

# Building a just recovery for all of England's regions



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*Levelling up is too important to be left to Whitehall, says **Sarah Longlands**. It's time to empower Britain's regions to give themselves a leg up.*

For those of us who feel passionately about the potential of regions like the North and the importance of closing the gap between and within regions, the Government's levelling up agenda is frustratingly thin and overly centralised.

Initiatives like free ports will do little to put money into the pockets of low paid workers and the Government's insistence on creating multiple pots of funding risks unnecessary bureaucracy for overworked local authority staff. Furthermore, most of what the Government has brought forward to date has been focused on short term survival with little if any vision for a longer-term recovery which works towards stronger, fairer economic justice for all.

The main thrust of the Government's approach to levelling up has been to make it broad and generic, with calls for a national plan as opposed to a regional approach – in other words, a retreat to the centre rather than further devolution.

This is in line with the general tone of the Government's response to the pandemic where a centralising reflex has kicked in with disastrous results for initiatives such as “test and trace”. While it is perhaps instinctive to pull up the drawbridge in a crisis, over centralisation means vital opportunities are lost to build on the expertise, experience and knowledge of local practitioners in favour of ‘big box - high cost’ solutions

It's true that the crisis is having a very serious national impact with consequences for every part of the UK, particularly for employment in sectors - such as hospitality, tourism and the arts.

But the real challenge of levelling up is not measured by how your economy reacts to a crisis, but how it recovers. We know from previous recessions that recovery in regions like the North takes longer and that national economic indicators such as gross value added tend to mask a huge variation across the UK.

Many of the so called “left behind” towns and cities that are the target for the Government's levelling up efforts are still recovering from recession in the 1980s and 1990s. And successive Governments have attempted to deal with this crisis by an over reliance upon the effects of agglomeration<sup>1</sup> and trickle down economies (Cox and Longlands 2016).

Even before the pandemic, the UK was one of the most unequal countries in the OECD<sup>2</sup> (Raikes 2020; UK2070). Underlying challenges such as long-term unemployment, poverty, lower jobs density and fewer skills mean that the ability to ‘bounce back’ as the Government would describe is constrained.

In the North, for example, pay tends to be significantly lower than average with 40% of women in the north earning less than the Real Living Wage.<sup>3</sup> Job

density has also been historically lower. There are still too few people with level 4 qualifications in the North, as well as 8.2% of the working age population with no qualifications at all. Perhaps most seriously, given the impact of Covid-19, is that the age at which people can expect to live to before becoming ill has fallen in a third of local authorities and is below the English average in the majority of northern areas and in parts of West Midlands.

Not only do these figures speak to the many individual lives cut short and limited by years of under investment and exclusion but they also explain why productivity remains low. And these shaky foundations have been further undermined by more than a decade of austerity<sup>4</sup> which saw 20% cuts to local authorities in the North (compared with 13% in the rest of the UK), equivalent to £347 per head of population. This isn't just money lost to local councils but lost from local economies through fewer jobs and less money to spend.

The ability to live a good life, free from poor health, with a decent income and access to education is the foundation of a just and fair recovery in the North. It is an ambition that cannot be left to Whitehall to deliver.

The pandemic response in cities and towns across the country has shown just how creative and innovative local communities and councils can be in the face of enormous challenge. These are the people who know their areas best and we should properly resource and empower them to level up for themselves.

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<sup>1</sup> Cox, E. Longlands, S. (2016) City Systems. The role of small and medium sized towns and cities in growing the northern powerhouse. [https://www.ippr.org/files/publications/pdf/city-systems\\_June2016.pdf](https://www.ippr.org/files/publications/pdf/city-systems_June2016.pdf)

<sup>2</sup> Raikes (2020) The Devolution Parliament. Devolving Power to England's Regions, Towns and Cities. IPPR North <https://www.ippr.org/research/publications/the-devolution-parliament>

<sup>3</sup> All the figures in this paragraph originate from IPPR North (2020) State of the North 2020/21. Power Up, Level Up, Rise Up. IPPR North <https://www.ippr.org/research/publications/state-of-the-north-2020-21>

<sup>4</sup> Johns (2020) Ten years of austerity. Eroding resilience in the North. <https://www.ippr.org/research/publications/10-years-of-austerity>

UK2070 (2020) Make No Little Plans. Acting at scale for a fairer and stronger future. <http://uk2070.org.uk/2020/02/26/uk2070-final-report-published/>