

Written evidence submitted by Mr Henri Murison at The Northern Powerhouse Partnership

[The Northern Powerhouse Partnership](#) would like to submit the following to the Department for Levelling Up, Housing and Communities recall (Homelessness and housing) Inquiry. The Northern Powerhouse Partnership was launched in September 2016 as the leading voice of business and civic leaders across the North of England.

Due to this being a 'recall' session to follow up on recent Public Accounts Committee recommendations we have linked our submission to the [Selecting towns for the Towns Fund](#) report.

Having recently conducted our own research into Northern Towns we are keen to make some recommendations to the committee based on our report findings.

Our report looks at towns through the lens of the economic performance of three Northern examples and stresses that there cannot be a one-size-fits-all approach to Levelling Up. It cannot be a zero-sum game which sets towns against cities (as often which they are part of the same travel to work areas). The report takes a deep dive into three places that have been shaped by de-industrialisation and have strong prospects for the future. The three towns examined are:

- 1. Goole - has attracted a dominant major private sector employer**
- 2. Bury - has successfully regenerated due to its strong transport links to a core city**
- 3. Blyth – disconnected in public transport from its nearest core city, but now turning itself around**

Our report examines the unique set of productivity levers that allow these places to succeed and makes recommendations. A key part of the success being further powers to address underlying population health and education issues which constrain economic growth, making the argument about Whitehall silos being unsuited to detailed challenges in places.

Goole

Goole is an archetypal Northern Powerhouse place. It's full of opportunity and significant economically which is key for residents and also a driver of prosperity beyond the locality. This contributes heavily to the case for extended travel to work areas of local townships which underpins the whole concept of the North's economic opportunity.

In the last year its assets, including facilities of Croda (the world class healthcare and pharmaceutical manufacturing firm), have helped those such as Pfizer produce their COVID-19 vaccine with vital components.

The Humber Freeport has brought an inward investor to join Siemens colleagues with the blade factory in Hull – Siemens Mobility. Their first major contract to deliver Transport for London's new air-conditioned deep tube trains. The new facility being built by them in the town will be an economic driver here and for its travel to work area (beyond East Yorkshire to Doncaster in South Yorkshire and into West Yorkshire, such as to Knottingley, as well as Selby in North Yorkshire). This leads us to begin to define Goole's existing Industrial Cluster and Freeport as forming a concept we refer to in working title as *ClusterGoole*, with a number of routes for it to follow for further economic development. We believe the case for a Rail Village based on intensive R&D alongside Siemens supply chain and wider linked occupiers is the most compelling of these visions, and we will demonstrate why.

The dynamic of Goole's relationship to Leeds, despite being the larger of its nearby cities, is limited because the public transport accessibility is poor despite not being constrained by underlying infrastructure apart from the wider issue of wider Leeds station capacity (which needs to be addressed as part of Northern Powerhouse Rail and HS2 delivery in any case). Journeys are currently via connecting services at Doncaster, despite the fact that there is a 31-minute journey time if a direct service was run.

Recommendation 1

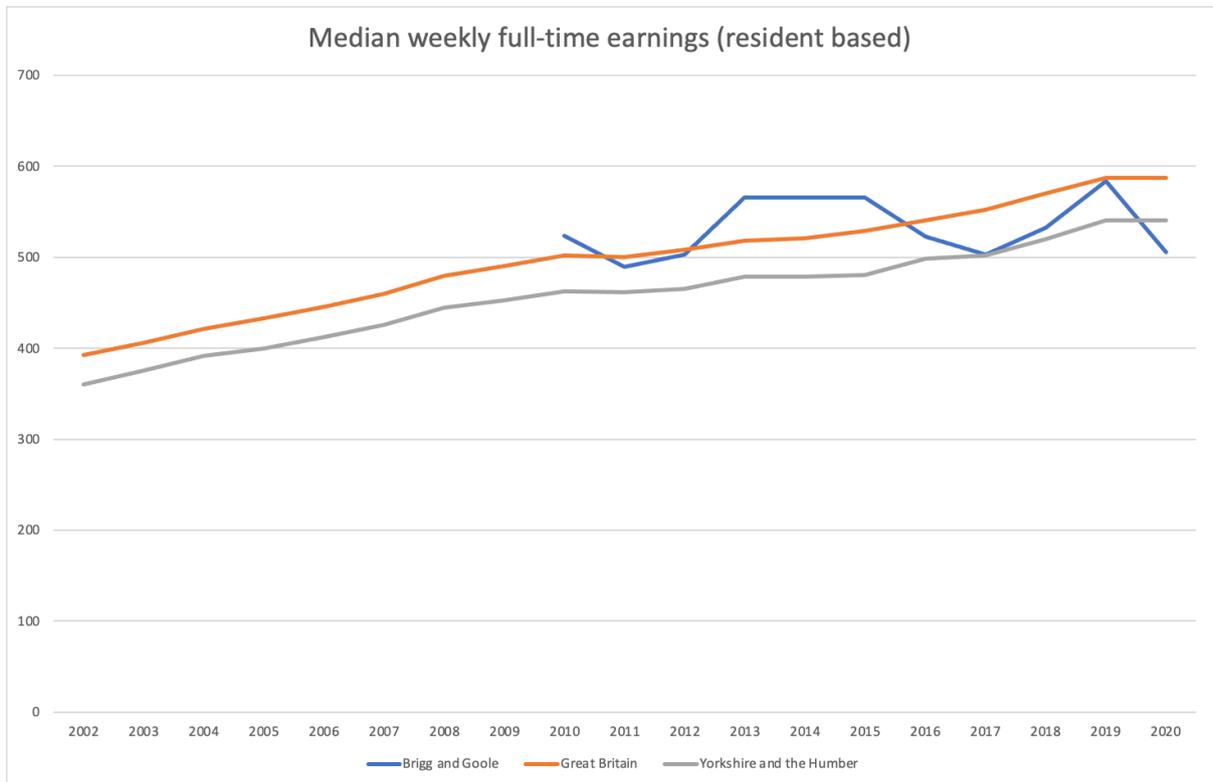
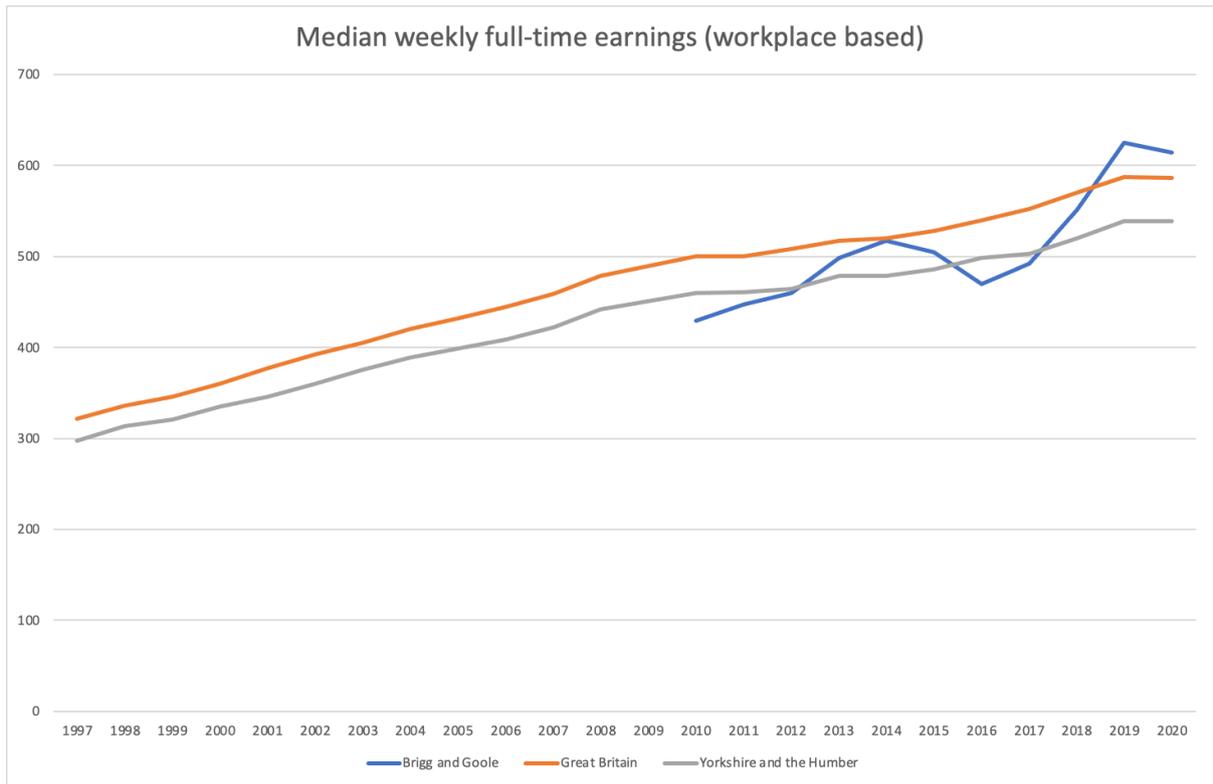
Enhanced connectivity to enable commuting in from Leeds and nearby townships like Knottingley, and out to Leeds for those that live in the town and are seeking a greater variety of employment opportunity. A direct service, as proposed in the Town Deal be timetabled to run hourly initially from Goole to Leeds via Knottingley.

Economic Context

Goole is a town of around 20,000 residents depending on how you define its geography. As Goole is not a geography that the ONS regularly produces statistics for (such as a local authority for example) we are limited mainly to data from the 2011 Census though we will also present data from the Brigg and Goole constituency to understand the context of the wider region.

Supporting the view outlined above regarding transport connectivity, in 2011 55% of Goole residents travelled less than 10km to work yet only 3% of residents used public transport. 58% of people travelled to work by driving a car or van. That is fairly clear evidence that the availability of active and public transport needs to be improved for residents, building on the places higher than average cycle use presently.

Turning to look at the labour market, ONS data suggests that people who work full time in the Brigg and Goole constituency earned £614 per week in 2020, above the average for Great Britain of £587 and well above the Yorkshire and Humber average of £539. However, those people who live in Brigg and Goole and work full time earned £506 per week in 2020, below the £540 per week average of residents in Yorkshire and Humber and the £587 average for Great Britain. This indicates a commuting pattern where those with the highest paid jobs commute into the constituency but then chose to live elsewhere. This is not necessarily a problem or a negative situation, but has implications when considering infrastructure, amenities, and the provision of public services.



Education & Skills

Siemens Mobility have worked with Primary Engineer who have an extensive record of working with Siemens in the UK more widely, to drive up STEM engagement in the primary schools in communities close to the new factory.

Recommendation 2

There is a strong case for the National College for Advanced Transport Infrastructure based in Doncaster to ensure existing industry provision in rolling stock is re-focused the town. This will contribute directly to the sectoral agglomeration benefits of Goole becoming the hub for the development of wider rail industry assets in the North, strengthening the potential of its neighbouring cluster in Doncaster with its significant heritage and pre-existing talent pool, exemplified by the presence of Unipart. The move into data related specialisms and excellence is an exemplar of the higher skills needed in the industry, compared to more traditional maintenance models in the industry.

Research & Development

The success of the Advanced Manufacturing Park in Sheffield and Rotherham was based on the AMRC, founded by the University of Sheffield and Boeing along with wider industrial partners. Goole has a similar scale of opportunity in the rolling stock manufacturing sector, with the location of the University of Birmingham and East Riding of Yorkshire facility of the Rail, accelerator, and innovation solutions hub for Enterprise (RaisE). Part of the wider established partnership serving the rail industry, with a linked centre at the University of Huddersfield, the potential to attract more of the value chain in rolling stock is significant, along with attracting SMEs looking to expand.

Recommendation 3

Building on the existing business centre space co-located with Siemens Mobility. With business rates also recycled to fund manufacturing units built for rail based occupiers which will meet their needs. Prioritising long term job creation over other less intensive and less skilled employment based land uses.

Recommendation 4

Attract the R&D to deliver the next generation of rolling stock to Goole funded through UK Rail Research and Innovation Network. This would fulfil the need for emerging northern strengths such as in hydrogen to be applied to the transport sector.

Summary

As devolution is being negotiated for the North Bank of the Humber a future Mayoral Combined Authority could provide additional leadership. It is noticeable how place leadership by former Northern Powerhouse Minister Andrew Percy MP has, without formal devolved authority, been effective with a local inward investment focused council. Having created a 'mini Hull' in ClusterGoole, an agglomeration in the making, working co-operatively with West and York and North Yorkshire Metro Mayors will be of critical importance. For if Yorkshire has any real economic coherence as a geography, it is expressed in the motorway network putting Goole at the freight and logistics centre of it, and a key building block of the industrial element of the M62 corridor which Lord Jim O'Neill based the Northern Powerhouse. This has resurfaced most recently in political discourse as the M62 Mayoral trio of Tracy Brabin, Andy Burnham and Steve Rotherham from West Yorkshire to the Liverpool City Region. If the North Bank chooses the Mayoral model, trio will need to become a four piece.

Bury

Bury was connected to the city centre of Manchester by the first tram line in Greater Manchester, along with the road network this puts Bury firmly in the M62 corridor.

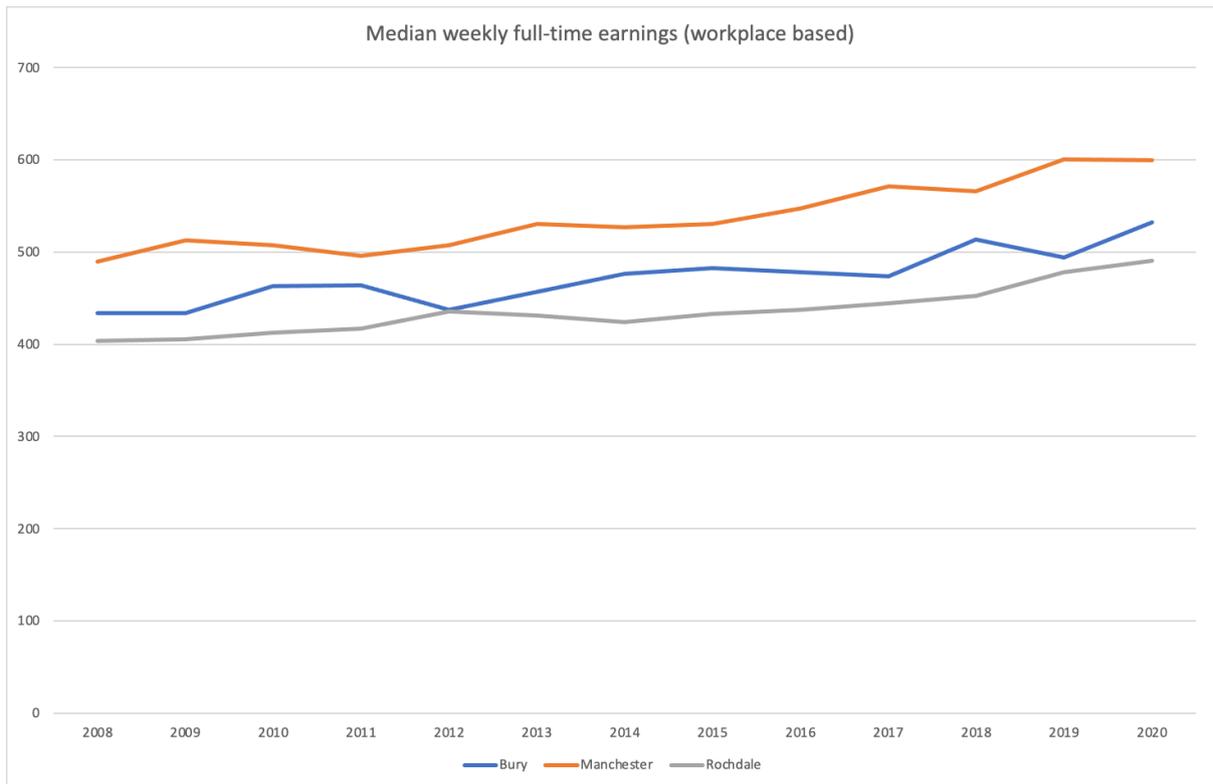
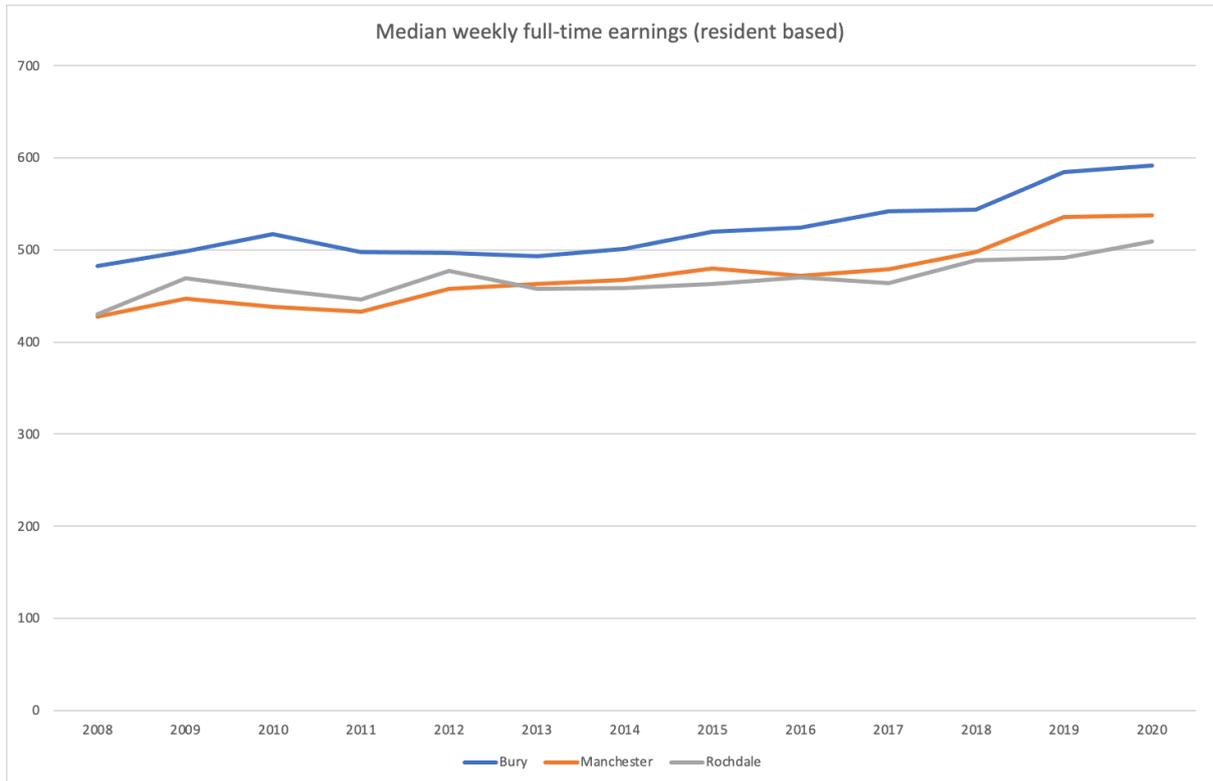
This is not a town without concentrated areas of poverty or the systemic impact of disadvantage, but it is a place focused strongly on overachieving on growth, and reducing markedly disadvantage in those parts of neighbourhoods where it is most apparent. There is the case for a 'supply side shock', moving families closer to the labour market with greater trust in those in universal and targeted services seeking to enable them, alongside connectivity to employment. Opportunities in the place as well as wider travel to work area need to be accessible, necessitating bus reform which is a priority for Greater Manchester more broadly.

The Levelling Up fund bids from Bury are persuasive, such as in Radcliffe and in plans for Bury town centre. The strength of these bids is evidence of what effective local authority leadership and capacity means when entering into competitive funding rounds for scarce centrally distributed funding pots.

Economic Context

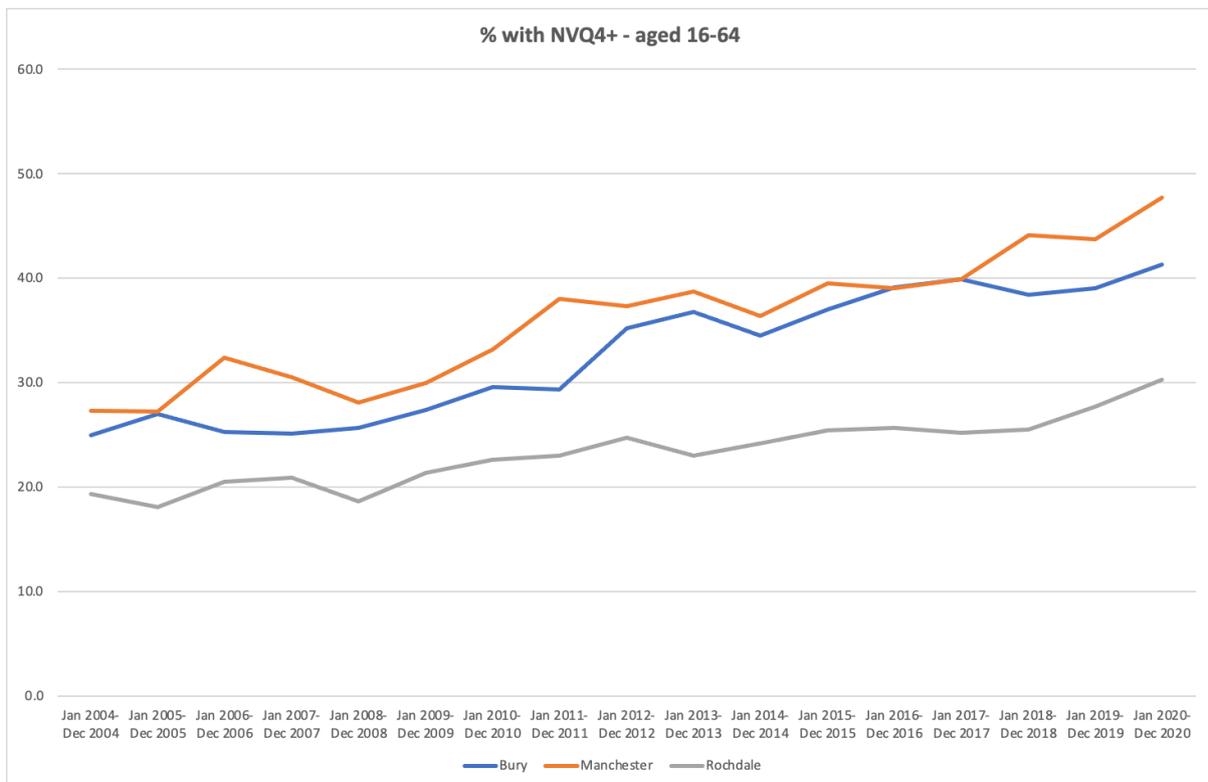
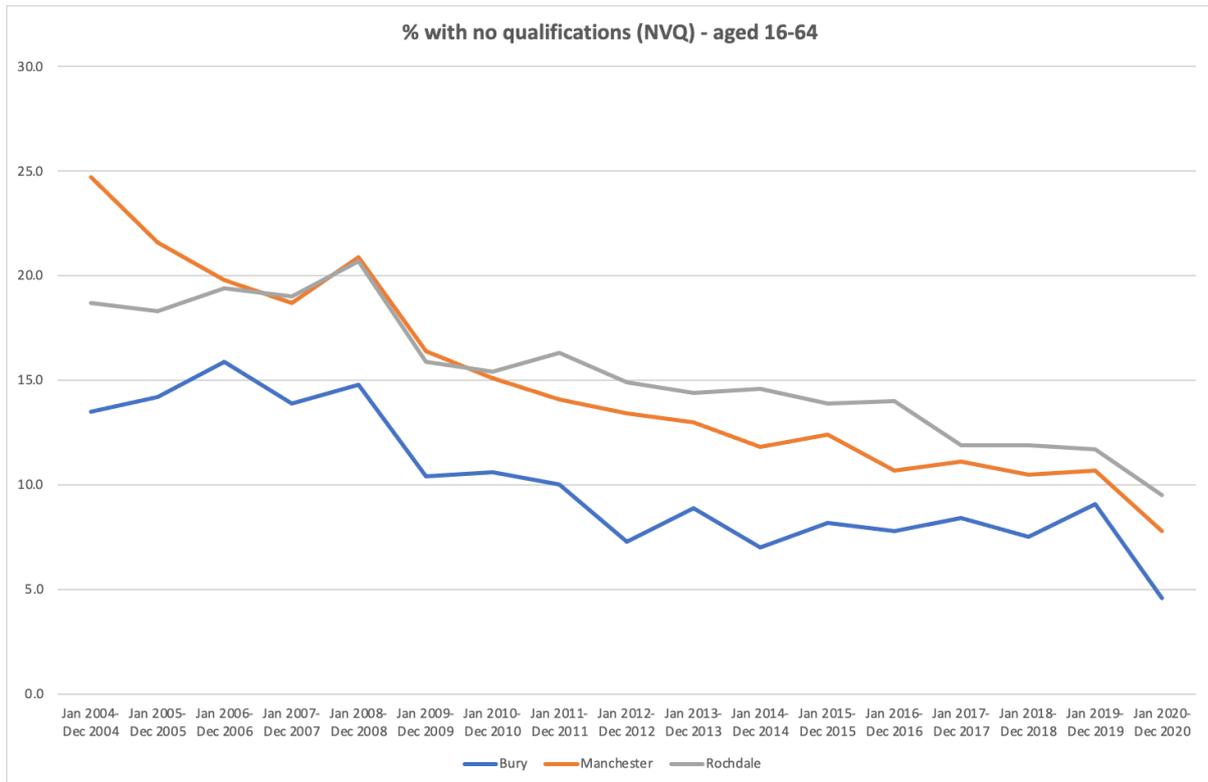
The average weekly wage of somebody working full time in Bury was £532 in 2020, above the £491 earned by workers in nearby Rochdale but significantly below the £600 per week earned by those working in Manchester. If we look at those who *live* rather than work in these places, then the story changes. Full time workers that live in Bury earn an average of £591 per week compared with £509 for residents of Rochdale and £538 for residents of central Manchester. Therefore, it appears that many of the residents of Bury are commuting out of the town, presumably into central Manchester where the higher productivity and higher paid jobs are and then returning home.

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There is further evidence to support this when we look at the qualification levels of residents as a proxy for skill levels. Across the three areas we have analysed in this section, Bury has the lowest proportion of its population aged 16-64 with no formal qualifications at 4.6% in 2020 compared with 7.8% in Manchester and 9.5% in Rochdale. At the other end of

the qualifications spectrum Bury has 41.3% of its population with level four and above qualifications, below Manchester's 47.7% but well above Rochdale's 30.3%.



Bury has managed to build itself into a great place to live for those with higher paid more productive jobs in Manchester who perhaps do not want to live in a city centre.

There are 19 secondary schools in Bury, four of these do not yet have an Ofsted rating. Of those that do, 8 are rated good with the rest below this level. Both progress and attainment at the end of key stage four are below average so there is clearly a challenge here to improve attainment and aid the young people of Bury in moving on to further study whether vocational or academic.

We need integrated public services to deal with issues at root cause. In Bury, the extent of health and social care integration at the level of neighbourhood is well established and extends further across all targeted services. These services are critical to generating what we term a 'supply side shock,' to make a meaningful difference at the level of the neighbourhood by investing resources in families in the most effective way. However, a greater emphasis on building trust with families is notable, and the Bury 2030 strategy gives a clear approach to intervening only as is required, focusing on building resilience in individuals in the context of their own support systems of families, neighbours and beyond.

Recommendation 1

In Bury the council is focused on the most disadvantaged places and there is the need (agreed by government and the combined authority across Greater Manchester) to ensure every neighbourhood is viable and economically stable as an outcome. This means a floor standard of social and economic outcomes below which no place can fall - which we recommend be set by every Metro Mayoral authority across their neighbourhoods, city and town-based neighbourhoods alike. We would like to see this as part of a statutory outcomes framework with government to which all public services, once negotiated, are bound. This will ensure departments like Department for Work and Pensions are engaged and the benefits of reduced ongoing costs in spending are captured to form part of the Comprehensive Spending Review process at aggregate level.

Recommendation 2

Tackling educational disadvantage in townships such as Radcliffe requires a targeted approach. Across the north of Greater Manchester there is the need for a co-ordinated approach supported by government within and beyond the school gates. We support the development of this to ensure it addresses the households where successive generations of children and young people have underachieved. These approaches should be driven by local government but include all relevant parties, specifically around improving child health.

Recommendation 3

Alongside planned pedestrianisation and growing café culture, secure the legacy of the Town of Culture to increase the pull of the wider town centre after 5pm, and maximise the cultural capital of Bury as well as its neighbouring townships. As Hartlepool has with the National Museum of the Royal Navy, seek stronger heritage partnerships with major national institutions seeking a presence in the Northern Powerhouse.

Recommendation 4

Development of significant additional housing in the town centre, maximising the benefits of connectivity by tram into Manchester City Centre and the local amenities. Furthermore, as a local authority play an active role in managing the place, taking advantage of the

competitive advantage of having attracted and retained previous rounds of investment, rather than instead out of town developments attracting the facilities families in the town would seek out or aspire to use.

Recommendation 5

Deliver R&D intensive development at the Northern Gateway, focused on advanced materials that relies on the drawing together of assets in the conurbation and additional translational capacity in manufacturing and advanced materials.

Blyth

The opportunity which Blyth represents is a credible and critical one. Previous investment in its assets over the last decades (including the catapult centre) are the centre of its potential today. The Town Deal plans alongside the wider work of the local authority, North of Tyne Combined Authority and Local Enterprise Partnership have all been building towards the current investment landscape (including a gigafactory development by Britishvolt).

The planned investment in a passenger rail connection between South East Northumberland and Newcastle upon Tyne is as critical for bringing people into the area, as creating viable commuting connections into the city centre. Attracting and retaining businesses will be key, with the town already benefiting from Tharsus as a local employer with significant knowledge intensive employment in the town in R&D. The travel to work accessibility of the place will be significantly enhanced with rail services, making this a more attractive location for inward investors which would otherwise be deterred by the distance to reach the nearest core city.¹ The benefits of the proximity of Newcastle and wider Tyneside, (including assets in higher education and in skills provision), have been underleveraged due to the limitations of public transport connections. The potential for further agglomeration, with South East Northumberland benefiting from its nearest core city - and the benefits to that place of access to talent and locations for significant inward investments of scale, cannot be understated.

Economic Context

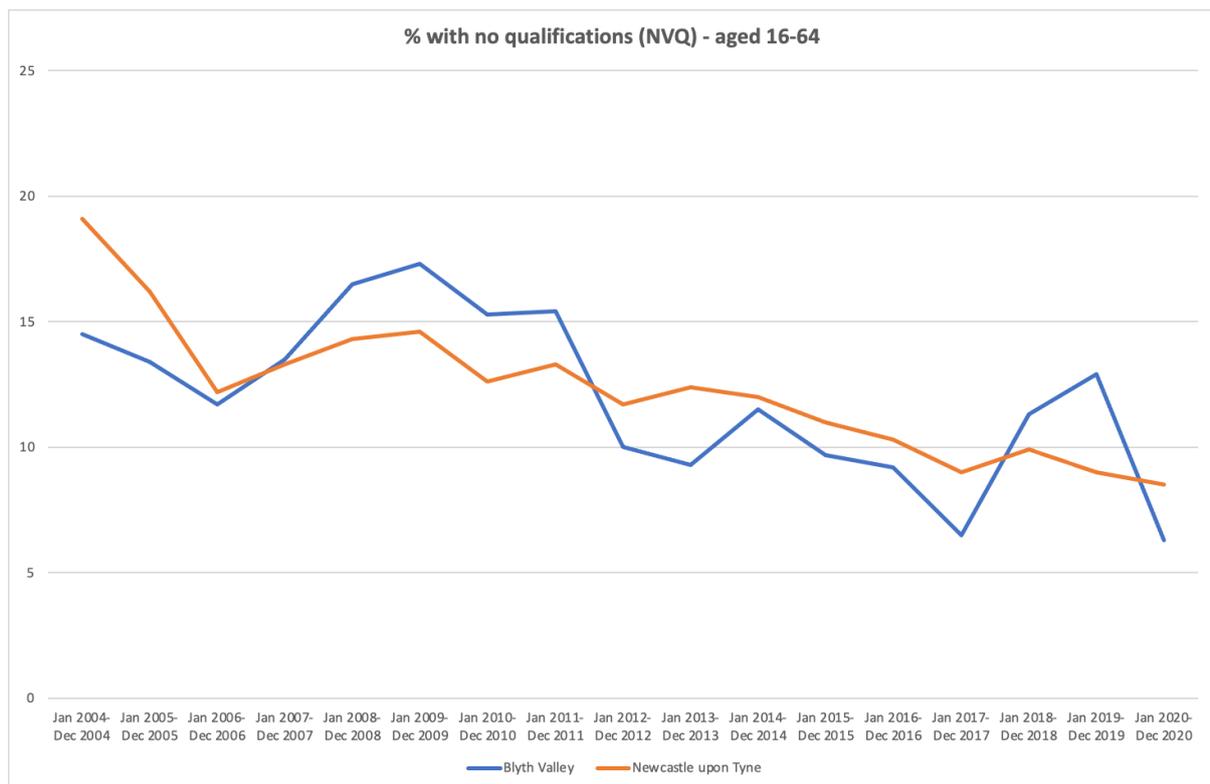
The economic context needs to be considered to make recommendations based on an understanding of the local picture. The statistics referred to below are based on the Blyth Valley parliamentary constituency for the greatest data availability. With a population of around 85,000, of which 70,000 are aged over 16, the Blyth Valley constituency includes the town of Blyth along with other places nearby including Cramlington. Part of the wider North East economy, with the benefit of a Mayoral Combined Authority for the North of Tyne, the neighbouring communities in Ashington are economically tied to Blyth and its potential.

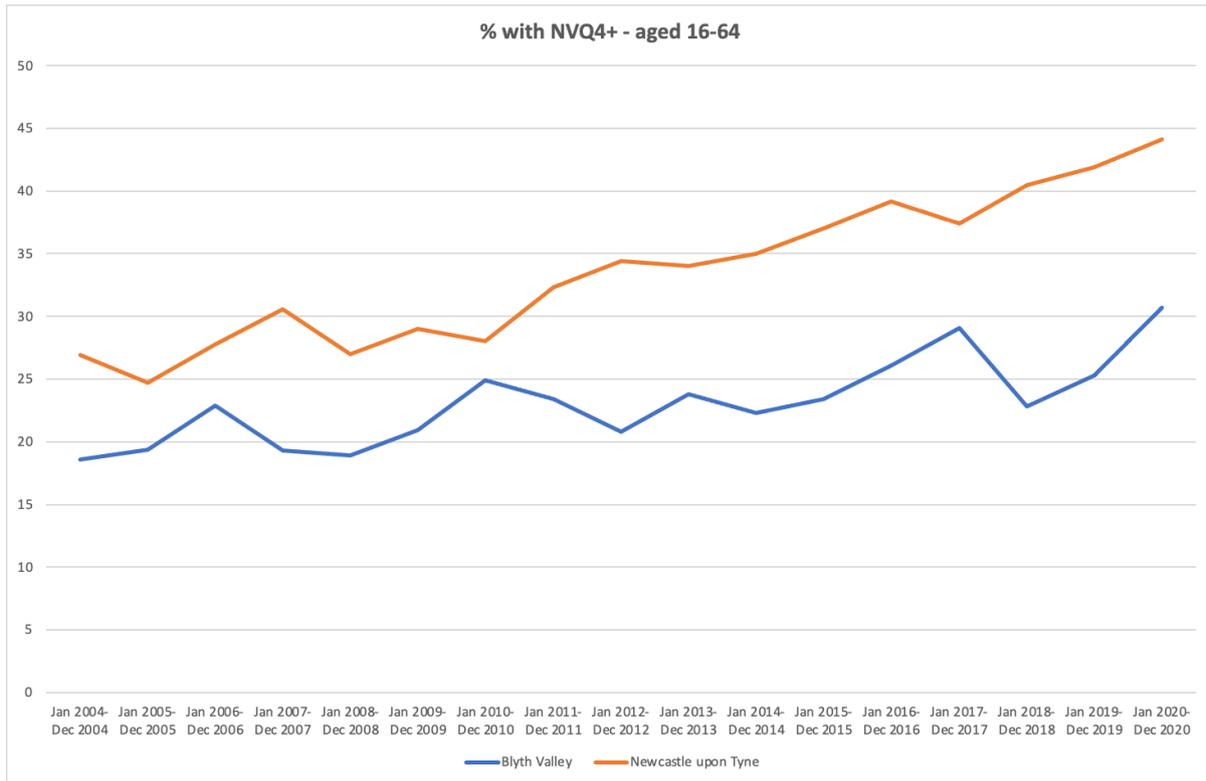
As we are well aware, a highly skilled workforce increases productivity, leads to higher paid employment opportunities and improved quality of life. In Blyth, a relatively low proportion of residents have no formal qualifications (taking qualifications as a proxy for skills) at 6.3%, compared with 8.5% in Newcastle, 8% in the North East and 6.4% in Great Britain. However, at the higher end (level four and above qualifications) Blyth falls well short of its

¹ Newcastle Upon Tyne which is approximately 17 miles away “as the crow flies” though to drive between the two centres takes approximately 30 minutes.

neighbours and wider averages. Just under 31% of Blyth residents fall into this group compared with 44% in Newcastle, 35% across the wider North East and 43% nationally. The figure for Newcastle is likely so high due to its higher education institutions and younger graduates tending to choose city living.

For Blyth to keep pace and offer a compelling proposition for businesses considering investing in the area, improving workforce skills should be a high priority. This can obviously be accomplished in two ways: upskilling existing residents or making the area a place that those with higher skills want to live and doing both is likely to be the most effective approach both economically and in terms of addressing longstanding inequalities.





Progress scores at secondary school mirror the wider North East trend that high attainment at primary does not continue through into secondary. In the 2019 results the highest Progress 8 score from the four secondary schools was an ‘average’ rating of 0.09 with the lowest being a ‘well below average’ -0.58. The proportion of pupils receiving a Grade 5 or above in English and Maths was however broadly in line with the national average of 43%, ranging from a low of 36% in one school to 56% in another.

Two of the four secondary schools have high levels of pupils from a long-term disadvantaged background with the Blyth Academy having more than 50% of pupils eligible for Pupil Premium. Using our Fairer Schools Index, all four secondary schools see their performance improve when pupil characteristics are taken into account. Before the adjustment, two schools are classified as having ‘average’ progress, one ‘below average’ and one ‘well below average’. After adjustment this changes to one ‘above average’, two ‘average’ and one ‘below average’.

The government’s current policy of Opportunity North East to intervene has not been adequately place focused on South East Northumberland. This could be addressed with a focused intervention to address the education inequalities, which would sit alongside the existing plans in the town to invest in the facility in the dock to be able to reach and provide STEM input in local schools (addressing the growing demand for specialist skills in these areas early enough to effectively prepare them for skills pathways into locally based skilled employment).

Recommendation 1

Opportunity Area addressing challenges in South East Northumberland, with policy focus on issues both within and beyond school gates.

If we are to address health inequalities by integrating council and health primary care services then each would benefit from a different toolkit of services which would mirror more what is currently provided in a town like Bury. It is noticeable that without the impetus of health devolution (as was the case in Greater Manchester) that the introduction of Integrated Care Systems will need to have strong local government involvement across the wider North East footprint to ensure that the NHS can work with partners to take a population health approach. This is much more favoured than only being able to provide excellent care once citizens are already patients, specifically the chronically ill.

Recommendation 2

An integrated place based approach to public service delivery in Blyth, mirroring the integration of health and local government delivered in towns like Bury. Building on the current direction of travel by the local authority ensuring fully aligned delivery at level of neighbourhood.

The role of Blyth in the wider UK offshore wind industry to date (the catapult undertaking extensive work for Equinor for instance) has had significant benefits for the Northern Powerhouse as well as across the UK. In an analogous way to a core city, like its neighbour Newcastle, a centre of excellence in R&D generates many more jobs. A place based deal on energy for the North is needed. Ideally centred in the North East, based on the businesses in the region and their needs and focused on building a more ambitious devolution settlement.

Recommendation 3

An Innovation Deal for the North East focused on energy that meets the needs of businesses and provides significant innovation activity to generate jobs here and across the wider North of England. Negotiated by leaders from the private sector which seek to co-invest along with key institutions including Universities who are able to support translational activity beyond their portfolio of currently funded research.

Innovation is key to Blyth and it must but there is also a case for skills. The current approach has strong merit, but is constrained by the limitations of the wider adult skills system. The Energy Central Campus, first at the Port of Blyth and then in the town centre in phase 2, is a credible proposal which will help to ensure local people will be able to access the high-quality opportunities being created locally.

Recommendation 4

Ambitious plans for skills provision which mirror the required innovation approach of meeting industry need. Building on the existing commitment of Newcastle University and attracting Further Education providers with specific expertise, including Newcastle College which would add to the existing offer across wider Northumberland.

Conclusion

To reiterate, there cannot be a one-size-fits-all approach to the future of towns. Some towns owe their success to their proximity and strong mass transit links to a major city, such as the towns like Bury that make up Greater Manchester, others like Goole rely on the presence of one or more major industry but could benefit from better interconnectivity with their nearest core city, in that case Leeds (a business case for which has been developed supported by the Towns Fund).

The focusing of new catapults and wider innovation deals should be around linking assets, such as Newcastle University, with their towns with major businesses and investors undertaking R&D (such as in the case of Blyth and offshore wind, where the catapult has played a key role). New catapults, such as that proposed by us for Greater Manchester, can help re-create the success of the Advanced Manufacturing Park in Sheffield and Rotherham on major sites like Northern Gateway (near Bury and Rochdale).

There needs to be a place-based solution to kickstarting the economy of Northern towns that goes beyond physical infrastructure, recognising the unique set of productivity levers that allow these places to succeed or perpetuate their decline, with devolution deal based powers to address underlying population health and education issues which constrain economic growth. At the level of neighbourhoods, we need to define overall minimum levels of prosperity and social capital to turn around every left behind place in towns or cities, driving up places to all be functioning for families at whatever point in the lifecycle. This means building trust, learning from the most successful towns like Bury, moving in the right direction with the backing of the council and Greater Manchester Combined Authority. They are turning around their most economically deprived places with both targeted services and wider regeneration, such as in Radcliffe, unlocking substantial housing delivery including affordable homes.

ENDS