travel time	215,287	481,547	518,470
Average jobs within 90 minutes travel time	705,169	1,203,942	1,427,064

Source: UK Onward 2021

Digital connectivity

- The relatively urban location of most LBNs means that broadband speeds and infrastructure are generally on par, if not more advanced than the rest of England
- However, a different picture emerges when digital exclusion is considered alongside digital
 connectivity, with 96% of LBNs ranking higher than the national average on the Digital Exclusion
 Index, which combines information on broadband speed with additional information on internet
 use and digital literacy.

		Deprived non-LBNs	England
Digital Exclusion Index rank	33,049	29,304	19,682

Note: The Digital Exclusion Index brings together information on broadband speed, buying online, managing online current accounts, mobile phone ownership, internet usage and people reacting to the statement "computers confuse me, I will never get used to them". A higher rank on this measure indicates a greater risk of digital exclusion.

Social outcomes

White Paper focus area: Spread opportunities and improve public services, especially in those places where they are weakest

Mission 5: Education – improve literacy and numeracy among primary school children. Create new 'Education Investment Areas'.

Mission 6: Skills – focus on improving skills, including of those in the workforce. Introduction of Local Skills Improvement Plans.

Mission 7: Health – reduce health disparities and increase healthy life expectancy across the UK, accompanied by two further white papers on food strategy and health inequalities to be published in 2022. The Government confirmed in early 2023 that it no longer plans to publish a health inequalities White Paper.⁴

Mission 8: Wellbeing - measured using survey data from the ONS, the "overarching objective" for levelling up is for improved wellbeing and the gap across local areas to close.

This objective is closely linked to the development and investment in human capital, as "improving people's health, education, skills and employment prospects will ensure that everyone, wherever they live, has the opportunity to live fulfilling, healthy and productive lives." ⁵

⁴ UK Parliament, Written Question for Department of Health and Social Care, 2023.

⁵ LUWP, p. 186

Key considerations for 'left behind' neighbourhoods⁶

Education

- Pupils living in Local Authorities containing LBNs (LA-LBNs) perform consistently less well than
 those in Local Authorities containing wards with similar levels of socio-economic deprivation,
 and the average across England across all key educational milestones.
- Pupils in LA-LBNs are less likely to meet the expected standard in reading, writing and maths at Key Stage 2 (63.5%) than those in LA-other deprived areas (64.2%) or England as a whole (65.4%). They are also less likely to attend a school rated good or outstanding by Ofsted.
- Pupils living in LBNs are more likely to be persistently absent than across benchmark areas, with 6.9% of pupils

9.4 9.7 10.7 Percentage of pupils reaching a higher standard in Reading, Writing and Maths Total number of pupils reaching the expected standard 71.6 72.3 73.8 in Reading test 103.9 104.5 Average scaled score (Reading test) 104.1 -0.058 0.011 0.03 Average progress score for Reading Percentage of pupils reaching the expected standard 77.5 77.9 78.6 in grammar, punctuation and spelling test Average scaled score (grammar, punctuation and 106.1 106.2 106.4 spelling test) Percentage of pupils reaching the expected standard 77.9 78.5 79.2

Performance of primary school pupils on selected Key Stage 2 indicators

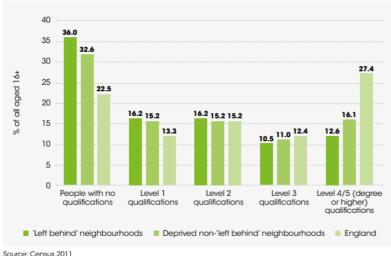
in Maths test 104.7 104.9 105.1 Average scaled score (Maths test) Average progress score for Maths 0.14 0.172 0.038 Percentage of pupils reaching the expected standard 77.9 78.2 in Writing Teacher Assessment Average progress score for Writing 0.162 0.152 0.032 Percentage of pupils working at the expected standard 81.8 82.3 83.4 in Science Teacher Assessment

Source: Department for Education 2019

engaged in persistent absence, compared with 6.5% in other deprived areas and 4.6% in England as a whole.

Skills





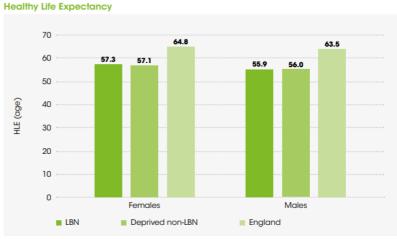
- People living in Local Authorities containing LBNs have a lower likelihood of holding key further education and skills (FES) qualifications than the national average. LBNs have lower provision of employment-based training and skills, though there is a higher rate of take-up of apprenticeships. LBNs have higher skills gaps, with fewer people holding qualifications to at least level 3 (23.1%) compared to other deprived neighbourhoods (27.1%) and the English average (39.8%).
- A lower proportion of people in LBNs hold professional qualifications (6.7%) compared with 7.5% in deprived areas and the English average of 14.1%. This reflects the relative lack of high skilled employment opportunities in such areas.
- LBNs experience lower participation in higher education, with 26.3% of young adults progressing
 to university compared to 33% in other deprived areas and 40% nationally.
 Health

⁶ The following data is taken from OCSI research supporting the inquiry, 'Left behind neighbourhoods': Performance on the 12 Levelling Up Missions, <u>Missions 5-8: Spreading opportunity and improving public services (PDF), 2022.</u>

- Men in 'left behind' neighbourhoods live 3.7 years and women 3 years fewer than the national average. People in these neighbourhoods can both expect to live 7.5 fewer years in good health than their counterparts in the rest of England.
- A higher prevalence of key health conditions including cancer and conditions associated with cardiovascular diseases (including high blood pressure, diabetes, coronary heart disease, COPD and strokes) in these areas than across other deprived areas and England as a whole
- Higher levels of risk factors including higher prevalence of adults smoking and lower levels of physical activity than across other deprived areas and England as a whole
- Local Authorities containing 'left behind' neighbourhoods experience higher mortality rates from causes considered preventable – 30.7 per 100,000 than across similarly deprived Local Authorities (29.1) and England (28.1)

Wellbeing

 Local Authorities containing 'left behind' neighbourhoods generally perform worse than the national average on key measures of wellbeing. The most notable gap is in terms of levels of life satisfaction, with those in LA-LBNs scoring an



Source: Office for National Statistics (ONS) 2009-2013

average of 7.49, compared with an average of 7.57 across England as a whole.

- Both LBNs and Deprived non-LBNs perform less well than the national average on the majority of social connectedness measures. However, there is no clear evidence that LBNs perform notably worse than Deprived non-LBNs.
- 215 out of 225 LBNs see greater mental health challenges compared to the national average
- LBNs perform poorly relative to deprived non-LBNs on all key measures relating to green space, with a lower density of green assets (272.9 compared with 366.1), a lower number of parks and gardens (an average of 4.6 in a 1km radius), lower areas of recreational green space (5.8%) compared with 5.8% and 8.7% respectively in other deprived areas, and a lower density of green assets than the England average.

Community outcomes

White Paper focus area: Restore a sense of community, local pride and belonging, especially in those places where they have been lost

Mission 9: Pride in place - includes policies to support regeneration, communities, green spaces and cultural activities. The aim is to create stronger and more cohesive communities.

Mission 10: Housing - increase home ownership and improve housing quality.

Mission 11: Crime - create safer neighbourhoods, focusing on the worst affected areas.

This objective will see development and investment across institutional, social, human and physical capitals.

Key considerations in 'left behind' neighbourhoods⁷

Pride in place

- More than half of all LBNs (129 out of 225 57.3%) have no community-owned assets.
- LBNs perform less well than across other deprived areas and England as a whole across all of the key measures in the Community Life Survey relating to participation and engagement in their local neighbourhood.
- 9.1% of people in LBNs are dissatisfied with their local area as a place to live, slightly below the average across other deprived areas (9.7%) but above the average across England (6.9%).

Local authorities containing 'left behind' neighbourhoods (LA-LBNs) have a slightly higher

incidence of flytipping (23.0) than other deprived areas (22.8), and a higher rate than across England as a whole (20.2).

Engagement and participation indicators	LBN	Other deprived areas	England
Not taken part in a consultation about local services or issues in your local area	87.1	86	82.7
Not a member of a local decision making group	93.9	93.4	91.9
Not been personally involved in helping out with local issue/activity	86.7	86	82.8
Not taken part in community groups clubs or organisations	21	20.2	16.6
Taking part in any civic engagement	37.7	39.3	43.2
Engaged in formal or informal volunteering in the last month	60.9	61.9	66.1
Can influence decisions affecting the local area	27.6	30.2	31.3

LBNs have a considerably

lower concentration of community-owned assets (8.3 per 100,000) than across Deprived non-LBNs (13.9) and England as a whole (18.1). This reflects the general lack of civic assets in LBNs relative to other deprived areas.

Housing

- A lower proportion of housing in LBNs is in poor condition. This is likely to be linked to the age of
 the properties in LBNs, with a notably lower proportion of dwellings that are more than 100 years
 old and a lower proportion of households in the private rented sector where a relatively high
 proportion of substandard housing is located.⁸
- However, there is a high degree of variation of housing quality within LBNs, with those in some coastal communities, where the housing stock is typically older and smaller, more likely to live in poor quality accommodation with lower levels of thermal comfort and higher levels of overcrowding.
- It is reasonable to expect those living in LBNs face greater barriers to becoming first-time buyers: findings from the English Housing Survey suggest that those in the lowest income bands are least likely to become first time buyers only 3.4% of people in the lowest income quintile are first time buyers. People living in LBNs are more likely to fall within this quintile (with 224 of 225 LBNs (99.6%) having lower annual household incomes than the England average).
- Residents in LBNs have greater difficulties accessing affordable private rented accommodation than the national average.

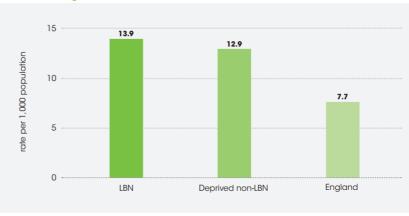
⁷ The following data is taken from OCSI research supporting the inquiry, 'Left behind neighbourhoods': Performance on the 12 Levelling Up Missions, <u>Missions 9-11: Restoring a sense of community, local pride and belonging (PDF)</u>, 2022

⁸ 27% of dwellings in the private rented sector failed the decent home standard compared with an average of 20% of all dwellings. Source: English Housing Survey 2016 (PDF)

⁹ English Housing Survey, full household sample 2019/20

Crime

- LBNs have a lower overall crime rate (125 recorded offences per 1,000 people) than other deprived areas
 Criminal damage offences
 - deprived areas (149.6) but above the national average (94.3).
- Crime deprivation is widespread across LBNs, with 219 out of 225 LBNs (97.3%) ranked as more deprived than the national average on the IoD 2019 crime domain. However, LBNs face similar



Source: Police UK (Police recorded crime figures) June-2021 to May-2022

challenges around crime compared to other deprived areas, ranking as slightly less deprived on the Indices of Deprivation 2019 Crime Domain (6,692, compared to 6,538 in other deprived areas and 16,326 nationally).

- LBNs have a lower overall crime rate (125 recorded offences per 1,000 people) than other deprived areas (149.6) but above the national average (94.3).
- LBNs have particularly high levels of criminal damage (13.9 per 1,000 people), compared with other deprived areas (12.9) and England as a whole (7.7). This is likely to be associated with community needs challenges including lower levels of civic engagement and a lack of connection with their local areas.

Local leadership and investment outcomes

Levelling up focus area: Empower local leaders and communities, especially in those places lacking local agency

Mission 12: Local leadership – devolution deals and long-term funding settlements. Local growth funds, such as the Levelling Up Fund and the UK Shared Prosperity Fund, to provide funding to improve local areas.

This objective will see development and investment in the institutional capital required for places to develop long-term solutions that work for their communities.

Key considerations in 'left behind' neighbourhoods¹⁰

Local leadership

- 63.27% of people living in LA-LBNs are subject to an existing devolution deal, compared to the average across other deprived areas of 62.25% and the England average of 44.17%.
- LA-LBNs have a lower concentration of neighbourhood plans (3.04 per 100,000 population) compared to other deprived areas (3.34 per 100,000) and England as a whole (5.19 per 100,000).

¹⁰ The following data is taken from OCSI research supporting the inquiry: 'Left behind neighbourhoods': Performance on the 12 Levelling Up Missions, <u>Mission 12: Empower local leaders and communities, especially in those places lacking local agency</u> (PDF), 2022.

- LBNs have a lower average voter turnout in the most recent local elections (36.05%) compared to other deprived areas (39.16%) and England (46.71%).
- LBNs perform less well than other deprived areas and across England on all of the key measures relating to local democratic engagement and participation in the Community Life Survey.
- OCSI research shows that households in LA-LBNs received slightly lower levels of government funding per household than the England average in 2021 and 2022 (£2123.70 and £2129.65 respectively) despite higher overall socio-economic needs. Moreover, LA-LBNs saw considerably lower funding than across other deprived areas.
- Recent research by Local Trust into UK Shared Prosperity Fund allocations indicates that funds may not be reaching the most 'left behind' neighbourhoods. All areas of the UK received funding through a "conditional allocation skewed to need" yet LA-LBNs such as Tendring, in Essex containing eight wards classified as 'left behind', and Thanet, in Kent containing five 'left behind' neighbourhoods, both received allocations under £1.2m.¹¹

¹¹ Department for Levelling Up, Housing and Communities, <u>UKSPF allocations</u>, August 2022