

# Local Government Association annual conference 2020: Minister for Regional Growth and Local Government's speech

Thank you, Izzi, for that warm introduction and to all those of you have joined us virtually this year for an LGA conference like no other.

Thank you for bringing us together under these extraordinary circumstances.

As you know, it's my first LGA conference as the Minister for Local Government and Regional Growth, having taken office in February.

I am addressing you today humbled by the tireless efforts of every tier of local government in responding to, and tackling, coronavirus...

From parish, town, district, city and county councils...

To local resilience forums, the Metro Mayors and the LGA.

We stand at the beginning of the greatest task of national reconstruction since 1945.

But there are already many achievements for our sector to point to.

Achievements born of crisis...

Conceived at speed...

And delivered in the absence of any precedent, from any time.

You have housed over 15,000 people in desperate need, including rough sleepers.

You have helped over 800,000 businesses to stay afloat through the provision well over £10 billion of Business Grant Funds.

You have helped to deliver countless items of PPE.

And you have helped our high streets and public services to withstand the worst effects of the virus.

When the history of these events is written, you will be able to say: "We did this. We made this possible."

And I want to take this chance at the outset of my remarks to pay tribute to every frontline worker in local government – the carers, teachers, social workers, emergency planners, refuse collectors and so many others who have worked selflessly and relentlessly during the course of this pandemic.

It's been a phenomenal effort for which I, and the whole of the government,

says a sincere thank you.

I would also like to thank the Economic Recovery Group who have worked closely with me and my Department over the last few weeks.

Your honest and frank assessments of the situation on the ground have been invaluable in developing policy and helping move the country into this new phase focused on recovery.

So where do we go next?

I know this has been one of the most challenging times for local government in living memory.

And you have rightly raised serious concerns about funding for the sector, in the face of shrinking incomes and the costs of this crisis.

The government is listening and we are acting.

During the spring of course, we deployed £3.2 billion in extraordinary grant funding, with a further £600 million for care homes.

And we expect this financial support to now go much further than first envisaged as we bring in separate packages to tackle income pressures.

As the Secretary of State set out yesterday, we are now making £500 million of new funds available to help with immediate constraints while also introducing a new scheme to cover your lost income from sales, fees and charges, including things like car parking fees and leisure service charges.

The package announced yesterday seeks to address some of the severe financial challenges this pandemic has created, while shielding you from the worst losses.

And I say this to every council leader, and every chief executive.

Do not worry in silence.

If the pressures you are facing threaten to become unmanageable, come to my Department and we will discuss constructive next steps.

We want to deliver a wider reset for the sector's finances, so that we can focus on the task in hand.

Moving from the immediate response to a more forward-looking and robust strategy for enhanced economic growth.

We heard about this from the Prime Minister on Tuesday.

And it is local government that will lead on containing outbreaks and helping communities to stay alert during this time.

The current situation in Leicester demonstrates the need for us to remain vigilant and ensure every area has a united approach that includes LRFs,

active policing and clear communication between councils over geographic boundaries.

I'm pleased that upper tier authorities are now able to access postcode-level testing data – I know that more is needed, and we will work tirelessly with you across government to achieve this.

We want to do everything we can to support the upper tier as they put in place robust outbreak control plans...

Plans which allow for the effective monitoring of data with the support of Public Health England and the Joint Biosecurity Centre.

We must be ready and prepared for more outbreaks even though we hope they won't be on the same size and scale as that seen in Leicester, on most occasions. We have a responsibility to ensure that you, the local tier, have the resources and funding to do this effectively while supporting our economy and society to reopen in a phased and safe manner.

That is our shared challenge ahead – helping communities to stay alert while also ensuring our high streets, our town centres, and our hard-hit businesses can get back on their feet.

## **Economic recovery**

In that regard, I want to place particular focus on our towns and our coastal communities...

Including many places that have felt – with good reason – that they have failed to share the benefits of the growth experienced in other parts of the UK. I come from one of them.

This government has made a solemn pledge to these communities.

And we will not let them down.

They are proud places, steeped in economic and cultural history, that hold the key to a brighter future for us all.

And of course we've seen them at the forefront of our national response to coronavirus, showing great adaptability and resilience to keep local economies afloat.

Central government is committed to doing whatever it takes to help these communities to bounce back.

That's why we introduced the £50 million Reopening High Streets Safely Fund to help councils implement a range of practical safety measures including new signs, street markings, and temporary barriers to help businesses to trade safely.

In addition, we launched the High Street Task Force to provide local places – councils, businesses and community leaders – with the expert advice, training

and guidance they need to open their doors once again.

And, with the worst of this pandemic now behind us, we will be able to renew our work on breathing new life into towns and communities through the £3.6 billion Towns Fund.

That means announcing the successful applicants to the Future High Streets Fund in the autumn while also seeing the first tranche of the 100 Town Deals over the line this year.

By the 31st of this month, all Town Investment Plans for the first cohort of communities will have been submitted, and we will be working at speed over the summer to agree Heads of Terms from the end of September.

Once these are in place, towns will have up to 12 months to develop their projects in detail.

I know that a lot of councils will want to move even more quickly than that..

And, in government, we hope to release some of these game-changing investments – up to £25 million in each community – within the year of the Heads of Terms being agreed.

We have also set the deadlines for Cohort 2 towns to submit their TIPs as the 31 October and, for Cohort 3, 31 March next year.

Ensuring that every town has the time it needs to develop in-depth proposals which fully consider the assets and opportunities for each area.

There is no disadvantage to being placed in any of those tiers: the most important thing clearly is that we get the resultant deals right.

I know that for many councils, there isn't a second to lose in bringing this regenerative investment to the businesses and communities that are waiting for it.

Therefore, we will also allocate £96 million to accelerate investment in towns over the coming months.

This will provide all places selected for town deals with between £500,000 – £1 million to spend on things like improving parks, high streets, and transport.

I do not for one moment underestimate the scale of the investment required to bring the world's fifth largest economy roaring back into life after months of enforced hibernation.

The £5 billion 'New Deal' stimulus package announced this week by the Prime Minister will of course be the lodestar of this national recovery.

And I am looking forward to working with you over the coming weeks to ensure that our communities feel the full benefits from the 'Getting Building' fund and the £900 million investment in our infrastructure..

...which will enable exciting projects, ranging from a world leading zero emissions cruise terminal in Southampton, a new Hydro Turbine in Bristol and the regeneration of Elstree Film Studios in Hertfordshire.

## **ERDF visitor economy funding**

It's also imperative that we drive growth not just in our major cities but also in our coastal and rural communities who have borne the brunt of what I know has been a collapse in tourism.

And to help make that happen, I am today announcing [£10 million of additional government investment to boost our visitor economy](#), drawing down on our remaining allocation from the EU's Regional Development Fund as we move beyond our exit from the European Union.

This comes in addition to over £50 million already planned, which will support a wide range of shovel ready projects in local communities throughout this summer.

These projects will support job creation through investment in flood defences and transport upgrades, along with grants and advice for small businesses to embrace digital technology and adapt to the new world we live in.

They will build on the success we've seen from the government's £32 million ERDF investments in such tourism-boosting projects across the country...

Projects like the 'Low Carbon Lake District' in Cumbria and the creation of a 5km low carbon trail.

And in Cornwall, this government support is improving coastal defences in Long Rock near Penzance, protecting the Great Western rail line and the A30, while strengthening flood defences for over 65 businesses – all important work to protect the area and increase visitor numbers as it becomes safe to visit.

The new funding I am announcing for businesses today will be allocated to Growth Hubs across England, and concentrated in places where the employment share of tourism and hospitality is especially high.

We will begin working with local partners immediately to prioritise this new tranche of critical local growth projects so that they are ready to go live as soon as possible, bringing jobs, investment, and financial support to the communities that need this the most.

## **Levelling up**

Following COVID-19, the need to level up every part of our economy has clearly never been so great.

And to support this effort, it is important that central government ensures you have the tools, resources, and structures to deliver for your communities.

That means funding to help councils transform their digital offer to residents...

Which is why, last month, I announced additional support for these kinds of projects through my Department's Local Digital Collaboration Unit.

Whilst I am not the most technologically sophisticated individual myself, I am a huge believer in the power of technology to transform the way we deliver these services for the public.

And accordingly, I would love to take this opportunity to encourage as many councils as possible to apply for the [Local Digital COVID-19 challenge](#), and support a wider shift in the way services are designed and delivered.

I hope to say more about this theme for improving digital later in the summer.

We are also pressing ahead with the rapid roll-out of gigabit-capable broadband, while expanding our 5G testbeds so that small businesses and rural communities are no longer held back by patchy coverage and poor download speeds.

The Borderlands Growth Deal voucher scheme in Northumberland and Cumbria is a great example of how we're partnering with councils to rapidly install gigabit-capable broadband in homes and businesses with internet speeds of less than 30 Mbps.

It's a model for success which I'd like to see replicated throughout every rural part of the country.

## **Devolution and local government**

Levelling up also encompasses a much wider and more radical re-think of the way we support communities at a local level.

Over the past few years, this government, in lockstep with council leaders, have commenced the most ambitious devolution agenda in over 70 years.

We have made great breakthroughs and the Parliamentary Order laid literally just this week to unlock £900 million of investment for the Sheffield City Region while a new devolution deal, including over £1.1 billion of investment for West Yorkshire, was agreed and announced at Budget.

Once that new Mayor is elected in West Yorkshire, 41% of residents in England will be served by directly elected city region mayors, who each have the powers to stimulate job creation, build homes, improve transport and reduce local carbon emissions.

In the North of England, that figure rises to 63%, with strong and effective Metro Mayors like Andy Burnham in Manchester and my friend Ben Houchen in the Tees Valley acting as powerful ambassadors for their regions. Well now is the time to finish what we've started.

I am delighted to confirm today that this government will be pressing ahead with the publication of our white paper on devolution and local recovery this autumn.

The white paper will connect local recovery with levelling up...

Providing a place-based strategy to boost regional economic performance in every corner of the country, from the Northern Powerhouse and the Midlands Engine to the Western Gateway and the Oxford-Cambridge Arc.

Our transformative plan will include a clear, ambitious strategy for strengthening our local institutions...

With many more elected mayors and more unitary councils following in the footsteps of Dorset, Buckinghamshire and Northamptonshire.

So that we can remove the complexity of governance and reduce costs to the taxpayer while making space for town and parish councils to be genuinely empowered.

I'm acutely aware of the vital contribution that town and parish councils make to everyday life, whether it's keeping public toilets open, running car parks or maintaining natural spaces which have been a lifeline to many throughout this time.

And I appreciate that there is a wealth of ideas to support the future of local government, devolution and its role in our national recovery. This includes the LGA Re-thinking Local Report and it's only appropriate that we take the time to consider the series of important offers and asks that it makes of government.

More broadly my door is always open to those of you who I know will have ideas and reflections after long service in the sector and I want to take all of those into account.

The British state needs to become fully match-fit for the future.

I believe it's right, as we work with you to remove the local barriers to recovery, that we shift power from Whitehall to people on the ground who know their areas so well, understand their priorities, and are empowered with the mandate, levers and agency to act upon them.

That is what our white paper on devolution and local recovery will seek to achieve, and I really do look forward to discussing it with you in more detail later in the year.

COVID-19 has undoubtedly dealt a heavy blow to our regional economies but it's also underlined the reality that an overly centralised state is not, and never will be, best placed to respond effectively to the challenges that individual communities face.

I am not dogmatic on these issues, and we will always be led by the evidence.

Clearly, as we evolve a robust outcomes-led assessment framework will be key to our wider strategy.

But my own experience as an MP from the devolved region gives me great confidence that our national recovery should be founded upon our local endeavours.

Even after the worst of COVID-19, the fundamentals of our economy remain very strong.

We are home to the world's most innovative businesses, illustrious universities, dynamic entrepreneurs and scientists, exciting cities, historic towns and villages, and renowned heritage, countryside and culture.

The months ahead will be decisive in putting our country onto a new and accelerated growth trajectory, utilising those assets to level up and position the UK at the forefront of the global recovery.

We will need your support, and your passion and your expertise to unleash Britain's potential and give everyone, in every corner of our country, the confidence that our best days lie ahead of us.