



# Select Committee on Public Services

## Oral evidence: "Levelling up" and public services

Wednesday 17 March 2021

10 am

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Members present: Baroness Armstrong of Hill Top (The Chair); Lord Bichard; Lord Bourne of Aberystwyth; Lord Davies of Gower; Lord Filkin; Lord Hogan-Howe; Lord Hunt of Kings Heath; Baroness Pinnock; Baroness Pitkeathley; Baroness Tyler of Enfield; Baroness Wyld; Lord Young of Cookham.

Evidence Session No. 5

Virtual Proceeding

Questions 29 - 34

### Witnesses

I: Isabel Hardman, Assistant Editor, *Spectator*; John Harris, Columnist, *Guardian*; Sebastian Payne, Whitehall Editor, *Financial Times*.

## Examination of witnesses

Isabel Hardman, John Harris and Sebastian Payne.

Q29 **The Chair:** Good morning, everyone. Unusually, we are meeting on a Wednesday morning. We have another interesting session to come in our short inquiry into levelling up and whether we think public services have a role to play in the levelling-up agenda.

We are very pleased to have two very different panels. The first panel is made up of journalists. Some journalists have been writing quite extensively about this issue. We wanted to hear from them, because they are out talking with people about it, too. For the second half of our meeting, we have a panel of Ministers.

I am very pleased to welcome everyone to this morning's meeting. On our first panel we have three journalists. I remind committee members that if they have an interest to declare they should do that when they first speak. I say to the panels that we have a leading question, which you will have been told about, but Members will then be able to come in with supplementaries, some of which you may be expecting and some of which you may not. It is always a lively committee, and Members always have plenty of questions.

For the first panel, we have Isabel Hardman, who is the assistant editor at the *Spectator*; John Harris, who is a columnist at the *Guardian*; and Sebastian Payne, who is the Whitehall editor at the *Financial Times*. Welcome to all of you. I am pleased that there is no Budget today and that you are all able to be here.

I am Hilary Armstrong. I chair the committee. As ever, I will ask the first question. What do you think that the Government mean by levelling up? What is actually happening in order to achieve the ends that you think they are looking for? Isabel, can we start with you? Can you say a little bit about yourself at the beginning?

**Isabel Hardman:** Sure. I am the assistant editor at the *Spectator* and the author of *Why We Get the Wrong Politicians*. Thank you for having me on this committee.

My understanding of what the Government mean when they talk about levelling up has developed a little in the past few months. It was very much a nebulous phrase for about a year after Boris Johnson started using it, following the 2019 general election. My fear initially was that it was going to end up being something along the lines of David Cameron's big society: something that sounds nice, but no one really pins down what it means and nothing ever really happens to follow it up. However, I think that we have seen a few developments in the past few weeks that have fleshed it out a little, to be fair to the Government.

**The Chair:** Good. Do you think that you know what they intend?

**Isabel Hardman:** I think they see it largely in terms of infrastructure and educational opportunities. The educational opportunities thing is an

even bigger challenge, given the pandemic and how much further disadvantaged pupils are falling behind as a result of remote learning for more than a year.

On infrastructure, we have seen the launch of a bus strategy in the past week. Conservative MPs in the red wall seats, who are hoping to be the main targets of this levelling-up agenda, are very happy about that. Some of them do not have railway stations in their constituencies, so buses are really important. The focus on rail is often quite a London-centric thing, given that most journeys are made on the road, rather than on the railways. That has been something MPs have been really happy about.

I am sure that we will get into this later in the committee, but there is a still a lot of anxiety about personnel in government—who is delivering this and who is the right person in each department to deliver it.

**The Chair:** Thank you, Isabel. Can I ask Sebastian now?

**Sebastian Payne:** Thank you for having me on the committee. I am the Whitehall editor of the *FT*. I am also in the midst of writing a book that will cover many of the themes of levelling up called *Broken Heartlands: A Journey Through Labour's Lost England*, which is a 10-seat road trip around many of the places that voted Conservative for the first time in 2019, including your former constituency of North West Durham. Levelling up will be one of the things I will look at in this book—what it is, what these places need and the issues that they have tackled.

The phrase “levelling up” is a bit like one of those political slogans that people say to make themselves sound and feel more cuddly. It is like “one nation”. You have never met a Conservative MP who does not describe themselves as a one-nation MP. In the same way, you will not meet anyone in government who says that they are not up for levelling up the country.

For me, it emerged following the 2016 referendum. During the latter days of that campaign, the people who advocated Brexit put forward what was really an alternative vision for government, as we remember: £350 million for the NHS and investing in public services. It was all designed to speak to parts of the country which, they had deduced, felt left behind—to use the common phrase—by Governments of the past several decades. It then re-emerged under Theresa May in her slogan “the JAMs”: the just-about-managings. Again, that was about trying to help people who did not feel that they had benefited from the UK’s economic growth of recent decades.

In its most recent incarnation, it came when Boris Johnson ran for the Conservative Party leadership and his then aide, Dominic Cummings, who is speaking at some other Select Committee this morning, said that his slogan was to deliver Brexit, defeat Corbyn and unite the country. The latter point is where levelling up came in. The idea is that you can capture it if you look at the UK’s economy. In some ways, we have

Singapore-on-Thames in London and the rest of the country is Portugal. We are very unequal. We have very bad productivity problems across the rest of the country and have had very uneven spending decisions over many years, due to Whitehall orthodoxy—[*Inaudible.*], you name it.

Last month, I made a Radio 4 documentary called “England’s Level Best”, which tried to answer the same question as this committee. In it, I spoke to the Cambridge economist Diane Coyle. She captures the fact that the UK has had several engines, but only one of them has been running effectively. Levelling up should be about repairing those other engines and getting them up to speed so that we can get better growth from other parts of the country, not just from London and the south-east.

However, I agree with what Isabel said. It is still a nebulous concept. We will get into the fact that no one is really responsible for it within the structures of government at the moment. Nobody is particularly driving this agenda forward, apart from the Prime Minister. That creates a slight issue of how you measure success and what levelling up is.

**The Chair:** Thank you, Sebastian. I heard that you had been up north, as it were. I turn to John Harris from the *Guardian*.

**John Harris:** Thank you for having me on today. I write a weekly column for the *Guardian*.

This may be wrong, but I think the reason I was invited to speak today probably has more to do with an ongoing video series that I make for the *Guardian* with John Domokos, a colleague of mine, called “Anywhere but Westminster” and which we have been doing for 10 years. Initially, the spark for that was being sent to cover party conferences and could not stand it. Increasingly, we tilted our coverage away from party conferences. We would be seen to leave the so-called ring of steel and would go out into the world to ask people what they thought of politics. That became a larger and larger share of what we do.

It so happened that that coincided with the fallout from the financial crash of 2008 and a lot of the political phenomena that followed from that—chiefly, the rise of the UK Independence Party and the increasing prominence of Brexit as an idea. As we followed that story and, to some extent, the story of the movement for Scottish independence, we found ourselves more and more in places that subsequently became known as “left behind”, although I do not like the phrase, talking to people about their feeling of distance from power and resentment towards the establishment, politicians and so on. That became not the entirety, but the basis, of what we did.

I am not a standard political correspondent. I do not spend any time at all in Whitehall or Westminster. I very rarely have. I pay attention to it, but it is not of that much interest to me. So from that perspective we still do not know what levelling up may or may not mean.

I find it interesting that it is talked about now. To echo something that Sebastian said, I found it interesting that some of Theresa May's rhetoric was in this area, because a lot of what I and other journalists did up to the Brexit referendum was really about the fact that these huge economic and social divisions in the country were barely talked about. Obviously, that has changed. I would credit George Osborne for that as well, to some extent, in the sense that the so-called northern powerhouse represented the first stirrings of some of this. I do not know whether it is still extant, but I would argue that the northern powerhouse, as long as it lasted, was actually more convincing, in the sense that it had a dedicated Minister and you could understand what they were trying to do, because it was centred on devolution and centred largely, or partly, on questions of power.

So far, levelling up seems to me to be more rhetorical than real. I know that in the last three or four months the Government have announced a levelling-up fund, but, as I understand it, that totals £4.8 billion. We all know that the Government are projected very soon to have spent £37 billion, which is eight times as much, on a dysfunctional track-and-trace system. It is chicken feed, really. That makes me feel less than convinced by it.

The other thing that goes against the grain or undermines the whole notion of levelling up is the parlous state of local and city government in England. That applies across the UK, actually. Austerity is not over. I could take any one of a number of examples. Leeds City Council is about to cut £87 million from its annual budget. That is the biggest cut that it has ever faced. The divide between the north, however it is defined, and London and the south-east is wider and bigger than the divide between the old East Germany and the old West Germany. I think I am right in saying that it is more pronounced than the divide between northern Italy and the Mezzogiorno.

We are talking about a huge thing. If there is to be economic regeneration and any measure of levelling up this divide, questions of power have to be central to it. As long as local and city government are starved of funds, I do not see how it can be real.

**The Chair:** Do any of my colleagues have a supplementary question? Some very interesting points were made there. I will move on to Lord Davies. I may well come back at a later stage.

Q30 **Lord Davies of Gower:** Good morning to the panel. I am sure you will all be very aware of the criticism since the publication of the levelling-up fund. Similarly, we have heard that the towns fund and the community renewal fund have allegedly neglected some of our most deprived areas. Do you think that those criticisms are justified? Can I start with you, Isabel?

**Isabel Hardman:** I do not think that I am the best person to answer this. Seb will be much better. However, some of the criticisms seem justified. There seems to be a sense of the Government feeling quite

comfortable with appearing to favour areas that are electorally advantageous. I will leave Seb to answer the more detailed point about that.

**Sebastian Payne:** Shall I just hop in there? These funds are quite interesting. They speak to something about how the people who designed levelling up came up with it. Rachel Wolf co-wrote the 2019 Conservative manifesto. I interviewed her for the Radio 4 documentary I spoke to. She said that part of the success of this Government is improving the physical environment of the places where people live. As you have seen from many of John Harris's excellent videos, many of the town centres in England's smaller "left-behind" towns really are struggling. These funds are designed to address that by doing lots of small infrastructure projects.

Are these funds done in a politically biased way? It is a really good question. We have done a lot of reporting on this at the *FT*. The Government have not been particularly transparent in this formula about how that is going to work, so I cannot really say how these places have been chosen. Newark or Richmondshire do not necessarily come to mind as the first parts of England that really need levelling up, if we are being quite honest. On the other hand, these things have been designed by civil servants. I do not necessarily think that Secretaries of State are sitting there saying, "I want this to go to a certain place". I think it is more about bad incentives being fed into it.

This comes to one key point about levelling up. It is about thousands of small projects across the country. My main concern with this whole concept is the capacity of the British state to deliver it. Think of all the town centres that could do with a revamp, new shops and converting closed industrial outlets to leisure parks or whatever. That is a big challenge. As we know, the state has been entirely occupied by Brexit for the past couple of years. Now it is entirely occupied by coronavirus. I wonder how much will actually be done on levelling up between now and the next election, because this Government have only three years to go before the next polling day.

**Lord Davies of Gower:** John, would you like to come in on that?

**John Harris:** On the suggestions that the logic behind the awarding of this money place by place is questionable, clearly something is not right. However, I do not feel particularly scandalised or surprised by it. That is what Governments tend to do. The politics of the pork barrel, when you see it, is very rarely revelatory. It does seem odd that Richmondshire, Rishi Sunak's constituency or area, is given a higher priority than Barnsley, which, as anyone who knows Barnsley will know, still lives under the shadow of the demise of the coal industry. I do not think that Richmond, God love it, lives under the shadow of much at all. It is a very nice, very affluent place.

I am sitting in Mendip, in Somerset, which is another area that is in level 1. It has reasonably sizeable pockets of deprivation, but it does not

compare to the deindustrialised places that all of us have talked about so far. I think there is something very questionable about it.

The other danger with it is something that harks back to a 20 or 30-year history, some of which is bound up with the use of EU money. That is the other thing. Let us not forget that the £4.8 billion levelling-up fund is intended to replace money that went from various European pots of money, among them the European Social Fund. It so happens that a really good example of this is west Wales, Lord Davies of Gower, so I will mention west Wales.

**Lord Davies of Gower:** Thank you.

**John Harris:** If you go to Pembrokeshire, as I am sure you have, and spend time there, it is very striking that the roads are brilliant. There are no potholes in the roads. You glide along the roads as if you have gone forward 50 years into the future. There are places like Haverfordwest that have very modern, gleaming retail developments, but none of it really makes any difference to the basic state of people's economic predicament there. The same applies to south Wales. The same applies to parts of the north of England as well.

In that sense, they are not levelled up. It feels very cosmetic. It is better to have a nice road than not, and it is better to have a nice retail development than not, but those things do not fundamentally alter the huge imbalance between those places and more affluent parts of the country. Given what was just said about the fact that the Government have three years, I do not see that sense of cosmetic change, at best, really changing. I think that is in the nature of it. What you end up with is a kind of survival. It is not about anything transformative. Whichever way you look it, if levelling up is not transformative, it is not levelling up. You have not levelled up. You just have nicer tarmac.

**Lord Davies of Gower:** Thank you very much for that reference to west Wales. We could talk for ages about that and the reasons for it—transport poverty and that sort of thing. I am grateful for that.

Q31 **Lord Bourne of Aberystwyth:** Welcome to the panel. Inherent in what is being said at the moment is the place-based nature of this. There has been talk of the north/south divide and areas that have been left behind. John talked about power. To what extent do you think that English devolution is central to this? Do we need to diffuse power, particularly within England? I would be grateful for your views on that. Perhaps John should go first.

**John Harris:** What I have said about that so far highlights the fact that this is a huge issue. It is impossible to disentangle it from more than 10 years of austerity. People often forget that austerity started in the final stages of the Brown Government, immediately after the crash. You have this mixture of austerity with the fact that over 30 or 40 years, or probably even more than that—certainly since the Thatcher period—city and local government in England and across the UK has been more and

more fragmented, denied funds and emasculated, to the point that it is just a shadow of what it was before.

One can look back nostalgically to things like the Joseph Chamberlain period in Birmingham and some of the great civic experiments in England, which were part of an age in which these huge divides were there but did not exist to anything like the same extent. Clearly, those two things are related. The question then is: how do you achieve a modern equivalent of that? There is a cliché that politicians always use. They talk about England's great cities. How do cities—and, for that matter, shires, towns, boroughs and so on—achieve a great level of clout and say over their own affairs? That, to my mind, is the only place where you can begin to turn places around.

The one modern version of that story that has been pretty successful is Manchester. I grew up 12 miles from Manchester and was educated there. For anyone who has been to Manchester city centre over the last 20 or 30 years, the transformation is astounding. The lion's share of the leadership on a lot of that was taken by Manchester City Council. That is what George Osborne was completely dazzled by. You had political continuity in Manchester. The Labour Party was always in charge. At one point, there were only Labour councillors on Manchester City Council. They could be confident of that. Unlike in Liverpool, for example, that continuity gave them a chance to completely reinvent the city, with the leadership and input of an amazing chief executive, Howard Bernstein. That, to my mind, is the one great case study in a lot of what we are talking about here.

It is no accident that George Osborne came along and, in collaboration with Sir Richard Leese, the leader of Manchester City Council, and Howard Bernstein, signed a city deal with Manchester. Now Andy Burnham is the Mayor of Greater Manchester. Moves have already been made on the devolution of powers over health and public health. Transport has moved in a similar direction in Manchester. I want everywhere to have that.

At the moment, the issue with devolution, city deals and so on is that you end up with a quite random, unpredictable archipelago of places and powers. It is very hard to trace who has which powers, for how long and how they came by them, because it is done on an ad hoc basis. The problem then is that you get into the very arcane and boring territory of talking about local government reorganisation. I studied that during my A-levels, and it sent me to sleep. However, that is what you have to talk about.

We have to redraw it to come up with a coherent system in which, à la places on the continent, there are clear layers of government that run from the national to the local and all points in between, and are the same wherever you go. Within that, you have to achieve a much greater measure of the devolution of power: of finance, decision-making and all those things. As we all know, at the moment we have the most



chronically centralised system of government in western Europe, if not the world.

**Isabel Hardman:** I probably agree with most of what John has to say. On Manchester's civic tradition, I remember talking to George Osborne a couple of years before he started the northern powerhouse. He was praising the culture within Manchester and saying how impressive the local government culture was there.

That is another of the issues. It goes back to what John was talking about earlier in relation to local government funding. You need to have a good supply of people going into local government in order for this to work. That is one of the reasons why opposition parties wax lyrical about devolution and then go off it when they are in power. It is not just that they end up with someone like Andy Burnham whom they find annoying because he is really good at making the case for his area, getting headlines and so on. He can be a bit of a pain for Ministers, which shows that he is very effective.

It is also that the quality of people going into local government in some areas is just not very good. I am sure that people on the committee have come across this. There is also the issue of diversity. Local government is still very pale, male and stale, so you get an even greater cognitive disconnect between councillors and the areas they serve than we have in Parliament. That is not to say that Parliament is particularly good at reflecting the country that it serves either.

If you have horrendous cuts to local government funding in the way we have seen over the past few years and, as John mentioned, an ongoing miserable picture for the future of local government funding, the incentives for people to go into local government are reduced, because you feel like you are not going to achieve anything or you are going to spend your whole life having to cut really important local services.

You have to be a certain type of person to think, "Yes. I would love to spend my free time doing that". One of the problems that we have is the gutting of local government. When I talk to Conservative MPs, they worry about the reduction in services in their local area, but that does not seem to translate into very much when it comes to central government policy as regards local government funding.

**Sebastian Payne:** One thing to add to all this is the fact that the UK Government are slashing the core funding to local government by 77%. That is such a huge amount. That will still have some very negative effects on local government and its ability to cope with delays in all this.

George Osborne's agenda to create metro mayors was broadly a good thing, but I do not think there is enough focus on what happens to the towns around those big cities. One of the chapters in my book is about Wakefield. Wakefield is very much in the West Yorkshire conurbation. It is about to get its first directly elected mayor, in May, but a lot of the people I spoke to in Wakefield are concerned about their identity. For the

past two decades, all the economic activity has gone away from Wakefield towards Leeds. Now, with this mayoralty, they again feel that it will be dominated from Leeds, because that is where the economic centre is and that is where the jobs are. It feels as if many people are commuting from that town to Leeds. We need to be very careful about that.

However, generally speaking, these mayors give a good voice and are able to get better deals and more funding from central government. That is part of the levelling-up piece.

To add to Manchester, Andy Street in the West Midlands has been very successful in encouraging investment and getting a better voice for his region. The same is true of Steve Rotherham in Liverpool and Ben Houchen in Tees Valley. These are all successful examples of mayors. One interesting example from Tees Valley is what happened with the SSI steel plant in Redcar. When that closed down in 2015, the Conservatives felt that they struggled with that example, yet Tees Valley is now encouraging a lot of investment, thanks to the freeport and the green industrial revolution. We will see how many sustainable long-term jobs that creates, but if you want a case study of what levelling up should look like and where it should be, that is a pretty good example for you to focus your efforts on.

However, I agree with Isabel that if you are serious about trying to deliver local projects to bring the necessary investment, local government funding needs to be repaired. I spoke to some government Ministers as part of the research for my book. Some of those involved in the Cameron era of government admitted that that was something that they got very badly wrong. If they were going back over the austerity years, local government probably would not have been cut as much as it was at that particular time.

**The Chair:** That was all fascinating, but I now need to move to our next questioner, Baroness Wyld.

Q32 **Baroness Wyld:** Good morning to the witnesses. I will just remind everyone of my declared interests. I am a non-exec board member at DCMS and Ofsted.

Coming back to the centre, I want to pick up on the points Seb and Isabel touched on about personnel and who is in charge. Seb, you said that nobody is responsible except for the PM. Isabel, you said that there were some concerns. Could you start by elaborating on your perspective on who, if anyone, you think is gripping this at the centre?

**Isabel Hardman:** As Seb said, there is no one who is the point person in government for this. One of the problems is that it really goes across government departments. It is not just Robert Jenrick in the Housing, Communities and Local Government Department. It is also Transport, it is also Education, it is also Defra. Talking to Conservative Back-Benchers over the past few weeks, while they are pleased that there are pots of

money coming out, bus strategies and so on, they have said that they really want a Minister who is responsible.

It does not need to be a creation of a new department or even a new role. It can just be someone who is the named person in charge of levelling up. Their suggestions have been a Cabinet Office Minister, whether that is Michael Gove or whoever replaces Michael Gove if he moves on in a forthcoming reshuffle, or—another slightly curious idea—giving the role to the Chief Whip. They were thinking that Gavin Williamson could move from Education. I find it hard to find a Conservative MP who thinks he has been a very good Education Secretary, but they say that he would do a much better job being back in the Whips' Office. He is somebody, as an operator, who would be very good at saying to different MPs, "Here's a deal for your area. Here's what your area needs".

One reason for the Northern Research Group of Conservative MPs is that those Back-Benchers did not feel that they had a really good channel of communication between them and No. 10, partly due to weaknesses that they say exist in Boris Johnson's PPS team, but also because they were having to do broadcast lobbying for their cause rather than going through the usual behind-the-scenes channels. The Northern Research Group has morphed into bigger than that, because it now gives out pots of money to Conservative MPs. Even MPs who do not necessarily agree with all its stances are members, because why would you not join if you are going to get money?

There is an important lesson to be learned from the formation of that group, which is that no one was really there as the point person for MPs to go to when they wanted to ask for something or when they wanted to push either for a policy for their constituencies or for the wider levelling-up agenda. That has been communicated. We are expecting a reshuffle at some point and we are expecting some of the Ministers whom I mentioned to move.

On Education in particular, as I said, Gavin Williamson's tenure there has not been particularly successful. That is another cause for concern, not just because of the huge task facing the education department as we come out of the pandemic and as we deal with the legacy of nearly a year of remote learning for all kids, but particularly for kids who will not have been logging in or paying attention, who will have found screens overwhelming, or indeed excluded children and children in disadvantaged areas. There needs to be somebody in the education department who is a really big beast, who is able to make the levelling-up agenda a real priority in government even when the new cycle moves on, because, with the greatest respect to myself and my colleagues, we have really short attention spans, and that translates into government policy-making.

A year from now, you need a Minister who is still going on about levelling up in the education department, about the prospects of children in disadvantaged areas or from disadvantaged backgrounds. I spoke to one Conservative MP who basically described Gavin Williamson as now being

a bit like roadkill, and they said that the teaching unions were feasting upon him. You need someone who is so powerful that they can stand up to the teaching unions and stand up to colleagues in government. We do not currently have that.

**Baroness Wyld:** Thank you. That was fascinating and very illuminating, Isabel. I had better move on to Seb.

**Sebastian Payne:** Thank you very much. The key thing in my mind about this at the moment is that levelling up is as big a challenge for the British state as Brexit. In some ways it is bigger, because it affects every single part of domestic policy. If you think of Brexit, we had a Secretary of State, four Ministers, a whole government department and hundreds of civil servants. Brexit's DExEU's count was well over 500 before it closed after Brexit was "delivered".

It seems mad to me that there is not better co-ordination of policy over this. If you think of the kinds of things that we are talking about, such as infrastructure, it cuts across the ministry in local government and across the Treasury. It can also cut across business, and it can cut across the Cabinet Office. At the moment, it is in the ether that the Prime Minister wants to take hold of this, because, in an attempt to define whatever Johnsonism is, it will be something to do with levelling up, but then a lot of it is the Treasury as well.

I have thought a bit about this. I think the better structure would be to have a designated levelling-up Minister in the Cabinet Office and have junior Ministers in each other government department who have responsibility for that agenda, and have a cross-Whitehall committee that meets regularly and is able to co-ordinate policy responses there.

When part of levelling up was going to be about moving civil servants out of Whitehall, there was going to be a big, grand announcement from the Cabinet Office. It was going to say, "This is our plan. Every department will move these people at certain junctures". That did not happen, because they could not agree and there was no actual joined-up thinking about who would go where.

As we know, it has come out in bits and bobs, with the Treasury going to Darlington, housing and local government going to Wolverhampton, and DCMS going to Manchester. It has all come out in a very piecemeal fashion, which, to me, speaks to the structural problems within Whitehall about this. I understand that No. 10 and the Treasury do not want to let go of this, because it is the prize of this Government, but the real danger is that so much of Whitehall battles with each other about who does what that the nettle is not really grasped.

The test that I am setting in my book for levelling up is this. Boris Johnson is elected in 2019. Imagine a nine year-old kid at school. If he wins a second term, that kid will have left school. Does that kid have better chances? Can they have a better job or career in the town they were brought up in, and do they have access to a wider range of further

education skills? That, for me, is the test of levelling up. Yes, it is about physical things on the ground, but it really comes down to jobs and skills. A lot of John's reporting from outside Westminster has spoken to the fact that people in many of these towns have to move away if they want to get the kinds of jobs they want. For me, that is what success is about.

We have tried to crack the technical education nut for quite some time in Britain with many different attempts, not necessarily with a huge amount of success. That is what concerns me about what is going on in education. As Isabel said, Gavin Williamson has had his ups and downs as Secretary of State for Education. I wonder whether he will be in that job post the reshuffle. Whoever replaces him will really have to get on top of that.

The infrastructure stuff can be done. More mayoralities can be done. Lots of the smaller local stuff can be done. The real test to fix the productivity problem is better skills and better training. Again, that comes back to this joined-up Whitehall approach.

**Baroness Wylde:** Thank you very much, Seb. John, did you want to come in on this one?

**The Chair:** You do not have to, John, because the next question is dedicated to you.

**Baroness Wylde:** I have a follow-up if I have time, Hilary.

**The Chair:** Quickly.

**Baroness Wylde:** While they are all trying to decide who is in charge, has anybody really stood out anywhere in government in getting on with things related to levelling up?

**The Chair:** I think you have your answer, Laura.

**Sebastian Payne:** My general thought would be that it probably sits with the Treasury, because most of it is about government spending and allocation of various infrastructure projects. Of course, there is this new joint economic unit of special advisers between 10 Downing Street and 11 Downing Street. They share what should be an economic approach to government policy. That is the nearest thing to who is actually in charge of it, but there is nobody who gets up every morning and thinks, "What's going on with levelling up today?", which I do think is a big problem.

**John Harris:** The one senior Conservative who I have heard even Labour people sitting in local government talk about as being very up to speed and quite impressive about some of this is Greg Clark. He is from Sebastian's part of the world and has a reasonable track record, notwithstanding the caveats that I have talked about. Isabel, were you hinting that there is a possible inference, or there are rumours, that Gavin Williamson might be in charge of this? Is that right?

**Isabel Hardman:** No, no, no.

**John Harris:** It would be like putting Private Pike in charge of the war effort. It is not a good idea, really.

**The Chair:** There are two ex-Chief Whips on the committee, so we have probably talked enough about reshuffles here. Thank you very much indeed, Laura. We need to move on unfortunately. We never have enough time for questions. Can I bring in Lord Filkin?

Q33 **Lord Filkin:** Thank you, Hilary. Welcome to the panel. My question is primarily to John Harris. We heard last week from a number of organisations that the Government had not consulted with community groups and voluntary organisations that were working in deprived areas on their levelling-up strategy. Do you think that matters? If they had consulted, what do you think communities would have said?

**John Harris:** I am not quite sure about the second part of the question. I can answer the first one. What would they have said in response to what specifically?

**Lord Filkin:** If they had been consulted by government about what a levelling-up strategy should be, what would have been the consensus of community groups' views, if there was one, about what the priorities for levelling up in their areas should be?

**John Harris:** To tackle that on a big picture level, notwithstanding the size of the inequality gap and the imbalances in the regional divisions that we have all talked about, which are huge, one of the main misapprehensions that runs through the discourse about this—on the right of politics, but also on the left, actually—is this idea of somehow left-behind places. Incidentally, very often they are not left behind at all. They are at the cutting edge of all sorts of things; they are very futuristic places. It just so happens that they are at the absolute sharp end of it, and they are suffering for it, but they are not left behind in the sense that everyone drinks Vimto and wishes it was 1952 again. That is really not what they are like at all.

There is this idea that somehow these places are like social deserts—that there is no hope there, everyone lives these forlorn and blighted lives and walks around staring at the ground, there is no social capacity there, so somehow it needs this big beneficent hand from the centre to reach out from London and intervene and to make life better.

That was one of my main criticisms of the Jeremy Corbyn project and the Labour Party. I thought it really had that view of large swathes of the country. You end up then with a kindness that kills. If it is not the kind of help that empowers people and enables people on the ground. It will not work. Wherever we go making our videos, we now make a point of covering community groups, local initiatives or grass-roots organisations, depending on what you call them.

All these things are clichés that I do not really like. It is some of what David Cameron was talking about when he went on about the big society. There are bits of it in the idea of double devolution, total place, all these

things that have been rattling round politics for ages. They are very important and they very often do amazing things. They show you that these places have agency. Given enough resources, they could do quite remarkable things.

There are businesses. I went to a project in Grimsby at the time of the 2019 election. Grimsby has all sorts of problems, but this project was being run as a social enterprise from the site of a former secondary school, and it had a business incubator in it. I spoke to people who were running computer maintenance firms, florists and all sorts, who would really benefit from this business incubator. That was done from the grass roots with nobody's permission at the centre. All that is really important. The only danger with it, if we fixate on it too much, is that these questions about local government get missed out.

You get a vision where there is just central government and the voluntary sector, and people think councils are somehow passé. I agree with what Isabel said. Councils need reviving and reinventing in various ways, but they are very important. Yes, of course, however you characterise it, the third sector is massively important to this. Apart from anything else, it is the best place to go if you want to find out what makes the place tick and what it needs. When you hit town, you go and find one of those projects and spend an hour or two talking to them, and they know.

**Lord Filkin:** You have clearly answered the question, "Yes, it matters". So what should government have done in developing its strategy to empower community groups and voluntary organisations, not national ones but those working in localities?

**John Harris:** The only problem with answering that is that the Government do not really seem to have done much at all yet about all this, so it is difficult to say, "Why haven't they spoken to this group of people?" If we are being optimistic about it, we are so in the foothills. I find the vocabulary used so far about all this too mechanistic, with the fixation on infrastructure, bus lanes and transport and all that. As relevant as those things are, if you miss the voices of the sorts of groups that we are talking about, there is a whole section of stuff, which is bound up with public services and is bound up with this committee's remit, which gets missed out.

Levelling up is as much about public health and education and all that as it is about the fact that the Leeds to Bradford train line is lousy. If you concentrate on that to the exclusion of the other, you are just scratching the surface if you are not careful. That is part of what people talk about. These questions are existential and philosophical, and very human.

When I was first telephoned about speaking to the committee, one of the things I said was that you can talk about economics, facts and figures, and statistics, but the condition of living in half the country at least—and the half that we are talking about—is all about your relationship to history. It is about whether you live under the shadow of history and it is something you feel you cannot escape, and you have this sense that life

way back when was better. It often turns out that if you go to the south Welsh valleys or to the parts of the north-east of England and people say that life was better 30 years ago, it probably was. If you just talk about station upgrades, road schemes and bypasses, and you do not get a sense of what life feels like there by talking to the sorts of people you mention, you miss out. They are really important.

**Lord Filkin:** Thank you, John. Hilary, I had better pass back to you given time.

**The Chair:** All I would say to John is that it depends in the north-east whether you are male or female.

**John Harris:** Yes, I understand exactly what you mean.

**The Chair:** Laura and I are both from the north-east. Isabel, you had your hand up.

**Isabel Hardman:** I just wanted to chip in with a point of agreement on what John said particularly about identity of areas and the patronising way in which politicians often who represent London or south-east constituencies talk about areas that need levelling up. I spend quite a lot of my time in Barrow-in-Furness, which is somewhere that most of my colleagues in the Lobby and a lot of politicians will describe to me as being either a dump or say things to me like, "I can't believe you love living there". I look around our area, which has incredible natural assets, incredible history and a huge amount of local pride in its industry, and think, "Why would I not love living here? Why on earth do I want to spend any time in London in comparison?"

One of the reasons why people see these towns as being less attractive perhaps than other parts of Cumbria is the high street. Barrow high street has been struggling for many years. If you only visited Barrow's high street, which I do not do very often because I hate shopping, you probably would get a poor impression of the town in comparison to other parts of it. It has its problems as a town, but high streets are a really important question for politicians to consider. We have had a lot of debate about how to use empty shops and so on. We need to talk more widely about whether the high street will stop being the expression of a town's identity as many people have come to see it as over the past few years. To me, Barrow's high street has nothing to do with what it is like as a town and with what people in the town are like.

There is a wider question about identity that is really important to address. I often see this among my Lobby colleagues, and I am sure I have done it myself. When you go to by-elections, it is like you go on a sort of safari—this sort of, "Ah, the Barnsley man in his natural habitat eating an egg sandwich. This is how they live up here". We are definitely guilty of that as journalists, but a lot of MPs who visit by-elections from southern constituencies are like that, too. I think there is a cultural problem there.



**The Chair:** They are all going to be tested out in Hartlepool. Let us move on to our last question from Lord Hogan-Howe.

Q34 **Lord Hogan-Howe:** I declare an interest as a non-exec with the Cabinet Office. I would like to say that all the witnesses in my view have been entertaining and succinct, and I have really enjoyed it, so thank you.

First, you have touched on the area that I have a question about, so I do not want to go overground, but it is about whether you invest in infrastructure or softer things. You have discussed education well, and John just touched on health. I wondered if you could talk to us more about health, because that seems to be really important. Is it a symptom, or can we invest in it in a different way to help levelling up? Can I include Seb, given that he has had a bit of time to reflect?

**Sebastian Payne:** Health is another really big part of this. When you look across many of those red wall seats that voted Tory for the first time, their outcomes in education and health are far below the national average. At the beginning of my book, I started in my home town of Gateshead, and I was absolutely appalled when I found that the school I went to, which I thought was a great comprehensive school, was in the bottom quarter of the whole country. It was still by far the best school in that town.

Looking into this stuff, going back to Isabel's point about the journalists and a safari tour, it is really tough to do because it requires a lot of digging into the community and into the longer-term effects there.

As we know, the NHS received the biggest cash boost in its history at the very end of the Theresa May Government. The Johnson Government have promised all these new hospitals; many of them are just revamping existing ones. There are new hospitals coming and new nurses. The biggest issue—we see a lot of this in Covid outcomes as well—has been longer-term lifestyle factors in a lot of these places.

With eating, drinking and smoking, a lot of these places have well above national averages. This is not to sound condescending in any way, but if we are looking at improving lifestyle issues—what it is like to live in those places—those issues really need to be addressed and on a local level. Having a Whitehall centralised campaign saying, "You all need to eat avocado and go for a run two times a week", is not going to cut through with people or necessarily help them. Post-Covid we need to have a much bigger national conversation about our lifestyles and about health. That is, of course, a part of levelling up. It is just that the language and rhetoric about that will be very difficult.

Education, again, comes back to local government funding, which for me is absolutely at the core of what needs to be addressed here. The apparatus of schools and the ability of really good teachers has to be addressed too. When I look at my background, both of my parents went to grammar schools. I went to a comprehensive school. At the very end of my education, my mother used much of our family finance to send me to a private school for two years, and I was incredibly grateful for that. It

is not something that many people are able to do. Having seen both sides of the coin, I can really see how important that was to do the things I wanted to do to become a journalist.

This comes back to the point about having a much stronger Education Secretary and someone who is able to grasp that. If I was able to pick someone, I would say Rob Halfon, the MP for Harlow, who has been focusing on technical education for such a long time and gets it. John might agree with this, too. In speaking to what needs to be done in those places, he is the kind of person who should be core to this, because, yes, it is about the UK's brilliant education and higher education sector, but we do not get enough of what needs to be done on further education. That will be a great thing to come out of levelling up.

**Lord Hogan-Howe:** Thank you. John?

**John Harris:** Talking about public health, some of this is do with the legacy of heavy industry. It characterises a lot of these places. You meet a lot of people who have COPD, to put it bluntly, and emphysema. With coal mining and steel working, that is true to some degree. That very often partly characterises the ambience or mood of the town. It is very telling sometimes that, if you go into the local Boots in a lot of places, there is a permanent queue of 20 people. It is like the whole town needs medication to keep going. It is very sad. These are huge questions we are talking about here.

Part of a possible answer to that is to do with the fact that we still have a health system, a health service, that people only encounter when they get so ill that they need to be treated. This is partly to do with the fact that we have divided social care and health into separate silos. It is also to do with local government being emasculated and having all its funds denied. Any question of preventive healthcare, improving public health radically and what that looks like has been lost, really. Compared to other countries, we have yet to start that conversation. Clearly, as we move into having an older and older population in which the prevalence of chronic conditions will increase, that conversation will get very urgent.

As far as I understand it, the question of what to do about social care is kicked into the long grass every year. As I understand it, it has just been kicked into the long grass yet again. That is where we are on that.

The question about education is really interesting. I will say this, because I always say it wherever I go. Grammar schools are a canard, a completely retrogressive step. They serve the middle class far more than the working class, and they have no place in the debate. There is no point in talking about that. There are clearly things to be said, though, about primary and secondary education, but the more interesting conversation is about further and higher education.

It seems to me that very often what separates or distinguishes places that, despite having industrial backgrounds and a history to escape from, have managed to a lesser or greater extent to do it, is the presence of

large, successful institutions of higher education. This goes back to the Mancunian example. Manchester has a vast student population. George Osborne used to go on about graphene and the Mancunian development of graphene, which is all to do with the university there. The universities are why undergraduates go there, become graduates and stay in Manchester. That is the dream for a lot of places.

How do you replicate that in other places? Part of me thinks we should have the guts and ambition to establish a new technological university that would be like the tech version of Oxford or Cambridge and put it in Teesside or in the south Welsh valleys, and just say, "That's where it is. Tim Berners-Lee will be a guest lecturer and so will Tim Cook from Apple, and that's the way it's going to be". It is essential that it goes to these places. Those sorts of ideas, as fanciful as they may sound, might be part of the answer.

On FE, you are talking about business incubation, small business, entrepreneurs and so on. Further education can be really important for that. It is another great tragedy of what happened to this country over the last 10 or 15 years. Look at the neglect and active attacks on FE under the coalition Government. That includes Liberal Democrat members of the coalition Government; it was not a Tory problem. There was such a huge ignorance of what further education colleges are and what they can do. They were so at the sharp end of austerity to the point that lots of them are worrying about their survival.

As I understand it, the Government have realised the error of the ways of past Tory Administrations. They now understand the importance of FE. FE colleges at their best really can be genuine community hubs where that link between the state and the private economy, and the private sector and the idea of entrepreneurship and starting businesses, really comes to life. FE really needs focusing.

**Lord Hogan-Howe:** Thanks, John. I would love to debate the grammar school thing with you. I was in the first year of comprehensives. Somebody closed the portal, which was our opportunity to call it a grammar school, but that is probably for another day. Isabel, I know we are very tight for time.

**The Chair:** We are.

**Lord Hogan-Howe:** Hilary, can we ask Isabel, or do we not have time?

**The Chair:** You have 30 seconds, Isabel.

**Lord Hogan-Howe:** Sorry, Isabel.

**Isabel Hardman:** I do not actually have very much to add, so there we go. I am saving you time.

**Lord Hogan-Howe:** All right. Thank you very much. Hilary, back to you.

**The Chair:** Thanks, Lord Hogan-Howe. I am really sorry to cut you off.

This has been fascinating. I have comments about Barrow. I could have comments about FE and Gateshead College. I hope Seb goes back and has a look at what the FE college is doing in Gateshead. There are all sorts of things today that you have sparked interest in. In our next session we now have some Ministers to ask questions of, so I am afraid we have to say goodbye to you. Thank you very much indeed.