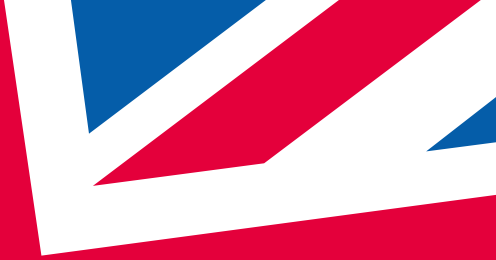


POWER AND PARTNERSHIP: LABOUR'S PLAN TO POWER UP BRITAIN



Foreword



The British people deserve an economy that works for the whole country, with control over the things that matter to them.

Regional inequality is hitting people in their pockets, holding our economy back and embedding insecurity into our way of life. It is no surprise that the Conservatives latched onto the desire to see it addressed in 2019 with 'Levelling Up'.

But as soon as they counted their votes, it was clear the Tories never really believed in it and had had no serious plan to deliver. Instead, they threw Britain into a recession and a cost-of-living crisis. Our country is more divided, living standards are stagnating and the foundations of a good life are crumbling.

Turning the tide on these deep inequalities was always going to be a tough task and the Tories have been too distracted, too divided and too incompetent to take it on. But more fundamentally, this Conservative government has no interest in delivering for working people.

Instead, they went for a cheap fix. In England, they have hoarded power at the centre, pitting towns and cities against each other, making them waste millions of pounds bidding for their own money back. Across the United Kingdom, they chose cheap political arguments over partnership-building with devolved governments that delivers for working people. Their sticking plaster politics has failed.

We grew up in different ends of the country and in different times, but we endured the same insecurity and hardship that so many working people face, whether that's coming home from school to a cold and crowded house, or having the phone cut off while struggling to make ends meet.

What kept us afloat was the bedrock of a secure roof over our heads and a strong sense of aspiration that we could get on and that things would get better. That's stayed with us, and it's what drives us both in leading the Labour Party today.

But now, thanks to Tory austerity and economic vandalism, we have a low-growth, high-tax economy that no longer works for most people or most places. People are living to work, not working to live. For too many people, where you are born still dictates where you end up. The places and people that built our great country have been pushed aside. They get nothing but the crumbs from the table – and are told to be grateful for it.

There is much to give us optimism. Over the past fourteen years, despite the chaos and crises in Westminster, there has been another Britain. A Britain of working people building a better future for their loved ones and communities. A Britain bursting with ambition and potential, full of high-skilled workers, leading universities and world-class businesses. Now, it's time to match their ambition and their potential with action.

For more than a decade, the last Labour government offered stability in politics and delivered sustained economic growth. We pioneered the first wave of devolution and invested in our communities.

We are calling time on fourteen years of managed decline with a plan to tackle regional inequality and release Britain's untapped strengths. Our plan is built on economic stability, investment and three fundamental reforms to the way our economy works – that communities must be empowered to truly unlock their potential; that you need an active centre of government to reap

the benefits of scale; and that this can only be achieved through strong partnership between Westminster, local leaders and the private sector.

These are not easy fixes. They require long-term vision and stability – something sorely lacking from the current government’s approach. But the rewards of doing this are too great to ignore:

- **Growth in every corner of the country,** so that every town, village and city has a role to play, and can reap the rewards of a decade of national renewal.
- **More money in people’s pockets,** improving living standards everywhere and helping working people keep more of the wealth they create.
- **People taking back control of what matters to them** in their lives and their communities: from decent access to public services and thriving high streets, to the basic promise that their children’s opportunities will not be determined by where they grow up.

You can believe that Labour is committed to these aims because they are in our DNA. Our plan for power and partnership will turn a page on fourteen years of Tory failure, drive growth everywhere and make sure everyone – in every part of the country – is better off.



Keir Starmer

Leader of the Labour Party

Angela Rayner

Deputy Leader of the Labour Party and
Shadow Secretary of State for Levelling
Up, Housing and Communities

Labour's plan to power up Britain

WITH LABOUR:

- ✔ Economic growth in every corner of the country, not just a few places
- ✔ More money in your pocket
- ✔ People taking back control of decisions in their area

UNDER THE TORIES:

- ✘ 14 years of flatlining growth, with large parts of the country ignored.
- ✘ People, families and businesses worse off
- ✘ Decisions about your area taking from a desk from in Westminster

You cannot address regional inequality and improve living standards without making the economy work everywhere and for everyone. This is the first of Labour's five missions – to secure the highest sustained growth in the G7, with good jobs and productivity growth in every part of the country making everyone, not just a few, better off.

Our strategy is to fundamentally change the way the country makes economic decisions, putting control back in the hands of local decision makers, money in the pockets of you and your family, and building on the talents and knowledge we have across the country.

Creating and developing 'economic clusters' cannot be done from the centre of government. Whitehall lacks the information, capacity and incentives to do so. But it can also not be done solely at a local level. Instead, just as Labour has promised a new partnership between business and government, so

we now set out plans for a new partnership between national government and local. Policies set at a national level like our industrial strategy and New Deal for Working People will improve productivity across the economy – but real power will be transferred out of Westminster and towards you.

The Conservatives' approach has left the country uniquely ill-equipped to seize opportunities. It is too centralised, too passive and uncooperative. It still thinks the man in Whitehall knows best. Labour believes in an active centre: but one that gives away power and works in partnership with business and local leaders.

At the centre of our approach are our new Local Growth Plans. These plans show our commitment to devolution: bringing you, your community, your local businesses and local politicians into a leading role in our most important mission for government: economic growth.

Local Growth Plans

Two important beliefs underpin Labour's economic plans – one, that economic growth must benefit every part of the country, not just London and the South East; and two, that decisions about your area are best made by people with 'skin in the game' – you and those in your community.

Labour's new Local Growth Plans marries these two ideas, through driving power out of Westminster and into communities across the country, and putting those who know their areas in charge of designing their plan for growth.

In practice, this means placing a duty on authorities with devolution deals to develop local plans to grow the economy in their area and to guide national government on interventions that will work in their area, rather than the other way round.

The piecemeal approach of the last 14 years has failed. Labour's plan will hand real power, real control and real say to people and places across the country.

Local Growth Plans will be built to last, putting an end to the Conservatives' sticking plaster politics and giving businesses a stable footing to invest and grow. We will ask combined authorities to produce them with a ten-year horizon to create a stable policy environment that allows every community to flourish.

This approach will encourage partnership to ensure we all pull in the same direction to achieve growth. Combined authorities will work with businesses, industry bodies, universities, colleges and trade unions, to inform and create clear roles and priorities. Combined authorities will work closely with local authorities.

The 'everyday economy', which makes up over two thirds of jobs in the North East, Yorkshire and the Humber and the South West, will be at the heart of these plans. While many steps to support workers in hospitality, retail and care will be delivered nationally through our New Deal for Working People, combined authorities will have new tools including over employment support and skills to improve opportunities for workers, productivity and standards.

To make them work, Labour will embark on three fundamental reforms.

- 1. EMPOWERING COMMUNITIES**
- 2. AN ACTIVE CENTRE**
- 3. WORKING IN PARTNERSHIP**

1. Empowering communities

Potential and talent in England are shared equally – but opportunity and power are not. Growth is constrained because major cities don't have the powers they need to succeed, while many places are left out of devolution entirely.

To ensure Local Growth Plans to deliver a step change in regional productivity, we have to push powers out of Westminster. Local leaders know their areas and have a greater stake in delivering growth for them. Our approach will put the right powers in the right places so that local leaders in every town and city in England have the tools to grow their local economies and take advantage of their potential.

We will deepen existing devolution settlements with new powers and more flexible funding. At the same time, we will widen devolution by asking all councils outside of an existing or agreed combined authority or county devolution deal to begin preparatory work to join together on sensible economic geographies and take on a new suite of powers through our enhanced devolution framework. We will provide them with support and guidance to do so through the leadership of the secretary of state and the expertise of the department.

By deepening existing devolution deals and widening devolution to every town and city in England, we will give local leaders the opportunity to

work with local actors to better connect commercial and industrial land with workers, or to pursue niches in skills provision that benefit local industry. By doing so, these high-potential towns and cities will be able to work better together so that administrative boundaries do not get in the way of effective economic policy.

We will pass a landmark Take Back Control Act to establish new frameworks for local leaders to request, negotiate and take on new powers over economic policymaking. This will create:

- **A new, clearer framework for English devolution** which brings together local leaders with central government on a statutory basis.
- **A presumption towards devolution**, with combined authorities given the right to request powers held elsewhere and central government required to explain what steps they should take to become eligible for new powers.
- A statutory requirement for all combined authorities to adopt **Local Growth Plans**.



A Labour government will provide a path for existing combined authorities to access new powers and will make long-term integrated funding settlements available to more places, if they can show exemplary frameworks for managing public money. We will give more places control over:

- **Transport:** Helping local transport authorities franchise bus services, lifting the Conservatives' ban on municipal bus ownership and exploring how to best support combined authorities to integrate their bus and rail services.
- **Skills:** Devolving and integrating adult education and skills budgets and giving combined authorities a say over Local Skills Improvement Plans, which will form the basis of the work of new Technical Excellence Colleges.
- **Housing and planning:** Giving mayors new powers over strategic planning and control of housing budgets and strengthening their hands to get the homes Britain so desperately needs built, in the places with the greatest need and the infrastructure to support them.
- **Employment support:** Getting skills and employment support to go hand-in-hand by reforming and devolving employment support, ensuring greater local innovation in its delivery and design.
- **Energy:** Partnering with local and combined authorities to deliver our Warm Homes Plan, giving local leaders a direct say over local area energy plans and input into regional system plans, and getting GB Energy to partner with local authorities and communities through the Local Power Plan.

- **Funding:** Providing longer-term, integrated 'departmental-style' funding settlements for mayors that can provide exemplary frameworks for managing public money, with an aim to expand the number of combined authorities that have access to these flexible settlements.

After 14 years of Tory government, councils are on their knees. Labour will get local government back on its feet, so it can deliver growth, vital public services, revitalise highstreets, and support residents. We will give communities the security they need through multi-year funding settlements, a partnership based on transparency and high standards, by making good on the government's stalled 'Levelling Up' investment projects and bringing an end to wasteful competitive bidding.

2. An active centre

National government's aim will be to create the conditions for local success, addressing structural challenges and grasping opportunities at scale. **To make Local Growth Plans work, we have to get national policymaking right.**

Labour will create the stability needed for local economies to thrive. By sticking to tough fiscal rules and introducing a new fiscal lock, Labour will bring economic security back to family finances, stability to our national economy, avoid a repeat of the Conservatives' mini-budget disaster and provide the stable foundations needed to rebalance and grow Britain's economy.

The proceeds of Local Growth Plans must be shared fairly with the working people who generate it. Labour's New Deal for Working People will make sure everyone across the United Kingdom can enjoy a decent wage and basic security. This will particularly benefit areas with a high proportion of workers in the 'everyday economy' such as retail, hospitality, care, and other public services.

Many areas will identify innovation and new technology as key to the Local Growth Plan, capitalising on the UK's world-leading research base. Labour will support the emergence of these innovation clusters by giving certainty. We will maintain the current structure of R&D tax credits over the next

parliament, set ten-year budgets for research and development, and create a Regulatory Innovation Office to improve accountability and promote innovation amongst regulators.

Strong public services are the bedrock upon which good lives, fair societies and successful economies are built. Labour will reverse the Conservative decline in our public services with our national missions to get the NHS back on its feet, take back our streets, and break down barriers to opportunity. These will mean people can take back control of their own lives, with the health, security and education to make the choices they want.

3. Working in partnership

We can achieve more working in partnership on Local Growth Plans than Combined Authorities or an entirely centralised industrial strategy could on their own.

To encourage cross-sector partnership, Labour will rebuild a modern UK industrial strategy. Our strategy will maximise Britain's strengths in high value sectors – life sciences, digital, creative, financial services, clean power, automotive and defence. Local Growth Plans will be asked to go with the grain of our national strategy by demonstrating how they can contribute to growth in high value sectors and identify strengths and opportunities in new sectors that could feed into future iterations of the national strategy.

Labour will set a target to build 1.5 million high-quality homes in the right places, which will be identified strategically, including in plans from mayors and combined authorities. Our approach combines robust national policy frameworks and targets with measures to support local leaders delivering plans for meeting those targets and ensuring homes are built in the right place. We'll speed up the process for them to get shovels in the ground through a blitz of planning reform.

Labour will work in partnership with local leaders and the private sector on our clean energy mission

to bring down bills, create job opportunities and reach net zero. We will base our new publicly owned energy company Great British Energy in Scotland and deliver new clean energy opportunities in Wales and Northern Ireland. In England, our National Wealth Fund will protect existing jobs in the steel industry in places like Yorkshire, create new jobs in carbon capture and storage from Merseyside to Teesside and build electric vehicle battery plants across the country. Our plans to upgrade ports around the UK coastline will open up new opportunities for clean energy work from the Celtic Sea to the Solent.

Labour knows that successful economic centres need an extensive and reliable network of transport infrastructure and a skilled workforce to function effectively. We will work with combined authorities to integrate national, regional and local transport systems. Labour will also establish Skills England. It will oversee the national effort to meet the skills needs of the coming decade across all regions, supporting Local Growth Plans with quality assurance of courses and analysis of skills and labour needs in each part of England.

