



# Extending opportunity and prosperity as part of a jobs and skills-led recovery

Seetec's plan to take forward the  
Government's 'Levelling Up' agenda

# Foreword

Regional inequalities are not a new phenomenon in England. Pockets of poverty and social exclusion have manifested over decades and Governments of different political colours have wrestled with this issue with varying degrees of success. The 'Levelling Up' agenda promises a way forward, but the current Government cannot afford to hesitate, it must deliver a bold package of measures to address decades of underinvestment. The Prime Minister said in a speech about the 'Levelling Up' agenda in July:

*"...I believe we will have made progress in levelling up when we have begun to raise living standards, spread opportunity, improved our public services and restored people's sense of pride in their community."*<sup>1</sup>

This is not an easy task, and it will take time to deliver a shift, but the new Department for Levelling Up, Housing and Communities must pursue a focus on eradicating regional disparities in earnest.

As a provider of employability, health, skills and justice services across the country, our employee-owned business works in several regions that are confronting the reality of the social and economic fallout from the pandemic. We believe that entrusting local communities with more power and resources aligns with our values as employee owners, that is why the 'Levelling Up' agenda resonates with us. It is an opportunity for the Government to put decision-making where it needs to be and could signal a step change in how to empower historically disadvantaged parts of the country to take greater ownership of their future. This pamphlet explores the opportunity to 'Level Up' parts of the country that are in need of additional investment to boost job prospects, upskill workers and build more resilient communities.

We commissioned YouGov to conduct polling of 1,496 adults in England to better understand public opinion about what the overarching priorities of the 'Levelling Up' agenda should be, and where additional funding should be deployed. YouGov also polled opinion on how the Government can deliver a more highly skilled workforce, and extend opportunity and prosperity across England as part of the 'Levelling Up' agenda.

**When YouGov asked members of the public in England if they had heard of the phrase 'Levelling Up' before, 62% said they had.**

(YouGov polling fieldwork, 12th - 15th November 2021)

The Government's Levelling Up White Paper should set out a holistic vision for extending opportunity and prosperity across all regions, creating a country that is a unified engine driving economic growth and competitiveness in a more inclusive way. In doing so, commitments to innovation and long-term investment must be matched by a focus on the social consequences of the pandemic. Although it is too early to understand the long-term impact of COVID-19, the Government must move at pace to seize the opportunity to reshape the economy. There must be a renewed sense of urgency across Whitehall to marry up the recent Budget and Spending Review announcements, and the pressing need for more regional autonomy to deliver increased prosperity.

As Ministers work with officials to develop new policy options to tackle inequality, they must not lose sight of the need for a long-term plan. The 'Levelling Up' agenda can ensure our country remains competitive, embracing the evolving needs of the labour market, as skilled workers who are able to drive innovation are increasingly in demand.



**Joel Charles**  
Director of Policy,  
Communications  
and Public Affairs

<sup>1</sup>GOV.UK (2021), The Prime Minister's Levelling Up speech: 15 July 2021, available from: <https://www.gov.uk/government/speeches/the-prime-ministers-levelling-up-speech-15-july-2021>

# The next steps towards decentralisation

There are five key strategic issues that we believe the Government should consider in order to move the 'Levelling Up' agenda forward.

## **Funding:**

Use the UK Shared Prosperity Fund (UKSPF) as a central point for channelling all funding to deliver the 'Levelling Up' agenda's core priorities. The funding identified in the Budget, up to 2025, is too short-term to deliver the Government's emphasis on increasing productivity. If the 'Levelling Up' agenda is to succeed, the Government's White Paper will need to indicate (within a ten-year horizon) how funding will be used in the long-term to address inequalities, eradicate social barriers and upskill poorer communities.

## **Governance and procurement:**

Develop a memorandum of understanding between Whitehall, Local Government and industry experts that meets regional funding priorities to address inequalities where they manifest. There needs to be greater regional collaboration to satisfy anxieties about the how funds are awarded and what the Government's definition is in terms of which communities should be the priority.

## **Political leadership:**

The creation of a single department focused on driving the 'Levelling Up' agenda forward is a positive step, but there needs to be a clearer articulation of the agenda so that the public and key sectors of the economy understand what it means to them and their local communities. This is essential to securing public and industry buy-in. The Government also needs to ensure there is a clear understanding across Whitehall departments about the scope of the agenda, how far reaching it will be and what role they will play in terms of delivering regional prosperity. The White Paper will need to provide a clear direction and untangle how cross-department action will work to achieve the ambitions to 'Level Up'.

## **Building on the devolution agenda:**

The 'Levelling Up' agenda will only be successful if the Government devolves greater control to Local Government to tailor elements of post-16 education and measures to stimulate the labour market to

boost regional economic growth. Local Government should also have a greater ability to directly support its key sectors, the businesses who are major employers, to aid the focus on productivity and growth.

## **Clarity around social and economic levers:**

There is an opportunity to build a recovery from COVID-19 that shapes a more equal relationship between the regions when it comes to closing the gap between North and South, in terms of the ability to drive improved prosperity, if the Government focuses on a joint policy programme. At the moment, Government social and economic policy is not aligned to the aims and ambitions of a longer-term mission to 'Level Up' – this gap in thinking needs to be resolved.

There has been a renewed sense of optimism with the unveiling of the UKSPF, and the Chancellor's commitment is to raise fund it with £1.5 billion a year by 2024-25.<sup>2</sup> This funding stream is one example that could help carry the 'Levelling Up' agenda forward in the long-term. It is therefore a focus of this pamphlet because it is expected to be a core foundation for the practical application of the Government's plans in the much-anticipated White Paper.

A significant focus in recent weeks has been on the setting up Multiply to support the improvement of numeracy skills as part of the UKSPF programme of activity. The broader commitment to support skills and employment focused programmes is welcome too, but there is frustration in some parts of the country that the bidding process set out by the Government will hamper the ability deliver on the 'Levelling Up' agenda. Setting out a criteria that means all local areas must compete is viewed as counter-productive and could hold back attempts to deliver the priorities the fund aims to make progress on. It is hoped that the Government learns from the pilot projects that sit under the UK Community Renewal Fund, which guided the transition from the EU structural fund programme, where there had been a delay to the announcement of successful projects and how the fund will be delivered. The timeframes are tight and Local Government leaders have been calling for more clarity.

<sup>2</sup> HM Treasury (2021), Autumn Budget and Spending Review 2021: A Stronger Economy For The British People, page 6, available from: <https://www.gov.uk/government/publications/autumn-budget-and-spending-review-2021-documents>

There is an argument for the Government to consider reshaping the funding allocations process to allow regional authorities greater involvement in how the UKSPF funding is deployed, potentially through a joint panel co-chaired by the Secretary of State for Levelling Up, Housing and Communities and a nominated Local Government Leader. A formalised 'Levelling Up', panel (also made up of major regional employers, skills and employability experts and infrastructure specialists) to address issues surrounding the governance and procurement process for the UKSPF could help provide clarity and a forum for arbitration where disputes occur.

The polling we conducted with YouGov found that the public want the Government to focus on these three areas as the most important priorities when 'Levelling Up':

**Improve public health and wellbeing across all regions (46%)**

**Improve quality of life (38%)**

**Increase job opportunities (37%)**

(YouGov polling fieldwork, 12th – 15th November 2021)

## Skills to meet the future demands of work

The way people work has changed in the last 18 months as COVID-19 impacted the economy and life in general, causing many to lose their jobs and employers to drastically scale back their business activities. Some sectors of the economy continued to operate and as we have come out of lockdown, the labour market has shown signs of recovery. In recent months there has been a surge in job vacancies as the economy has reopened, but the Government cannot be complacent about the impact of the ending of the furlough scheme in September and the winter ahead. The quarterly Gross Domestic Product (GDP) estimate published by the Office for National Statistics showed growth at 1.3% between July and September this year – 2.1% below where it was before the pandemic hit in 2019. UK growth currently lags behind other G7 nations.<sup>3</sup>

During the pandemic the Government has taken action to launch various active labour market initiatives, including the Restart Scheme, Job Entry Targeted Support (JETS) and the Kickstart Scheme. As a provider of JETS, Seotec Pluss, part of the Employability and Health business division within our group, has recently celebrated supporting over 10,000 jobseekers into work in the South West of England. Despite this support and other measures announced as part of the Government's 'Plan For Jobs', more needs to be done to achieve a jobs- and skills-led recovery. We

are calling on the Government to do more to close the regional economic gap through further devolution of skills budgets to the regions and more investment opportunities made available to combined authorities. The Government should consider including in the forthcoming 'Levelling Up' White Paper a COVID specific support fund to establish regional skills and employment support initiatives to upskill jobseekers to fill local vacancies.

YouGov asked its polling group in England to select one from a list of twelve priorities that was the most important to invest additional funding to 'Level Up' communities in England – these were three of the top responses:

**Increase access to employment opportunities (15%)**

**Skills training opportunities for those leaving school (16+) (10%)**

**Introduce more measures to stimulate wage growth (9%)**

(YouGov polling fieldwork, 12th – 15th November 2021)

<sup>3</sup> Office for National Statistics (2021), GDP first quarterly estimate, UK: July to September 2021, available from: <https://www.ons.gov.uk/economy/grossdomesticproductgdp/bulletins/gdpfirstquarterlyestimateuk/latest>

There is also an argument for ending what is perceived as a far too short-term view in Whitehall around labour market interventions. A more focused long-term procurement cycle to implement active labour market interventions linked to technological advances, generational employment barriers and changes in skills demand could further enhance the impact of the 'Levelling Up' agenda.

If the 'Levelling Up' agenda aims to address inequalities, it must be more rooted in attempts to reduce social exclusion. More sector specific employment and skills support for disabled people and those with health conditions to address local growth and productivity, but also enhance the life chances of some of the most vulnerable people currently in the labour market. There also needs to be a concerted effort to break down barriers. Reimagining the support provided to jobseekers before they enrol on employment programmes that helps design a wellbeing package to aid an individual's progression towards accessing work.

Labour market interventions need to be matched by a more regionally specific post-16 skills offer as part of the 'Levelling Up' agenda. Our skills business division, Seetec Outsource, delivers apprenticeships, along with traineeships and adult education budget (AEB) vocational training. It also has a specialist arm, Innovion, for higher level technical training and apprenticeships in all forms. There is a growing challenge for employers in specialist sectors regionally to recruit the necessary skilled workforce.

We believe the way forward is to link further education funding priorities with the unveiling of the 'Levelling Up' White Paper, to focus on upskilling and reskilling, as the recovery from COVID-19 continues at pace. The way forward could be to tie up-front skills funding to the Government's broader regional growth ambitions, particularly across the North West and Yorkshire and Humberside. There should also be a focus on key growth sectors which require technical skills, such as engineering, digital and media, and those sectors which are particularly suffering from significant shortages of skilled employees, such as transport and logistics. In the Government's own plan for growth, it set out a plan in March to bring forward a 'Sector Visions' plan in 12 months.<sup>4</sup> We believe the 'Sector Visions' plan must be published shortly after the unveiling of the 'Levelling Up' White Paper to continue momentum to address the critical skills shortages faced in a number of key sectors in the economy.

YouGov asked the public which one area the Government should target, as part of the 'Levelling Up' agenda, to deliver a more highly skilled workforce, here are some of the top responses from a list of twelve options:

**Apprenticeships focused on industry need (21%)**

**Traineeships focused on direct job opportunities (13%)**

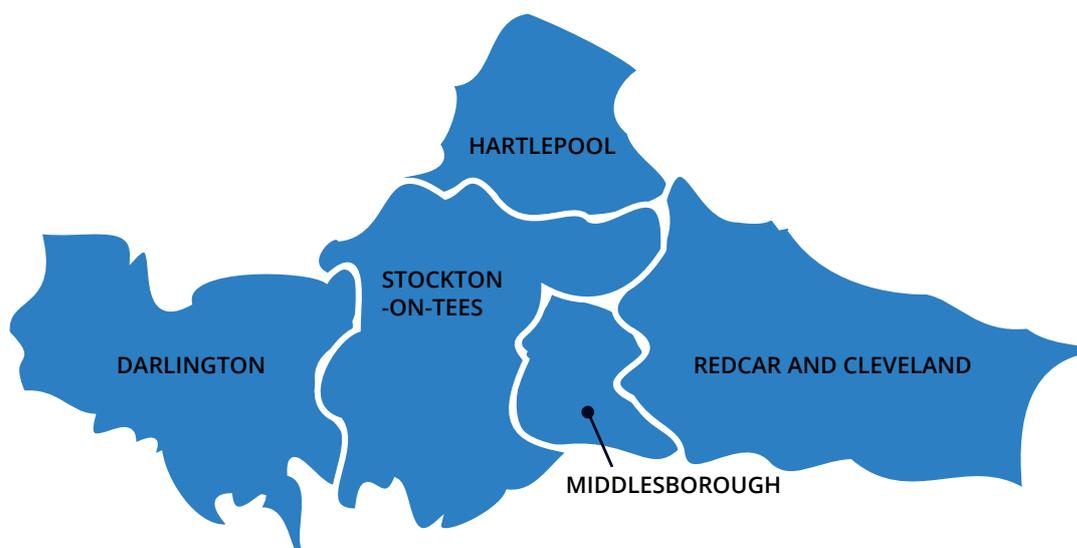
(YouGov polling fieldwork, 12th – 15th November 2021)

<sup>4</sup> HM Treasury (2021), Build Back Better: our plan for growth, page 107, available from: <https://www.gov.uk/government/publications/build-back-better-our-plan-for-growth>

# A recovery that enhances life chances across all the regions

Outside the London and wider South East bubble, Metro Mayors are pursuing exciting agendas in the North and West of the country. These should be matched by an even more ambitious 'Levelling Up' agenda led by the Government to meet the challenges faced on the ground as regions look to boost their recovery from COVID-19.

## Ben Houchen – Tees Valley Combined Authority



Under the combined authority's economic strategy, it wants to delivery 25,000 jobs and add £2.8 billion to the local economy by 2026. The strategy includes six key priorities, including business growth and education, employment and skills.<sup>5</sup>

In 2019, Tees Valley launched its local industrial strategy, which set out a platform for growth linked to people and skills and what the foundations for productivity should be in the region. The cross-cutting theme being 'inclusive growth'. Its push for 'inclusive growth' is focused around:

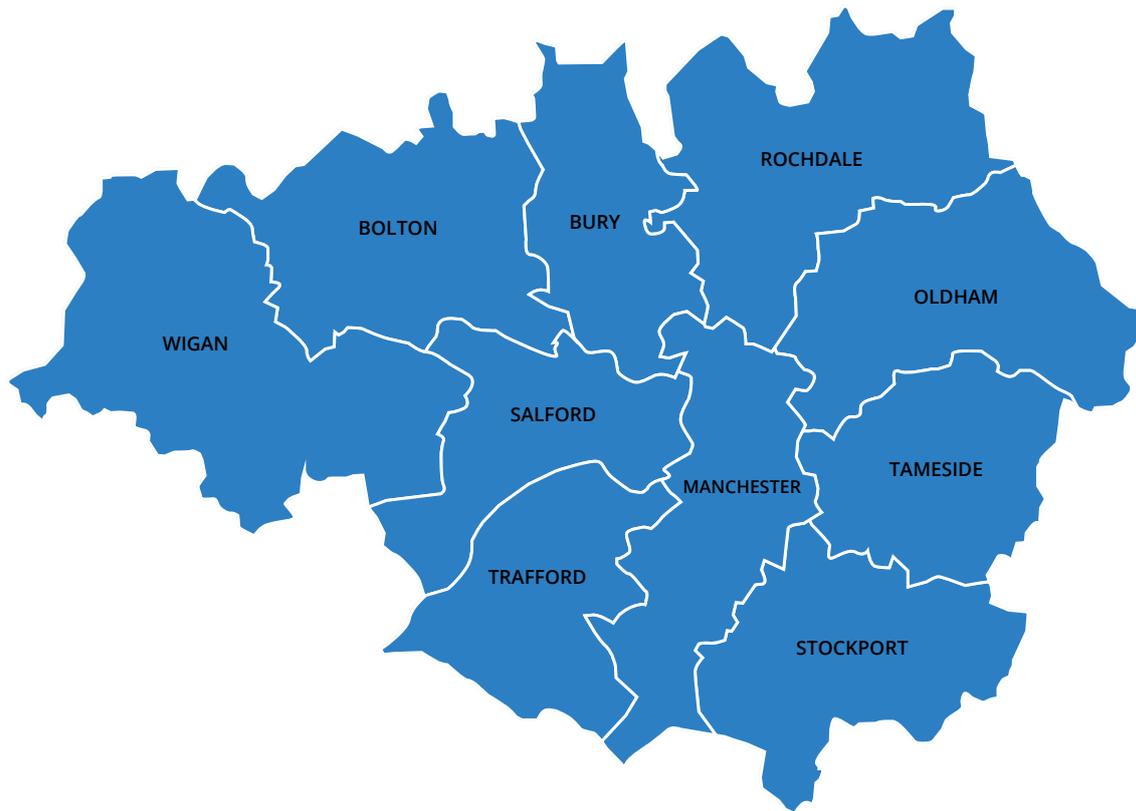
**"...providing more good quality jobs with long-term prospects – jobs that local people can access."**<sup>6</sup>

In its strategic skills action plan, there is a significant commitment to foster and retrain the skilled workforce to fill 133,000 jobs the combined authority expects to be available by 2024. The combined authority announced at the time that it would invest £100 million up to 2021 in employment, education and skills.<sup>7</sup> Part of the Tees Valley devolution deal was control over adult education services to address local skills needs.

<sup>5</sup> Tees Valley Combined Authority (2016), Tees Valley Strategic Economic Plan: The Industrial Strategy for Tees Valley – 2016-2026, page 1, available from: <https://teesvalley-ca.gov.uk/wp-content/uploads/2016/12/TVCA207-SEP-Document-Full-WEB.pdf>

<sup>6</sup> Tees Valley Combined Authority (2019), Tees Valley Local Industrial Strategy July 2019, page 5, available from: <https://teesvalley-ca.gov.uk/wp-content/uploads/2019/07/10b-Appendix-2-Draft-Tees-Valley-Local-Industrial-Strategy.pdf>

<sup>7</sup> Tees Valley Combined Authority (2018), Tees Valley Combined Authority Launches Skills Strategy, available from: <https://teesvalley-ca.gov.uk/tees-valley-combined-authority-launches-skills-strategy/>



The GMCA developed a joint industrial strategy with its Local Enterprise Partnership and the Government in 2019. It called for an increase in the number of people achieving technical qualifications to help drive the strategy and support for adults to:

**“...enter the labour market and progress in work through connected employment, progression and transition support.”<sup>8</sup>**

Since then, the Mayor has pushed the Government to seek an individual ‘Levelling Up’ deal for Greater Manchester, including opportunities for people to retrain, aid job creation and to launch a ‘Golden Triangle’ of innovation in the North to boost growth.<sup>9</sup> The Chancellor did award funding to Greater Manchester for six projects (in Ashton, Bury, Bolton, Salford and Manchester City Centre) out of the £4.8 billion Levelling Up Fund.<sup>10</sup>

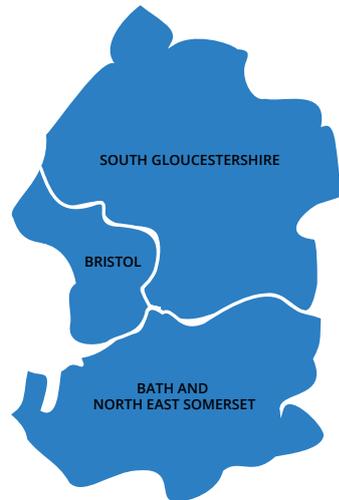
In terms of specific labour market policies, the GMCA has published a plan alongside its local industrial strategy, that focuses on: a commitment to deliver support to young people so that they have ‘life ready’ skills; it wants to work with adults to help them enter work for the first time, through to highly skilled careers and retraining opportunities; and provide more help for employers to compete on the basis of high productivity, good quality work and excellent employment practices. The plan also includes the need to help support residents, currently under Universal Credit, to access good work for those who can, but also support for those who can’t. The GMCA is already using employer-led intelligence gathering to better understand its industry skills and labour market base. Through its data gathering, GMCA aims to build, for example, co-commission of targeted labour market interventions.<sup>11</sup>

<sup>8</sup> Greater Manchester Combined Authority (2019), Greater Manchester Local Industrial Strategy, page 62, available from: <https://www.greatermanchester-ca.gov.uk/media/2132/gm-local-industrial-strategy-web.pdf>

<sup>9</sup> Greater Manchester Combined Authority (2021), LevellingUpGM, available from: <https://www.greatermanchester-ca.gov.uk/levellingupgm/>

<sup>10</sup> Department for Levelling Up, Housing and Communities (2021), Levelling Up Fund: first round successful bidders, available from: <https://www.gov.uk/government/publications/levelling-up-fund-first-round-successful-bidders>

<sup>11</sup> Greater Manchester Combined Authority (2021), Local Skills Report & Labour Market Plan – Greater Manchester Employment & Skills Advisory Panel – March 2021, available from: <https://www.greatermanchester-ca.gov.uk/media/4388/greater-manchester-local-skills-report-and-labour-market-plan-march-2021.pdf>



WECA is committed to creating an online apprenticeship portal and wants to focus on dealing with skills gaps in the region. The newly elected Mayor also hosted a jobs and skills summit in early July, which was one of his key manifesto commitments during the local election campaign. The authority is focused on its 2036 vision for delivering an inclusive and diverse economy. To achieve the vision, it plans to set up a labour market intelligence function to assess current trends and forecast opportunities to evaluate the impact of future interventions, provide careers education by expanding its Career Hub model, develop a longer-term apprenticeship plan with employers and through talent institutes, provide investment to maintain a steady supply of skills to support local business. In its business plan for 2021-22, WECA aims to deliver over 45,000 learners gaining new qualifications or skills and over 14,000 new jobs by 2023.<sup>12</sup>

The strength of combined authorities now, following the original agreement of specific devolution deals and embedding specific interventions means they are at a level of institutional maturity to warrant further consideration by the Government to commence what could be new 'Levelling Up' deals to be led by the Metro Mayors, to carry forward the aims of the agenda. If the Government wants to embed its cornerstone domestic agenda across the country, it must ensure that it works with all Metro Mayors to seek buy-in. This means that the 'Levelling Up' White Paper will need to include specific considerations that ensure combined authorities can take a leading role, with potentially new powers, to carry forward their individual industrial, employment and skills strategies to match the Government intent to reduce regional inequalities.

YouGov asked the public which policies, as part of the 'Levelling Up' agenda, would extend opportunity and prosperity in their region – these are the top three:

**Work with employers to develop sector-specific employment support schemes to address labour shortages (28%)**

**Increase support for the long-term unemployed to find work (27%)**

**Focus on reskilling opportunities (24%)**

(YouGov polling fieldwork, 12th – 15th November 2021)

<sup>12</sup> West of England Combined Authority (2021), Business Plan 2021-22, page 6, available from: <https://www.westofengland-ca.gov.uk/wp-content/uploads/2021/02/WECA-Business-Plan-2021-22.pdf>

# Recommendations

The Government's ambition for 'Levelling Up' the regions can only be achieved if it builds a stronger coalition across the country that is fully behind delivering it in those regions. This will be crucial to success, particularly in the communities that need more investment to improve the local skills base, create new high-quality jobs and an injection of capital funding to build the infrastructure required to stimulate economic growth.

YouGov's polling of individuals across England has provided an indication of the priorities for policy development and investment, but the Government also needs to win the public relations battle by engaging with communities to articulate the detail behind the 'Levelling Up' agenda. The country is focusing more every day on the social and economic challenges facing communities as the recovery continues, and we should not allow complacency to creep in as COVID-19 could yet cause further disruption.

It would be challenging for any Government to balance the response to a pandemic and the need to think about the long-term need to boost economic growth more evenly across the country. This Government has chosen to take up that challenge, which should be welcomed, but as the Department for Levelling Up, Housing and Communities puts the finishing touches to the forthcoming White Paper, these five recommendations aim to enhance the focus of the 'Levelling Up' agenda to truly build a country where anyone, no matter which part of the country they live in, can achieve their life and work ambitions.

## **1. Create a 'Levelling Up' panel to oversee delivery of the White Paper's policy intent and the funding to realise these ambitions – consisting of representatives from the Government, Local Government leaders, major regional employers in key sectors, skills and employability experts and infrastructure specialists:**

Greater collaboration between national and regional leaders is needed to agree the governance and funding arrangements necessary to realise the ambitions of the agenda. The panel terms of reference and membership could be agreed by the end of January 2022 to kick start the development of a detailed plan to carry forward the recommendations included in the White Paper.

## **2. Launch a skills and labour market intervention scheme linked to specific sector need in the regions:**

The Government could work with employers in key sectors, Local Government and skills and employment providers to develop plans for a more longer-term interventions programme above what is already in place, specific to each of the regions, to address skills shortages to service local economies.

## **3. Set out a plan for a new devolution 'Levelling Up' deal for the regions in England:**

Work with the Metro Mayors, in particular, to agree new enhanced powers to address skills and labour market challenges hampering economic growth that are linked to their own plans. The new deal could also include measures to support long-term jobseekers and disabled people to find and achieve sustained employment at a local level.

## **4. Launch a nation-wide campaign to explain the 'Levelling Up' agenda and what it means for communities and sectors driving growth across the country:**

The Government could undertake a nation-wide consultation with the public and business to learn more about their priorities for the 'Levelling Up' agenda as YouGov has found that 62% of those polled in England have heard of the phrase. Although there is high recognition of the phrase, the Government needs to do more to engage with communities to explain what the agenda means for their community.

## **5. Commit to publishing the 'Sector Visions' plan by the first quarter of 2022 to set out how the Government will work with industry to ensure the 'Levelling Up' White Paper meets the future workforce needs to boost growth and productivity in every region:**

To add momentum towards the recovery from COVID-19 and strengthen the direction of travel expected in the 'Levelling Up' White Paper, the Government's 'Sector Visions' plan could be developed rapidly to set out how both can work in tandem to address the lack of opportunity in certain parts of the country to access training and be empowered to compete for more highly skilled jobs to meet demand in sectors that are growing.

# About Seetec

Seetec is an employee-owned business group committed to supporting an economic and social recovery from COVID-19 that is built around the principles of inclusion and opportunity. Our vision is to create an inclusive society where individuals, employers and communities across all the regions of the UK and Ireland can thrive and fulfil their potential.

Originally founded in 1984, we are a leading provider of employment, skills, justice and social care services. In 2020, we supported 125,000 people through our Employability and Health, Irish, Justice and Skills business divisions:

- Interventions Alliance, which works within the criminal justice system and social care sector, delivers evidence-led solutions that aim to help people build better futures and wellbeing. The business division recently opened five new Co-financing Organisation (CFO) Activity Hubs across three English regions to support individuals to continue on their rehabilitation journeys as they build a better future, turning a corner away from their criminal past. Part-funded by the European Social Fund, the CFO Activity Hubs in Manchester, Warrington, Liverpool, Bristol, and Chatham, with satellite provision at St Leonards-on-Sea, offer additional support to individuals transitioning from a formal criminal justice setting.
- Our Employability and Health division is, through Seetec Pluss, a prime provider of the Government's Work and Health Programme and the JETS (Job Entry Targeted Support) scheme which is targeted at helping those who have lost their jobs during the pandemic. Pluss, an award-winning independent Community Interest Company that provides specialist support to inspire people of all abilities to achieve work and a career, forms a key part of this division too. It is a social enterprise working to ensuring nobody is left behind in our society. In April, the Government announced that Seetec Pluss had been awarded a prime contract (4a South West) and now also has four subcontracts to deliver the Restart Scheme, which helps Universal Credit claimants who have been out of work for at least 12 months to find sustainable employment. Over the life of the Restart contracts, we expect to support up to 166,000 people across the prime and four subcontracts.
- The Skills division offers adult education budget (AEB) opportunities, apprenticeships and traineeships. Through its new strategy, the division aims to provide a wrap-around service in regions to support individuals, communities, sectors and businesses to succeed. Last year the division launched Innovion, backed by leading engineering, manufacturing and technology businesses, to deliver high quality technical training and apprenticeships.
- Seetec Ireland delivers Job Path, the Irish Government's main job activation programme which supports the long-term unemployed to achieve their work ambitions across Dublin, West, North and North West, Midlands and North East regions. The business division was also recently certified as a Great Place To Work, receiving a 77% satisfaction score in a Trust Index Survey of 183 employees.

Our business group currently holds an Ofsted inspection rating of 'Good', it is B Corp certified and has achieved the Gold Investors in People Award, which only the top seven per cent of accredited organisations across the UK receive. With a workforce of over 2,500, we have an Employee Council and an Employee Trustee Director within our employee ownership structure, who support and work with the senior leadership to influence the direction of the business group, which is committed to delivering first-class public and related commercial services.

For more information, visit [www.seetec.co.uk](http://www.seetec.co.uk) or follow Seetec on Twitter: [@SeetecInspire](https://twitter.com/SeetecInspire)