

### Summary

- This briefing gives an overview of the key implications of the Levelling Up White Paper (WP) for DCN councils and sets out our priorities for engaging the Government and local partners to get the best possible outcomes for our members.
- Our initial reaction still stands. There are positives to take from the WP – the level of ambition is laudable and its key aims around economic prosperity and pride in place are well suited to DCN councils' strengths. The UK Shared Prosperity Fund (UKSPF) is good for DCN councils.
- But, overall, the WP underplays the valuable role our councils can and should play in delivering levelling up. In particular, it doesn't envisage a meaningful role for districts in County Deals. It doesn't sufficiently empower us to deliver even better services for our communities.
- Here's a [link](#) to an article in the MJ by our Chairman setting out his views.
- **Our approach will centre on the fact that DCN councils are a critical and indispensable player if the Government wants to deliver the overarching outcomes and missions in the WP.** It's clear that we're pivotal to achieving the four key aims of (i) Fostering economic prosperity (ii) Spreading opportunity (iii) Restoring a sense of community (iv) Empowering local leaders.
- By demonstrating positively how we can help deliver the objectives of levelling up, we'll also make the case for the governance and structure of the devolution framework to be adapted to give DCN councils a much fuller role, and also for greater flexibilities and support nationally.
- Within our overall approach there will be some more specific actions to target:
  - **Preserving and enhancing district power and influence in key policy areas** – especially County Deals and the new devolution framework.
  - **Influencing the design of new bodies and structures to ensure they work well** – especially Levelling Up Regional Directors and the Data and Transparency body
  - **Ensuring effective implementation of seemingly positive policy announcements** e.g. UKSPF, social housing regulation, renters reform
  - **Pushing for greater flexibilities and a strong role for DCN councils in areas underplayed in the WP** e.g. town centre regeneration, planning reform, net zero, health & social care
- The sections below provide more detail about our initial views and the points we'll press with the Government.
- We'll seek to influence central Government so that we get the best outcomes for DCN councils nationally. But we'll also provide tailored support for the six areas in the frame for the first wave of County Deals. We'll be alive to any other implications for specific regions or types of council.
- Overall, the DCN is keen to engage constructively with the proposals in the White Paper and demonstrate why our councils should be at the heart of this agenda.

### 1. The indispensable role of districts in delivering the White Paper's ambitions

- DCN councils have a good story to tell about the critical role we should play in levelling up. This is based on our strong track record of providing excellent services to businesses and households and building local partnerships. We exemplified this during the pandemic – our local convening power and delivery networks were essential in rapidly getting critical support to the frontline.

- It's clear that districts can play a big role in delivering the WP's four key aims: (i) Fostering economic prosperity (ii) Spreading opportunity (iii) Restoring a sense of community (iv) Empowering local leaders.
- Here's a summary of how districts can deliver these aims. We'll develop this further and provide further briefings on specific areas.

<b>(i) Economic Prosperity</b>	
<b>Aim</b>	Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging
<b>Missions</b>	Living standards
	Research and development
	Transport infrastructure
	Digital connectivity
<b>How can DCN councils deliver?</b>	<ul style="list-style-type: none"> <li>○ Strong links to small businesses</li> <li>○ Track record of attracting inward investment from large employers and developing R&amp;D clusters</li> <li>○ Key investors in place, including commercial/industrial units and employment initiatives</li> <li>○ Critical role as housing and planning authorities</li> <li>○ Strong influence over place shaping</li> <li>○ Primary role in regenerating towns and high streets – DCN councils are already investing £1.3bn of renewal funding</li> <li>○ Integral to providing infrastructure and encouragement for Active Travel Plans</li> </ul>
<b>(ii) Spreading opportunity</b>	
<b>Aim</b>	Spread opportunities and improve public services, especially in those places where they are weakest
<b>Missions</b>	Education
	Skills
	Health
	Wellbeing
<b>How can DCN councils deliver?</b>	<ul style="list-style-type: none"> <li>○ Strong links with local businesses, big employers and universities</li> <li>○ Key investors in employment and skills initiatives</li> <li>○ Preventative levers across a range of the wider determinants of health e.g. housing services, welfare support, wellbeing services, parks and green spaces</li> <li>○ Extensive wellbeing and leisure services, including outreach into communities</li> <li>○ Ability to facilitate social prescription services</li> </ul>
<b>(iii) Community</b>	
<b>Aim</b>	Restore a sense of community, local pride and belonging, especially in those places where they have been lost
<b>Missions</b>	Pride in place
	Housing
	Crime
<b>How can DCN councils deliver?</b>	<ul style="list-style-type: none"> <li>○ Primary role in fostering a sense of community in towns and high streets</li> <li>○ Strong record of promoting heritage and culture, especially as part of regeneration schemes</li> <li>○ Vital role as local planning authorities in building the right homes in the right places</li> <li>○ Custodians of good quality and standards in social housing</li> <li>○ Critical role in driving up standards in the private rented sector e.g. through landlord accreditation schemes and Selective Licensing Schemes</li> <li>○ Preventative levers to tackle the root causes of crime and anti-social behaviour</li> </ul>

<b>(iv) Local Leadership</b>	
<b>Aim</b>	Empower local leaders and communities, especially in those places lacking local agency
<b>Missions</b>	Local leadership
<b>How can DCN councils deliver?</b>	<ul style="list-style-type: none"> <li>○ High level of democratic accountability and proximity of our councillors to local voters</li> <li>○ DCN councils are the most recognised and trusted part of local government</li> <li>○ Closer engagement with local communities and ability to influence public participation than other parts of local government</li> <li>○ Crucial role in building community resilience e.g. through Local Resilience Forums</li> <li>○ Track record of building collaborative local partnerships</li> </ul>

## 2. Preserving and enhancing district powers and influence

### • County deals

- There's no formal role for district councils in the proposed framework for County Deals. Much stronger mechanisms are needed to ensure active district involvement in the development and governance of County Deals.
- We're exploring which option is best for district councils. It appears that only Level 1 (joint committee) or Level 3 (directly elected mayor) would give districts a voice. The wording of the WP specifically excludes districts from being constituent members of Level 2 (non-mayoral) combined authorities.
- The powers on offer in the devolution framework seem to be predominantly "upper-tier" powers, although there are some areas where they may verge into areas where DCN councils have powers or a strong interest. We'll make the case for how the involvement of district powers or other district levers would enhance County Deals while preserving our influence.

### • Community empowerment

- The WP proposes making it easier to create town councils and other community groups. Expanding the range of community involvement could have merit. Town and parish councils already play an important role at the hyper local level in many places. But we'll need to understand more about what the Government intends and how we'll manage the risk of it unintentionally complicating local service delivery in practice. It's likely to be better for new approaches to be piloted first, particularly in areas where there are currently few or no parishes.
- The focus on building community resilience could be positive but is listed as a potential power of elected mayors. DCN members play a crucial role in organising Local Resilience Forums and have closer engagement with our communities than other tiers of local government.

### • UKSPF

- Despite the good news that most of funding will be invested by district councils in two-tier areas, the interaction with County Deals is unclear. It appears that UKSPF funding will be aggregated at the county level in areas with a County Deal part way through the investment period. We'll push to understand how that's compatible with our councils submitting multi-year investment bids this summer.

### • Taxi licensing

- The WP proposes to explore shifting taxi and Private Hire Vehicle licensing powers to combined authorities and county councils. The rationale is not clear. We'll make the case for these powers to remain where they are.

## 3. Influencing the design of new bodies and structures

- **Levelling Up Directors**

- These could potentially be a helpful addition to the local landscape. But they need to be figures with authority and a real understanding of the public sector system leadership challenges, who are genuinely empowered to foster collaboration between local partners. We need them to engage with all levels of local government and ensure they bring us together around the table at regional level to hear the district voice.

- **Data and transparency body**

- Again, this could be a positive development. But the execution is vital. The data body needs to be genuinely independent and focused on collecting data that clearly adds value for local councils and our residents and businesses. It should empower rather than stifle local councils and it shouldn't be top-down or bureaucratic. DLUHC are making positive noises about co-designing the body with local government partners and we've started engaging senior civil servants to influence the design.

#### 4. Ensuring effective policy implementation

- **UKSPF**

- In addition to the earlier point about interaction with County Deals, it's vital that the allocation process works effectively, the timeframe is realistic and the fund is genuinely devolved and free of unhelpful ringfences or overly prescriptive outcomes.
- We'll also make a strong case for districts to continue being the lead investment authorities after the initial two years (which is when the policy will be reviewed).

- **Empty commercial units**

- The WP announces new powers for councils to fill empty commercial units. It's not clear exactly what these new powers are or how far they add to our existing powers. We'll seek greater clarity.

- **Simplifying funding pots**

- The intention to simplify the complicated array of local growth funding schemes is welcome. We'll work closely with the Government on the detail. The aim should be to move completely away from divergent bidding pots and processes.

- **Other announcements** - the WP contains a range of other announcements which appear positive but where the devil may be in the detail:

- New Parks Fund
- Social Housing Regulation Bill
- Task Force to improve housing for older people
- Renewed commitment to the Renters Reform Bill
- Government will review how to support councils to deliver more council homes alongside Housing Associations

#### 5. Pushing for greater flexibilities and a strong role for districts

- **Regeneration of towns, high streets and coastal communities**

- Beyond the new powers to fill empty commercial units, there's scope to explore other policy ideas to regenerate our high streets e.g. innovative use of planning policy, retail enterprise zones, and powers to raise funds locally and retain the proceeds of growth locally.

- **Net zero and climate change adaptation**

- The WP contained no new powers, funding or incentives for local government to deliver the big contribution we need to make to the overall net zero strategy. We need concrete powers and substantial funding to green our economy and deliver net zero. In particular, funding for decarbonising existing assets.

- **Health**

- Health functions aren't included in the framework for devolution deals. The Health & Care Integration Paper, published on 9 February, overlooked the vital preventative role DCN councils can play in the wider determinants of health. We think health is critical to delivering the overall aims of levelling up and we have a vital role to play here – in Integrated Care systems and other local health partnerships. Wellbeing and leisure services in particular will be vital to the success of the Government's social prescription proposals.

- **Planning reform**

- There was very little indication of how the Government proposes to respond to the Planning White Paper. We expect a detailed response in May and will continue working to influence the Government's thinking.
- The Government plans to explore how existing Community Infrastructure Levy can be used to support neighbourhood and community activity. This is linked to the idea of communities creating new local design codes for streets. There's little detail in the WP but there should be an important role for DCN councils here.

- **Funding and finance reform**

- We'll seek to ensure that the review of the local government funding model, including the New Homes Bonus and business rates regime, doesn't disadvantage our members (overall) and creates a greater range of flexibilities to allow us to diversify our funding and income base.

## Annex 1 – summary of White Paper aims and missions

Focus Area	Mission
<b><i>Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging</i></b>	
Living Standards	By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, and the gap between the top performing and other areas closing.
Research & Development (R&D)	By 2030, domestic public investment in R&D outside the Greater South East will increase by at least 40%, and over the Spending Review period by at least one third. This additional government funding will seek to leverage at least twice as much private sector investment over the long term to stimulate innovation and productivity growth.
Transport Infrastructure	By 2030, local public transport connectivity across the country will be significantly closer to the standards of London, with improved services, simpler fares and integrated ticketing.
Digital Connectivity	By 2030, the UK will have nationwide gigabit-capable broadband and 4G coverage, with 5G coverage for the majority of the population
<b><i>Spread opportunities and improve public services, especially in those places where they are weakest</i></b>	
Education	By 2030, the number of primary school children achieving the expected standard in reading, writing and maths will have significantly increased. In England, this will mean 90% of children will achieve the expected standard, and the percentage of children meeting the expected standard in the worst performing areas will have increased by over a third.
Skills	By 2030, the number of people successfully completing high-quality skills training will have significantly increased in every area of the UK. In England, this will lead to 200,000 more people successfully completing high-quality skills training annually, driven by 80,000 more people completing courses in the lowest skilled areas.
Health	By 2030, the gap in Healthy Life Expectancy (HLE) between local areas where it is highest and lowest will have narrowed, and by 2035 HLE will rise by five years.
Wellbeing	By 2030, wellbeing will have improved in every area of the UK, with the gap between top performing and other areas closing.
<b><i>Restore a sense of community, local pride and belonging, especially in those places where they have been lost</i></b>	
Pride in Place	By 2030, pride in place, such as people's satisfaction with their town centre and engagement in local culture and community, will have risen in every area of the UK, with the gap between top performing and other areas closing.
Housing	By 2030, renters will have a secure path to ownership with the number of first-time buyers increasing in all areas; and the government's ambition is for the number of non-decent rented homes to have fallen by 50%, with the biggest improvements in the lowest performing areas.
Crime	By 2030, homicide, serious violence and neighbourhood crime will have fallen, focused on the worst affected areas
<b><i>Empower local leaders and communities, especially in those places lacking local agency</i></b>	
Local Leadership	By 2030, every part of England that wants one will have a devolution deal with powers at or approaching the highest level of devolution and a simplified, long-term funding settlement.

## Annex 2 – summary of County Deal Options

**Table 2.3 Devolution Framework**

**Level 3** – A single institution or County Council with a directly elected mayor (DEM), across a FEA or whole county area

**Level 2** – A single institution or County Council without a DEM, across a FEA or whole county area

**Level 1** – Local authorities working together across a FEA or whole county area e.g. through a joint committee

Function	Detail	L1	L2	L3
<b>Strategic role in delivering services</b>	Host for Government functions best delivered at a strategic level involving more than one local authority e.g. Local Nature Recovery Strategies	✓	✓	✓
	Opportunity to pool services at a strategic level	✓	✓	✓
	Opportunity to adopt innovative local proposals to deliver action on climate change and the UK's Net Zero targets	✓	✓	✓
<b>Supporting local businesses</b>	LEP functions including hosting strategic business voice		✓	✓
<b>Local control of sustainable transport</b>	Control of appropriate local transport functions e.g. local transport plans*		✓	✓
	Defined key route network*			✓
	Priority for new rail partnerships with Great British Railways – influencing local rail offer, e.g. services and stations			✓
	Ability to introduce bus franchising		✓	✓
	Consolidation of existing core local transport funding for local road maintenance and smaller upgrades into a multi-year integrated settlement			✓
<b>Investment spending</b>	UKSPF planning and delivery at a strategic level		✓	✓
	Long-term investment fund, with an agreed annual allocation			✓
<b>Giving adults the skills for the labour market</b>	Devolution of Adult Education functions and the core Adult Education Budget		✓	✓
	Providing input into Local Skills Improvement Plans		✓	✓
	Role in designing and delivering future contracted employment programmes			✓
<b>Local control of infrastructure decisions</b>	Ability to establish Mayoral Development Corporations (with consent of host local planning authority)			✓
	Devolution of locally-led brownfield funding			✓
	Strategic partnerships with Homes England across the Affordable Housing Programme and brownfield funding			✓
	Homes England compulsory purchase powers (held concurrently)		✓	✓
<b>Keeping the public safe and healthy</b>	Mayoral control of Police and Crime Commissioner (PCC) functions where boundaries align^			✓
	Clear defined role in local resilience*		✓	✓
	Where desired offer MCAs a duty for improving the public's health (concurrently with local authorities)			✓
<b>Financing local initiatives for residents and business</b>	Ability to introduce mayoral precepting on council tax*			✓
	Ability to introduce supplement on business rates (increases subject to ballot)			✓