# An open letter to the PM as he crafts his general election agenda



Rishi Sunak

#### By David Fellows

In this open letter the author proposes an election agenda dominated by levelling-up, NHS and Zero-Carbon met from a programme of public spending reductions. He sees a need for this to be explained by an honest evaluation of the challenges facing Government.

Dear Rishi,

It seems to me that the coming general election must be regarded as the start of a new era: post financial crisis, post Brexit, post Covid, post supply chain disruption, post outbreak of the Ukraine war, post inflation explosion, post Corbyn & Johnson. This clearly requires a courageous agenda as we approach a somewhat more stable (excluding Ukraine) yet challenging domestic and international landscape.

Your new Government must be ambitious, rigorous and transparent in constructing the way forward. We require a Government pro innovation, productivity and regional opportunity; pro personal responsibility and smaller state; pro advice above regulation; and more communicative about problems and possibilities. This challenging requirement plays to your technocratic strengths — embrace it, speak up and move quickly.

So far as the middle-class millenarian campaigners are concerned, the more level-headed majority want a government that can stand up to them where it counts.

Internationally the way forward must include increased national resilience and partnership development where this is mutually beneficial. Sooner or later, this will include improved relations with the EU and US, accepting that marginal improvements may be all there are available right now without offering unreasonable concessions. In this respect the decision to rejoin Horizon is a mystery to me, it has not been properly explained and the terms are bewildering. You must do better.

We need a narrative that embraces all this and gives us confidence for the future.

Levelling-up encapsulates the lack of tangible concern by the political class over past decades. There is a yawning deficit in economic opportunity in the regions compared to that in the Greater South East. People in the regions need feasible solutions that address this through a substantial programme of investment and collaboration involving development tax incentives, training, innovative technologies and

infrastructure. The current political mindset is far too London-centric as my analysis of then Levelling Up White Paper demonstrated. This cannot continue. If you do not understand the insistent need for leveling-up, a phrase invented by BJ but a concept long embedded in the regional DNA, then frankly you are adrift.

If the levelling-up ambition is ever to succeed in practice then staunch and continuous Government leadership is essential. Local government and other local institutions will never have the heft to lead a real revolution although they are clearly vital ingredients. Collaboration between major public sector organisations is limited by the determination of all parties to retain discretion over important matters for which they are held responsible. Metropolitan authorities have limited powers leaving their leadership role hanging by a thread.

Constant <u>cries from industry</u> to allow local politicians to take charge are immediately followed by demands for action on issues for which Government holds the key. Any intention of real change requires continuously active ministerial involvement to build the regional offering and demands true collaboration between players, including greater cooperation and shared learning within the business sector together with more rigorous thinking about the shortcomings of public and private sector relationships hitherto.

The Government's failure to give due support to regional development over decades has almost by default put enormous emphasis on London and the quality of life of ordinary Londoners has suffered. Housing provision has been disastrous. Inner London, with some exceptions, has been demonstrably failed by the public sector. Levelling up is the first step in

redressing this unhelpful London bias allowing the quality of life throughout the country to be improved step by step.

Looking at other issues, the NHS is simply too monolithic while internal communication and coordination can be appalling. It now requires the challenge of an alternative model based on universal healthcare principles. I suggest a dual system of state and private provision with the latter largely funded through an insurance system, as I have previously advocated. The state would then be one option within a diverse provider model that would develop through operational experience and user demand. Basic personal coverage within the system would be mandatory and personal taxation would reflect the choices made.

Zero carbon timescales are unrealistic and becoming detrimental to everyday decision-taking. The cost of electric vehicles, shortage of charging points, deficiencies of national grid infrastructure and power generation now require firm deadlines to be translated into softer and longer timescales. Further technological breakthroughs comprehensive cost analysis will determine the nature of the initial net-zero platform. At this stage options for power generation and end-user technology need further work if abortive costs, perhaps crippling burdens, are to be avoided at state and personal level. Locally-determined ULEZ charging zones are part of an emerging left wing economic disruption narrative and should be prohibited. Only Government-enacted regulatory and penalty systems should be permitted.

The limited extent of house building is an injustice to younger people of child-bearing age, a threat to the country's economy and destructive to local communities that do so much heavy lifting that otherwise falls on an overburdened state.

With this in mind, local authority discretion to refuse planning permission for housing must be reduced, the scope for building on greenbelt land must be increased and the land bank practices of major developers must be scrutinised and reformed as necessary. It is no good observing the preferences of the traditional voting base if the result is national destruction. Some hard truths need to be told. This may lose the support of some but gain respect and possibly support elsewhere.

Whether political leaders are gregarious, eloquent or rich (none could be said to be of limited means), I suggest that in the coming election it matters less to the electorate than their integrity, their willingness to engage openly with the electorate on key issues, the quality of their team and, crucially, what they seem able and willing to deliver for the individual voter and the country at large. Not every voter will forensically examine these issues but many will and their conclusions will filter through.

With this in mind, why not bring the levelling-up agenda back into the Cabinet Office with you accepting personal responsibility for vision, oversight and cohesion. It would be a major commitment but as the election approaches it would signal that you put fairness of opportunity and a shared national prosperity at the heart of your mission. Having made my case for the levelling-up perhaps I can go one step further and suggest that where there is deemed to be an overwhelming case for technological research and development based in the Greater South East then this should be linked with institutions and businesses in the regions.

Also commit to social imperatives that are not on substantial fiscal support, particularly private sector house-building and the inclusion of the private health sector as a full partner

in the NHS family.

On the international stage, trade and security must be clearly at the forefront. Perhaps international development, outside the bounds of humanitarian aid, could be targeted mainly at existing and potential trading partners in the developing world with support centred around in-country governance arrangements and partnership development involving UK businesses and technological institutions (even catapults). I am not suggesting that some of this does not happen already but that it could be a much more prominent focus of the development offer.

Any substantial programme of public investment in economic growth must be financed in the short term by increased public service efficiency and the elimination of ineffective service provision leading subsequently to self-funding through increased tax revenues. Hard choices are clearly required for both initial service reductions and investment priorities.

The next election will find many issues vying for attention. A selective offer delivered with straightforward honesty is now required that demonstrates your vision and for our future prosperity. Clarity about key roles in developing the future vision could be helpful too.

Regards, DF

PS: I'm always creating to-do lists and perhaps I could offer a few thoughts in this vein

#### Levelling-up and self-reliance:

- Demand substantial contributions from regional universities, technology institutes and catapults — of a scale and ambition to make a significant difference
- Devolve Govt departments much more extensively
- Support development of new technology to facilitate greater productivity for domestic industries eg: agriculture; product design, testing and development; digital technology
- Employ tax incentives to encourage investment in regional development hubs for new product development and productivity improvements
- Commit ministerial support to facilitate institutional cohesion at regional level

#### Public spending:

- Set 3 year targets for departmental cost reductions
- Reduce services that lack value; improve administrative efficiency; and reduce regulations, making it harder for ministers to create them (none of this is ever done well)
- Seek advice from the NAO. Hold departments responsible.

#### National health services:

• Announce the intention to develop a twin track (public/private sector) universal National Health Service with the private component being largely insurance-based including the option of providing both private medical schools and university hospitals

- Allow cross-contracting for service delivery between public and private sectors
- Allow private sector to adopt a variety of configurations for primary and secondary care.
- Call for outline proposals from public and prospective private sector partners
- Design a supportive tax allowance package for those wishing to take the private health option
- Learn from others

#### Carbon reduction:

- Scrap all net zero deadlines and replace with more realistic targets for key proposals
- Monitor and evaluate the emergence of innovations worldwide, encourage domestic innovation, stimulate the creation of viable net zero industries and support them

David Fellows worked extensively in UK local government, was a leader in the use of digital communication in UK public service and became President of the Society of Municipal Treasurers. He was subsequently an advisor on local government reform in the UK Cabinet Office and an international advisor to the South African National Treasury. He is a director of PFMConnect, a public financial management consultancy, and a regular commentator on public financial management issues at home and abroad.

# Talking about the future



Rishi Sunak

by David Fellows

This commentary suggests that the UK Government's new Prime Minister, Rishi Sunak, should use this pre-election year to pursue a much-needed process of public engagement embracing honest analysis, realistic objectives and meaningful initial progress focused resolutely on the key issues.

Politicians can spend too much time stabbing at simple solutions to complex problems. This typifies the Opposition's current behaviour resulting in frequent policy reversals or 'clarifications' but they are not alone. PM Sunak has just announced a substantial increase in medical training throughput but has given little analysis of current difficulties demonstrating how this single initiative will make a critical difference to the NHS.

A risky but more beneficial strategy would be to explain how he truly sees the UK's key problems and opportunities, explaining their origins and his commitment to beneficial change within a realistic timescale. He would be open to engagement on refinement and priorities but he would emphasise his intention to move forward at speed within the limited time at his disposal before the general election. This would demonstrate intent, practicality and, wherever possible, some evidence of initial impact. The latter prospect particularly valuable as it is an option that is only available to Government. It is conceded that such an approach would be highly demanding and allow some admission of past policy deficiencies.

The benefits would be three-fold. Firstly, Sunak has had limited opportunity to develop a rapport with the country and this would be an arresting start. Secondly, it would employ his key strengths of analysis, practicality, honesty in debate, ability to communicate in depth and he would be seen to credit ordinary people with the intelligence to understand hard issues. Thirdly, the Opposition would be challenged to meet him on his own terms or be seen as shallow and incapable of the grip required to make serious improvements.

Sunak is sufficiently different from both his two immediate predecessors that this more open, practical and carefully reasoned approach could signal the arrival of a new Government capable of making a critical difference at speed. Ideally, he would be joined by a small team of ministers that would share this style of presentation and help develop the thinking on the issues to be presented in this way. A more collegiate style would also signal a welcome robustness of relationships within Government.

I have already set out <u>my views on the key issues</u>: <u>economic growth</u> (with the <u>Government more ready to accept a pivotal role in levelling-up</u>); green energy; housing and families; the structure, character and management of the civil service; and <u>NHS reform</u>. I accept that I must add immigration in its various forms. But mission creep must be avoided. This must not become the manifesto. It should be far more focused on the things that matter most.

When explaining why we are where we are and what we now need to do to deliver future success it is essential that the context is properly explained to the electorate. To me this breaks down as follows:

- 1. The need to foster improved economic productivity and growth through innovation, leadership, education and training, leading to good job opportunities, self-sustaining communities in all regions and affordable public services. This includes addressing the UK's current dependency on immigration to provide the necessary additional labour to compensate for the failure to produce sufficient home-grown talent or achieve adequate productivity improvements throughout the economy.
- 2. The need to reign-in public spending and restore the public-private sector balance of the economy through greater public service efficiency and a much-reduced dependency on regulation. A key requirement of the latter being the creation of clear distinctions between public and personal responsibilities, a challenging task.
- 3. The relationship between housing availability, family prosperity, general living conditions, birthrate and public service provision.
- 4. The need to supplement renewable energy with carbon-

based fuels for sufficient time to allow for the discovery and development of viable zero-carbon solutions that current technology is at present unable to provide on an industrial scale. This includes revisiting issues provisionally resolved by bogus zero-carbon solutions. Clearly current carbon emission deadlines must therefore be extended to avoid the economic and social disasters that will otherwise arise from current timescales.

- 5. The need to identify the extent of NHS failings has already been referred to. In doing this, the dual public-private system that is already an integral part of UK health service provision must be officially acknowledged and developed in a coherent and costeffective manner.
- 6. The need to review the nature of the civil service given the dependency of Government on trust between elected and appointed officials. Specifically, to consider the continued validity of the expectation that senior officials will remain personally loyal to all ministers they serve, will advise them dispassionately and will be prepared to action the policies that are then determined by successive politicians. A change of party is the most obvious but not the only issue here.

These complex situations affect highly relevant issues requiring an elevated level of explanation and engagement. Sunak is equipped to rise to these demands.

The core narrative of the next Government could be introduced and developed in some depth from now onwards. The proposed approach carries the promise of a more profound relationship between Government and Country, rejecting hollow sound bites as a route to electoral success.

The five priorities may have been a starting point but the country needs a more substantial vision that does justice to the challenges that lie ahead.

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# A general election campaign shortlist



Rishi Sunak, United Kingdom Prime Minister

#### By David Fellows

Achieving the PM's <u>five priorities</u> for 2023 will not win the general election although, having committed to them, failure to deliver will surely finish him. Raising the corporation tax in the next budget would also be destructive. But people do understand that resolving the complex problems facing the country is crucial to their wellbeing and the PM's abilities to master detail and strategy are seen as relevant to this task. His families' wealth is no major stumbling block.

The real question is whether the PM has the character and communication skills to confront the issues and provide the leadership that will deliver a future to be proud of.

I suggest the PM has five major issues to address convincingly and that he must start immediately.

- **1. Economic growth** (reference in <u>five priorities speech</u> too limited and must be revisited)
  - **Productivity improvements** to improve wages, address the labour shortage, provide the profits for investment and create higher tax revenue to finance tax incentives, infrastructure development, tax rate reductions and necessary levels of social provision.
  - Investment in technology and innovation incentivised by tax allowances is an important aspect of a productive ecology. Added to this a simplified tax code and reform of tax administration is critical for small businesses and self-employed, it is even important to enable larger companies to be motivated by the tax incentives that are available to them.
  - Government procurement could be used more proactively by giving advance notice of likely opportunities, engaging with suppliers on product design and tender process development and supporting the development of small businesses.
  - The levelling-up agenda should be reduced to its basic form of regional economic development which is the basis of almost all forms of regional prosperity. It is essential that the hitherto enormous preference shown to the London, Oxford and Cambridge area is redressed. This must include including special tax incentives for business investment in the regions and for collaborative ventures between nearby businesses, greater investment by higher education institutions in support for regional businesses (including inward investment in new technology), greater availability of specialist start-up incubators and greater concentrations of advanced

technology centres working in partnership with local businesses.

- Higher and further education should be seen primarily as providing the route to a good life, an interesting occupation and the use of innate skills. The cost of a university education is outrageous compared to the benefits in most cases and the debt represents a barrier home ownership, family life and community development. Universities must become more closely aligned with national economic priorities. Similarly, further education must reach out to employers and employees to an extent that has so far eluded most institutions. The contribution that this sector should play in the field of innovation and business development lies far from current experience. The private sector should also be challenged to match this with its own efforts to improve skill transfer and mutual support within business specialisms.
- Business regulation must be overhauled to attract and incentivise private sector businesses. This requires careful prioritisation and cooperation between business sectors and Government. Clearly much groundwork has been done and must be followed through.

I have dealt with these issues <u>elsewhere</u> in greater depth. Amongst other things it should be regarded as a programme of national resilience that emphatically embraces agriculture. The issues are given impetus by the need for a robust response to the US Inflation Reduction Act.

#### 2. Green energy

Realism is urgently required about the speed and direction of the green energy revolution. There are more friends than enemies to be won by softening some of the shorter timescales and some of the specifics. Realistic solutions are required to shared ambitions. There is also an urgent need to prevent arbitrary local regulations and penalties, including road use charges for carbon emitting vehicles. Any such practices must be confined to nation-wide schemes to facilitate ease of travel and trade throughout the country.

#### 3. Housing and families

The scope for local authorities to refuse planning permissions for housing must be reduced, time taken for allowable interventions must also be limited. The scope for building on greenbelt land should be increased. Government cannot continue to wash its hands of this vital issue and MPs intending to fight the next election must accept a firm approach. Admittedly this requires a reversal of policy but it is a matter of economic and social good sense. To do otherwise would be an affront to the younger generation. This goes hand in hand with the urgent need for refinements to childcare regulations.

# 4. The structure, character and management of the civil service

The civil service lacks modern corporate accountability. Officials can too easily assert departmental policy and standards leaving unwary politicians powerless. The perpetual whirligig of ministerial change does not help this situation. The current internal battle being waged with the Secretary of State for Justice could be read as a struggle for departmental control and has serious implications for the UK's current constitutional arrangements. Reform is urgently required, a

manifesto commitment is necessary to provide a mandate. It could just become a strong issue for this PM.

#### 5. NHS reform

I do not suggest offering specifics for NHS reformas there is insufficient time before the next general election for the research and development required. Instead there should be a clear promise to give prominence in the new parliament to the challenges facing the NHS and approaches adopted by other first rate healthcare systems around the world. This would result in a white paper introducing an <u>incremental reform package</u> that would repair NHS deficiencies whilst giving it space to breathe by encouraging a larger role for alternative forms of provision.

This agenda is designed to confront serious national challenges and reassure the electorate that beneficial changes will ensue. Without a platform that allows the PM to demonstrate the relevance of his strengths the Opposition may find itself in power without having detailed a single major policy change. Now that could result in 'chaos'.

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Levelling up opportunity - redressing social and economic disparities in the UK



This is an extraordinary time for the country and the Government. Despite the terrible consequences of Covid-19 and the challenges of Brexit, this is also a time that bears the seeds of a renaissance. Our new found freedoms, new ways of working and new sense of shared responsibility provide the means to redefine Great Britain for the  $21^{\rm st}$  century.

Well before the Covid-19 struck digital technology had introduced new forms of remote working, shopping and entertainment but the virus has accelerated adoption. Greater flexibility of work location has been established and physical proximity to London is no longer the advantage it once was. This has improved the feasibility of 'levelling up' the regions, a commitment made by the PM on taking office. Levelling up also carries the potential to reduce pressure on accommodation in the London area and alleviate the worst of the capital's housing crisis. With a little imagination levelling up could be seen as a win win prospect for the whole country.

## Levelling up commitments

Recovery is always an aspirational project and we have a PM who epitomises this quality. His early call to use levelling up as the route to recovery from Covid-19 captured the public mood and certainly chimed with the expectations of Red Wall voters.

The Conservative manifesto for the 2019 election commits to 'agenda for levelling up every part of Britain, investing in our great towns and cities, as well as rural and coastal areas'. Under the heading 'Levelling up' the March 2020 Budget asserts to need to 'raise productivity and growth in all nations and regions for everyone, addressing disparities in economic and social outcomes'.

### Regional disadvantage

The regions are suffering from long-term underperforming economies giving rise to the steady destruction of social structures as young professionals and skilled workers drift to the London area. This regional situation is to be contrasted with London where the City and Central Government directly and indirectly provide huge economic impetus. The concentration of media, major cultural venues, law courts, international tourism and a host of vastly resourced academic institutions add enormous weight.

This constitutes a system of self-serving parochialism that produces a continuous flow of advocacy for endless public and private sector investment. The thought of major institutions locating outside London has become almost risible. Some suggest that there is a spill-over effect from London to the regions but where this happens it consists of low-paid back-office jobs, call centres and branch plants that can be axed or offshored at a moment's notice.

#### Levelling up challenge

It is worth considering the concept of levelling up in terms of the current socio-economic challenges facing the country and the regions: the attenuated international supply chains; overly heavy dependence on manufactures from across the world; the steady drain on young talent from the regions to London leaving behind increasingly vulnerable communities; the narrowing of employment opportunities in the regions that fit the skill sets, interests and monetary ambitions of regional communities; and the stagnant regional economies that require regular, and often resented support, from the national exchequer.

It is astounding to reflect that the UK has proportionately the smallest manufacturing sector of any OECD country (Gudgin & Coutts 2015 — see Bickerton below). In terms of shared prosperity a recent House of Commons briefing paper gives the GDP per head for the devolved administrations and English regions. The astonishing fact emerges that London's value is £54,700; the South East £34,100; and the remainder are below the national average, mainly in the range £30,100 to 25,900 with the exception of the North East £23,600 & Wales £23,900. It is a crude but interesting comparison.

Apart from the extremely wealthy, London too has its problems. The housing crisis is borne of excessive demand compounded by a dysfunctional housing sector, an overly restrictive spatial planning system and political inertia. It is also worth considering the cost of continuing to develop the already congested and expensive London infrastructure. It has taken Covid-19 to emphasise the inherent risk entailed by an enormous concentration of cost and livelihoods invested in a London area public transport system that is reliant on a huge passenger throughput. The changing demand habits of the travelling public have shown the inbuilt risks to this system.

These factors suggest the potential benefits of rebalancing in favour of regional economies. This could include some reshoring of production, strengthening internal regional markets and developing the capacity to recognise and exploit regional economic potential.

For instance, there may be particular local relevance to the development of renewable energy technologies and support services; battery technology; high insulation house fabrication industries; and digital technology applications supported by local graduates from higher education (perhaps helping to develop local businesses). More specifically, computer aided design expertise offers support for improvements in the efficiency of manufacturing and agricultural processes that may help to offset the potentially higher costs of repatriated production and smaller companies may be prepared to collaborate in the creation of local skill sets required by emerging local industries.

#### The levelling up offer

As yet there is no clear indication from Government about the objectives, details or total spending commitment to be attached to the levelling up commitment. Colin and Carole Talbot in their paper 'On the level' considered the feasibility of interpreting the concept in terms of increasing regional public spending per capita to that of the capital. They concluded that a 6% rise in public spending would be required. In his thought-provoking paper 'Brexit and the British growth model' Christopher Bickerton traces the breakdown of the British socio-economic compact and asserts the need for a new social settlement in Britain. This could be taken as the underlying subject matter of a levelling up agenda.

The March budget's reference to levelling up as cited above itemises infrastructure spending of £650bn up to 2024-5 for roads, railways, communications, schools, hospitals and power networks across the UK. A close-ended infrastructure dominated commitment would clearly suit the Treasury control instincts but such investment alone is unlikely to make a significant dent in the problem.

In his recent speech to the Conservative Party conference the PM affirmed his intention 'to spread opportunity more widely and fairly'. Perhaps levelling up opportunity this is where the answer lies. But what sort of opportunity? I suggest this refers to people having an appropriate choice of work giving them the chance to earn a good living in a satisfying social and physical environment. The work depends on the individual's aspirations: something reasonable in terms of pay, security and interest. The environment clearly includes friends and neighbours, safe streets and pleasant surroundings.

Admittedly this is not graphically clear, it does not have a specific price tag, its interpretation will certainly change over time and it can never be ticked off the to-do-list. Refinement will embrace a greater diversity of employment, wider spread of earnings, higher proportion of national wealth and personal income for the regions. It is the ultimate political task of continuous engagement and interpretation with the voters judging the results. To a large extent, the environmental aspect requires familiar public services to be properly delivered but the economic aspect requires some radical new thinking. The approach must be much more diverse, agile and collaborative than hitherto.

#### Levelling up tools

The general election manifesto asserts the need to give the regions 'more control of how that investment is made' and 'to trust people to make decisions that are right for them'. Does the PM really wish to succeed by devolving responsibility for 'levelling-up' to local judgement on the basis that locals know best? A cursory inspection of the project will quickly find that the game is not in regional hands.

It is essential that local authorities, local businesses, local universities, local FE colleges and a plethora of regional organisations are seriously engaged. Many will have a major stake in the delivery but any plan that does not require Government to play a pivotal role in shaping and delivery has, in my opinion, no significant capacity or ambition to move the dial towards regional regeneration. How are the various bodies to be engaged if not by Government? Are Government departments not to make a significant contribution in the fields of taxation incentives, the creation and oversight of an investment vehicle, new procurement regimes and simplification of regulatory systems? The distancing of Government from regeneration is the story of repeated failure.

So what measures might a more appropriate regional revival scheme look like? The levelling up agenda could include: the use of Government procurement to promote regional economies and help develop emerging businesses (Government taking the risk of awarding high value work to the latter); a system of enterprise zones and free ports with tax incentives for business to relocate and invest; deregulation to encourage enterprise; the creation of regional investment institutions (to make good the lack of commercial appetite for regional business ventures); the introduction of integrated regional

government export advice centres; and a properly decentralised Civil Service. The Government is also the paymaster of the higher and further education sectors that have a substantial contribution to make and this must surely be designed into proposals.

Low interest rates make infrastructure a superficially attractive proposition but it must be justified in terms of its relative benefits within the entire spectrum of measures that are potentially available. Its importance must not be overrated.

This exercise is a massive and complex undertaking with diverse elements: local and national, private and public, established institutions and new ones. Government departments must be effectively engaged. Emerging businesses will require special attention. Local business services will need to be kept in touch. Local business services will need to be kept in touch. There must be a learning system that develops knowledge of what works in what circumstances, how to roll out and revise. Predecessor programmes failed to offer a sufficiently comprehensive framework but are a starting point for such learning.

In reality this cannot mean that every town that has been hard hit by decades of decline will be comprehensively revived in these terms. It will be necessary to spread the effects of the employment regeneration into established towns that become new suburbs but with the arrival of remote working that distinction will become increasingly blurred.

#### A new regional geography

There is also a requirement, in my view, for the creation of large regional economic development areas to facilitate the process of regeneration. There may be a temptation to restrict attention to the midlands and the north but this will be rightly challenged by other regions facing neglect. For instance, there could be four such regions: the North from Cheshire to Cumbria and across to the east coast; the West Midlands from Shropshire to Wiltshire; the East from Lincolnshire to Suffolk; and the West from Cornwall to Wiltshire and possibly up to Gloucestershire and out to Hampshire.

These four regions would form a powerful arc around London and the South East. There would be no intention to redraw local government boundaries to achieve this. Each economic development region would be an amalgam of its various regional institutions. It would be designed to explore and refine the key development levers made available to it. It would provide the basis for the development of a country that is much more robust and interconnected than it is today.

#### **Timescale**

The displacement effects of Covid-19 and, to a lesser extent, Brexit are enormous. There is not the financial or organisational capacity to complete the levelling up process and other key Government commitments in the course of a single Parliament. This is a programme for the next decade. Nevertheless, this is the time to articulate the broad vision and present an outline programme of measures to give it effect. Early decisions must be taken on the first tranche of

initiatives linked to the vision. Perhaps initial proposals for the current Parliament could be developed for announcement alongside the postponed autumn budget if this were scheduled for the spring.

The rumoured relocation of a substantial proportion of the Treasury to Leeds could offer evidence of intent for an extensive programme of departmental relocations. Such a programme would be more about a shift in departmental attention to the regions than the regionalisation of public spending.

#### Future domestic issues

Of course there are many other related issues requiring attention: NHS management and the reform of social care; the allocation of responsibilities within the state schooling system given the decreasing role of local education authorities; the modernisation of the Civil Service and Cabinet Government; the future role of the armed services; and devolution within the UK. All these issues and more are important to the nation's development but they are inevitably subservient to the blue print for economic recovery and its key theme of levelling up opportunity.

#### Conclusion

In his recent speech to the Conservative Party conference the PM affirmed his intention 'to spread opportunity more widely and fairly'. It could be said that 'levelling up opportunity' is his key commitment to the country.

If this is the task then measures taken by Government must go far beyond a programme of infrastructure development since that cannot begin to have the impact required. The real task requires Government to take a major role, contributing muscle and breadth of attack.

The concept of levelling up opportunity must now be supported by a clearly articulated vision and an outline of the mechanisms for delivery and subsequent refinement over the next decade. This must constitute a key element of the early post-Covid economic revival. There may never be a better chance to put this vision into effect.

- (1) David Fellows has worked extensively in UK local government and in the Cabinet Office as an advisor on local government reform. He is a director of PFMConnect, a public financial management consultancy: david.fellows@pfmconnect.com
- (2) A short video discussing the issues raised in this blog is available here.