

REDUCING REGIONAL DIVIDES

Making a meaningful difference through transformative change

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UNIVERSITY^{OF} BIRMINGHAM

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With support from

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The Thriving Places Index England 2022 release was prepared in partnership with the Centre for Urban Wellbeing at the University of Birmingham.

Founded in 2010, Centre for Thriving Places helps put the wellbeing of people and planet at the heart of decision making in towns, cities and regions across the UK. Our key strength is in helping show what's possible and providing practical pathways to getting there. We do this through place-based strategic consulting, research and data and evidence-based measurement tools and frameworks including the Thriving Places Index and the Happiness Pulse.

The Centre for Urban Wellbeing is a new multi-disciplinary centre at the University of Birmingham established in 2020 to support interdisciplinary and community-engaged research informed by the best global evidence to address urban wellbeing inequalities.

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The Report Team

The report was authored by Jessica Pykett and Laura Kudrna, Co-Directors of the Centre for Urban Wellbeing, with research assistance from Iman Ghosh and Lailah Alidu, based on analysis of the Thriving Places Index results for 2022 prepared in partnership with CTP...

Images

Cover image by Max van den Oetelaar on Unsplash

INTRODUCTION

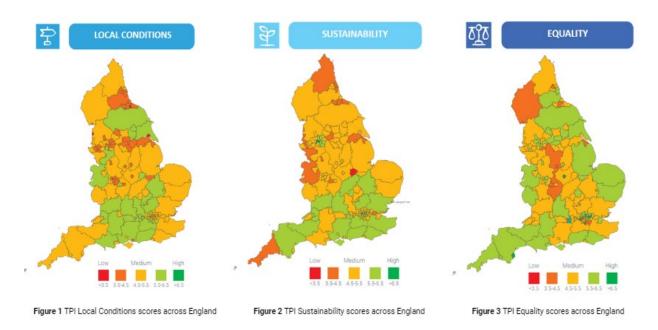
The UK's regional economic divisions are both persistent and legendary. This is to the extent that as leading social scientist, <u>Danny Dorling</u> has claimed: "All British governments since the late 1970s have failed to reduce inequality in Britain." This is recognised in the <u>UK 2070 Commission</u>, an independent inquiry and action plan on regional inequalities, in which Lord Kerslake reminds us that "the UK is one of the most regionally imbalanced economies in the industrialised world". In situations of stark economic inequalities, it has been shown time and again that people's health, wellbeing, education, housing, job security, social mobility, political stability, crime and environmental quality all suffer. In other words, no one wins.

The government's current 'levelling up' missions are designed to address regional inequalities but these have been widely criticised by experts and analysts as lacking in ambition, feasibility, having non-transparent funding allocations, or repackaging previously announced initiatives. Economic geographers have evidenced how successive government policies have in fact increased regional inequalities, through support of financial services-led growth and more than a decade of austerity. In examining the 'geographies of discontent' they have also outlined how plans for levelling up are dwarfed by the combined negative impacts of Brexit and COVID-19 which have created regional economic shocks for those places already 'left behind'. Others have noted that the specific mission on wellbeing in the levelling-up White Paper lacks specific targets and is not underpinned by the necessary metrics to guide government policies.

The scale of the problem to be tackled is vast, and the UK 2070 Commission is one of several calls to take radical and long-term action to stabilise the UK economy and reduce regional divides. Among the recommendations is to create a National Spatial Plan, and to develop a UK investment fund. Another is to establish a new independent institution to co-ordinate a <u>national strategy to address regional inequalities in economic productivity</u> which would also track impacts on equality, inclusion, health and quality of life.

The hope is that local and regional authorities will be able to deliver on levelling up. Yet it remains to be seen whether devolution sufficiently empowers local leaders to take ambitious and transformative action of the scale needed, and some are concerned that the levelling-up missions remain top down and under-resourced. Some positive signs have been noted that those regions where investments are targeted at the foundational economy – the goods and services on which we all rely in everyday life, including care, education, food, retail, transport – are becoming more inclusive. But securing these gains over the long term relies on strategic political leadership and universal service provision to meet people's basic needs. It also requires a wider range of local metrics to evaluate social and economic progress.

REGIONAL DISPARITIES THROUGH THE LENS OF THE THRIVING PLACES INDEX



The TPI provides one such tool for local and regional decision-makers to assess the wellbeing impacts of these strategies, including a wide-range of social and economic indicators which focus on outcomes for citizens, equality and sustainability.

While the variations within regions remain important, the 2022 TPI data also confirms that there are large regional differences between places that thrive and those that lag behind.

The orange table below shows that the regions with the highest proportion of their local authorities scoring high across all three TPI headline scores (Local Conditions, Equality, and Sustainability) are in the South of England, whereas those with a higher proportion of low scores are the North East and East Midlands. These regional differences are also highlighted on our three maps, (Figures 1-3) showing each local authority colour coded by its score for Local Conditions, Sustainability and Equality respectively.

If we look at local authorities with the highest and lowest scores on Local Conditions, the South East region again has the highest overall score (6.48) and the lowest is in the North West (3.02), confirming the North/South divide, albeit masking important within region inequalities which can be illuminated by digging deeper into the full data.

TPI Headlines	Most high scoring local authorities	Most low scoring local authorities
Local Conditions	South East	North East
Equality	South West	East Midlands
Sustainability	South East	North East

The picture is more varied when we look at the specific indicator domains in the green table below. There remains a gap in outcomes between North and South. The South East and London had the largest proportion of local authorities scoring very high for health, work, and the local economy, whereas over half of local authorities in the North East had low scores on these domains.

TPI Domains within Local Conditions	Most high scoring local authorities	Most low scoring local authorities
Place and Environment	North East	London
Mental and Physical Health	London	North East
Education and Learning	South West	West Midlands
Work and Local Economy	South East	North East
People and Community	South West	London

In contrast, the largest proportion of local authorities with high scores for Place and Environment are in the North East, while local authorities in London are more likely to score lowest on both Place and Environment and People and Community.

Place and Environment includes measures such as access to outdoor public space, journey times to services, car traffic, noise pollution, safety and housing – that this domain's scores are lower in London may come as no surprise if you are experiencing these issues every day. However the proportion of low scores for People and Community (including voter turnout, participation in heritage, clubs and organisations, neighbourhood trust and social fragmentation) are more surprising given London's reputation as a diverse and dynamic city. It suggests that people are not universally able to access these cultural and community assets.

IS REGIONAL DEVOLUTION PART OF THE SOLUTION?

Should we be optimistic then that the levelling up strategy and more regional devolution will be successful in reducing the regional divides where so many other initiatives have failed? And how will local leaders know what is working and what progress is being made? In their recent book, *Levelling up Left Behind Places*, Ron Martin and colleagues argue that economic strategy has to move away from the nation and towards "the individual cities, towns and localities" where the "everyday business of economic life" is carried out.

This means localities being empowered, funded and equipped to take a more proactive approach to economic investment, rather than waiting for wealth to 'trickle down' or 'seep sideways' from London – empirical evidence over several decades demonstrates that this simply doesn't happen. To achieve this, they recommend place-based policies which devolve economic, financial and political power to serving specific local needs and circumstances.

It is therefore interesting to see how already devolved administrations – the UK's Combined Authorities (CAs) are doing in the 2022 TPI. The table below shows that the West of England CA has the highest average score among its local authorities for both Local Conditions and Sustainability, whereas those with the lowest average scores are all in the North of England. Our initial analysis shown in the purple table has found that average (mean) headline scores for local authorities within CAs are slightly lower than for those not in CAs.

TPI Headlines	Combined Authority with highest average score	Combined Authority with lowest average score
Local Conditions	West of England	Tees Valley
Equality	North East	North Tyne
Sustainability	West of England	Tees Valley

TPI Headlines	Average (mean) score for LAs within a Combined Authority	Average (mean) score for LAs <u>not</u> in a Combined Authority
Local Conditions	4.40	5.13
Equality	5.26	5.39
Sustainability	4.83	5.21

CONCLUSION

There could be many possible reasons for these differences at a local and at a regional level. Many of the Combined Authorities are situated in geographical regions which already score lower on the TPI – so there's no suggestion here that the CAs are not improving social, environmental and wellbeing outcomes already.

What the TPI provides is an opportunity to investigate the data further, assess their significance, identify key trends and delve into the detail. The full results can help localities and regions with distinct forms of governance and different environmental, social and economic conditions, to track their progress, understand their local circumstances and engage in dialogue with communities, businesses and third sector organisations. It can help them to identify and act on their priorities in order to make their economies work for wellbeing, sustainability and equality.

SOURCES AND FURTHER READING

- 1. <u>Levelling up: the government's plans aren't enough to promote economic growth and tackle inequality</u>
- 2. Closing the divide: how to really level up the UK
- 3. Level best? The levelling up agenda and UK regional inequality
- 4. <u>Analysing the socio-economic impacts of COVID-19: a new regional geography or pandemic enhanced inequalities?</u>
- 5. <u>Economic geography I: Uneven development, 'left behind places' and 'levelling up' in a time of crisis</u>
- 6. PIP011-Levelling-Up-FINAL-0407222
- 7. The Response of Regional Well-Being to Place-Based Policy Interventions
- 8. UK 2070 An Inquiry into Regional Inequalities Towards a Framework for Action
- 9. The UK 'geography of discontent': narratives, Brexit and inter-regional 'levelling up'
- 10. The impact of the coronavirus crisis on older industrial Britain