

Briefing: March 2022

# Will 'Levelling-Up' genuinely reach out to rural areas?

Since its publication in February the Levelling-Up White Paper has dominated discussions about the current Government's domestic agenda. The long-term intent of the Government's approach to levelling-up is summed up in twelve 'missions' and achievement of these, theoretically by 2030, is the way in which levelling-up will be judged. There will be an annual report on these, that is intended to update the public on progress.

Each mission is backed up by a technical definition and a way in which it will be measured. The degree to which rural delivery will be needed to achieve the stated missions varies, the devil is truly in the measurement detail of these as this will dictate any commitment to go beyond average achievement either regionally or nationally. It is not yet clear whether, or how, these twelve missions will be rural proofed, but there is a commitment to monitoring this through the Annual Rural Proofing Report that DEFRA now prepares.

The cross departmental nature of the 'missions' is encouraging. It is setting a co-ordinated agenda across Whitehall for a cluster of home departments that has certainly not been achieved for rural areas through 'rural proofing' or 'rural mainstreaming'. In this respect, finding a way of hitching the needs of rural areas to the levelling-up caravan of home departments could be very beneficial.

ACRE's vision for rural communities reflects much of what Government wants to achieve through levelling-up. The main difference is that we would like to see <u>all</u> rural areas, as well as major cities, provide opportunities that will enable everyone who lives there to achieve their full potential.

The twelve missions that the Government has committed to are listed below and we have linked them to elements of our Vision for rural communities.

It is disappointing that there is no obvious, measurable, objective to meet the country's net-zero targets or to re-invigorate the country's rural economy by so doing. We are also committed to a diverse and inclusive countryside and one where every community has a modern, fit for purpose, community building. We would have liked to have seen 'levelling-up' objectives for both of these as they are so important for the future of rural communities.

Levelling-up's crime objective is very weighted towards urban crime, so we have not tried to make a connection between this and any part of our Vision for rural communities.

# **Productivity**

### Government aims to level-up productivity in the UK economy, but do they mean us?

The commitment in the Levelling-Up White Paper is for pay, employment and productivity to have risen in every area of the UK by 2030, with each containing a globally competitive city, and the gap between the top performing and other areas closing.

'Area' is not defined in the technical definition, but a cluster of possible performance measures for 'globally competitive cities' and 'city regions' are. The White Paper states that:

"The UK Government recognises the need to put the development of dynamic city regions at the centre of any plan to raise living standards. Improving the performance of cities can benefit the surrounding towns and communities as well, through raising growth and productivity."

A very urban centric approach seems to be developing and the target could be met without taking any action in rural areas. ACRE is concerned about both the governance and location of investment that is intended to drive productivity. Further consultation is offered on how this will be measured but there is nothing to say this will be done in a way that reflects the historically low level of productivity in some rural areas.

So, if 'city regions', with substantial rural hinterlands come to be defined, it will be crucial to ensure a broad range of rural stakeholders are involved alongside those from the cities themselves.

**Verdict** A long way to go, and a big task to ensure the Productivity mission is inclusive of the rural economy

### **Research and development**

# Will 'levelling-up' Research and Development spending make a difference to the rural economy?

The Levelling Up White Paper commits more money to Research and Development outside the South East. But will this reach rural areas and help them meet future net-zero challenges?

By 2030, Government says it intends domestic public investment in R&D outside the Greater South East will increase by at least 40%, and over the Spending Review, 2025, 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.

This is a very broad mission that has no sectoral specificity included within it. It is hard to see how it might easily be 'rural proofed'. However, if the specific R & D investment required to help achieve net-zero, nature recovery and a national food strategy were included, it might be possible to ensure that a 'fair' share of public R&D expenditure is directed to achieving the overall objectives in peripheral rural areas.

ACRE believes there is a huge opportunity to re-invigorate the rural economy, both the advanced and foundation economies, as part of the transition to net-zero. This is an opportunity not to be missed and must form part of the detailed plans for levelling-up

**Verdict** : Promising, but dependent on what is included and how it is managed

### **Public transport**

# Can 'levelling-up' achieve a standard of public transport on which rural people can rely?

Achieving an equivalent standard and reliability of public transport across urban and rural areas is a major challenge. It can help create opportunity for rural people whilst also taking us towards a net-zero future.

In the Levelling-Up White Paper the Government says it is aiming, by 2030, for local public transport connectivity across the country to be significantly closer to the standards of London, with improved services, simpler fares and integrated ticketing.

As with the some of the other 'missions' in the White Paper, there is a clear intent for governance of this 'mission' to be based on 'city regions' and it makes explicit comparisons with London. The approach to measuring achievement includes very little to reassure people in rural areas that their public transport needs – especially in the light of the equally strong demand to de-carbonise transport – have been actively considered. Where rural is addressed, it is solely in relation to finding alternative standards and benchmarks. We have to hope that these will not be significantly lower ones, but it may be a forlorn hope.

"In some cases, cities will need to look to the standards and solutions seen in European counterparts to measure ambition. This is also true when comparing urban centres and rural towns, which will need to measure only the relevant aspects of "London standards" such as reliability. Using these metrics to monitor improved transport connectivity will require the development of appropriate local benchmarks to ensure areas around city regions and rural areas are not left behind."

Again, ways will need to be found to ensure that the public transport needs of rural areas are included on an equal footing with those of cities if the governance and management geography of this mission is to be the 'city region'.

Given the importance of transport to rural communities it is deeply disappointing to see no reference in the metric for this 'mission' to bringing together community transport, NHS non-emergency patient transport, publicly subsidised essential services and commercial services with a view to achieving maximum efficient use of resources in rural areas. It is hard to be confident that an elected mayor, with a large urban population, will want to put much time and resource into enabling integrated transport solutions across this wide range of agencies.

**Verdict:** •• It feels as if levelling-up public transport in rural areas to a similar standard to urban ones is already slipping back, it would be wonderful to be proved wrong.

#### Mobile and broadband

# How long will it take for rural areas to be on the same digital playing field as urban areas?

Whichever way it is defined, opportunity for rural people can only truly be said to have been 'levelled-up' if all rural areas have the same quality of access to digital connectivity as everyone else.

Government's stated ambition, by 2030, is for all of the UK to have gigabit-capable broadband and 4G coverage, with 5G coverage for the majority of the population. This is the 'mission' set out in the Levelling Up White Paper.

However, the way this is measured will define 'nationwide' as 95% of the UK landmass for 4G and 'at least 99% of premises' for gigabit capable broadband. This is as far as the definition goes. It does not, for instance, go into further detail about whether the infrastructure that makes gigabit broadband available to all premises can actually be implemented for all of them. The objective for rural areas is, however, explicit:

"Achieving this mission is in line with the UK Government's ambitious commitments on 4G, 5G and gigabit-capable broadband that are targeted spatially, specifically to address the urban-rural divide."

If this was the first commitment given by Government, it would be very welcome. However, it comes at the end of a long history of broken promises in relation to access to high quality broadband for rural areas. The current administration's manifesto for the 2019 General Election contained a similar promise with an achievement date of 2025. £5b remains promised to achieve this, whilst only £1.2b of this has been committed in the public accounts. On the positive side, this 'mission' cannot be achieved without it being addressed in rural areas, albeit by 2030 instead of 2025; something many people will regret.

Verdict: • Its good to have the target there, even if it has been delayed from the current Government's original promise

# **Education - primary**

# Can small rural schools contribute to 'levelling-up' and meet the challenge of the future?

The real danger to rural primary education probably comes from young families not being able to afford to live in rural villages, falling schools rolls and priorities being set in ways that take the performance of small rural primary schools for granted and move resources elsewhere.

Government says that by 2030, the number of primary school children achieving the expected standard in reading, writing and maths will have signifcantly 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.

The way of measuring this 'mission' could primarily be achieved by investing in urban areas in order that the overall 'average' target is achieved with little active attention being given to rural areas.

Despite the many operational and day-to-day challenges that are experienced by small, and very small, rural schools, on the whole, they perform well. The real danger to rural primary education is that the governance of this 'mission' takes the performance of small rural primary schools for granted and moves resources elsewhere. This, combined with falling rural schools rolls due to a growing age imbalance in some rural areas, could bring about further closures of small rural schools.

The LUWP makes no obvious connection between its objectives for Pride of Place, housing, planning or transport and this 'mission' towards education. In rural areas these are important and interrelated factors and need to be brought together. On the positive side, even if central government does not tend to see the connection between these, local government may within greater devolved responsibilities.

**Verdict:** Major risk for small rural schools and an apparent failure to understand the central importance of rural schools in village communities and pride of place.

#### **Skills**

### Will levelling-up enable rural young people to 'stay local' whilst also 'going far'?

The Levelling-Up White Paper opens with the bold and ambitious statement that it wants to make it possible for young people, wherever they live in the UK to go far whilst, if they wish, staying local. It is an ambition that chimes very closely with ACRE's central mission: that nobody should be unreasonably disadvantaged by where they live.

When it comes to skills, the Government aims, by 2030, for the number of people successfully completing high-quality skills training to 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.

The baseline calculations for this metric include qualification-focused 19+ Further Education and skills training achievement (including apprenticeships), but not Higher Education. As such an increase by 200k people would be possible as a national total without any positive action being taken to improve accessibility to post-16 education for rural young people. There is, however, an implied 'nod' to the foundation economy, important in rural areas:

"This mission focuses on the third of upper tier local authorities where skill levels, defined as the share of the population with level 3+ qualifications, are lowest. Training and retraining in skills is central to the success of the local economy, particularly as Further Education learners and adults tend to be less geographically mobile."

This is a prime 'mission' where an 'intermediate objective' would be useful to ensure that the overall aim is rural-proofed even if the mission itself is not. An intermediate objective based on close to 100% of all rural 16 year olds having reasonable access to a defined choice of post-16 education at a high quality standard could make a substantial difference.

**Verdict**: •• The ambition is laudable, but in this case an additional target that can be measured needs to be introduced. All 16 years must have access within reasonable travelling time to high quality post-16 education that provides choice within a local College, not theoretical choice between Colleges most of which are out of their reach.

#### Health

### Will levelling-up help rural people with the poorest health live longer, better lives?

Some of the most misused, but important, statistics are those concerning life expectancy. When targeting public resources on improving health outcomes it is often said that people living in rural areas have a longer life expectancy than those in some urban areas. But rurality is not the causal factor. People in rural areas live in poor housing, exist on low incomes and have bad diets. Those that are, however, are not concentrated in specific locations as they may be in some urban areas. They are spread out across village and hamlets throughout rural England.

Government has chosen to judge whether levelling-up of health has been achieved by narrowing the gap in Healthy Life Expectancy (HLE) between local areas where it is highest and lowest. It aims to achieve this by 2030 and by 2035 to increase HLE by fve years.

HLE is being measured for this 'mission' based on an average across upper tier local authority areas. Whilst this may be a good approach in urban unitary authorities it is deeply problematic in rural areas and fundamentally misunderstands causality when it comes to the geography of ill-health.

There is a conflation between the social and economic conditions that create ill-health and thus low life expectancy and geography. In rural areas this does not work, and it is much more effective to focus directly on the social determinants of ill-health irrespective of where these occur. Someone on a low income, in poorly insulated accommodation with limited social support will have a reduced life expectancy whether they live at the end of a rural lane or in a house of multiple occupation in an inner city or seaside town. A large rural County will contain both whilst also losing sight of both in averages that include well-off, empowered and healthy families.

**Verdict**: The measurement of this 'mission', from a rural perspective, is poor, should be changed or added to, and interventions to achieve it thoroughly rural proofed.

# **Well-being and Pride of Place**

# Will urban areas be 'levelled-up' to the sense of 'well-being' that is sometimes attributed to rural communities?

Small rural towns, especially those that are well connected by public transport to larger centres, often score very highly in subjective surveys run by newspapers, estate agents and TV shows. It begs the question whether the 'dog that didn't bark' in the levelling-up debate is really: "...brought up to the same level as what, and where?"

Of all the targets and missions in the Levelling-Up White Paper these are the least precise. By 2030, Government wants well-being to have improved in every area of the UK, with the gap between top performing and other areas closing. Pride of 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. It is unlikely that anyone is any the wiser from these two aims.

It is fairly clear that the authors of LUWP wanted to include these 'missions' but have struggled to find an adequate way of measuring them. The ones mentioned include those used by the ONS and the Green Book. Discomfort in this area may arise because of a political philosophy that has always tended to see 'success' in largely economic terms, or at the very least in terms of something you can count. However, locations where too much emphasis is placed on economic success often do less well when it comes to well-being – often the places with perceived high levels of well being are rural villages and market towns.

"This mission is exploratory. In order to set a credible and specific mission, the UK Government will undertake further work to supplement existing data on well-being at a subnational level, as well as to understand the drivers of well-being and identify the most impactful levers available to policymakers."

And the same goes for Pride of Place:

"The UK Government intends to carry out further work to identify and develop the most appropriate measures of pride in place, improve the evidence base on what determines it and assess how policies might be designed to improve it, especially in communities where it is low."

There is no reference to the distinctive nature and contribution of civil society in either urban or rural areas, no reference to people's informal involvement in the community or with their neighbours. There is not even a passing reference to community enterprises in rural areas where pride in place leads to communities taking on the running of services that cannot make sufficient of a profit to interest 'the market'.

**Verdict:** Perhaps a little urban modesty is required in exploring ways of measuring this 'mission'. Many rural people feel great pride of place in their village or town, and there may be lessons for urban areas from this. But this does not mean that all people in rural areas share in the perceived local prosperity of some rural areas or engagement in community life. Whatever the Levelling Up programme attempts to do, it must be inclusive of all people in rural communities, not just those with loud voices and the resources to participate.

### Housing

# Does 'levelling-up' involve making housing more affordable for young people in rural areas?

The ability of younger people to 'stay local, but go far' is tied inextricably to their ability to find somewhere to live. It is also tied to their ability to develop skills and to find a job, but many in rural village and small towns will identify housing as the greatest of these challenges if they want to 'stay local'.

For the Government, levelling-up housing means that 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.

The key metric being employed here is first-time home ownership alone and measured at a regional level. The aim goes a little further than this and encompasses improving non-decent rented homes. Arguably this is should a bare minimum for a reasonably civilised society. The home ownership measurement will therefore be:

"For home ownership, the intention is to use first-time buyer numbers per year, by England region. This metric best captures the extent to which the UK Government is delivering a viable path to home ownership for existing renters."

If English regions are the 'areas' defined in the 'mission' it will certainly be possible to meet the target without any impact needing to be made on the affordability / housing crisis in most rural areas. The absence of any rural-proofing of this 'mission' and its measurement is stark:

- Regional totals of new first-time purchases will hide any absence of achievement in rural areas, a rural share of target regional numbers will need to be developed
- No account is taken of land-use supply limitations in rural areas and the planning exceptions that have had to be developed to overcome these
- No account is taken of higher build costs in rural areas either arising from small schemes or required design values
- There is no link to either 'Well-being' or 'Pride of Place' when it comes to retaining family and community ties, networks of support or commitment from communities to house their next generation.

**Verdict:** Very poor. The geographic level of measuring achievement needs to be at a local community level if it is to have any relevance to rural communities, affordability must be

calibrated in relation to local incomes in the rural economy and intermediate outcomes are needed to ensure supply of land for affordable homes in rural areas and costs of construction. The lack of progress on reforms of to the land use planning system make it even harder to see how this 'mission' can be made relevant to rural areas, especially those subject to a landscape designation.

### **Local leadership**

# Devolution should not stop at Regions and Counties, it must go on to local, rural, communities.

Levelling-up means central Government giving up power to local government. But it must also be mandatory for local government to give up power to hyper-local communities. It is only at the most local level that it is possible to see the impact of different policies and programme working together, or sometimes pulling apart.

Government, despite all the warm words, still sees devolution as a deal to be struck, not a right of regional or county self-determination. It aims, by 2030, that every part of England <u>that wants one</u> will have a devolution deal with powers at or approaching the highest level of devolution and a simplified, long-term funding settlement.

The immediate, headline, way of measuring this is the proportion of the population living in areas that seek higher levels of devolution. Rural areas contain 17% of the population, but the kind of regional and county areas that are being considered for the highest level of devolution, 500k population and above, mean that towns and cities will always be in the majority.

Other supplementary, and more subjective, metrics are also being considered. Of course, the 'get out of jail' card for achievement of this 'mission' is the phrase '...that wants one'. Notwithstanding this, a high level of achievement by 2030 will need to include the rural areas that, up to now, have been less involved in devolution initiatives. How much say those rural areas have in both the devolution deals and the decisions of regional leaders remains to be seen.

The Levelling Up White Paper conflates Functional Economic Areas with ideal areas for all governance, and therefore gives little weight to devolution down to individual communities as part of the whole devolution exercise. Whilst the White Paper itself has good intentions about neighbourhood governance, Parish Councils etc. there is no requirement in the measurement in this area for authority to be passed on down as part of devolution deals.

Much greater ambition is needed over onward devolution <u>within</u> areas and could have been included in the proposals for measuring this 'mission':

- Every area seeking a devolution deal should be required to present plans for onward devolution in their area and to demonstrate that they have consulted both Local Councils and civil society over these.
- Every devolution deal must be required to have explicit rural proofing commitments that
  will ensure that if the area contains a rural minority population this will be fully taken
  account of in area wide decisions over priorities, especially in relation to transport,
  community owned and run assets and access to services.
- Procurement of public services will always be subject to consultation and review with local communities to ensure the social value of locally organised delivery does not come second to centralised commercial delivery.

There should be scope, especially in rural communities, to find more effective metrics for 'double devolution' that could underscore not just this 'mission', but also those covering 'Pride of Place', 'Well-being' and 'Housing'.

**Verdict:** It is good that a greater commitment to devolution is emerging and will be taken up by local government. However, much more ambition is needed when it comes to onward devolution to Local (Town and Parish) Councils and to civil society at a much more local level. A commitment to a review of local social infrastructure is welcome, it remains to be seen what this will mean in practice.