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 White Paper commentary: Time to deliver

By David Fellows



The $\underline{\mathsf{WP}}$ sets out a decade long programme of UK public service development for the whole of the UK. It is presented under four headings:

- Empowering Local Leaders and Communities (extending combined authorities and mayoral capacity to secure local economic and physical improvement)
- Improving Productivity, Pay, Jobs and Living Standards (promoting innovation and growth in areas of low productivity and limited job opportunities including new

institutes of technology, upgrading local transport and road maintenance)

- Spreading Opportunities and Improving Public Services (school, hospital and institutes of technology developments)
- Restoring Local Pride (home energy improvement schemes, community development and neighbourhood appearance)

The WP makes clear that funding for these activities, some of which are already in progress, is to be delivered through 26 different funding mechanisms (some references imply there may be more).

It has been argued that the need for levelling-up is based on a post-war bias in public funding toward London and the South East reaching up to Oxford and Cambridge. This geography is variously referred to as 'The Golden Triangle' or 'The Greater South East'. I and others have remarked on this bias over the past few years, including the right of centre think tank 'Onward' that has produced a series of very useful studies. There can be little doubt that the Golden Triangle has received project funding from Government on less demanding standards than has been applied elsewhere and on a very regular basis. It is clear that the quantum of funding awarded to this area, augmented by its frequent selection as the preferred location for flagship initiatives, could not have failed to provide it with an enviable diversity of employment, huge economic impetus, and considerable prosperity compared to that of the outlying regions.

I would argue that over the past 30 years it became accepted thinking that the scientific, medical, technological and financial service developments within The Golden Triangle would carry the rest of the country and that the regions were

heading towards inevitable decline. The banking crisis of 2007-8 may have accelerated this situation but I suggest that this assumption was implicit decades earlier. The apprenticeship programmes and regional development initiatives that were launched in this period had neither the funding, the richness of concept nor the facilitating heft to do much more than provide token comfort despite the best efforts of some ministers involved.

The WP demonstrates that UK regions outside the Golden Triangle have below average gross disposable income and productivity levels compared to the UK as a whole. In addition, the UK's second-tier cities lag both other countries' second-tier cities, and the UK's national average, suggesting a significant under-performance to their potential.

Strikingly the WP not only demonstrates that the Golden Triangle has been afforded a huge economic advantage over the rest of the UK but that this is so baked-in that massive infrastructure developments currently in train will ensure that this advantage inevitably increases over the next decade. Despite the levelling -up funding earmarked for the regions the WP indicates that during this period on current standing London will receive 58% of the UK's development funding, with the Golden Triangle receiving over 61% in total. In summary, the reported sums are, as follows:

Levelling-up Quantified Provision To-date					
Region	Empowering Local Leaders	Productivity, Jobs, Pay	Spreading Opportunity	Restoring Local Pride	Total
	£m	£m	£m	£m	£m
London	121	92,660	322 +5H	318	93,421 +5H
South East	148	1,497	405 + 6H /1IT	21	2,071 +6H/1IT
East	1,498	971	292 +5H /1IT	28	2,789 +5H/1IT
Greater SE total	1,767	95,128	1,019	367	98,281 +16H/2IT
Yorks & Humber	2,735	3,491	251 +1H	486	6,963 +1H
North East	1,420	1,477	110 + 2H /1IT	20	3,027 +2H/1IT
North West	2,666	5,152	360 +5H /3IT	165	8,343 +5H/3IT
West Midlands	1,765	2,365	289 +3IT	816	5,235 +3IT
East Midlands	612	845	251	26	1,734
South West	1,367	1,701	229 +11H /3IT	76	3,373 +11H/3IT
Rest of Eng total	10,565	15,031	1,490	1,589	28,675 +22Hs/11TI
N. Ireland	16,347	2,020	-	84	18,451
Scotland	6,100	2,676	-	195	8,971
Wales	3,290	1,589	-	168	5,047
Grand total	38,069	116,444	2,509	2,403	159,425

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This summary presents the costed regional data contained in the final pages of the WP plus the numbers of new hospitals of (H) and institutes of technology (IT). The WP summary alsogincludes other uncosted references to schemes that apply a broadly to all local areas, including: additional police, l, Kickstart jobs, the furlough retention scheme, newfiapprenticeships and giga broadband coverage.

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Some particularly welcome features of the proposals

I welcome the decade long timeframe adopted in the WP although several decades will probably be required to evidence sustainable improvements. I also applaud the commitment to adopting a rigorous approach to performance measurement and transparency that will test the delivery and effectiveness of the programme and help create a system of accountability. This task must be seen as the starting point for a process of continuous learning and improvement.

Overall the WP provides an astonishingly honest account of the need for fundamental change to the way the UK perceives itself politically, economically and administratively. A cohesive alignment of special talent at political and administrative levels is now required to take advantage of this impressive start.

A generally supportive approach by the commentariat would extremely helpful but the Government should assume that it must bear the weight of public messaging to build understanding and participation a development process that is bound to have both highlights and disappointments.

Some suggestions

There are many aspects of the WP that seem to demand refinement and in some cases radical revision, as would be expected given the extensive nature of the Government's vision, including:

• Setting the scene. There is some bewilderment expressed in the opening chapter of the WP as to how the UK came to experience such powerful and persistent disparities between areas of the country compared to experiences elsewhere. In places there tends to be an argument that these disparities are equally felt across the UK, including London. Frankly, I can only attribute London's internal disparities to an astonishing failure of sophistication by those responsible for guiding the immense power of the London economy. I feel that the professed astonishment should have been at least partly mitigated by an explanation of the bias in public policy and that has favoured the Golden Triangle for so long.

This acknowledgement can be inferred but should be more evident.

It is important for society at large, politicians (national and local) and civil servants to understand that past preferment must cease, that a line has been drawn.

- **Digestibility.** There appears to be considerable overlap between the four programme aspects and given that the coverage of the overall programme is so extensive there is a good case for dividing it operationally into two distinct segments.
- 1. Driving regional business growth through: innovation and product development leading to improved productivity and business expansion; improved communication, and shared learning within the business community; more extensive linkages between the business community, universities and other relevant institutions (existing and new); and closer working between Government, local government and other business support organisations (see my previous paper on these issues[1]); and
- 2. Providing a fairer distribution of public services reflecting other local needs and conditions throughout the UK. There will be inevitable overlaps between these two aspects of the WP not least relating to infrastructure but it is important to identify and design specific initiatives around the predominant drivers if public money is to be spent effectively and in a timely manner. It must also be understood that success in (1) will reduce the imbalances in health, social and environmental outcomes relevant to (2) and without success in (1) investment in (2) will be dissipated.

Transparency and review will undoubtedly raise many issues causing constant refinement to the approach and this is to be welcomed as and when it occurs.

- The funding programme nightmare. The WP demonstrates the confusion of funding sources that besets any attempt to make change across a broad, interrelated swathe of UK public service. In theory the approach places all funding proposals for the whole country on a level playing field but we know that the level playing field is warped and ignored at will. It is a system by which administrators play a game which only they can ever hope to understand and importantly it acts as a protection against criticism of their decisions. What really needs attention are the outcomes and the way in which performance targets are set. The more complex the system the less honest the results. Adopt simpler, more flexible funding mechanisms with clearer performance metrics and an emphasis on the often forgotten outcomes.
- A democratic sea change. The prominence given to executive mayors tends more to a sea change than a refinement. At present elected mayors and city regions have limited powers with mayors acting as local convenors. The WP proposes some significant additional funding being available that should assist their powers of persuasion (depending on the fine details of the 'Empowering Leaders' funding). It is, however, interesting that levelling-up discussion is usually conducted in the context of regional development, as reflected in the WP summary but the detail on the ground and in the Empowerment section concern much smaller areas.

Surely a regional view is a more practical proposition. Does not the fragmentation of the regions for the purpose of economic development make them more obscure and complex to business, therefore, less inviting? Is this not why the Northern Power House and West Midlands engine were given such extensive catchment areas?

Post-war local government reform has been a nightmare and further attempts to impose nation-wide change is probably a step too far but regional mayors with extensive executive powers directed at economic regeneration could be highly beneficial to this agenda. They could work in collaboration with a system of local consultative councils that also had responsibility for community services. This would fit more the direction of travel than the current complexity of personnel, titles, powers and local exceptions. It would make the regions more comparable in scale to London and offer a simpler local structure on which the interactions between so many different parties must take place if this vital project it to be successful.

• Departmentalism. A similar point could be made about the civil service. Its model is pre-war, virtually nineteen century, when individual departments maintained a near independent existence. Neither the Cabinet Office nor No 10 is really in charge. Combining these two central vehicles seems essential but it does not mean that they will necessarily have more coordinating power or have more rights of accountability over departments. The WP brilliantly shows the interconnectedness of a visionary, transformative programme. What it really needs is a civil service that can be coordinated and held to account internally in a managerial sense. It also needs ministers that are not temporary post-holders but seasoned political leaders in their field, expected to

serve a full parliamentary term and perhaps longer, who can become properly acquainted with their brief, their department and those in the wider world with whom their department does business.

• Central meets local. It is clear that local politicians want local control. Which politician doesn't want power you might say? But central politicians want local control too, why is this? Locals do know the lay of the land, have planning responsibilities and lots of people on the ground who provide useful support services. Even so, Government holds many of the cards, including special tax and loan schemes, huge Government spending programmes (both routine and research), better control over the shape of higher and further education than local decision-takers, primacy over regulation (and deregulation) and more influence over inward investment. Is the Government hedging against failure or does it assume that funding mechanisms and behind the scenes arm twisting will provide control without responsibility? The game as proposed is too big to be so coy.

There needs to be a more thorough discussion of what the Government will bring to the table and how it will be involved given the enormity of the proposition. Regional directors will simply not cut it for this scale of programming. For a programme of this complexity a minister and official of deputy permanent secretary level needs to be assigned to each region however the programmes are to be configured. They would work with regional leaders, use their clout inside Government and Whitehall and work in tandem with local politicians on deals with major business partners. This takes into account that business investors may need to be convinced that local and central decision-takers are united in their ambition and evidently willing to work together over the long-term with

mutual respect. More needs to be said on this in the next stage.

- The private sector invitation. Apart from seeking general private sector responses to the WP it could be helpful to invite thoughts on the feasibility of some specific issues: the deepening of business to business collaboration; the development of interrelated areas of expertise whether on a national or local basis; development of local supply chains for specific products; and opportunities for the creation or of distinctive advancement regional business specialisms. Also thoughts on the means by which closer working relationships could be developed between business and the education sector including institutes of technology, further education colleges and university departments in order to drive innovation and knowledge transfer and the likely benefits from proposed changes. Specific comments could also be invited on new or improved ways in which the wider public sector could help facilitate such developments.
- The London plan. There needs to be a plan for aligning the development of the Golden Triangle with the development model for the regions to facilitate a viable public spending space and a more balance growth model. The pandemic increased the practice of home working but initial signs of this practice were evident in London long before. Nevertheless its acceleration has caused havoc to the business models of public and private service providers. This time consequences must be thought through. The social return, particularly to London, must be tangible and properly planned with any detrimental factors identified and mitigated wherever possible. To deny the need for this requirement is to

deny the intention to succeed.

Final thoughts

Is there really a need to do something this radical? In a sense the genie escaped the bottle at the last election when the memorable 'levelling-up' term was widely used to such good effect. The term cristalised the insistent need for change in the regions.

The possibility of diluting the concept must be tempting. There is no blueprint for success. Parallels with reforms in other countries can be drawn but practice is rarely transferrable at scale although lessons must always be sought and applied where possible. Beneficiaries of past preferment will inevitably express misgivings at the loss of their special place in Government affections and some will mount outright opposition to meaningful change.

Even so, this massive initiative is both necessary and appropriate to the present time, particularly in the context of the need to achieve post-pandemic renewal, demonstrate the full advantages of Brexit and deliver manifesto pledges. So the case for change can nolonger be evaded. The programme must now be explained, developed, defended and executed with irresistible determination.

Since this was first written there have been two changes of PM. The current PM's position on this putative agenda is by no means clear. I suggest that there would be an immense feeling of betrayal in the regions if a decision was taken to effectively downplay the prospect of regional change that has

been created and a return to an economic model based on the greater South East. It could be seen as the denial of nationhood by the Conservative Party. The jury is out and the signs do not look encouraging.

David Fellows is an accountant and early innovator in digital public service delivery. He worked extensively in UK local government, was a leader in the use of digital communication in UK public service and led a major EU project supporting the use of digital technology by regional SMEs. He became 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 and digital communication consultancy: david.fellows@pfmconnect.com

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https://blog-pfmconnect.com/levelling-up-opportunity-for-futur
e-generations/