

Institute of Place Management

Funding for Levelling Up: Inquiry Submission

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About the Institute of Place Management

The Institute of Place Management (the IPM) is the professional body and learned society for over 1,000 place managers and leaders, policymakers, and academics who work collaboratively to make better places. The IPM is owned and operated by Manchester Metropolitan University, but with its own constitution to serve its membership and professionalise the place management sector. The IPM supports The BID Foundation (TBF), a Community of Practice within IPM which leads the evolution of business improvement districts. All Members and Partners work to a Code of Conduct that maintains exacting standards and enables individuals to ensure their knowledge and skills are kept up to date, through Continuing Professional Development. The IPM published the Journal of Place Management and Development (JPMD), which is in the top 25% of Geography, Planning and Urban Studies peer-reviewed journals worldwide, making it a leading source of theory for the practice. The IPM offers the only postgraduate qualifications in place management and leadership.

About the authors

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Iain Nicholson is Strategic Development Lead at the Institute of Place Management and Founder of The Vacant Shops Academy. Iain's focus is building and supporting the IPM's membership and continuing the work it is doing to develop its governance, code of conduct and standards protocols. Since 2013 he has worked with town teams, Business Improvement Districts, councils and town and city centre stakeholders in a variety of places, most recently as City Centre Manger with Oxford City Council.

Cathy Parker is Professor of Retail and Marketing Enterprise at Manchester Metropolitan University and Chair of the Institute of Place Management. Cathy is regarded as an international expert and leader in place management and is the research lead for the Government's High Streets Task Force. She is frequently asked to commentate on place and retail related topics, appearing on programmes such as Newsnight, Radio 4's The Today Programme, BBC Breakfast, and BBC Sunday Politics, as well as contributing to many broadsheet articles on the high street. Cathy has authored many peer-reviewed journal articles and regularly gives keynote talks at national and international events.

How can the Government ensure that all areas that need funding for Levelling up receive adequate support with the bidding process and subsequently receive adequate funding?

1. In the simplest terms, any bidding process should, at its heart, contain a sound evidential base demonstrating that a place has, or is seeking to work towards, the requisite place leadership, governance, and operational partnership arrangements to be eligible for Levelling Up funding. This should be accompanied by the necessary support to help develop these essential factors for place transformation.
2. It is recognised that the current bid development fund seeks to address issues of limited resource and expertise for bid preparation within local authorities, as well as supporting places less adept at competitive funding applications. However, whilst this support is focused on demonstrating technical output-based metrics, it does little to assist in the development of true integrated place partnerships with clearly defined place leadership and management functions that are essential to drive transformation at pace and at scale. The successful demonstration of a functional partnership – or clear commitment to establish one - should be a prerequisite for funding.
3. A functional partnership, facilitated by the appropriate level of local government, should bring together all the key public, private and community stakeholders around a clearly defined vision and strategic action plan covering interventions on a short, medium, and long-term basis across a wide suite of social, health, environmental and economic enhancing factors. This will reduce the risk that Levelling Up funds deliver large but isolated sub-optimal capital schemes because they will be part of a wider and more holistic package for that place. Schemes are always more transformational when they are part of a set of integrated interventions.
4. We are suggesting that rather than providing capacity simply to write bids, this money would be better invested in assisting places develop the partnership models that will significantly enhance place. Partnerships should not be formed to manage individual funds (as they were with the Towns Fund) but be the longer-term governance model of the location. As Lead Partner of the High Streets Task Force (which will support over 150 places by 2024), the IPM and its network of experts, has provided numerous places with the requisite place leadership and management support needed to form effective place partnerships.
5. The support local authorities need to form effective multi-stakeholder place-based partnerships includes helping them identify the right partnership structure and form, membership, leadership, governance, and operational functions. Partnerships must deliver and need the necessary place leadership and management capacity and capability to bring about change. This means ensuring that the necessary people, with the requisite skills, can support the place management function of the partnership ‘on the ground’.
6. Ensuring that places have compelling and tailored visions, with a clearly aligned strategic action plan behind them is another important aspect that local authorities struggle with yet should be part of any successful bid. Support should be provided to change what the IPM regularly witnesses - visions and plans developed by local authorities for funding bids and/or regeneration schemes that are inadequate, uninspiring, and lack community buy-in.
7. An indicator of an effective partnership is how well it engages the wider community. Many local authorities think consultation is engagement. This quantitative approach is useful for canvassing the thoughts of a wide group of people but does not qualify for the curation and

creation of initial visions, plans and strategies. The best partnerships invest time in a co-design, co-creation and co-delivery – representatives of the wider community are engaged as decision makers and team members.

8. Equally, where local authorities are starting out on a place partnership journey it will be important to assess their commitment to the establishment of such partnerships by way of seniority of buy in, financial and operational commitment, breadth of stakeholder involvement, empowerment. In both cases, evidencing a clearly defined strategic roadmap should be an essential pre-requisite for funding.
9. Investing in the development of effective place partnerships will ensure all areas have the on-going capacity and capability to manage the evolution of the location. That would include identifying and, where appropriate, bidding for public funding, but also attracting and managing investment (financial and in-kind) from the private and community sectors.
10. The current approach reinforces the mistaken hegemony that the local authority is responsible for success of a place, when, in practice, it is the businesses, community, public and third sector organisations, people effective multi-stakeholder place-based and the local authority. Competitive bidding to tight timescales undermines the conditions for partnership working, shutting-out existing place partnerships, Business Improvement Districts, and community groups with significant capacity from the decision-making process.

What are the challenges of competitive bidding and will this impact areas with limited resources and capabilities for bidding?

11. Competitive bidding requires a significant commitment of resource from local authorities and their regeneration/economic development teams. IPM has experienced directly how the bidding process has stretched these function's capacity for even basic administrative delivery, as many have struggled to engage with the High Streets Task Force (HSTF), particularly at key times such as around bid submission deadlines.
12. The Levelling Up Fund's prioritisation of local authorities with higher levels of need, while welcome, had the effect of placing the fund's tight deadlines and resource requirements on local authorities which, often, have less established place governance mechanisms than less deprived areas. Without partnerships these local authorities are unable to draw in valuable capacity and knowledge from local people, businesses and other public and third sector organisations. 20% of HSTF diagnoses of barriers to place transformation have resulted in a recommendation of further place governance support to establish partnerships that would provide more delivery resource for places. As the Inquiry will no doubt hear from other evidence submissions, competitive bidding has been a constant stress on already stretched local resources over the past 18-24 months.

How does levelling up funding integrate with other funding streams such as the Towns Fund, the High St Fund, the Sustainable Transport Fund etc?

13. The number of different funding streams and the tight timescales for bidding or applying has made it difficult for local authorities to develop a strategic approach to place development and levelling up. IPM Members have reported to us that they have been forced to 'fit' genuine local priorities and sensible schemes into fund priorities. In some places (e.g., Lincolnshire) the local authorities, county, DMO and other stakeholders have worked in partnership to identify local priorities/schemes and then use a multitude of funding pots to deliver. However, our experience leading the High Streets Task Force suggests that Lincolnshire council's and partners are the exception. In too many places, the funding tail wags the dog. This leads us to question the quality of proposals that are being submitted and whether their realisation will make a significant contribution to levelling up. The capacity to manage (or lead) place change is low - therefore the funds tend to be viewed in isolation to each other, rather than being managed in a way that will have the most impact on the worthwhile missions and objectives set out in the levelling up white paper.

How can the Government achieve its aim of streamlining funding for Levelling Up?

14. On this question we would simply wish to reaffirm the point that funding areas with efficient, effective, inclusive, and transparent partnerships, visions and plans will streamline budget allocation to local areas and authorities. It would incentivise local authorities to develop partnerships (where they do not yet exist) and reinforce (where they do) the creation and operation of successful partnerships. This would be a welcome step away from the current model which sets so much store by competitive bidding with all that can mean in terms of favouring places who can write bids (often by paying external consultants) and thus not always those with most need, or even the best proposals (in terms of their long-term impact on levelling up).
15. We recommend that Government streamline funding for levelling up using demographic and other indicators to identify need, and that all areas in need of funding are supported to develop place partnerships which manage public and other funds, in the holistic way we have outlined in response to Q1. This will reduce the wasted time and money that goes on bidding and pitches. Many areas will need support to develop effective place partnerships, but this will develop robust governance infrastructure, which will serve both the place and government well in the future.

How can funding focus on both wider regions, as well as individual towns?

16. Whereas strong and cohesive regional governance has been documented as a contributing factor to enhancing regional productivity, competitiveness and reducing spatial imbalances within economies such as Italy and Germany, the complex patchwork of different institutional forms and funding streams remains a long-standing obstacle to levelling-up the UK economy. There are many voices who advocate for the need to establish regional structures based on, for example, the German Länder, which would require quite fundamental reorganisation of state institutions and central government departments, including devolved tax-raising powers. Such reform would need to be wholesale and involvement a commitment running well beyond term of any single national government. Whereas the IPM sympathetic to this perspective, we also take a realistic perspective by

suggesting a focus on shorter-term reforms to address immediate concerns about the lack of alignment between plans for individual towns and cities and regional strategies.

Responsibility for spatial planning is the clearest and most obvious fissure to focus on. Whereas there are thematic areas of policy which are best addressed at a regional scale (environment and transport infrastructure), statutory planning powers remain at the local level. Currently central government intervention is required to arbitrate where local strategic development decisions are challenged, potentially delaying projects by several years. Delivering major transport infrastructure remains comprised by the challenge of involving multiple planning authorities. Reform might consider reestablishment of planning powers for strategic development at a wider scale in a process where enhanced powers are rolled into future City Deals, newly established Combined Authorities, or even LEPs. Longer term, this might involve further merging of local authorities, especially in regions where local government capacity is low, into fewer but stronger institution.

17. However, reform should be a two-way process, and some responsibilities which currently reside at the regional level, might be better focused into local action, through place partnerships. Skills, education, and training to reflect the economic development needs of individual places are more likely to be developed through place partnerships, where local businesses and other organisations identify needs and local training and education providers meet these. Leeds Business Improvement District is an exemplar for this approach, with its Engine Room initiative it describes as ‘a central hub bringing together an array of support functions in one city centre location to enable businesses in Leeds to prosper’.
(<https://www.leedsbid.co.uk/project/engine-room-leedsbid>).
18. Similarly, SME support and development, critically overlooks traditional SMEs operating in town centres and high streets, which, in many locations, can result in a complete mismatch between services and resources provided through Growth Hubs and the needs of specific centres. There is an opportunity, therefore, through the design of Levelling Up funding to focus on place-based outcomes, reorientating the focus of regional bodies towards a) regional activity and decision making (see 17.) b) understanding and supporting the ambitions of local partnerships – who oversee and manage levelling up activity in towns. Currently, regional bodies, be they LEPs, County Councils, DMOs or Business Improvement Districts operating across multiple places poorly serve local places. They are too ‘top-down’ and distant – and not aware enough of the needs and opportunities inherent across all the places they are meant to serve.
19. The reinvention of specific high streets and town centres, however, also requires review. As it stands, Business Improvement Districts remain the only recognised policy instrument to bring about granular level improvement to the local trading environment. Outside of London and West Midlands, however, there are relatively few Business Improvement Districts in operation, with many town centres dependent on local government to perform all place management functions. With diminishing resources and capacity, and even question-marks about capability to manage centres, complete reliance on local government undermines the viability of places. More work is required to understand the blockages to BID formation and their contribution to the levelling up agenda. The Shared Prosperity Fund is a good example of how BIDs, and other local players, can be efficient and effective delivery partners. Delivering high quality levelling-up services in a very cost-effective way.
20. Whereas many BIDs are responsible for good practice in terms of placemaking and activation, not all BIDs are successful. The BID Foundation, with the support of the IPM and devolved governments, have developed a set of industry-standards that are freely available and should ultimately be adopted by all BIDs. To encourage adoption only BIDs

that have adopted the TBF Industry Standards should be considered as delivery partners for public funds.

21. Alternative models for managing urban commons through enhancing local collaboration can be found in Europe, in Amsterdam for example, the municipality support over 60 neighbourhood level micro-BIDs, whereby local traders and stakeholders can take greater control over decisions which affect them and local high street. Governance initiatives should be reviewed to help inform the development of the BID model in the UK.
22. Whereas we may have to wait decades for a more fundamental transition to UK regional governance occur, the recommendations suggested here involve reviewing and adapting existing institutional infrastructure, shifting the balance of responsibility to the most appropriate, with a suggestion that funding streams follow these new lines of responsibility. The UKRI initiative to establish a regional network of Local Policy Innovation Partnership could provide the infrastructure through which to explore and evidence these recommendations to ensure the levelling up missions are delivered through the correct combination of regional and town structures.

How can Government ensure that spending across all departmental budgets can be adjusted accordingly to ensure all of government is focused on achieving levelling up and that resources are directed to the areas most in need?

23. At the heart of our recommendation on this question is the value and importance of partnership working. We have set out elsewhere in our response how crucial good place partnerships are along with suggestions as to the range of organisations and individuals that should be involved. This approach locally would be well served if it were to be matched at Government level i.e., for there to be a national levelling up partnership which mirrored the set up being suggested for all places. This partnership would bring together representatives of departments that are responsible for local government economic development, highways, health, police, education, culture, communities etc. A proposed national levelling up partnership could have a voice on each of the key disciplines, with every department that has an impact on this issue around the table, and each representative locally would have a go-to person or team at national level.
24. To build on this idea of a national levelling up partnership, each government department could have KPIs, indicators and budget lines related to the relevant levelling up objectives, as should each regional body and place partnership. We cover the need to simplify measurement and indicators, so that national, regional and local players work towards the same objectives, in Section 7.
25. IPM would also favour responsibility and budgets being devolved where possible from a national level to local place partnerships where they are set up and run on an efficient, effective, inclusive, and transparent model.

How are Levelling Up projects being measured in terms of value for money and for their contribution to Levelling Up?

26. Each of the funds (Levelling Up, Towns Fund, High Streets Fund, UK Shared Prosperity) has its own monitoring and evaluation frameworks, so it is possible to identify what the funding has delivered (outputs) and what has changed as a result (outcomes). Some of these will be standard within programmes and across programmes - which can help to establish value for money within funds (e.g. costs of jobs created through one intervention versus another intervention funded through the Towns Fund) and across funds (e.g., costs of jobs created through Towns Fund versus High Street Fund). One of the incredibly positive aspects of the funds that make up the 'levelling up projects' is that they are designed to be relevant to the challenges in a specific location. This gives local place leaders the flexibility to choose interventions and project outputs and outcomes that may be quite unique. Whilst this is an advantage of these schemes, it will make value for money comparisons more difficult. However, if the aim is levelling up then value for money is a less important consideration. In fact, it is likely that the cost of creating a job in a more economically deprived area is more expensive than in less deprived areas, as in less deprived areas more of the conditions for employment already exist.
27. For the funds that were released before the Levelling Up White paper was published (2nd Feb 2022) - e.g. Levelling UP Round 1, Towns Fund, High Streets Fund - the contribution of these projects to levelling is not measured directly, because the Technical Annex to the paper¹ contained the missions and indicators for levelling up (the aims and the measurements). So, the theories of change underpinning projects designed before the release of this important detail may not link project interventions to levelling up missions and/or indicators (simply because these were published after the projects were designed). Nevertheless, as a broad aim, levelling up has clearly influenced the design of these funds, even if they were released before Government had fully articulated what levelling up is. Government has also consulted IPM on the evaluation strategies for the Future High Street Fund and the Towns Fund, and we were pleased to see that our recommendations for the evaluation were included in the brief, such as an assessment of stakeholder engagement, partnership working and the quality of local decision making. These are elements of institutional capability, a key levelling up capital (i.e. something that is unevenly distributed across places).
28. Accepting that there is some uncertainty regarding the degree to which funds released before the Levelling Up White Paper was published can be measured in terms of their contribution to levelling up, government will expect to see a correlation between the amount of money spent on levelling up and improvements to the levelling up indicators - but this does not mean one is causing the other. Even when there is a cognisant link between the theory of change in the project and the levelling up missions, the data is not always available at the same spatial level of the intervention. For example, according to the "Levelling UP the UK: Missions and Metrics" the percentage of adults who are satisfied with their local area as a place to live is only available at the Local Authority, not the town level. However, Towns Fund, Future High Street, Shared Prosperity Fund and other Levelling Up

1. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1054766/Technical_annex_-_missions_and_metrics.pdf

projects are usually focussed on a particular place. Therefore, people's satisfaction with that place is the measure needed (not an average across the local authority area).

29. To measure the contribution of the projects to levelling up then the same indicators that are used at a programme/policy (national) level should be used at project (local) level. However, because of the inconsistencies in the level at which the data is available, this is not currently possible. Also, it is important that monitoring and evaluation is as simple as possible at the local level. Work that we have undertaken on behalf of the High Streets task Force has developed a measure of place viability, using a small set of data that is publicly available, easily accessible, relying on a simple spreadsheet that allows users to calculate their viability score across economic, social, environmental, and other components². We would recommend government develop something similar, that allows local place leaders to use the same evaluation tool as policy makers and evaluators.
30. One would expect that the programme level evaluation for each fund will try to link the interventions to the levelling up missions, using the data that is suggested by Government. However, it would be much more effective if local place leaders and national policy makers were all using a common set of indicators, available at all spatial levels (e.g. Lower Super Output Area, Local Authority Area, Regional Area and National). That way the logic behind interventions is directly linked to the logic of the policy, at the relevant geographical level. This would ensure levelling up projects are designed to level up!

Is the UKSPF a sufficient replacement of the European Structural Investment Funds?

31. The UKSPF follows what the Institute considers to be a well-designed process, involving a check and balance on broad investment intentions, rather than a competitive bidding process. Having worked with the DLUHC-based policy team that designed this process, including delivering on an online seminar to support local authorities, the investment plan template was instructive but flexible, able to be adapted to the local needs of places. This is an improvement on European Structural Investment Funds (ESIF) which were overly complicated and time consuming to administer locally, especially the evidencing and monitoring requirements.
32. In terms of funding committed to places on the announcement of the SPF prospectus, this pot equals legacy funding from the ESIF and the commitment appears to remain unchanged following the recent fiscal statement. The high proportion of revenue spending is also welcomed as this enables the creation and support of local partnerships and the delivery of activity that is not supported by the other Levelling Up Funds.
33. The focus on involving local partnership groups is also welcomed, although there is a question about how this is monitored – and therefore, how many local authorities involved partners in decision-making. Existing place partnerships should be fully considered before allocating funds to locations or specific projects. IPM's research shows that place-based

2. <https://www.highstreettaskforce.org.uk/resources/details/?id=eb9fb439-1af6-4e4e-b5ef-84a25cf150eb>

partnerships are best placed to do this, therefore some form of gateway check to ensure these partnerships are involved would support the best outcomes from SPF investment.

How will the proposed Investment Zones contribute towards the key objectives of Levelling Up? And is this different approach the right approach?

34. It is the Institute's understanding that since this Inquiry was launched, the aims and scope of the proposed Investment Zone scheme has changed substantively and will now focus on high potential innovation, including anchoring investment to universities which can provide knowledge capital.
35. At present, not enough is known about how the new innovation focus will work in practice. However, IPM has highlighted below the key points in response to the initially proposed Investment Zones, which may be applicable to the future reworked scheme.
- Hearing from local authorities at the recent Conservative conference there was frustration that the initial policy would not help them with larger ex-industrial areas, which lack the financial resource for developing proposals (and likely lack the type of highly innovative technology and expertise that the new zone programme may focus on, including an appropriate higher education institution).
 - *Avoiding displacement is critical.* Therefore, providing incentives targeting business sectors and based on well-considered strategies is important, such as the use of Advanced Manufacturing Parks. The guidance asks applicants to consider displacement – however the very short application window meant that unless an impact assessment had already been undertaken, there is considerable risk of displacement occurring.
 - A major criticism of previous Enterprise Zone policy has been poor governance and 'behind-closed-doors' decision making. All place management organisations with a legal mandate to improve their places should be involved, including Business Improvement Districts, councils, and community groups. They have in-depth knowledge of the location, and this is very important as any deregulation should address constraints that are specific to an area, rather than adopting a blanket approach.
36. A longer written piece on IPM's views on the investment zone policy as originally proposed can be found online here:
<https://www.placemanagement.org/news/posts/2022/october/investment-zones-the-ipm-view/>.

Should the revised programme contain more place-based policy, there may be other relevant points of interest, such as relating to planning, sustainability and governance.

Will the Government's approach to funding for levelling up achieve its objective of levelling up the country?

37. The Government's approach to funding will not, on its own, achieve the objective of levelling up the country – this is unrealistic as we have identified it is not only government that makes better places. However, explicitly stating the country needs levelling up is an important advance, and one the Government should be commended for. There is significant inequality in the UK, across income, health, education, employment, living environment, and barriers to housing and services. OECD data³ ranks the UK as having the 11th highest income inequality (after South Africa, China, Costa Rica, India, Chile, Brazil, Mexico, Bulgaria, Turkey and the USA). People living in the poorest areas get ill earlier, suffer more and longer illnesses, and die sooner⁴. Children from more disadvantaged households tend to do worse at school⁵. According to Sir James Bevan, "59% of the highest earning households in this country are within a 10-minute walk of an accessible, natural green space compared with just 35% of those in the lowest-earning households"⁶. According to MHCLG data⁷ one in three households experience housing problems (each, or combination of, non-decent, overcrowded and/or unaffordable).
38. The former Prime Minister, Boris Johnson, likened the scale of levelling up the UK to that of reunifying Germany. The Levelling Up White Paper promises funding of £187bn⁸. Over a 6-year parliament this equates to £31bn per year, less than half the annual cost (£71bn) of the German reunification project - which ran for over 24 years⁹. Even accounting for the higher population in Germany (23% more than UK), levelling up funding, will not, on its own, achieve the objective of levelling up the country. It is too little and committed over too short a period. In addition, none of the funding directly addresses one of the four levelling up objectives "Empowering local leaders and communities, especially in those places lacking local agency". The levelling up white paper⁹ identifies a lack of institutional capital. "It is widely recognised that institutional capital can play an important role in the development of local economies through strong leadership and local governance; fiscal, administrative, and policy autonomy; relationships between local government, businesses, communities and individuals; and local knowledge." Our experience running the High Streets Task Force, which has been set up to provide support to local place leaders, indicates that relationships between local government, businesses and the community are extremely poor in many locations. There is a significant lack of place leadership and place management capacity which supports the type of collaborative and partnership working that is the bedrock of institutional capital. Our next response deals with this issue in more detail.

Anything else we would like to bring to Committee's attention

³ <https://researchbriefings.files.parliament.uk/documents/CBP-7484/CBP-7484.pdf>

⁴ <https://www.health.org.uk/news-and-comment/charts-and-infographics/quantifying-health-inequalities>

⁵ <https://ifs.org.uk/articles/uk-education-system-preserves-inequality-new-report>

⁶ <https://www.gov.uk/government/news/environmental-inequality-must-not-be-ignored>

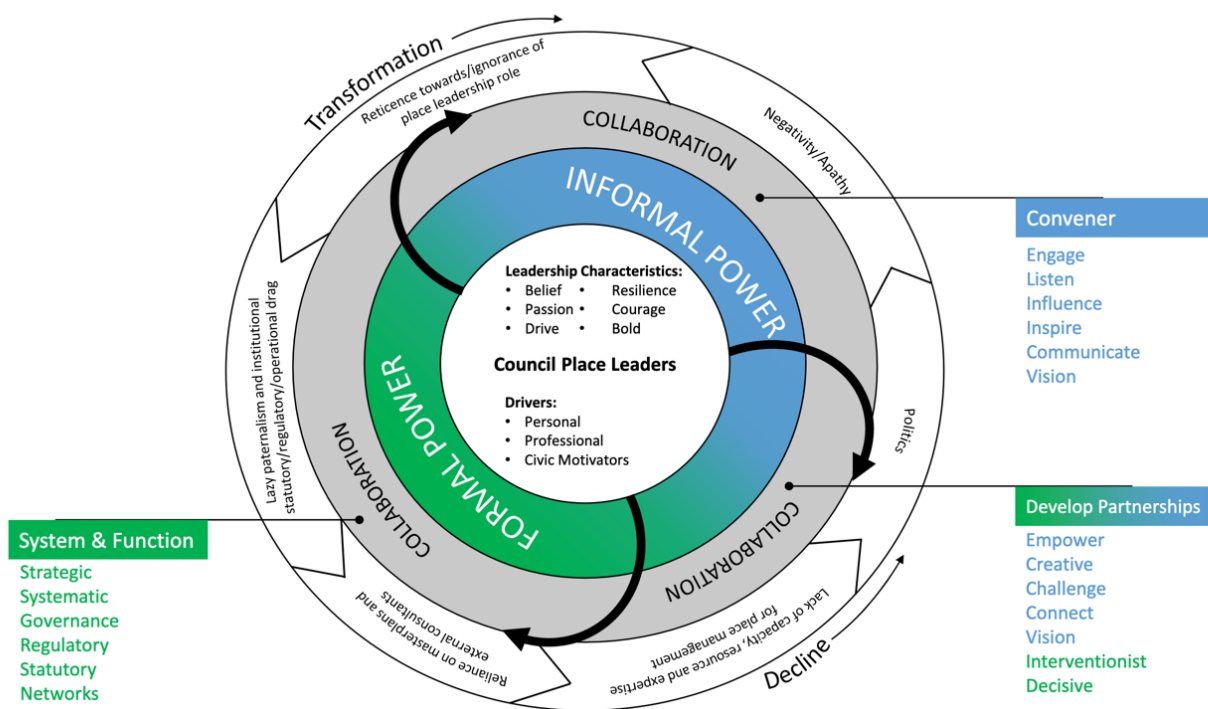
⁷ <https://www.health.org.uk/evidence-hub/housing/housing-stability-and-security/number-of-households-e...>

⁸ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1095

⁹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1054...

39. The Inquiry focuses on levelling up funding, the majority of which, is for capital projects. However, levelling up required the development of capitals that will not be improved by building and infrastructure alone.

40. Part of the Future High Streets Fund included the finding of a High Streets Task Force, which IPM leads. The HSTF was a direct result of the 2018 review into High Streets led by Sir John Timpson. Sir John recommended that a Task Force be set up to strengthen and support local leadership in high streets and town centres. HSTF has raised awareness of the importance of place leadership, the benefits of collaborating with partners outside of local authorities, the need to activate high streets and town centres with events and a more multifunctional offer that doesn't just rely on physical regeneration to transform towns, The Task Force has seen that local authorities need more support to adapt to an approach where people and partnerships (rather than just capital projects) make places.
41. The Levelling Up Missions and Metrics refers to Institutional Capital and the core levelling up objective to "empower local leaders and communities, especially in those places lacking local agency". Strong place leadership, effective partnerships and cultures for collaborative working are fundamental components of success – and are at the heart of HSTF 1.0 delivery. This year, the HSTF has developed a 'collaborative cycle of place leadership in local authorities'. This model (Figure 2) will be utilised to improve the calibre of place leadership in local authorities in future.
42. **Figure 2 : Collaborative Cycle of Place Leadership in Local Authorities (IPM)**



43. Whilst place leadership in local authorities is important, the HSTF finds that there is a deficit of place leaders in many local authorities. From 136 places that have completed the 'capacity and culture for managing change' diagnostic less than 50% have the type of 'plural' culture associated with high levels of institutional capital and effective local decision making (See Figure 3, below). Please see Appendix 1 for an explanation of the four cultures.

44. Figure 3: Capacity and Culture for Managing Change - diagnostic results for 136 places

Apathetic	Paternal	Grassroots	Plural	Total
22	38	10	66	136
16.18%	27.94%	7.35%	48.53%	

45. Our evidence from running the HSTF shows there is much more work to be done to build institutional capacity and meet the levelling up objective to empower local leaders and communities, especially in those places lacking local agency.

46. Thriving places come through partnerships and investment from the private, public and community sectors. They have strong place leadership and effective place management. Our work with the HSTF provides ample evidence that local authorities and public funding, on their own, do not create vital and viable high streets. The private and community sectors have a much bigger role to play in the activation of places as well as the leadership of change, as well as its funding and management. Devolution is not just about devolving power to mayoral authorities and then to local government - is about local government redefining its power relationships with other stakeholders in actual places - working in a pluralistic not authoritative way. We need place leadership at the town level, and collaboration and facilitation from LAs. This is true place-based working. Place partnerships, with strong leadership and effective place management coordination, release additional place changing resource and capacity that comes from the cross-sectoral partners. Responsibility for success is shared and is not just funded from the public purse.

Appendix 1: Capacity and structures for managing change

In the HSTF diagnostic on capacity and structures for managing change, there are 40 statements about the capacity and structure(s) for managing change in a town centre. Depending on the answers to the statements, the diagnostic returns the dominant culture for the place.

Apathetic

In an apathetic culture there is low capacity and no structures for change.

Towns in this quadrant you have little or no capacity to make change happen, from the business, council or wider community. Perhaps people have tried to make change happen, but they got knocked-back or frustrated with the lack of interest and action, either from their peers, or from other sectors. As well as little or no capacity, there are no structures for change – for example, it is likely that no-one has identified a COVID-19 recovery plan, there is no town centre partnership and no long-term plan or vision for the town. We have labelled this quadrant ‘apathetic’ for all these reasons.

Paternal

In a paternal culture there are structures to manage change, but low capacity or low involvement outside of the council.

Towns in this quadrant you have an engaged council that has put in structures to manage change in the town centre. The problem is these structures are not very inclusive. Decisions get made, projects get implemented – but either the community, businesses or both are missing from these processes. This often leads to decisions and projects that don’t have much buy-in and, therefore, do not lead to the results that were expected. If a town seems to have a stream of consultants come in to do masterplans and then leave – to just be replaced by a new set of consultants a few years later – then that’s often the sign of a paternal culture. This might be because of the socio-economic characteristics of the area it is harder to engage people – or because there is a culture of mistrust of the community or businesses within the council. Either way the feedback is ‘must do better’.

Grassroots

In a grassroots culture there is high capacity to make change, but no formal structures to lead or coordinate longer-term change.

In this quadrant there are lots of passionate people and organisations that care about the town, that activate the town, with events and festivals, and want to be much more involved in decision-making and the long-term vision of the town. The problem in this quadrant is that the council, and sometimes the BID, if there is one, does not engage well with people outside of their immediate team. If there are structures for change, then they are not working effectively with the ‘grassroots’ movement of people in the town. So, for example, perhaps the town council is not consulted on decisions made at county council level? There could be a dynamic BID, but it may not be integrated into council structures for management and decision-making. There may be a vibrant arts and culture scene across the business and community sector, but this is left-out of the ‘official’ cultural policy of the area.

Plural

In a plural culture there is high capacity to make change and formal structures to lead and coordinate both short and long-term change.

Places in this quadrant then congratulations have reached place management and leadership nirvana! Towns in this quadrant have worked hard at developing trust across sectors, identified shared objectives and developed collaborative projects that get people working together, and built successful partnerships which may have evolved into new, more-effective governance structures. No doubt this will have taken considerable time and effort. The secrets of success are diversity and empowerment, and that means that there will have been many differences of opinion (and will continue to be – debate is healthy) and some people will have had to give up power (which is always difficult).