

Financing for the future: what does levelling up mean for South East England?

Inquiry by the All-Party Parliamentary Group for the South East on “expectations, requirements and concerns related to the Government’s Levelling Up agenda”

An initial paper for APPG SE by Railfuture – a strategic partner in the South East Region

MAKING “LEVELLING UP” WORK – EMPOWERING COMMUNITIES TO BECOME WINNERS

1. We are always told that South East Region is NOT a serious priority for Levelling Up. This is a complete misunderstanding of economic geography

Prosperity in South East Region is very largely powered by proximity to London. So areas with easy access to London enjoy a quality of life unsurpassed elsewhere in the UK. But beyond the London commuting belt there is a marked “prosperity gradient” – producing a ring of coastal communities suffering from weak economic growth and entrenched social challenges.

2. Levelling Up therefore provides a major opportunity to improve the quality of life in the South East’s peripheral communities

Yes it does – but we all need to understand the size of the challenge. Closing the prosperity gap on more successful communities will require “transformational change”. A series of incremental socio-economic improvements – “doing familiar things better” - will still leave peripheral communities a long way behind – and there is even some risk that the prosperity gap may go on widening. (See specific example quoted in Section 5 below).

3. But the Government puts a lot of faith in transformation through better connectivity – surely that would cure the problems of peripherality.....

Railfuture is a strong supporter of Transport for the South East – and is closely involved with their current projects. TfSE’s ambitious “Transport Strategy for the South East” can certainly open major new opportunities for the coastal periphery. But our own experience, in line with relevant research outputs, shows that better connectivity alone does not transform entrenched local weaknesses. In order to achieve a better quality of life for whole communities better connectivity has to be matched by imaginative and effective “Place-Making Strategies”.

4. The problems caused by Peripherality are not just about physical distance.....

The economy of London and its surrounding areas is world class. Sectors are driven by market leaders. Competition is relentless. Frequently changing work patterns are the accepted norm. Peripheral communities on the South East coast have progressively become more isolated from this pace of economic and social change. Local economies have become weaker. Communities have become poorer. Mind-sets have turned inwards. And in such circumstances resistance to change and antipathy towards outside influences can become endemic. Any transformational strategy must therefore create real community “ownership”.

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5. So if Levelling Up is to succeed it must be planned and delivered on a strategic scale.....

One South East Town Deal submission started by acknowledging that for 20 years a range of publicly funded “regeneration projects” – however helpful for individual beneficiaries - have failed to improve the town’s entrenched position at the wrong end of the Deprived Towns table. Railfuture strongly endorses the principle behind this statement. By their nature “deprived towns” are unlikely to possess the full range of skills and experience necessary to re-evaluate and re-energise the community’s economic strengths and social cohesion. A more strategic approach is required. So Railfuture wishes to draw APPG South East’s attention to two examples of strategic Levelling Up in other Regions.

- **Greater Grimsby** sits alongside Hastings in the Deprived Towns table. Yet it has produced a Town Deal Plan which the Government has, uniquely, recommended as an exemplar for all other Town Deal submissions. The Grimsby Plan unashamedly projects the area’s economic future in Regional and National contexts – highlighting its commitment to “*increasing our contribution to UK plc*”. But the key point here is the strategic composition of the Board. This is Chaired by the founder of a nationally known company and contains the Chair of the UK 2070 Commission (committed to closing inter- and intra-Regional disparities) plus also a former Chancellor of the Exchequer.

See: <https://www.nelincs.gov.uk/business-and-investment/town-deal/greater-grimsby-board/>

- **The Teesside Taskforce**, led by the elected Mayor of Tees Valley Combined Authority, with close involvement from the UK2070 Commission, has produced a radical and comprehensive revival plan which presents Teesside in both regional and national contexts – and is significantly titled “Setting the Foundations for the Next Generation”. The Plan demonstrates the potential power of creating larger economic units through partnerships between neighbouring Local Authorities.

See The UK2020 Teesside Taskforce Report of Findings: <http://uk2070.org.uk/publications/>

South East Region has limited experience of over-arching governance. TfSE is now demonstrating what can be achieved in the Transport field. But TfSE is not seeking economic oversight powers. Railfuture strongly recommends that APPG puts the creation of cross-boundary Economic Partnerships at the centre of its ambitions for Levelling Up.

We further suggest that an Economic Partnership embracing Hastings, Bexhill and Eastbourne would signal the potential strength of a new coastal economic growth hub with a population of over 250,000. (The Rail User Groups themselves created persuasive foundations for stronger economic performance by negotiating much improved rail connections between these communities – and to London via Ashford High Speed Rail - in GTR’s May 2018 Rail Timetable).

Railfuture would be pleased to discuss with APPG South East the further development of all the proposals outlined in this initial paper.

- **Organisation:** Railfuture – Britain’s leading, longest-established, national independent voluntary organisation campaigning exclusively for a better railway across a bigger network for passenger and freight users, to support economic (housing and productivity) growth, environmental improvement and better-connected communities
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