BRITAIN'S LEADINGEDGE

TOMORROW'S SOCIETY, TODAY

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WELCOME TO BRITAIN'S LEADING EDGE

Britain's Leading Edge is a collaboration of upper tier local authority areas that meet the criteria of being mainly or largely rural, with no major cities.

We are the home of tomorrow's society, today

Our regions are keeping the lights on for the nation. Rich in natural and social capital, we offer the secure supplies of clean renewable energy essential to today's challenged national grid[1] - and tomorrow's decarbonised economy. We are leading globally in developing the clean growth technologies of tomorrow, from deep geothermal to offshore wind, and are collectively well-placed to meet all four Industrial Strategy Grand Challenges.

Britain's Leading Edge has long been the place people come to re-energise and recharge. Our vision is for a digitised, decentralised modern economy, where we are also the natural place to stay and do business. Nowhere is remote in a world where commerce and communication, ideas and innovation, connect instantly across the globe. Our regions are outward facing – literally - with unique space, satellite and military radar capabilities.

As we face the Grand Challenge of an ageing society, there is no better place to pioneer solutions to ageing well than **Britain's Leading Edge**. Our population of 6 million is 4 years older than the national average[2]; a gap which is also growing as our societies age faster[3]. Our regions already play a leading role in supporting public health, as our rural residents and visiting city-dwellers alike experience the significant well-evidenced benefits of green spaces[4].

As the home to almost 65% of England's Areas of Outstanding Natural Beauty, our natural capital offers an essential service to the national economy. Our natural environment limits the social and economic cost of poor mental health, which is currently estimated to cost the UK economy £105 billion each year - roughly the same cost of running the entire National Health Service[5]. Our region's are sequestering carbon and removing, via vegetation, 40% of the UK's total 1.3 billion kg of air pollution[6], found to cause 64,000 deaths across the UK in 2015[7].

The economic benefits of our outstanding natural capital reach far wider than limiting the costs to the nation of poor public health. Our green and pleasant land is a major asset to the brand value of Great Britain, which in 2018 was ranked the 4th top national brand and underpins the success of the nations trade and visitor economy[8].

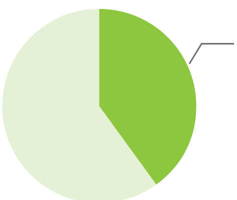
Britain's Leading Edge is supporting national security in uncertain times. The global food production system faces unprecedented challenges from growing population demand, competition over scarce natural resources and the impacts of climate change[9].
We are feeding the nation, home to much of the nation's largest manufacturing sector (food and drink) and to 40% of England's agriculture, forestry and fishing businesses[10 11]. We have a major role to play in providing a secure supply of food to the nation, and in our national trade ambition to increase food exports to the rest of the world.

Our regions represent...

11% of England's total population[12]

8%

of England's GVA, equivalent to English core cities[13]



44%

of England's land mass[14]

37%

of England's renewable energy; over four times more than the major cities[15]

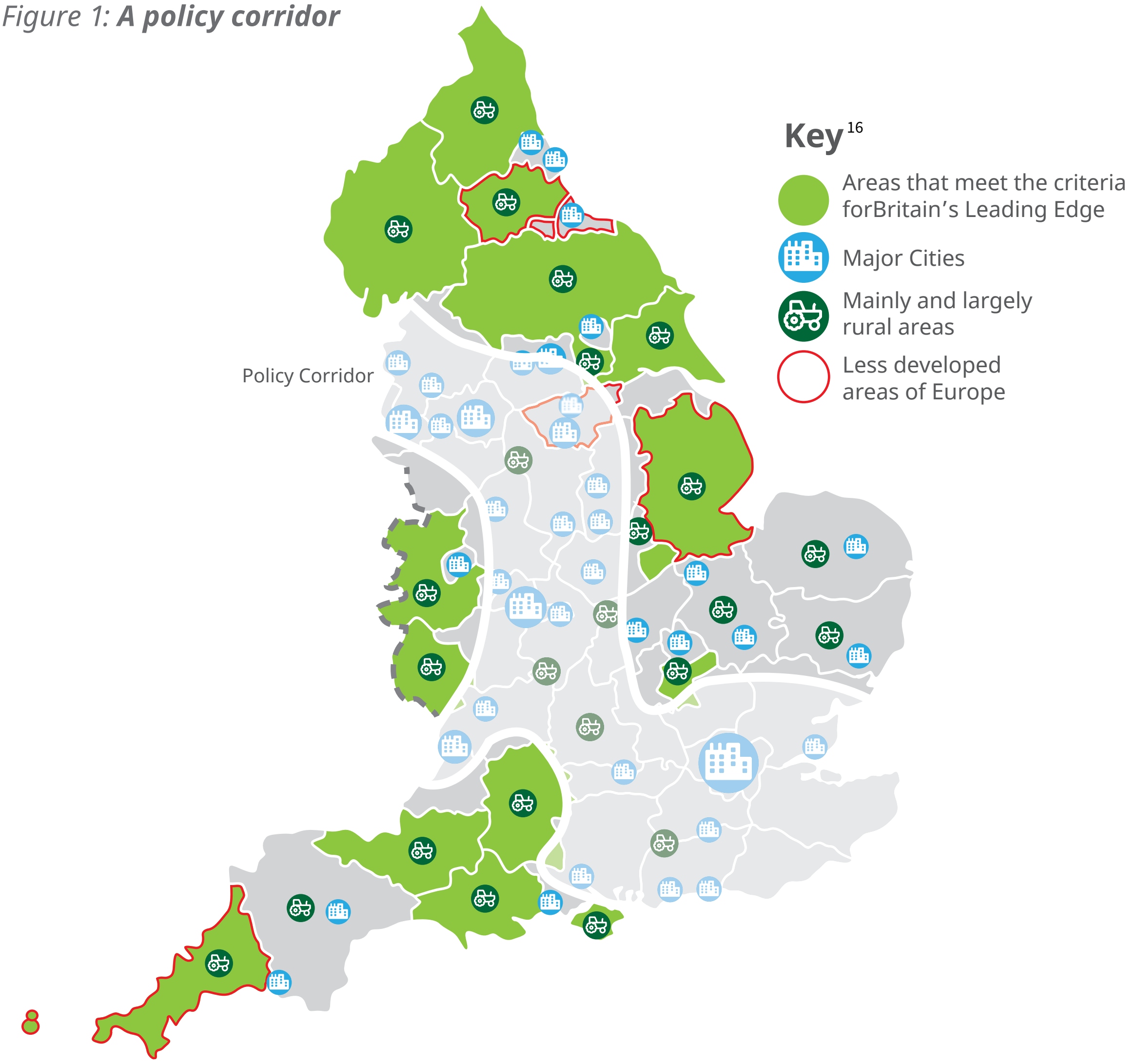
WHY IS THIS COLLABORATION NEEDED?

City weighted policy and funding decisions are holding back the powerful contribution our regions have to make to the future national economy. This is creating a society where more places are being left behind, and it is weakening our union.

There is presently a 'policy corridor' running across the centre of England, in which Government has concentrated its infrastructure and innovation investment; devolution deals; its catapults; its relocation of public sector jobs; and core funding for essential local services. The appendix illustrates a sample of these concentrations.

Britain's Leading Edge is essential to build regional resilience at a time of national need.

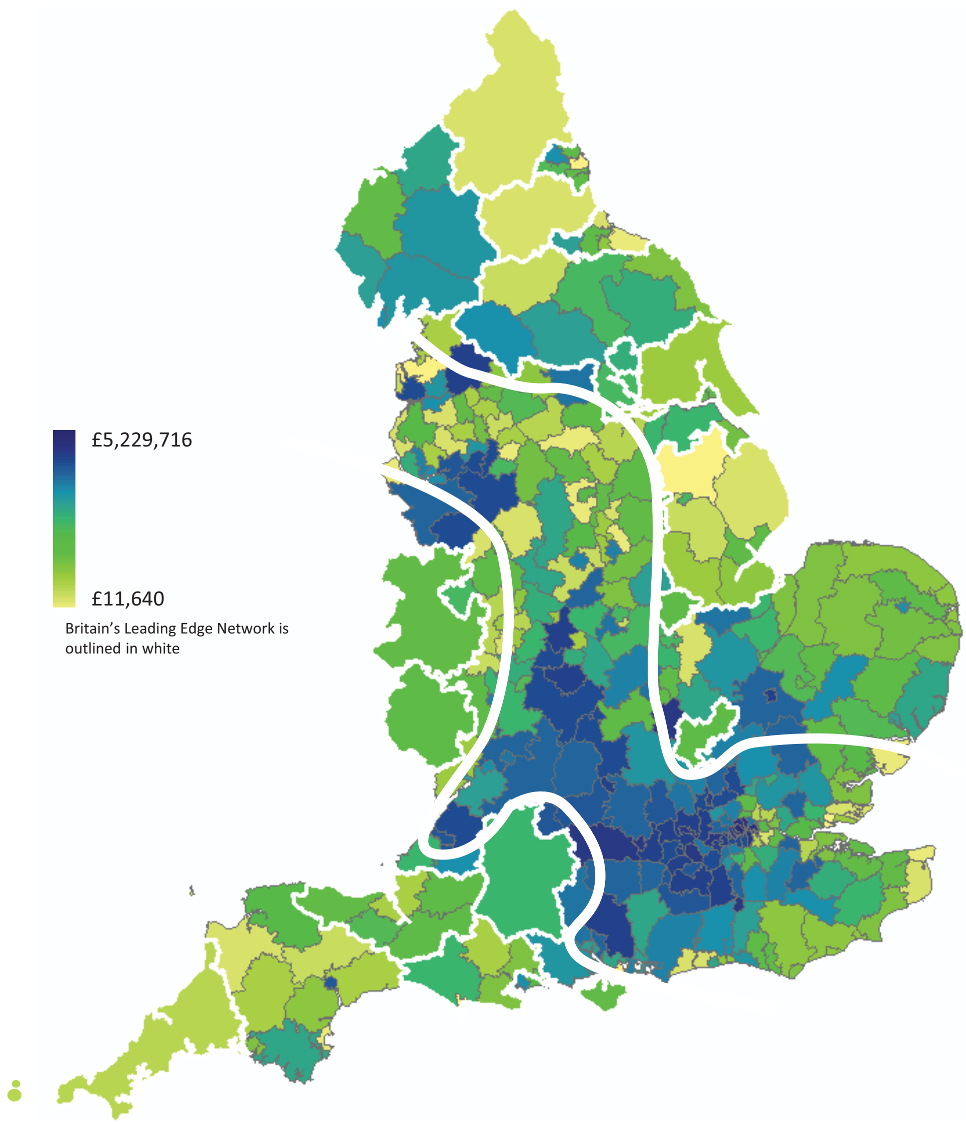
Figure 1: ***A policy corridor***



This ‘policy corridor’ has a strong and well organised advocacy network, containing 75% of England’s major cities[17]. A narrow approach to place leadership and governance has exacerbated the challenge of creating a balanced debate, with Whitehall repeatedly perceived as engaging in dialogue mostly with city mayors. **Britain’s Leading Edge** can amplify the voice of our areas, encouraging Government to help unlock our potential.

It is also directly affecting the lives of people living in our regions, with the area’s average per capita GVA lower and growing more slowly than the England average. On a very practical level this is also exemplified by continued digital and physical transport challenges.

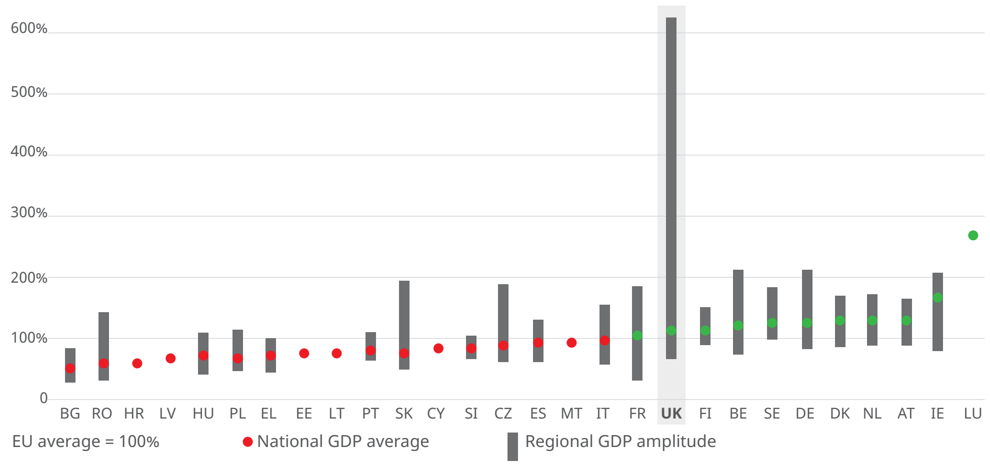
*Figure 2: **GVA Per Capita 2016** Per Local Authority (£)*



Source: Regional Gross Value Added (Balanced) by Local Authority, ONS

While Britain is home to the richest regions in Europe, stark inequalities means that the disparity in Britain between the richest and poorest is the biggest in Europe[18]. Despite Government efforts over the past decade, more British regions have fallen behind, with five now amongst the 'least developed' in Europe, up from two in 2000[19]. It is overwhelmingly regions in **Britain's Leading Edge** that are being left behind.

Figure 3:
Regional disparities in the EU

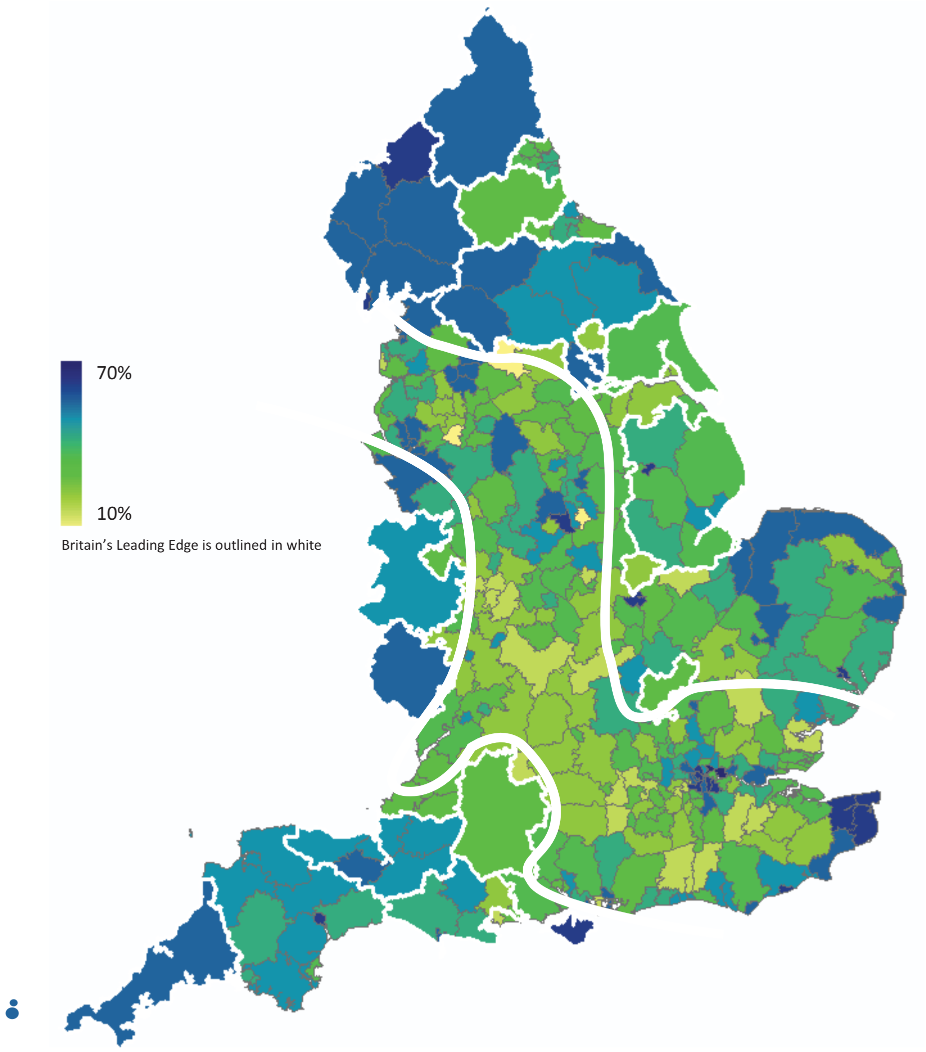


Source: Conference of Peripheral Maritime Regions (2010)
(Based on 2014, 2015 and 2016 regional GDP average, expressed as a % of the EU28 average)

As long as this 'policy corridor' continues to dominate Government funding decisions, the prospects for the household incomes of the 6 million strong population of **Britain's Leading Edge** looks bleak, with average median earnings already around £2,600 less than the England average[20]. In contrast to the first decade of the millennium, these areas have seen much slower growth in disposable income in the current decade (see overleaf). It is perhaps no coincidence that **Britain's Leading Edge** contains some of the highest 'leave' voting areas in the referendum on EU exit.

In the first decade of the millennium the areas seeing the biggest growth in disposable household income included many of the regions which make up **Britain's Leading Edge**. In contrast during the following six years this pattern has largely inverted with the areas seeing the biggest growth in disposable household income increasingly concentrated in the 'policy corridor'; with the peripheral areas relatively left behind.

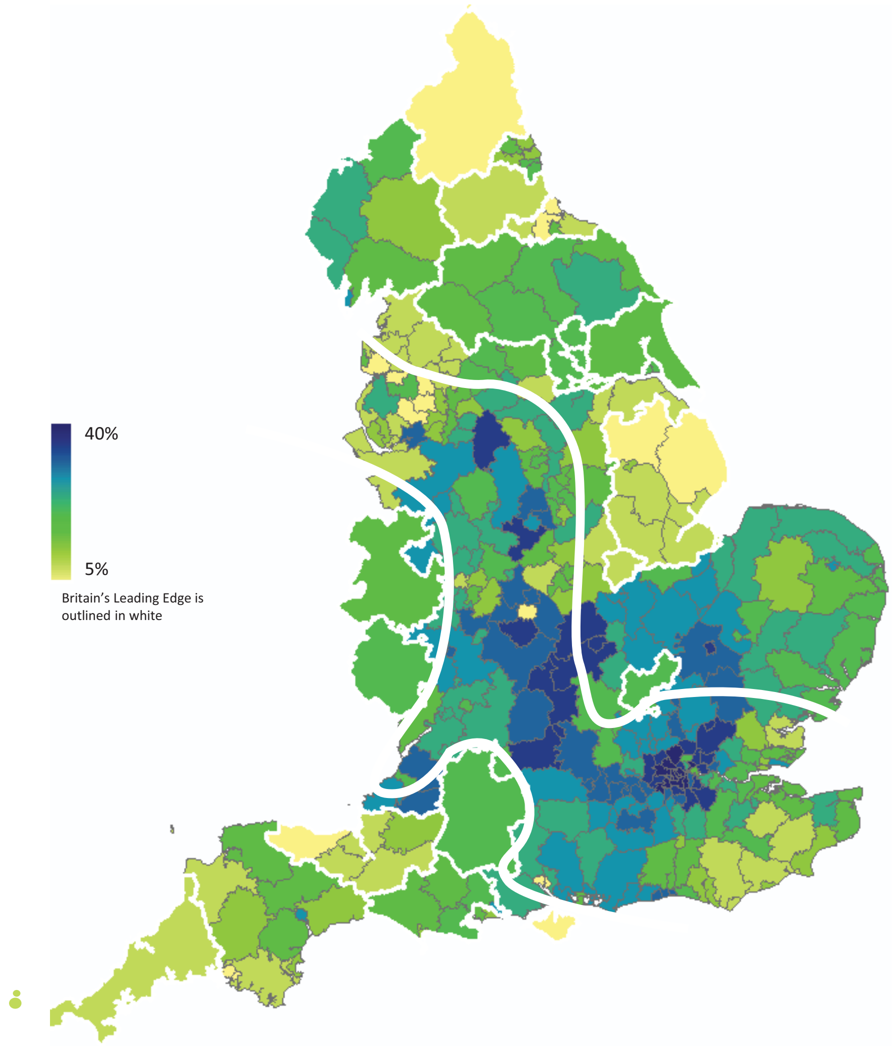
Figure 4: ***Gross Disposable Household Income Growth***
Per head by Local Authority (2000-2010)



Source: Gross Disposable Household Income per head by Local Authority, ONS

* Gross disposable household income is the amount of money available to households for spending or saving after income distribution measures (e.g. taxation and benefits), providing a measure of material welfare.

Figure 5: ***Gross Disposable Household Income Growth***
Per head by Local Authority (2010-2016)



Source: Gross Disposable Household Income per head by Local Authority, ONS

As we prepare to leave the European Union, it is down to us to decide what kind of a nation we want to be. One where regional inequalities persist or widen further? Or one where all regions can flourish and play their part in creating a vibrant and sustainable national economy?

This is a decisive moment and requires fresh voices offering fresh solutions, something we believe Britain's Leading Edge can offer.

A NEW VOICE TO REFRAME THE DEBATE

A balanced and sustainable national economy must harness the distinct and complementary strengths of our regions, alongside those of cities.

Britain is now one of the most spatially imbalanced countries in the OECD (Organisation for Economic, Co-operation and Development), despite the commitment of successive Governments to tackle regional inequalities[22]. Urban-rural and north-south distinctions only tell part of the story of Britain's spatial disparities. Theories that concentrating investment in cities will automatically boost the fortunes of neighbouring regions with entirely different economic strengths are facing increasing challenge[23]. Conversations that only take place with cities will fail to unlock the powerful contribution of our regions to the decarbonised, digitised, decentralised future economy.

Britain's Leading Edge provides a powerful new voice to reframe the debate and help shape a national policy landscape that harnesses the unique strengths of all regions.

We make a strong positive offer to Government to help:

- deliver on its commitments made in response to the recent Lords Select Committee calling for **a fresh approach to rural policy**
- ensure that **a balanced Industrial Strategy** takes advantage of our unique strengths, including as the natural home to address the Grand Challenges of clean growth and an ageing society
- place the goal of **regional resilience at the heart of future spending policy.**

NEXT STEPS

While the initial focus of our collaboration has been on English regions, there is already interest from parts of Wales, and the Highlands and Islands of Scotland.

Britain's Leading Edge is open to all local authorities that meet our criteria and share our vision of a national policy which harnesses the distinctive strengths of all regions, not just cities.

We are strong advocates of the good work of existing networks championing the issues of rural and county authorities – not least the need for fairer funding. **Britain's Leading Edge** is designed to complement and not duplicate the work of the County Councils Network, Rural Services Network and SPARSE.

We are actively exploring partnerships with thinktanks, academic institutes, and private sector sponsors to add capacity and amplify our voice. Above all, **Britain's Leading Edge** calls on national politicians of all parties to work with us and create an economy that truly works for everyone.

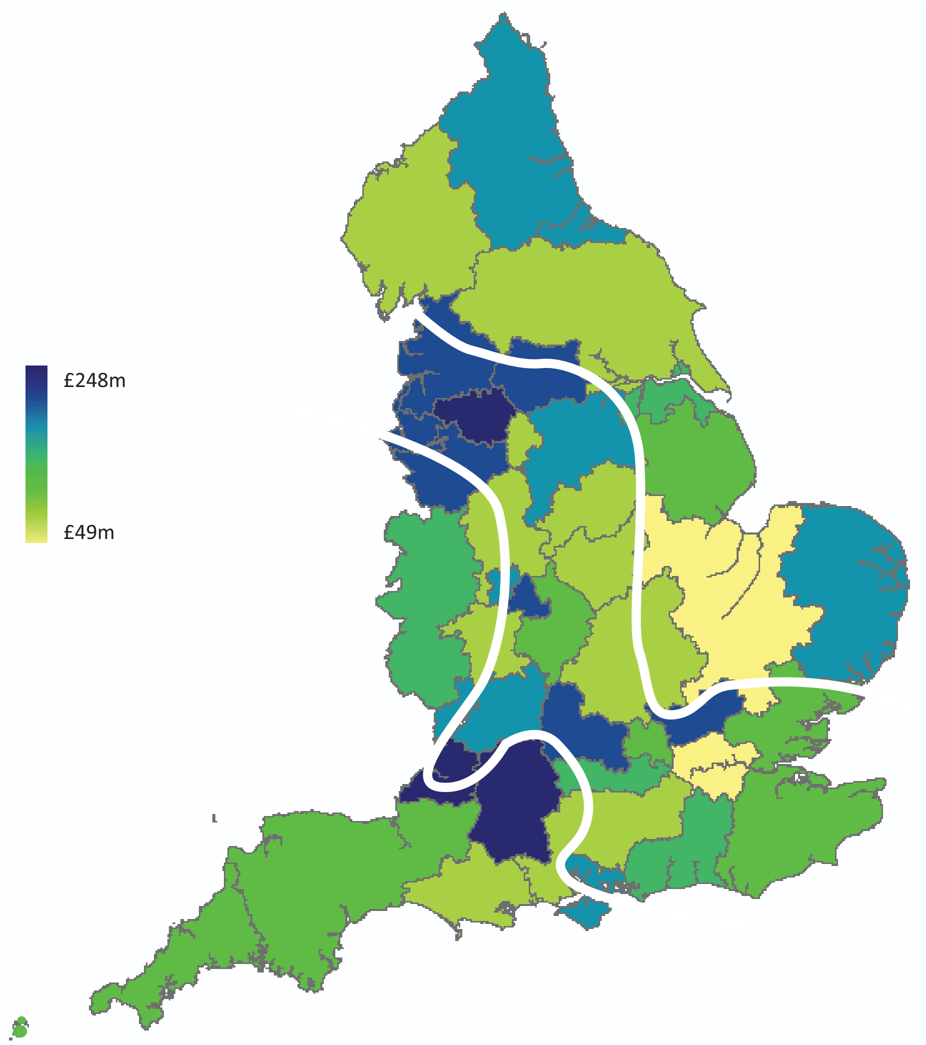
You can get in touch at
britainsleadingedge@cornwall.gov.uk

We'd love to hear from you as we shape our next steps.

APPENDIX

Our research identifies a 'policy corridor' running across the centre of England, in which Government has concentrated its infrastructure and innovation investment; devolution deals; its catapults; its relocation of public sector jobs; and core funding for essential local services. The appendix illustrates a sample of these concentrations.

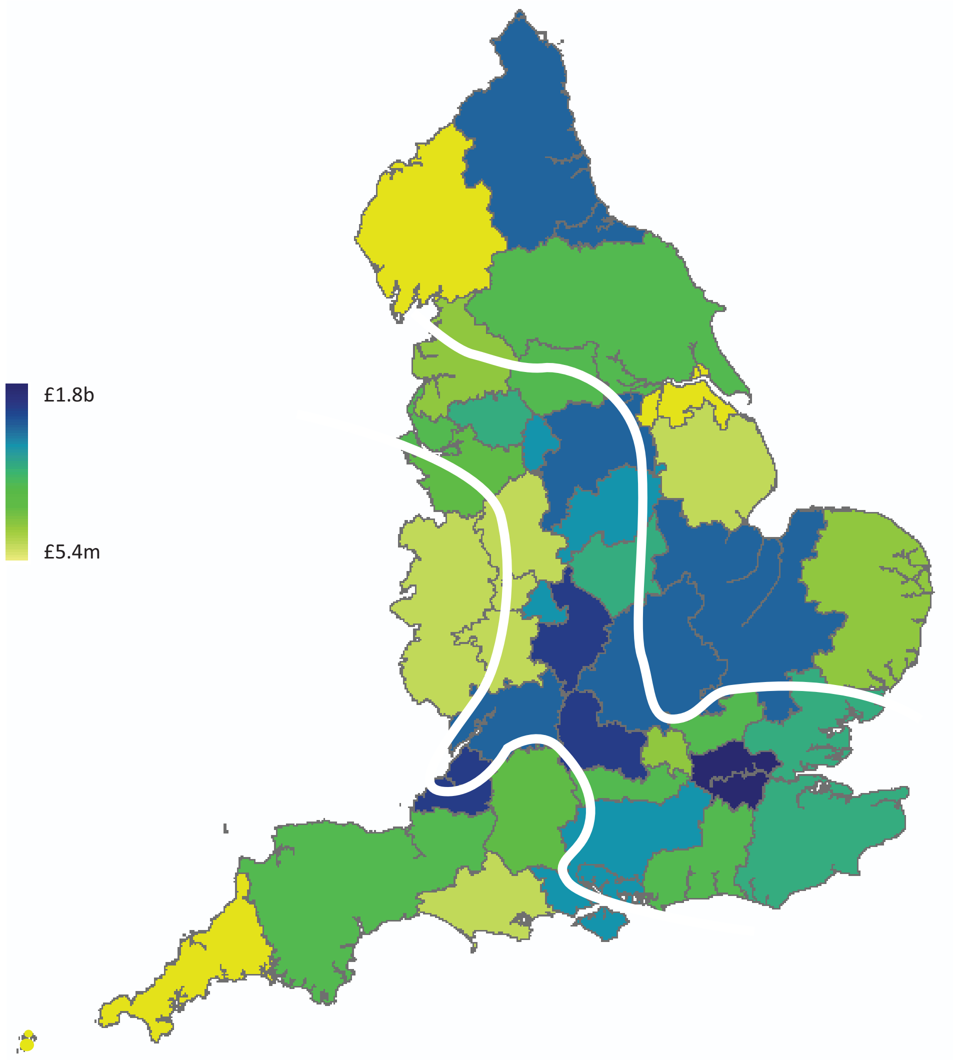
Figure 6: ***Growth Deal Funding***
Awarded by LEP per capita (£m)



*LEP boundaries overlap both **Britain's Leading Edge** authority areas and more urban geographies.
Source: Local Growth Deals, MHCLG/BEIS, as of June 2019

Innovate UK is a funding pot that promotes collaborative research and development, feasibility, smart and innovation voucher grants.

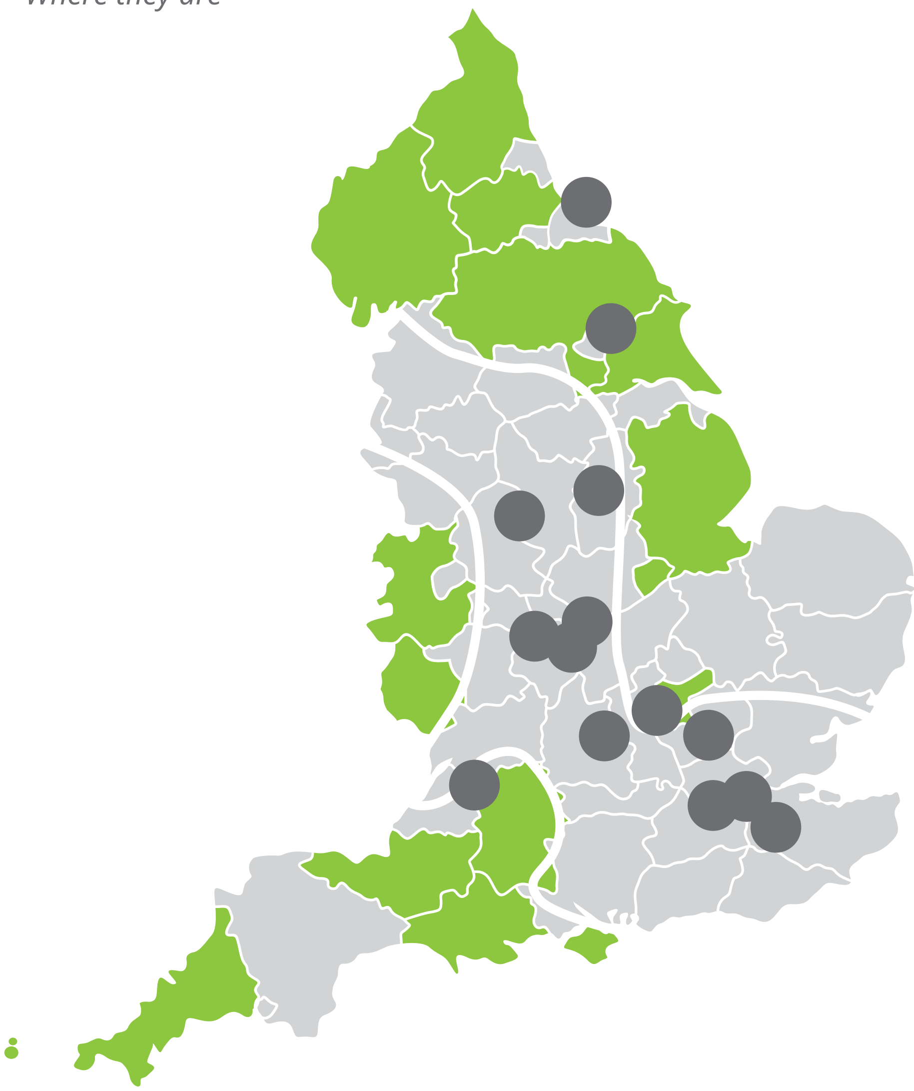
Figure 7: ***Innovate UK Investment***
(Funded Projects 2004 - May 2019) By LEP Region (UK) (£)



Source: Funded Projects Since 2004, Innovate UK

Catapult Centres are a network of designed to transform national capability for innovation and to enhance economic growth. The map below illustrates that they are highly concentrated within the policy corridor.

Figure 8: ***Catapult Centres***
Where they are



Source: https://catapult.org.uk/impact

FOOTNOTES

1 Department of Energy & Climate Change (2012), *Electricity System: Assessment of Future Challenges*

2 ONS, *Population estimates for the UK, England and Wales, Scotland and Northern Ireland*: mid-2017

3 ONS, *Population projections for local authorities*: Table 2 (2016-based subnational population projections for local authorities and higher administrative areas in England)

4 White et al. (2013) *Feelings of restoration from recent nature visits*. Journal of Environmental Psychology 35: 40-51 and Coldwell et al. (2018) Landscape and Urban Planning 175: 114-122

5 NHS England (2016), *The five year forward view for mental health*

6 ONS, *Pollution removal by vegetation in residential urban and rural areas* - supplementary information. *Rutland is excluded as the data is merged with Leicestershire

7 Independent analysis, based upon figures within Lelieveld et al. (2019), Cardiovascular disease burden from ambient air pollution in Europe reassessed using novel hazard ratio functions. European Heart Journal 40(20): 1590–1596

8 Brand Finance (2018), *Nation Brands* 2018

9 Government Office for Science (2011), *The Future of Food and Farming: Challenges and choices for global sustainability*

10 The Food & Drink Federation (2018), *The Food and Drink Industry: Economic contribution and growth opportunites*, 4

11 ONS, *UK Business Activity*, Size and Location 2018

12 ONS, *Population estimates for the UK, England and Wales, Scotland and Northern Ireland*: mid-2017

13 ONS, *Regional Gross Value Added (Balanced) by Local Authority in the UK*

14 ONS, *Land Mass data from 2011 Census*: population density, local authorities in the UK

15 As a percentage of total Local Authority allocated generation. ONS/BEIS (2018), *Renewable Energy* by Local Authority

16 Less developed areas as identified by the CPMR's (2019) analysis of theoretical allocations for the 2021-2027 period for EU Cohesion funds. Mainly and largely rural areas as defined by ONS classifications. Major cities as based upon the methodology outlined by the Centre for Cities

17 As understood in respects of the membership of the Centre for Cities network

18 McCann, Philip (2019), *Perceptions of Regional Inequality and the Geography of Discontent*: Insights from the UK, UK2070 Commission

19 Conference of Peripheral Maritime Regions (2019), *Analysis: UK allocation for cohesion policy post-2020*

20 ONS, *Annual Survey of Hours and Earnings: Weekly pay - Gross* (£) - For all employee jobs: United Kingdom, 2018

21 Based upon analysis of data from The Electoral Commission, *EU referendum results*

22 Ibid. McCann, Phillip (2019)

23 See, for example, McCann, Philip (2016), *The UK Regional-National Economic Problem: Geography, Globalisation and Governance*, Routledge, and Gardiner et al. (2011), *Does spatial agglomeration increase national growth?* some evidence from Europe, Journal of Economic Geography 11(6): 979–1006

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