



Remaking British Towns after Brexit:

Key Actions for Policy Makers and Planners

Summary

Towns are important as the **homes of millions of people** in the UK: two in five of the population.¹ They are key nodes in the spatial structure of a nation. They connect, cooperate and compete. **Towns need to be recognised as an important part of the UK economy.** Towns face risks because of Brexit, which means we need to consider towns in their own right in UK economic and spatial policies.

At a national level, towns have been neglected. They have suffered either from a **lack of investment** or **lack of attention** from national and devolved governments for a long time. Despite more than three decades of regeneration and renewal programmes, the towns that had seen their traditional economic bases disappear in the 1980s still persisted as major locations of disadvantage in 2016. There is a sense that problems of either growth or decline have become endemic, and this is central to how the UK feels, and votes.

This was most powerfully demonstrated with the result of the 2016 Referendum on United Kingdom membership of the

European Union (EU): **a vote to leave the EU.**

Analysis of the results has shown that the **areas that voted to leave tend to be less prosperous, or pressurised, towns which have struggled in recent years.** The vote has been seen as a rejection of the status quo – a call for change – but as the negotiations are still underway, the consequences of the UK leaving the EU are still highly unpredictable.

This report argues that the lack of investment and attention in towns policy was a major cause of the referendum result to leave the EU – and analysis of current policy across a range of sectors affecting towns

¹ *Kindness, Agency and the Enabling State: a five jurisdiction study* (forthcoming), Ipsos Mori on behalf of Carnegie UK Trust

indicates that the **places that voted for Brexit may suffer most from the adverse consequences of Brexit**. This is because of failures of central and devolved governments to pay proper attention to towns policy.

Brexit is an opportunity to catalyse change that gives towns a new, more central role in public policy. Brexit means that Governments are re-learning that **towns matter** and that the key issues that towns face need to be addressed, regardless of the final outcome of the Brexit negotiations.

The recommendations set out **what towns need to do for themselves** to adapt to a rapidly changing and uncertain future, to take control over their destinies, and **what national and devolved governments need to do** to better support towns through Brexit and beyond, by reconsidering their relationships and priorities to ensure that the millions of people living in towns can thrive.

This summary is based on the report *New Powers, New Deals: Remaking British Towns after Brexit* by Duncan MacLennan, Professor of Public Policy in Policy Scotland at the University of Glasgow and a Professorial Research Fellow in Urban Economics at the University of New South Wales, Sydney, and Heather McCauley, formerly Head of Strategy in Scottish Government and Policy Advisor to the Prime Minister of New Zealand.

The full report is available to read at www.carnegieuktrust.org.uk



Actions for towns: an opportunity for change

TRADE		
The situation	What we know	The questions towns have to ask to prepare for Brexit
Towns have different trade structures with some more dependent on EU trade than others.	There is no accurate picture of the patterns of trade in our towns or how a poor trade deal might affect towns reliant on these trades.	Do you have the data you need to understand local trading patterns and how your businesses will be affected by changing trade rules?

BORDERS		
The situation	What we know	The questions towns have to ask to prepare for Brexit
Creating a hard border will impact heavily on a small number of towns, especially those close to the Ireland /Northern Ireland border and port towns.	There is no clear indication as yet of whether there will be a hard or soft border.	Is your town likely to be directly or indirectly affected by changes in the border?

IMMIGRATION		
The situation	What we know	The questions towns have to ask to prepare for Brexit
Some sectors of the economy are reliant on EU workers who have come to the UK to benefit from its strong economy.	If the migrant workforce leaves the UK the effect on towns is likely to be negative due largely to local skills shortages.	Will your town be affected by labour shortages? What are your options for improving local skills to meet this gap?

INVESTMENTS

The situation	What we know	The questions towns have to ask to prepare for Brexit
EU funding has had major impacts in the UKs more deprived areas and provided an important investment route.	The EU funds were allocated by UK and devolved governments and there are real concerns about how this investment has been managed to date. Funding is guaranteed until 2020.	How can you work with other partners to ensure continuity of investment? Can you work with others to propose a towns deal?

PUBLIC SERVICES

The situation	What we know	The questions towns have to ask to prepare for Brexit
Some towns are highly dependent on the public sector for employment and services.	Continuing austerity and economic instability is likely to affect the funding and delivery of local public services.	How can you work with the social sector and private sector to build a more resilient town (economically, environmentally and socially)?

TOURISM

The situation	What we know	The questions towns have to ask to prepare for Brexit
Jobs in the tourist industry support some of the most deprived areas of the UK.	Eight of the top 10 visiting nationalities in the UK are from the EU they may be put off by changing travel rules and affected by reduced migration more broadly.	How can you attract visitors from within the UK and outwith the EU? Is there funding to help you market yourself better?

FARMING AND FISHING

The situation	What we know	The questions towns have to ask to prepare for Brexit
The Common Agricultural Policy has had a major role shaping jobs in deprived areas	Brexit could lead to significant loss of funding and labour shortages, particularly for farming, and food processing. Questions about food security also require serious attention.	How dependent is your town on farming and fishing? What help do these sectors want to manage the impact of Brexit?

Actions for governments: towns matter

Regardless of whether Brexit is “hard” or “soft” the only certainty for places is that they will have to change.

If we are to address localised pressure and discontent, there needs to be a greater focus on the future of towns.

Policy makers at all levels (UK Government, devolved legislatures and local government) need to:

1. **Develop strategic approaches to towns.**

Challenges should be clearly identified and a vision for change, based on evidence and opportunities, set out for towns now and into the future.

2. **Better understand the wellbeing challenges and opportunities facing towns.**

There should be a centre of

excellence, or ‘what works’ style organisation, charged with reviewing and disseminating international experience on what drives successful town development. It should support local town’s policy makers and practitioners to reflect on the evidence base within their local context. In particular, post-Brexit, local towns require better economic development data.

3. **Support local policy makers and practitioners (below the local government level).**

Build local capacity to develop town’s strategies and ensure that the right institutions are in place and sufficiently resourced to deliver local change. The

social sector has a significant contribution to make to this agenda and to delivering sustainable local change.

In the final six months leading up to the departure of the UK from the European Union, Carnegie UK Trust will be continuing to work with policy makers and towns across the

UK analysing issues and actions related to this change. We hope to support towns in the UK to understand their place in the world and to flourish over time. If you'd like to contribute to this work please contact Pippa Coutts, Carnegie UK Trust Policy and Development Manager: pippa@carnegieuk.org



The Carnegie UK Trust works to improve the lives of people throughout the UK and Ireland, by changing minds through influencing policy, and by changing lives through innovative practice and partnership work. The Carnegie UK Trust was established by Scots-American philanthropist Andrew Carnegie in 1913.

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