



Levelling Up the United Kingdom Executive Summary

# **Executive summary**

The United Kingdom is an unparalleled success story

Levelling up means giving everyone the opportunity to flourish

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### (from the White Paper "Levelling Up the United Kingdom")

The United Kingdom is an unparalleled success story – a multi-cultural, multi-national, multi-ethnic state with the world's best broadcaster; a vibrantly creative arts sector; a National Health Service which guarantees care for every citizen; charities and voluntary groups which perform a million acts of kindness daily; globally renowned scientists extending the boundaries of knowledge every year; entrepreneurs developing the products and services which bring joy and jobs to so many; and millions of citizens whose kindness and compassion has been so powerfully displayed during the COVID-19 pandemic.

But not everyone shares equally in the UK's success. While talent is spread equally across our country, opportunity is not. Levelling up is a mission to challenge, and change, that unfairness. Levelling up means giving everyone the opportunity to flourish. It means people everywhere living longer and more fulfilling lives, and benefitting from sustained rises in living standards and well-being.

This requires us to end the geographical inequality which is such a striking feature of the UK. It needs to begin by improving economic dynamism and innovation to drive growth across the whole country, unleashing the power of the private sector to unlock jobs and opportunity for all. While there are world-leading and enterprising businesses and innovators right across the UK, economic growth and the higher productivity which drives it has been over-concentrated in specific areas, particularly the South East of England. A long tail of low-productivity businesses and places explain why UK productivity growth is too low compared to competitors.

It is vital that we preserve and enhance the economic, academic and cultural success stories of the UK's most productive counties, towns and cities. But it is equally critical that we improve productivity, boost economic growth, encourage innovation, create good jobs, enhance educational attainment and renovate the social and cultural fabric of those parts of the UK that have stalled and not – so far – shared equally in our nation's success.

The UK Government has made progress towards spreading opportunity around the country since 2019, alongside mitigating the worst effects of the pandemic, with:

- £5bn for Project Gigabit to bring gigabit-capable broadband to 85% of the UK by 2025, and the £1bn Shared Rural Network deal with mobile operators delivering 4G coverage to 95% of the UK by the end of 2025;
- five-year consolidated transport settlements amounting to £5.7bn in eight city regions outside London, £5bn of funding for buses and active travel over this Parliament; and £96bn for the Integrated Rail Plan delivering faster, more frequent and more reliable journeys across the North of England and the Midlands;

- a new schools funding formula in England ending the previous postcode lottery, and an extra £4bn for schools in England next year, rising to £4.7bn in 2024-25
- investment of £3.8bn in skills planned by 2024-25 and a Lifetime Skills Guarantee in England, enabling 11m adults to gain an A Level or equivalent qualification for free, as well as a new UK-wide adult numeracy programme and skills bootcamps;
- £23.3bn extra for the NHS in England over the 2021 Spending Review (SR21) period, a commitment to build 40 new hospitals by 2030 and an ambition to deliver 50,000 more nurses;
- a lower Universal Credit taper rate down from 63% to 55% and a higher National Living Wage, making work pay for millions of people, and letting them keep more of what they earn;
- 20,000 more police officers on our streets by 2023 and a £70m Safer Streets Fund to improve the environment and cut offending in high-crime areas;
- control of our immigration system by ending free movement and introducing a new points-based immigration system, giving the UK the freedom to decide who comes to our country based on the skills people have to offer;
- £1.49bn in City and Growth Deals in every part of Scotland, £791m across Wales and £617m for deals covering the whole of Northern Ireland;
- eight innovative Freeports bringing jobs, investment and prosperity across England with a commitment to deliver more Freeports in each of Scotland, Wales and Northern Ireland;
- 101 towns across England receiving £2.4bn from the Towns Fund to unleash their economic potential, and the £830m Future High Streets Fund regenerating 72 towns and high streets and helping them recover from the pandemic;
- a £2bn Culture Recovery Fund helping museums, theatres, cinemas and heritage organisations survive the pandemic;
- £4.8bn infrastructure investment in towns across the UK via the Levelling Up Fund;
- a £150m Community Ownership Fund, giving people across the UK the chance to become owners of their local pubs or football grounds;
- £26bn of public capital investment for the green industrial revolution and transition to Net Zero; and
- the movement of UK Government functions and civil servants out of Whitehall, ensuring levelling up is not directed from London, creating local jobs and taking decision-making closer to the communities the Government serves, including HM Treasury to Darlington, the Cabinet Office to Glasgow, the Foreign, Commonwealth and Development Office (FCDO) to East Kilbride and the Department for Levelling Up, Housing and Communities (DLUHC) to Wolverhampton.

This paper sets out the next stages in this programme to level up the UK. This programme has to be broad, deep and long-term. It has to be rooted in evidence demonstrating that a mix of factors is needed to transform places and boost local growth: strong innovation and a climate conducive to private sector investment, better skills, improved transport systems, greater access to culture, stronger pride in place, deeper trust, greater safety and more resilient institutions.

History illustrates what is possible by following this path. The Renaissance flourished in Italian city states that combined innovation in finance with technological breakthroughs, the cultivation of learning, ground-breaking artistic endeavour, a beautiful built environment and strong civic leadership. And the first Industrial Revolution in Britain came about through the interplay of innovative financial instruments, sharper rewards for enterprise, new institutions of learning, improvements in transportation and rivalrous emulation between local leaders and entrepreneurs. Those same concerted forces are needed to drive productivity, innovation and growth across the UK today.

This contemporary Medici model, our twenty-first century recipe for a new Industrial Revolution, depends on harnessing an array of interventions and catalysing a range of sectors. Levelling up will require us to:

- a. boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging;
- b. spread opportunities and improve public services, especially in those places where they are weakest;
- c. restore a sense of community, local pride and belonging, especially in those places where they have been lost; and
- d. empower local leaders and communities, especially in those places lacking local agency.

Levelling up is not about making every part of the UK the same, or pitting one part of the country against another. Nor does it mean dampening down the success of more prosperous areas. Indeed, by extending opportunity across the UK we can relieve pressures on public services, housing and green fields in the South East. And levelling up can improve well-being in the South East by improving productivity in the North and Midlands.

So, it is about the success of the whole country: realising the potential of every place and every person across the UK, building on their unique strengths, spreading opportunities for individuals and businesses, and celebrating every single city, town and village's culture. This will make the economy stronger, more equal and more resilient, and lengthen and improve people's lives.

The economic prize from levelling up is potentially enormous. If underperforming places were levelled up towards the UK average, unlocking their potential, this could boost aggregate UK GDP by tens of billions of pounds each year. Levelling up skills, health, education and wellbeing would deliver similarly-sized benefits. Accumulated over time, those gains could easily surpass annual UK GDP. Success in levelling up is about growing the economic pie, everywhere and for everyone, not re-slicing it.

This programme has to be broad, deep and long-term



# The United Kingdom's Geographical Disparities: Drivers and Potential Policy Approaches

# What does the economic and social geography of the United Kingdom look like?

The UK has larger geographical differences than many other developed countries on multiple measures, including productivity, pay, educational attainment and health. Urban areas and coastal towns suffer disproportionately from crime, while places with particularly high levels of deprivation, such as former mining communities, outlying urban estates and seaside towns have the highest levels of community need and poor opportunities for the people who grow up there.

These disparities are often larger within towns, counties or regions than between them. They are hyper-local and pockets of affluence and deprivation may exist in the same district. Indeed, many of the worst areas of deprivation are found in the UK's most successful cities. While change is possible, in some cases, these differences have persisted for much of the last century. And some of the UK's most successful cities – such as Birmingham, Manchester, Leeds, Glasgow and Cardiff – lag behind their international comparators when it comes to productivity and incomes.

#### What are the current and future drivers of geographical disparities?

Over the past century, many trends have combined to create the spatial patterns seen across the UK today. Globalisation, technological progress, advances in transport, logistics and power, and the shift from heavy industry to knowledge-intensive sectors, as well as the rise of foreign holidays and shift from technical training to university education, have had a large and lasting impact on the economic geography of the UK.

These dynamics of the global economy have benefited the UK overall, improving productivity, increasing wealth and driving up living standards through more innovation and competition. These dynamics, however, have not had the same positive economic and social impacts across the UK. While London and much of the South East have benefited economically, former industrial centres and many coastal communities have suffered. This has left deep and lasting scars in many of these places, damaging skills, jobs, innovation, pride in place, health and wellbeing.

### What are the factors that will help drive levelling up?

Levelling up requires a focused, long-term plan of action and a clear framework to identify and act upon the drivers of spatial disparity. Evidence from a range of disciplines tells us these drivers can be encapsulated in six "capitals".

- Physical capital infrastructure, machines and housing.
- **Human capital** the skills, health and experience of the workforce.
- Intangible capital innovation, ideas and patents.
- **Financial capital** resources supporting the financing of companies.
- **Social capital** the strength of communities, relationships and trust.

• Institutional capital – local leadership, capacity and capability.

The six capitals in this framework are individually important. But their real significance comes in combination, when they act in a mutually reinforcing fashion as in Renaissance Italy or in the UK at the time of the Industrial Revolution. The sum of these factors is then greater than its individual parts, a process known as agglomeration.

Places with rich endowments of all six capitals benefit from a virtuous circle of agglomeration. They are home to skilled people with high quality jobs and have access to outstanding schools and globally-competitive universities. They have good roads, trains and fast internet. Residents live in fine housing. Funding is available for local businesses to invest and innovate, and communities are bound together by good relationships and a strong sense of belonging. Local leaders are able to build on these foundations to deliver improvements for their local community.

By contrast, where endowments of these capitals are weak or depleted, places 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. This vicious and self-reinforcing cycle in some places has seen a depletion of skills, businesses, finance and culture, with communities and town centres declining for decades. These cumulative forces – in some places positive, in others negative – have widened geographical disparities in the UK over time. Without policy action, they will continue to do so.

Levelling up is about aspiring for every place in the UK to have a rich endowment of all six capitals, so that people do not have to leave their community to live a good life. It means taking action to replenish the capitals where they are weak or depleted, transforming vicious circles into virtuous ones. With opportunity spread more equally across the UK, people in places that were once struggling would then fulfil their potential, living longer, healthier and happier lives. With each part of the UK achieving its potential, the economy as a whole would be both larger and more equal.

## System Change: A New Policy Regime for Levelling Up

There has been no shortage of attempts to tackle geographical disparities in the UK over the past century. These have been insufficient to close the widening gaps. That is because these efforts have tended to be short-term, lacked scale and coordination, and were hamstrung by a lack of data and effective oversight. Local leaders have also lacked the powers and accountabilities to design and deliver effective policies for tackling local problems and supporting local people. The direction of travel since 2010 has been towards greater local empowerment – with the introduction of the Localism Act, Police and Crime Commissioners, City Deals and democratically elected metro mayors. But a renewed and coordinated focus is now needed to take this forward. Learning lessons from the past, a new policy regime is needed to reverse these embedded historical trends. At root, that is about creating the right *information, incentives* and *institutions* to deliver profound changes to how decisions are made, where they are made and who makes them. System change is not about a string of shiny, but ultimately short-lived, new policy initiatives. It is about root and branch reform of government and governance of the UK. It is about putting power in local hands, armed with the right information and embedded in strong civic institutions.

This new policy regime is based on five mutually reinforcing pillars.

**First, the UK Government is setting clear and ambitious medium-term missions** to provide consistency and clarity over levelling up policy objectives. These will serve as an anchor for policy across government, as well as catalysing innovation and action by the private and civil society sectors. These missions are ambitions that the UK Government has for all parts of the UK. Delivering on them, while being fully respectful of the devolution settlements, will require close and collaborative work with the devolved administrations. The missions are rolling decade-long endeavours and will be reviewed periodically by the UK Government.

Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging		
	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.	
	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.	
	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.	
Digital Connectivity	By 2030, the UK will have nationwide gigabit-capable broadband and 4G coverage, with 5G coverage for the majority of the population.	

The UK Government is setting clear and ambitious medium-term missions

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Levelling Up Missions	
Focus Area	Mission
Spread opportunities and improve public services, especially in those places where they are weakest	
Education	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.
Skills	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.
Health	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.
Well-being	By 2030, well-being will have improved in every area of the UK, with the gap between top performing and other areas closing.
Restore a sense of community, local pride and belonging, especially in those places where they have been lost	
Pride in Place	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.
Housing	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. <sup>1</sup>
Crime	By 2030, homicide, serious violence and neighbourhood crime will have fallen, focused on the worst affected areas.
Empower local leaders and communities, especially in those places lacking local agency	
Local Leadership	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.

<sup>1</sup> Government will consult on the impact on the private rented market and particularly those on the lowest incomes. Further detail will be set out once the review of the Decent Homes Standard has concluded.

#### Second, central government decision-making will be fundamentally

**reoriented** to align policies with the levelling up agenda and hardwire spatial considerations across Whitehall. This will require greater transparency around the geographic allocation of funding and simplification of local growth funding. It will mean running levelling up through central government decision-making as a golden thread for which departments are held accountable. And it will mean extra resources being deployed to local areas, including moving 22,000 civil servants out of London by 2030.

**Third, the UK Government will empower decision-makers in local areas** by providing leaders and businesses with the tools they need. A new framework will extend, deepen and simplify local devolution in England. Ongoing support will be provided to existing City and Growth deal areas in Scotland, Wales and Northern Ireland, pan-regional partnerships like the Northern Powerhouse and Midlands Engine, and local private sector initiatives. The UK Government will support existing and embryonic private sector clusters of economic activity, which exist in all parts of the UK and are the wellspring of new innovation and job creation.

Fourth, the UK Government will transform its approach to data and

**evaluation** to improve local decision-making. In the past, it has been difficult to see what is being spent, where and how it is being spent, and its impact. The Office for National Statistics' Subnational Data Strategy aims to improve the UK's subnational data, mapping local economic geographies and helping improve transparency and accountability to the public. The UK Government is making available interactive tools and maps to facilitate this process. It will also encourage innovative uses of real-time data at the local level, giving leaders across the UK the information they need to deliver, experiment and evaluate swiftly and effectively.

#### Fifth, the UK Government will create a new regime to oversee its levelling

**up missions**, establishing a statutory duty to publish an annual report analysing progress and a new external Levelling Up Advisory Council. The Council will support Ministers by advising on the design, delivery and impact of levelling up policy. The annual report will update the public on progress against the missions so that levelling up is subject to rigorous external scrutiny, including by Parliament.

Over time, these five pillars acting in combination will improve the information and incentives facing decision-makers locally and nationally, and strengthen the institutions driving local transformation. And it is those shifts in the system of governance and government across the UK that will anchor success in meeting the medium-term levelling up missions.

#### How will levelling up be delivered across the Union?

Levelling up can only succeed as a shared national project. The six capitals – physical, human, intangible, financial, social and institutional – straddle areas of responsibility and tiers of government across the UK. The capitals are interdependent and success will only be achieved if each of them is thriving in a given place. For example, the UK Government can use its collective economic might to attract investment and job creation, but education outcomes,

Central government decisionmaking will be fundamentally reoriented to align policies with the levelling up agenda

delivered by devolved administrations, are crucial to developing a workforce able to take advantage of these opportunities.

Devolution settlements in Scotland, Wales and Northern Ireland recognise that devolved governments are best placed to deliver certain services, like health and education. But outcomes are a shared interest for the whole of the UK. Our broad UK-wide tax base already funds public services across the UK, ensuring for example that the NHS can deliver for people whether in Scotland, Wales, England or Northern Ireland. In practice, this means all layers of government need to come together with a common purpose. The UK Government is committed to facilitating collaboration and engagement with the devolved governments and stakeholders in Scotland, Wales and Northern Ireland.

# The Policy Programme: Policy Initiatives to Level Up the United Kingdom

Achieving the ambitious medium-term missions will require a new model of economic growth, public and private investment, a business friendly environment, incentives for inward investment and a high skill, high wage labour market.

The time horizon for our missions is 2030. But we also recognise that certain communities and people need greater support in the more immediate term. The policies set out here will begin to have visible effects, on high streets and in local communities, in the next few years.

# Boosting productivity, pay, jobs and living standards by growing the private sector

A well-functioning and productive economy in every part of the UK is essential to levelling up. By 2030, the UK Government wants to ensure that pay, employment and productivity has risen in every area of the UK, with the gap between the top performing and other areas closing (Mission One).

That means supporting the private sector – the real engine of wealth creation – to invest more, grow more and take more risks. As well as developing a more flexible and better regulatory model for business outside the EU, we will also reform outdated EU rules restricting investment from pension funds and others so we can see more money flow into long-term capital assets.

And also, outside the EU, the UK is putting competitive advantage in science and technology at the heart of a new economic model. A series of new Research and Development (R&D) investments will strengthen our science base across the country. The increase in public R&D investment to £20bn by 2024-25 and the target for total UK R&D investment to reach 2.4% of GDP by 2027 must see every region of the UK experience an uplift in investment. The **Department for Business, Energy and Industrial Strategy (BEIS) will aim to invest at least 55% of its total domestic R&D funding outside the Greater South East by 2024-25**; the Department of Health and Social Care (DHSC) will increase National Institute for Health Research investment outside London, Oxford and Cambridge; and the Ministry of Defence (MoD) will expand the regional footprint of the Defence Science & Technology Laboratory (Dstl). These will contribute towards our ambition to increase total domestic public

The UK government wants to ensure that pay, employment and productivity have risen in every area of the UK R&D investment outside the Greater South East by at least a third over the Spending Review period and at least 40% by 2030, with that additional government funding seeking to leverage at least twice as much private sector investment over the long-term to stimulate innovation and productivity growth (Mission Two).

In addition, the UK Government will target **£100m of investment in three new Innovation Accelerators**, private-public-academic partnerships which will aim to replicate the Stanford-Silicon Valley and MIT-Greater Boston models of clustering research excellence and its direct adoption by allied industries. These pilots will be centred on Greater Manchester, the West Midlands and Glasgow City-Region. These new clusters will be our Fourth Industrial Revolution Foundries, leveraging our global lead in scientific research.

We must support high-growth businesses and reverse the historic decline in manufacturing in the UK with more of the sort of innovation which characterises economies such as South Korea and Israel. The new Britishvolt gigafactory in Blyth, the investment by GE to establish a new wind turbine blade manufacturing centre at Teesworks in Redcar, the renewed commitment by Nissan and Envision to manufacture electric vehicles in Sunderland, and the new hydrogen buses being built in Ballymena, which are already on the streets of Aberdeen, are all examples of green manufacturing innovation bringing high-skill and high-wage jobs to areas which have faced economic headwinds in the past.

So we must also spread financial capital and investment to the places, projects and people that need it most. The £3bn the UK Government is investing in the **next generation of British Business Bank Regional Investment Funds** and the new **Global Britain Investment Fund** will improve access to finance for SMEs and increase globally mobile investment across the UK. This builds on progress made to support local banking, through more challenger banks and mutuals.

Levelling up requires mobilising previously underutilised sources of capital. That is why we're using the tax system to incentivise private sector investment, through Freeports, Enterprise Zones and the Super-deduction. It is also why the Prime Minister and Chancellor have called on the UK's institutional investors to seize the moment for an "Investment Big Bang" to boost Britain's long-term growth. The UK Government will go further and work with Local Government Pension Funds to publish plans for increasing local investment, including setting an ambition of up to 5% of assets invested in projects which support local areas.

Outside the EU, we will harness the power of public procurement to support communities, moving away from the complex EU rules-based approach that was designed first and foremost to facilitate the EU Single Market, and adopting instead a new simplified approach that prioritises growth and productivity in the UK. We have already introduced a policy which allows smaller contracts to be reserved for UK suppliers and will legislate to put social value at the heart of government spending – weaving a thread of social improvement and civic responsibility through the UK Government's £300bn annual expenditure on procurement.

Cities, towns and communities must be physically and digitally connected if they are to thrive. We want transport networks in all our major urban centres These new clusters will be our Fourth Industrial Revolution Foundries

to be significantly closer to the standard of London. We will implement the £96bn Integrated Rail Plan, improving the rail network in the North and Midlands, and invest £24bn in our busiest roads and motorways, £5.7bn in City Region Sustainable Transport Settlements and £5bn for buses, cycling and walking networks. Together, this will bring local public transport connectivity across the country closer to London's standards (Mission Three).

We will enhance digital connectivity through Project Gigabit and the Shared Rural Network so that by 2030, the UK Government and private sector will deliver nationwide gigabit-capable broadband and 4G coverage, with 5G coverage for the majority of the population (Mission Four).

To help address the disparities of low pay seen in areas across the country, the UK Government will continue to increase the National Living Wage. Meanwhile, the introduction of a points-based immigration system gives the UK greater control over who comes to this country based on their skills, aligning this to the needs of the economy.

The support of the private sector is essential to deliver on these missions. The UK Government is committed to enabling and empowering the private sector to increase investment, jobs and growth at a local level.

#### Spreading opportunities and improving public services

Improving productivity, and spreading prosperity, crucially depends on enhancing people's education and skills – giving everyone access to good schools and the opportunity to receive excellent education and training. Good health is just as important in spreading opportunity, contributing not only to the economy but also ensuring that everyone, wherever they live, can enjoy fulfilling, happy and productive lives. Strong public services not only support positive health and educational outcomes but also attract new talent and investment to an area, boosting local economies.

The UK Government will drive further school improvement in England through 55 new **Education Investment Areas (EIAs)** in places where educational attainment is currently weakest. The Department for Education (DfE) will support strong multi-academy trusts to expand into these areas and offer retention payments to help schools with supply challenges in these areas to retain the best teachers in high-priority subjects. More intensive investment will be available across some EIAs to tackle wider issues that may be limiting school improvement. The UK Government will ensure that talented children from disadvantaged backgrounds have access to a post-16 provider with a track record of progress on to leading universities by opening new 16-19 free schools targeted in areas where they are most needed, such as high priority EIAs.

In addition, we will create the **UK National Academy**. Just as the UK pioneered the Open University, this new digital education service will support pupils from all backgrounds and areas of the UK to succeed at the very highest levels. The UK National Academy will be free and made available online to support the work of schools up and down the country. It will allow students to acquire additional advanced knowledge and skills, offering even more opportunities for every child to thrive.

With the help of these reforms, we will focus on eliminating illiteracy and innumeracy. By 2030, our aim is that 90% of all primary school children in England will achieve the expected standard in reading, writing and maths, with the percentage of children meeting the expected standard in the worst performing areas improving by a third (Mission Five).

We will also step up efforts to give all students the skills employers need. Our reforms will aim to put local employers at the heart of skills provision; to strengthen locally accessible institutions, notably the national network of further education colleges; ensure that all individuals have lifetime access to training; and offer new opportunities to access high quality work and progress in the workplace.

The funding of courses and the governance of colleges will be overhauled in line with employers' needs. **Local Skills Improvement Plans**, together with supporting funding, will be set up across England to set out the key changes needed in a place to make technical skills training more responsive to skills needs. Nine new Institutes of Technology with strong employer links will be established in England, helping to boost higher technical skills in STEM subjects.

We will introduce the **In-Work Progression offer** to help people on low incomes address barriers to better employment opportunities. The Department for Work and Pensions (DWP) will provide £1.3bn over the SR21 period to provide employment support for disabled people and people with health conditions. This builds on the National Disability Strategy, Health and Disability Green Paper and Health is Everyone's Business consultation. The Multiply scheme will target disparities in numeracy levels across the UK, investing £560m in courses for adults.

Through our skills reforms and investment, by 2030, we will aim to have significantly increased the number of people to have successfully completed high quality skills training in every part of the UK, including 200,000 more people successfully completing high quality skills training annually in England, driven by 80,000 more people completing courses in the lowest skilled areas (Mission Six).

One of the gravest inequalities faced by our most disadvantaged communities is poor health. The COVID-19 pandemic powerfully underlined the disparities in health across this country. The DHSC will shortly publish a **White Paper designed to tackle the core drivers of disparities in health outcomes**. However, we will act now to deal with one of the biggest contributors to ill health: poor diet and obesity. We will take forward recommendations from Henry Dimbleby's independent review towards a National Food Strategy including piloting Community Eatwell and a school cooking revolution. We will introduce a new Tobacco Control Plan and set up at least 100 Community Diagnostic Centres in England by 2025 to improve access to diagnostic services.

These and other changes will contribute to narrowing the gap in Healthy Life Expectancy (HLE) between local areas where it is highest and lowest by 2030, and increasing Healthy Life Expectancy by five years by 2035 (Mission Seven).

Taken together, these missions will help achieve the overarching ambition to improve well-being in every area of the UK, with the gap between top performing and other areas closing (Mission Eight).

Our reforms will aim to put local employers at the heart of skills provision

And because responsibility for spreading opportunity and improving public services sits across all tiers of government, we will work with local leaders from across the UK and devolved administrations to bring together evidence on "what works" from policies to reduce spatial disparities, particularly in areas where policy responsibility has been devolved and different groups have delivered policies in innovative ways.

#### Restoring a sense of community, local pride and belonging

The £2.6bn UK Shared Prosperity Fund will be used to restore local pride across the UK by focusing investment on three main areas for investment: improving communities and place, people and skills, and supporting local business. We will slash away the bureaucracy of the old EU regional funds. Instead, local leaders will be empowered to direct funding towards their own, locally identified priorities, whether that be promoting new outdoor markets, reducing litter, graffiti and anti-social behaviour, reviving high streets, supporting local businesses or introducing skills provision to match local labour market need and support those furthest from the labour market.

We will also **regenerate 20 of our towns and cities** by assembling and remediating brownfield land and working with the private sector to bring about transformational developments combining housing, retail and business in sustainable, walkable, beautiful new neighbourhoods. These new developments amongst others will be supported by an Office for Place which will pioneer design and beauty, promoting better architectural aesthetics to ensure they enhance existing settlements, gladden the eye and lift the heart.

We will explore what further measures can make high streets and town centres the thriving hearts of our communities again, including ways to incentivise landlords to fill vacant units. For instance, powers for local authorities to require landlords to rent out long-term vacant properties to prospective tenants, such as local businesses or community groups.

Ensuring natural beauty is accessible to all will be central to our planning system, with improved Green Belts around towns and cities, supported by Local Nature Recovery Strategies reflected in plan making, and woodland creation supported across the UK.

Building on this White Paper, we will publish the second report on rural proofing in England this spring. This report will set out how government departments are working to support levelling up in rural areas, through targeted approaches where needed, and how we are strengthening the rural economy, developing rural infrastructure, delivering rural services and managing the natural environment.

For levelling up to mean something to people in their daily lives, we need to reach into every community in the country, from city centres to rural areas, in order to start to rebuild social capital and self-reliance in our most abandoned neighbourhoods. This needs to flow through central and local government, through MPs and their local offices, philanthropists, volunteers, schools, GPs and other community leaders. We will pilot a set of Community Covenant approaches: new agreements between councils, public bodies and communities themselves to empower communities to shape the regeneration of their areas and improve public services.

The £2.6bn UK Shared Prosperity Fund will be used to restore local pride across the UK

Community-led regeneration cannot be achieved with a stop-start funding stream that first builds hope, then destroys it, leaving people less optimistic and trusting, and feeling more disempowered than ever. We will consider a Community Wealth Fund, financial inclusion and other social investment as part of our consultation on £880m in Dormant Assets funding, and focus lottery cash to reach into the most deprived small areas of the country. In this spirit of civic renewal, we will also ensure that access to sporting and cultural excellence is spread more equitably across the UK.

With the Football Foundation in England, and Football Associations in Scotland, Wales and Northern Ireland, we are **delivering grassroots pitches** across the UK – this year the UK Government has contributed funding to enable over 800 new grass pitches and 60 new artificial grass pitches in England alone. The UK Government has committed £205m to build on this across the UK over the next three years. This will ensure local clubs and school teams have the facilities they need to thrive. We have also endorsed in principle the main recommendation of the Fan Led Review of Football Governance that football requires a strong, independent regulator, and have written to Football Authorities to ask what action they will take immediately to protect local identities, traditions and facilities.

We will also ensure that great cultural institutions play their part in spreading access to excellence. As we significantly **increase cultural spending outside the capital**, 100% of the Arts Council England funding uplift announced at SR21 will be directed outside London, with support for theatre, museums and galleries, libraries and dance in towns which have been deprived of investment in the past. We will explore how more flagship national cultural institutions can support the strength of our historic cultural heritage in great cities such as Stoke and Manchester.

Further, £560m will be invested in young people for new and improved youth facilities, services and experiences in England where they are needed most, launching a new **National Youth Guarantee** so that by 2025 every young person in England will have access to regular out of school activities, adventures away from home and opportunities to volunteer. We will ensure the Duke of Edinburgh Award is offered to every state secondary school in England. We will give more students the transformative opportunity to join the cadets, providing more support to the state school sector to **increase Combined Cadet Force participation**. This will include linking funding of cadet units in private schools with a requirement to ensure support for the expansion of cadet forces in state schools and open access to nearby state school students.

Government will also lead by example, **relocating more senior civil service roles** out of London. We have already established a new economic campus in Darlington, a Home Office hub in Stoke and DLUHC's second headquarters in Wolverhampton. More civil service roles will move to locations across the UK, including Glasgow, Edinburgh, Cardiff, Belfast, Manchester, Newcastle, Birmingham, Bristol and Leeds, as key decision-makers are re-deployed to be closer to those they serve. The White Paper reinforces our commitment to the Places for Growth programme and confirms departments' detailed numbers and locations for relocation of roles to 2025 and 2030. Our aim with these reforms is to improve pride in place in every area of the UK, with the gap between top performing and other areas narrowing (Mission Nine).

Poor housing quality, overcrowding and a reliance on temporary accommodation for vulnerable families also contribute to unnecessarily poor health and quality of life for many. We will take action on two fronts. First, building more housing in England, including more genuinely affordable social housing. Second, we will launch a new drive on housing quality to make sure homes are fit for the 21st century.

We will ensure home ownership is within the reach of many more people. The Help to Buy scheme launched last year is focussing entirely on first time buyers and we will build on the success of the Mortgage Guarantee Scheme by working with the lending industry to maximise the availability of low deposit mortgages. Alongside this, we will improve the home buying and selling process, working with the industry to ensure the critical information buyers need to know is available digitally wherever possible from trusted and authenticated sources. We will also scrap the 80/20 funding rule that focused investment in Greater London, and instead invest in more homes in the North and Midlands to relieve pressure on the South East.

To deliver our mission to improve housing conditions, we will introduce new legislation to improve the quality and regulation of social housing, give residents performance information so that they can hold their landlord to account and ensure that when residents make a complaint, landlords take quick and effective action to put things right. And we will publish a landmark White Paper in the spring to consult on introducing a legally binding Decent Homes Standard in the Private Rented Sector for the first time ever, explore a **National Landlord Register** and bring forward other measures to reset the relationship between landlords and tenants, including through ending section 21 "no fault evictions".

This will all help to ensure that by 2030, renters will have a secure path to ownership with the number of first-time buyers increasing in all areas; and our ambition is for the number of non-decent rented homes to have fallen by 50% with the biggest improvements in the lowest performing areas (Mission Ten).

We are intent on tackling the crime, drug abuse and anti-social behaviour which blight so many communities. We are investing **£50m from the Safer Streets Fund** every year of the SR21 period to give Police and Crime Commissioners and local authorities in England and Wales the resources they need to tackle crime and anti-social behaviour. Through this, by 2030, we will have reduced homicide, serious violence and neighbourhood crime, focused on the worst-affected areas (Mission Eleven).

We will also clamp down on the factors that damage people's pride in their area and expect that people will give back to their communities when they are found to have broken the law. Too many communities are blighted by anti-social behaviour and criminality, sometimes committed by children. We will therefore **work with partners across the youth justice system** to make sure 16- and 17-year olds who commit crimes pay their community back with visible labour to improve the local environment.

We will introduce new legislation to improve the quality and regulation of social housing

#### Empowering local leaders and communities

Mayors have already shown how strong local leadership can enhance economic and other opportunities in urban areas, and we will ensure that the model is strengthened, extended and adopted more widely. With a direct mandate, fixed term, convening power, a clear incentive to demonstrate economic improvement and accountability for extending opportunity, mayors work for their communities. And meaningful devolution of power and responsibility for economic growth to an accountable local leader has been proven to help once declining areas to recover.

We will extend, deepen and simplify devolution across England so that by 2030, every part of England that wants one will have a devolution deal with powers at or approaching the highest level of devolution with a simplified, long-term funding settlement (Mission Twelve).

We want to usher in a devolution revolution, introducing a new model for counties with mayors or "governors". We will open negotiations on **trailblazer deeper devolution deals with the West Midlands and Greater Manchester** combined authorities. These deals will act as the blueprint for other mayoral combined authorities (MCAs) to follow, with bids for more powers welcome. We will likewise recast the geography of MCAs, where necessary, to ensure there is greater economic coherence. We will further invite nine areas to agree **new County Deals** and seek to agree **further MCA deals**, extending devolution to much more of England.

It is also important that devolution is accompanied by sharper and clearer accountability. Across the local government sector, we will strengthen transparency for local people and publish rigorous, comparable data on performance. A **new independent body** will be set up to drive this, empowering citizens, strengthening local leaders' knowledge of their services, and increasing central government's understanding of the sector. And we will support local leaders to make a difference in their communities by simplifying the disparate funding landscape so that local leaders can better support economic growth, as well as bringing local leaders into the heart of government decision-making with a new role for mayors and strong local leaders in the shaping of local growth strategy.

## **Next Steps**

Levelling up is a long-term endeavour. It is a programme of change that requires a fundamental shift in how central and local government, the private sector and civil society operate. The UK Government will embark on a process of sustained and systematic engagement and consultation with a wide range of stakeholders, including devolved administrations, on the White Paper.

We will be setting out further detail on a number of these policy commitments in future publications. In addition, we will introduce legislation to Parliament to underpin in statute the changes fundamental to levelling up, alongside wider planning measures.

This White Paper is the catalyst for delivering a long-term programme of change to unlock the potential of people and places in every part of the UK. This will create jobs, drive productivity, improve people's quality of life and help restore their pride in the places where they live. We will extend, deepen and simplify devolution across England

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