

# Presidential Roundtable Summary: What is the role of infrastructure in ensuring success for levelling up?

June 2022

How levelling up is defined and measured will determine how infrastructure investment is prioritised in the coming years. When the government published its [Levelling Up White Paper](#) earlier this year, it promised legislation to enshrine the 12 levelling up missions in law and establish a duty to report annually on progress.

It is vital to have clarity on the outcomes targeted by levelling up in different places. Without this, any potential infrastructure investment could be wasted.

ICE has released a [policy position statement](#), drawing on evidence received from a consultation. The statement makes a number of recommendations for ensuring that clear outcomes from levelling up are defined. Given the many competing priorities for infrastructure investment, it is important to get this right.

At an ICE-hosted Presidential Roundtable, attendees discussed the paper's recommendations, whether the Levelling Up and Regeneration Bill offers enough clarity on the outcomes of levelling up and what role the infrastructure system can play in achieving these.

## Focusing on outcomes

There is broad agreement that the 12 top-line levelling up missions identified in the White Paper are all necessary goals. However, there was concern about the lack of detail within each mission on the outcomes being targeted and how they will be achieved.

Identifying and focusing on outcomes provides a useful demand signal for stakeholders to mobilise the capabilities and resources needed to get achieve those aims.

Focusing on outcomes also helps to ensure that infrastructure is inclusive and works for everybody. There was support for the idea that levelling up must be about delivering for places *and* the people who live in them. Articulating the wider social and economic outcomes of infrastructure projects can help overcome objections and build public support for them.

The Boston Barrier scheme was highlighted as an example of how identifying outcomes and using them to drive a project can add wider local value. While the project was essentially a flood defence scheme, as it developed it was highlighted that it encompassed all 17 UN Sustainable Development Goals as outcomes. That brought together a range of stakeholders to discuss how to tackle local deprivation levels off the back of the scheme, which in turn generated additional funding for complementary projects such as local road improvements.

## **Aligning levelling up with net zero and other priorities**

A key recommendation in ICE's paper was that the levelling up and net zero agendas should be closely aligned.

Many participants agreed they need to be considered together in order to achieve either, although there is a need to think carefully where the alignment is.

Employment is one area. There is a need to build skills for the future in all regions to ensure all communities benefit from the changing economic environment and to build local capacity to address challenges, such as energy efficiency, that impact all regions.

Net zero industries will create new job opportunities that can help deliver levelling up. However, with decarbonisation massively affecting people working in heavy industries, there is a need for care about how we close down those sectors and transition impacted communities to new job opportunities.

There was some criticism that many recent infrastructure projects, such as nuclear programmes and High Speed 2, have not generated enough value for local communities. Government could give more thought to UK content in net zero industries like offshore wind, to ensure that local communities who host the infrastructure benefit from it.

Not all agreed that we can assume levelling up and net zero will align. For instance, it was suggested that because economically weak regions tend to be more carbon intensive, climate mitigation measures could reinforce or widen geographic inequalities because the risks are lower for prosperous areas and the opportunities greater.

## **What do subnational authorities and places need?**

Participants agreed that more power and money should be transferred from central to local government to deliver levelling up and other objectives like net zero. This would see more decisions being taken locally based on local needs and interests, rather than one-size-fits all models being imposed from central government.

Levelling up can only work as a partnership between central government, Parliament, and all levels of local government as well as stakeholders from the private sector. However, there are many challenges to tackle for this to happen.

There were issues raised with elements of the Levelling Up and Regeneration Bill. These included the absence of community powers and concerns that the planning elements of the Bill will prevent Local Authorities from undertaking ambitious net zero projects that don't fit the planning framework.

The need for funding reform was highlighted. The current system, based on competitive bidding, discourages cooperation between areas and leads to authorities submitting bids based on government criteria rather than local needs. One solution would be for sustainable, multi-year funding settlements that provide a clear direction of travel to all stakeholders.

Building the capacity and capability of local authorities will be a long-term undertaking, but it should be addressed and not used as a reason by central government to withhold powers and funding.

### Getting the scale right

Despite broad agreement about the need to empower local authorities to deliver levelling up, it was suggested close attention should be given to the most appropriate level for powers to sit. With different regions having different needs, characteristics and local government structures there is no one-size-fits-all approach.

It was suggested that levelling up and net zero cannot be delivered at the micro-level and in many areas of England the 'natural unit of organisation' for strategic planning for those challenges is the combined authority, not the local authority.

### Questions to take away

- Are we targeting the devolution of powers and funding at the right level of subnational government to deliver major, long-term objectives like levelling up and net zero? What powers and responsibilities should sit at the different levels of government and how do we ensure cooperation, not competition, between different levels of government and across regions?
- What more can the infrastructure sector do to ensure infrastructure is inclusive and benefits people as well as places? How does the sector help local communities to benefit from major infrastructure projects and long-term social and economic developments, such as the net zero transition? The National Infrastructure Commission's four [Design Principles for National Infrastructure](#) provide a framework, but is it sufficiently embedded in major projects?