

Committee(s): Communications and Corporate Affairs Sub Committee	Dated: 07/06/2022
Subject: Levelling Up	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	Corporate Plan Outcomes 1-12
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Bob Roberts, Deputy Town Clerk and Executive Director of Communications and External Affairs	For Decision
Report author: Sarah Bridgman, Senior Corporate Affairs Officer	

Summary

At the meeting of the Policy and Resources Committee on 5th May 2022, Members requested an update on the City of London Corporation's work on levelling up.

The Government's levelling up policy is one of the defining agendas of the current administration. A narrowly drawn definition of levelling up has the potential to impact negatively on London and could lead to a levelling down of the capital. The City Corporation therefore has taken a keen interest in this policy area and has sought to engage with key stakeholders and support work being undertaken in this field.

The City Corporation has previously made the following points through both public and private interventions:

- The financial and professional services sector is a significant driver of jobs and prosperity throughout the UK
- Inequality exists within regions as well as between them
- Improving skills and socio-economic diversity is a key driver in levelling up
- Pride in place is as important for London as anywhere in the country given its role in the wider UK economy.

As an organisation we support a number of levelling up related projects and if Members are content with what is outlined, officers will continue to disseminate our messages through these and through relevant political engagement as and when appropriate.

Recommendation(s)

Members are asked to:

- Decide whether they are content with the City Corporation's current approach on levelling up.

Main Report

Background

1. Levelling up has been one of the integral policy agendas of the UK Government since Boris Johnson became Prime Minister in July 2019. The policy is usually described in the context of regional development and improving the conditions and prospects of those living outside London and the South East.
2. This definition caused some concern that the levelling up policy could lead to a “levelling down” of London. The City Corporation therefore sought to engage with stakeholders in government and in influential think tanks to look to ensure that the disparities and poverty within London were also considered as part of the policymaking process.
3. In both our public and private interventions on levelling up, the City Corporation has made the following points:
 - a. The financial and professional services sector is a significant driver of jobs and prosperity across the United Kingdom. With two thirds of the 2.3million jobs in the industry based outside London, it is a nationwide sector.
 - b. Inequality exists within regions as well as between them and there are significant pockets of deprivation within London. According to Trust for London, before the pandemic 27% of people in London were living in poverty after housing costs, more than any other part of the UK.
 - c. Improving skills and socio-economic diversity is a key driver in levelling up within places and organisations. The socio-economic diversity taskforce the City Corporation has been commissioned to run has demonstrates the sector can lead on this. To compete globally, the UK must give its highest performers the opportunities to progress regardless of their background.
 - d. Pride in place is as important for London as anywhere in the country given its role in the wider economy. London’s ability to attract the investment and talent from around the world will bring benefit and success to the whole country.
4. A shift in tone on levelling up and London was noted in the Prime Minister’s speech on levelling up in July 2021 where he explicitly mentioned the “imbalances and inequalities... found within the regions of the United Kingdom – not just between them”. The Prime Minister also announced a White Paper would be published to set out the levelling up plan.
5. The City Corporation submitted a response to the Government for its consideration as part of the process of drafting the White Paper, which covered the key arguments listed at paragraph 3. In addition it specifically mentioned other City Corporation work including the markets project and the increase in GVA this would bring to Barking and Dagenham, and the City Corporation UK National and Regional Partnerships and their work such as the Finance for Sustainable Growth project and support for clusters.

6. The Government published the Levelling Up White Paper on 2nd February 2022 and this document provided further detail about what the Government would be seeking to address through this policy, including twelve missions to be delivered in the medium term to 2030. Further briefing on the White Paper can be provided to Members if required.
7. Following the publication of the White Paper, officers involved in the City Corporation's levelling up related work briefed the then Policy Chair and Deputy and agreed with them an approach to raise the key messages at appropriate moments with relevant stakeholders. This messaging continues to be used for relevant engagements and media interventions as and when they arise.

Current Position

8. The City Corporation continues to engage in the discussion around levelling up, particularly through supporting research projects on this subject. The City Corporation is sponsoring the following:
 - a. The Centre for London's research project on Levelling Up London. An officer sits on the advisory group and is monitoring the project's output.
 - b. The Fabian Society's Commission on Poverty and Regional Inequality.
9. In addition, officers are exploring how best to support the project being run by the All-Party Parliamentary Group on Financial Markets and Services on how the financial and professional services sector can support levelling up across the UK.
10. The City Corporation also retains membership of the Business Leaders Network of the think tank Onward, who are especially influential in relation to the levelling up agenda.
11. Through membership of pan-London bodies such as London Councils and the London Recovery Board, the City Corporation is also able to discuss the potential impact of levelling up across the capital with other London partners.
12. Officers continue to monitor the development of levelling up policies including through attending a recent conference addressed by Ministers, Shadow Ministers and Metro Mayors.
13. By undertaking this activity, the City Corporation is seeking to monitor any potential impact levelling up may have on London, to promote the role of the financial and professional services sector in achieving levelling up and to continue to disseminate the key messaging as agreed with the former Policy Chair and Deputy.

Proposals

14. If Members endorse this approach, officers will continue to support the levelling up projects described, promote our messaging on the subject through appropriate political engagement as well as monitoring the ongoing development of the policy and its possible impact on London.

Key Data

None

Corporate & Strategic Implications

Strategic implications

15. The City Corporation is already seeking to support the principle of levelling up through a number of existing workstreams. Continuing to support this agenda, both in London and across the wider UK will positively impact on all of the outcomes of the Corporate Plan. Engaging on this important subject supports the City Corporation's wider political engagement programme.

Financial implications

None

Resource implications

None

Legal implications

None

Risk implications

None

Equalities implications

None

Climate implications

None

Security implications

None

Conclusion

16. Levelling up is a highly important policy agenda and the City Corporation should continue to engage with political stakeholders on this subject as appropriate, promote the role of the sector and monitor its possible impact on London. Members are asked to decide whether they are content with this approach.

Appendices

None

Background Papers

None

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