

For Publication

**Bedfordshire Fire and Rescue Authority
24 March 2022**

REPORT AUTHORS: STEVE FRANK, HEAD OF STRATEGIC SUPPORT AND ASSURANCE

SUBJECT: LEVELLING UP THE UNITED KINGDOM WHITE PAPER

For further information Thomas Warner, Service Improvement Manager
Contact the report's editor: Tel No: 07768 560479

Background Papers: www.gov.uk/levelling-up-the-united-kingdom

PURPOSE:

This report summarises the HM Government Levelling Up the United Kingdom White paper and identifies potential impacts on Bedfordshire Fire and Rescue Service.

RECOMMENDATIONS FOR MEMBERS:

To consider the paper and the implications for Bedfordshire Fire and Rescue Service.

1. Summary

1.1 The Levelling Up the United Kingdom White Paper provides a number of opportunities for Bedfordshire Fire and Rescue Service including:

- Further **empowerment** to local communities and local government;
- Stronger focus on **community resilience**. The government plans to pilot a set of Community Covenant approaches. These would be agreements between councils, public bodies and the communities they serve, seeking to harness the energy, know-how and assets of local communities. They would also set out how local social capital and infrastructure can be built and sustained to encourage confident and active communities.
- Enabling different Governance models of Fire and Rescue Services including directly elected Mayors will be consulted on in the Fire Reform White Paper. This includes the potential for elections for a Mayor of Bedfordshire if all three councils agree to this due to population requirements;
- A national emphasis on data quality and a potential need for checks on third party and national data sets;
- Planned improvements to the housing stock by 2030 may lower the BFRS risk profile with better housing reducing some types of accidental dwelling fires;
- Improvements to broadband, 4G and 5G coverage which will help to enable remote and new ways of working;

1.2 And capacity challenges including:

- Expansion of Economic wellbeing duties for public services such as BFRS including more stringent fire protection requirements for significant 'economic assets such as London Luton Airport, Network Rail, Amazon, Lockheed Martin and Cranfield Science Park;
- Joint Estates Opportunities and risks including sharing health service premises;
- Encouragement of expansion of BFRS cadets' programmes;

2 Background

2.1 The United Kingdom displays large regional differences in economic prosperity compared to most other Organisation for Economic Co-operation and Development (OECD) countries, with a large gap between London, and most other regions in both absolute and relative terms contributing to substantial differences in living standards. The white paper sets out Her Majesty's Governments plans to address these spatial differences and 'level up the country.' The paper defines levelling up as *'giving everyone the*

opportunity to flourish. It means people everywhere living longer and more fulfilling lives and benefitting from sustained rises in living standards.'

2.2 The framework for levelling up is based on six 'capitals':

- Physical capital – infrastructure, machines and housing
- Human capital – the skills, health and experience of the workforce
- Intangible capital – innovation, ideas and patents
- Financial capital – resources supporting the financing of companies
- Social capital – the strength of communities, relationships and trust
- Institutional capital – local leadership, capacity and capability.

2.3 The report states these six capitals are 'individually important, but their real significance comes in combination, when they act in a mutually reinforcing fashion as in Renaissance Italy or in the UK at the time of the Industrial Revolution. The six capitals are seen as inextricably linked as part of a complex, adaptive economic ecosystem. It is the interdependence among the capitals that generates the forces of agglomeration, as the strength in one capital cascades to the others in a cumulative, amplifying fashion.

2.4 To deliver Levelling Up the UK Government will adopt a new policy regime based on five mutually reinforcing pillars. These are:

- **The UK Government is setting clear and ambitious medium-term missions**
- **Central government decision-making will be fundamentally reoriented** – this includes greater transparency around the geographical allocation of funding and simplification of growth funding. They will also move 22,00 Civil Service jobs out of London by 2030
- **The UK Government will empower decision makers in local areas** – this includes providing leaders and businesses the tools they need.
- **The UK Government will transform its approach to data and evaluation** – this includes improving subnational data to improve transparency and accountability to the public, making available interactive tools and maps to facilitate this. They will also encourage innovative uses of real-time data at the local level, giving leaders across the UK they information they need to deliver, experiment and evaluate swiftly and effectively.
- **The UK Government will create a new regime to oversee its levelling up missions** – this will be in the form of a Levelling Up Advisory Council. Government will be required to produce an annual report on progress made against the levelling up missions.

2.5 The UK Government has set four levelling up missions which are split into a number of focus areas. The tables below detail these missions, their focus areas and any potential impacts or opportunities for BFRS:

| Levelling up Mission | |
|---|---|
| <i>Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging</i> | |
| Focus Area | Potential opportunities for and/ or potential impacts on BFRS |
| Living standards | The goal is to increase pay, employment and productivity across every area of the UK by 2030. Growing the private sector is how this is intended to be achieved. As such, there are risks for BFRS that we cannot keep up with market rates of pay and that we may struggle to recruit and retain staff. |
| Research and 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 | Improved local public transport may help our staff switch to public transport rather than use their car to commute which will help reduce the carbon footprint of the service. |
| Digital Connectivity | Improvements to broadband, 4G and 5G coverage will help to enable remote and new ways of working. |
| Levelling up Mission | |
| <i>Spread Opportunities and improve public services, especially in those places where they are weakest.</i> | |
| Focus Area | Potential opportunities for and/ or potential impacts on BFRS |
| Education | Planned improvements in education should ultimately lead to better skilled applicants for entry level jobs. |
| Skills | The government plan is that by 2030, the number of people successfully completing high-quality skills training will have significantly increased in every area. This will provide us with a better skilled workforce. |
| Health | The Government plans to narrow the gap in Healthy Life Expectancy. 'Fire as a Health Asset' to help achieve this could be a part of the Fire Reform White Paper |
| Well-being | The government plans to improve wellbeing in every area of the UK, with the gap between top performing and other areas closing. Targeted Safe and Well visits and other Prevention activity could be a valuable contribution towards this goal. |

| Levelling up Mission | |
|--|---|
| <i>Restore a sense of community, local pride and belonging, especially in those places where they have been lost.</i> | |
| Focus Area | Potential opportunities for and/ or potential impacts on BFRS |
| Pride in Place | Members of the public who feel local pride and belonging to their local community may be more interested in helping protect their community by becoming an on-call firefighter. |
| Housing | Planned improvements to the housing stock by 2030 may change the BFRS risk profile with better housing reducing some types of accidental dwelling fires. |
| Crime | The Government plans to reduce homicide, serious violence and neighbourhood crime by 2030. This may result in a greater emphasis on Blue Light collaboration to help ensure the Police have the required resources. |
| Levelling up Mission | |
| <i>Empower local leaders and communities, especially in those places lacking local agency</i> | |
| Focus Area | Potential opportunities for and/ or potential impacts on BFRS |
| Local Leadership | This will be discussed in detail later in the paper. |

2.6 This paper will now consider the Levelling up the UK white paper in more detail. Looking at its opportunities and benefits to BFRS, its risks and challenges to BFRS and the potential opportunities for BFRS and the communities of Bedfordshire from devolution of powers from Westminster.

3 Levelling up – Opportunities and Benefits

3.1 Better skilled workforce

- The UK Government is making an investment £3.8bn in skills by 2024-25 and a Lifetime Skills Guarantee in England, enabling 11m adults to gain an A Level or equivalent qualification for free, as well as a new UK-wide adult numeracy programme. The creation of Local Skills Improvement Plans will allow local employers a say in technical training so that skills are aligned to local needs. It is reasonable to assume that BFRS will be included in this process.
- The UK Government will continue to encourage work-based training through apprenticeships in England, increasing funding to £2.7bn by 2024-25. This may create further apprenticeship opportunities for BFRS.
- Leadership and management skills in the public sector will be reformed. This will include the establishment of the Leadership College for Government which will open in April 2022. This new training infrastructure will also be made available to local

government executives, in particular local authority chief executives and senior officers. This will provide new training and development opportunities for BFRS leaders and aspiring leaders.

3.2 Joint Estates Opportunities

- The government plans to establish at least 100 Community Diagnostic Centres in England by 2025 to improve access to health diagnostic services. Dependent on local NHS need this could provide an opportunity for estates collaboration.

3.3 Community Covenant Approaches

- The government plans to pilot a set of Community Covenant approaches. These would be agreements between councils, public bodies and the communities they serve, seeking to harness the energy, know-how and assets of local communities. They would also set out how local social capital and infrastructure can be built and sustained to encourage confident and active communities. A Covenant approach would see local authorities and communities work together to take a holistic look at the health of local civic and community life, set out a driving ambition for their area, and share power and resources to achieve this.
- If trialled in Bedfordshire this could present BFRS with opportunities for more effective community engagement and new partnership and collaboration work to meet the needs of our local communities.

3.4 Decent Homes Standard

- A White paper will be published in the spring that will introduce a legally binding Decent Homes Standard in the Private Rented Sector. This could have a positive impact on our risk profile by reducing the risk of some types of accidental dwelling fires.
- The paper makes specific reference to Luton as a pocket of overcrowding in housing whilst also explaining that there is substantial disparities by ethnicity. '2% of white British households were in overcrowded households in 2019, compared to 24% and 18% for those from Bangladeshi and Pakistani backgrounds, respectively.' This national spotlight on Luton should assist our local partners in addressing issues within Luton and our local Bangladeshi and Pakistani communities, to improve the housing stock and reduce overcrowding, thus reducing their fire risk.

3.5 Institutional capital and leadership

- The White Paper explores research into the role that institutions can play in economic development. The paper states that 'effective institutions, formal and informal, are crucial in explaining why some places succeed. Strikingly, weak institutions are often the single most important reason why places fail.' It also states that 'local institutions play an important role in shaping economic and social outcomes.' This affords BFRS an opportunity to consider its wider role in Bedfordshire and what we can contribute through our institutional capital and leadership.

3.6 Cadets

- The White Paper recognises the benefits to young people of Military and non-military Uniformed Youth Groups and plans to support these groups. However, Fire Cadets are not specifically mentioned, it is possible this may feature in the Fire Reform White Paper.

4 Opportunities for the Service to influence Levelling Up in Bedfordshire

- 4.1 The UK Government will put in place a comprehensive process of engagement and informal consultation to inform levelling up delivery and future policy-making. This will include setting up local panels, drawn from a wide range of stakeholders, to serve as a sounding board on levelling up delivery and implementation. It is reasonable to assume that local fire and rescue services will be included in this process although this is not explicitly stated.

5 **Levelling up – Risks and Challenges**

5.1 Potential Changes to Fire Safety Legislation

- The government intends to develop 'a more flexible and better regulatory model for business outside the EU.' Whilst the Regulatory Reform (Fire Safety) Order is not specifically mentioned this could be an area that is reviewed and there may be more information in the Fire Reform White Paper. Any changes are likely to have significant implications on training, policy and ways of working.

5.2 Changes to Procurement

- The UK Government will also hardwire levelling up objectives into its decision making through reforms to the way the public sector procures goods and services. Outside the EU, and under new rules, public sector buyers are being encouraged to give more weight to bids that create jobs for communities, build back better from the pandemic and support the transition to Net Zero. These “social value” factors mean that buyers will not consider price alone, but look at how public sector contracts can support local communities and disadvantaged groups.
- The UK Government will legislate to reinforce the message that public procurement should take account of these wider benefits and place a duty on all contracting authorities to have regard to national and local priorities, including creating new jobs and skills, encouraging supply chain innovation and supporting strong, integrated communities. The new measures will make it easier for small businesses and social enterprises across the country to bid for and win public contracts.
- Placing less weight on cost in the procurement process may result in BFRS paying more for some good and services than it would have done under the previous rules. Any changes to procurement rules are likely to result in training needs and require changes to internal policy and processes. However, it should be noted that the White Paper states that the UK Government will aid procurement by extending ‘centrally designed training, advice and guidance, and market and supplier intelligence to the sector.’

5.3 Rising Wages and growth of the Private Sector

- The UK Government will continue to increase the National Living Wage by 6.6% to £9.50 an hour for workers aged 23+ from 1st April 2022, followed by further increases in 2023 and 2024. This may encourage wage rises from the bottom up and increase costs for the Service that may not be met by funding increases.

5.4 Increase in Data Requests

- The importance of good quality subnational data sets is referenced throughout the paper. In the paper the UK Government States that:
- *‘Across the local government sector, we will strengthen transparency for local people and publish rigorous, comparable data on performance. A new independent body will be set up to drive this, empowering citizens, strengthening local leaders’ knowledge of their services, and increasing central government’s understanding of the sector.’*
- They also state that ‘good data, monitoring and evaluation is a key enabler of successful spatial policy.’
- The UK Government will put in place a transformative data and analysis strategy at the subnational level and establish a new Spatial Data Unit that will support the delivery of levelling up by transforming the way the UK Government gathers, stores and

manipulates subnational data so that it underpins transparent and open policy making, and delivery decisions. The UK Government will also invest in spatial modelling techniques to help local government in their planning.

- This is likely to result in increased requests for data from the new independent body, the Home Office and HMICFRS. As such, the Service will need to ensure that it has adequate resourcing in place to facilitate these requests and ensure that the data is sufficiently accurate.
- Economic Growth Theory is a key element of the Levelling Up White Paper. This gives prominence to the role of productivity as a driver of economic growth over the longer run. As such, it is likely that BFRS will increasingly need to be able to understand, monitor and evaluate its levels of productivity.

5.5 Home Office Changes

- Government departments have been tasked with producing updated Outcome Delivery Plans aligned with Levelling Up. The plans will be published in Spring 2022 and departments will be expected to set out how their policies will contribute towards levelling up outcomes. As such we may see some policy change from the Home Officer which could impact the Service.

5.6 Funding Changes

- The paper states that the ‘UK Government will further review its formula-based spending, to ensure it is targeted where most needed.’ The government will ensure that funding allocations for councils are based on an up-to-date assessment of their needs and resources. The data used to assess this has not been updated in a number of years, with some dating back as far as 2000. Over the coming months, the UK Government will work closely with the sector and other stakeholders to update this and to look at the challenges and opportunities facing the local government sector before consulting on any potential changes. As part of this, the UK Government will look at options to support local authorities through transitional protection. One-of grant funding provided in the Local Government Finance Settlement in 2022-23 will be excluded from potential transitional protections
- There is a risk that this could result in a small funding settlement from central government for the Service.

6 **Levelling up – Opportunities of Devolution**

- 6.1 The UK has become one of the most centralised countries in the OECD. The paper states that whilst mayoral devolution is still in its infancy there is ‘early indications of its effectiveness. Mayors have already played a key role as ambassadors for their area, attracting inward investment, and using HMG funding to establish city-wide transit infrastructure and trailing new civic policy innovations.’ The UK Government model of devolution is one with a directly-elected leader covering a well-defined economic geography with a clear and direct mandate, strong accountability and the convening power to make change happen. Additionally,

where boundaries align the government will look to have combined authority mayors lead on public safety taking on the PCC role. Governance of Fire Services by directly elected Mayors will be consulted on in the fire reform White Paper.

- 6.2 The devolution framework is underpinned by four principles of Effective leadership, Sensible geography, Flexibility, Appropriate accountability. To ensure decisions are taken over a strategic geography, for any tear of devolution, the council or group of councils seeking devolution must have a combined population of at least 500,000 as well being a geography that is locally recognisable in terms of identity, place and community. On this basis the only way that the benefits of devolution can be realised for any part of Bedfordshire is for the existing three unitary authorities to work together. Around 40% of the population of England's population are already covered by a devolution deal. Including our neighbouring area of Cambridgeshire and Peterborough. If Bedfordshire were not to adopt devolution there is a risk that Bedfordshire is left behind as our neighbours succeed at levelling up. This would ultimately make Bedfordshire a less attractive place to live and work which could make attracting and retaining talent an increased challenge for the Service.

STEVE FRANK
HEAD OF STRATEGIC SUPPORT AND ASSURANCE