HOPEFUL TOWNS

LEVEL BEST

DIVERSITY, COHESION AND THE DRIVE TO LEVEL UP
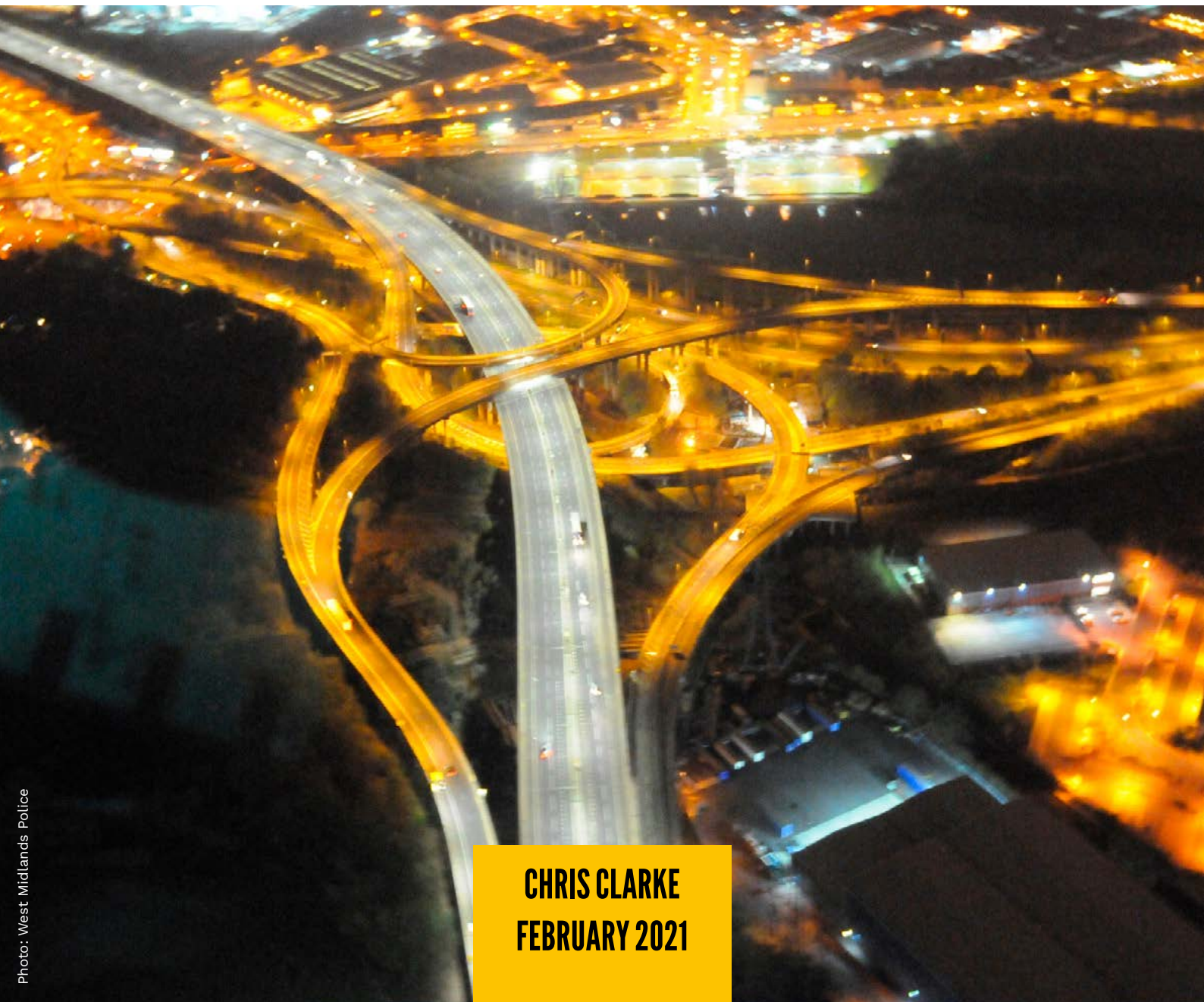
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HOPEFUL TOWNS

This report has been published as part of HOPE not hate Charitable Trust's Hopeful Towns project.

The project aims to better understand what makes a place confident, optimistic and open, and to help towns across England and Wales to fulfil their potential. We want to address the root causes of hate, to stop divisive narratives from taking hold in the first place. And we want to promote policies which champion the value of towns, and stress that every town matters.

As well as producing research to understand risk and resilience in our towns, we're working with local partners in towns to develop local solutions and will be building a Towns Leadership Network to push for positive change across Britain.

Email us via towns@hopenothate.org.uk to get involved or find out more

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CONTENTS

OVERVIEW

Inflows of people are an inevitable aspect any community prospering – including of poorer places 'levelling up'. This is especially true if the plan is to 'level up' through enterprise, infrastructure and growth, rather than through redistribution. For 'levelling up' to work, virtuous circles of jobs, money and people will need to be created and concentrated in the towns that currently have the weakest economic pulls.

The analysis in this report bears this out. By looking at economic and demographic changes during the 2010s, it finds that the places which have seen the biggest rises in prosperity since the recession have also tended to see the biggest increases in diversity. The towns that recovered post-2011 were those that attracted people from across the country and around the world. These places found that waves of migration and population change were part and parcel of enterprise and growth; that being networked meant new people arriving.

This stems, in more economically successful towns, both from new waves of international migration and from internal movements of people within the UK – in particular minority communities. And it applies pretty much whatever you are using as your measure of 'levelling up' – be it growth, employment or house prices. People move to towns that are on the up – just as they do with cities. Demographic change is a product of success not failure.

It is true that many of the local authorities that are positively picked out in this report are those close to big cities – Milton Keynes, for instance, is an affordable commute from central London. And it is likewise true that other settlements, such as Warwick, have cultural and academic assets which make it easier to create an economic centre of gravity. But, in a way, this is precisely the point. If the government puts infrastructure in place to connect more remote parts of the country, for example – or invests in heritage and jobs in places which are not currently cultural centres – then the same demographic patterns are likely to happen in these places, too.

An acknowledgement of this interconnectivity between migration, rising diversity and growth needs to run through the levelling up agenda like a stick of rock. Resilience and cohesion must be key component of efforts to tackle regional disparities. If the past decade was anything to go by then the towns most likely to grow and thrive in the 2020s are going to be those that are confident, welcoming and open – not those that represent a 'hostile environment' for outsiders.

This means targeted funding to support communities, and to help manage the demographic change that is likely to occur when areas do well. (There is a particular need here in relation to housing, education, health and the public realm). And it means inclusive rhetoric and policies from central government, when it comes to migration and multiculturalism. 'Hostile environment' policies are fundamentally at odds with levelling up.

After all, any town that levels up in a meaningful way will inevitably become a more desirable place to live as a result – whether for those looking to work in new tech start-ups or those waiting tables to service the area's new economy. Decision-makers cannot pretend that those who live in a town will be the only beneficiaries of its growth.

1. BACKGROUND

The levelling up agenda has become a central part of the political lexicon since the 2019 General Election. While not clearly defined, the term suggests a wholly positive aspiration – the drive to increase equality between the regions of the UK.

The phrase 'levelling up' – and the language used by those who champion it – implies that the government's goal is not to tackle regional inequality using the redistributive measures traditionally favoured by the left. Instead, it is hoped that levelling up can occur thanks to the promotion of growth, investment, enterprise and infrastructure – i.e. by strengthening the centres of economic and commercial gravity in poorer towns, and by making the country as a whole more connected.

This is an issue which affects – and is affected by – the topics around which our work focuses. Levelling up applies directly to the question of how to tackle the far right and how to reduce the potential for hostile or hateful narratives to take hold.

HOPE not hate Charitable Trust's research has consistently shown the importance of addressing inequality between places. In particular, our 2018 report Fear, Hope and Loss found that deprivation and a broader sense of loss can be key predictors of hostility to difference and change – especially in town communities.[1]

Meanwhile, as our 2020 paper Understanding Community Resilience in Our Towns showed, hostility towards migration and multiculturalism is often more pronounced in places with predominantly white British populations, many of which are becoming more diverse for the first time.[2]

If successful, levelling up could help to reverse economic decline in many communities. But, as the findings in the rest of this report demonstrate, this is also likely to trigger significant changes – as economic and demographic centres of gravity become stronger away from big cities. So, while addressing a feeling of loss can help to build resilience against hatred and division, it may also present fresh cohesion challenges in some places too.

The coronavirus pandemic clearly plays into all of this. In economic terms it accentuates the challenge, and makes the context in which the government is trying to level up even tougher. But the rise of remote work which the virus has pre-empted may also reduce the gravitational pull of big cities, meaning new and unexpected population shifts around the country.

With the UK aiming to fix regional inequality during a period of post-COVID economic hardship, this paper seeks to better understand the interplay between prosperity and diversity in smaller settlements during the past decade.

NOTES
1   See Fear, Hope and Loss, HOPE not hate, 2018.
2   See Understanding Community Resilience in Our Towns, HOPE not hate, 2020, pages 32 and 43.

2. AIM

This report looks at the interplay between economic growth and demographic change in areas away from big cities, during the 2010s. The 285 local authorities looked at are those which cover the 862 English and Welsh town communities listed in Understanding Community Resilience in Our Towns. (See section 3 for a clearer definition and Appendix A for a full list).

The research brings together economic and demographic data from the 2010s – a decade following on the heels of a recession, from which some settlements recovered (or 'levelled up') significantly better than others.

We explore shifts in prosperity for different places during this decade. And, alongside this, we chart demographic changes and increases in diversity. The aim is to identify parallels between economic growth and rising diversity, to better understand the implications for areas that do manage to 'level up' in the coming years – or that are successful in 'building back better'.

We hope that, by doing this, we can better understand what communities need in order to become more inclusive and cohesive as they grow. And we also hope to prompt more thought about how integration and resilience can feature in efforts to close the economic gap between parts of the UK.

Photo: RAY JONES

3. METHOD

Using lower level local authorities as our primary unit, we focus on a list of 285 council areas in this paper. This list excludes all London Boroughs, plus 18 other 'big city' councils, which cover cities with populations above 250,000 – according to Centre For Towns' longlist of places[3]. (The local authorities not included in our analysis are listed in Appendix A).

The 285 areas remaining are those which cover the 862 town areas across England and Wales, as defined in our 2020 report, Understanding Resilience in Town Communities[4]. Our rational for this was that levelling up is an attempt, in large part, to redress the agglomeration process, whereby big cities become more successful and smaller places less so. While there remains extreme deprivation in many London boroughs – not to mention larger cities which are very deprived as a whole – we therefore chose to focus on growth and change in areas away from the UK's largest conurbations.

In political terms it is worth noting that, of the 53 'Red Wall' seats won by the Conservatives from Labour in 2019, 49 of them are in the areas covered by our 285 non-'big city' authorities[5].

Across these 285 local authorities, we examine the relationship between two things:

- A place's **increase in prosperity** during the 2010s
- A place's **increase in diversity** during the 2010s

The first of these can be defined in a number of different ways. In this report we look at five means by which we might measure how well prosperity has increased. Table 1 lists these.

Changes in diversity are also hard to define, depending on whether you are looking at ethnicity, international migration or other factors. In this report we use seven different ways of measuring increased diversity. These are again set out in below in Table 2.

These measures let us look at diversity and population change, based on passport or birthplace, as well as on heritage and background. Each metric represents a slightly different way of understanding demographic change, allowing us to look at internal migration and the movement of BME British communities, as well as at international migration.

The final two datasets in Table 2, in particular, both enable different ways of understanding this and are worth explaining further.

The 'proportion of the population of different heritage' metric uses the name recognition tool Origins to gauge the percentages with names which are not Anglo-Saxon or Celtic. This helps to understand wider diversity – charting, for instance, the percentage with surnames of Polish, French or Bangladeshi heritage, as opposed to Anglo-Saxon or Celtic. Rather than using national government measures of migration, this helps to understand longer-term waves of diversity. This element of the data is explained in more detail in Appendix B.

The 'overall transience of the population' figure, meanwhile, is slightly different. It looks at inflows *and* outflows to and from a place, both internationally *and* from other parts of the UK.

Table 1

Prosperity increase measure	Metric	Timespan, region	Source
Economic growth	Changes in GDP per head (£, current market rates)	2011-18, England & Wales	ONS, GDP
House prices	Changes in median average house prices (£, current market prices)	2011-19, England & Wales	ONS, HPSSA
Reductions in deprivation	Changes in Average IMD score	2010-19, England only	Indices of Multiple Deprivation
Employment	Reduction in % of the population unemployed	2011-2019, England & Wales	ONS, M01 labour supply projections
Pay	Increase in Median average pay (£, current market prices)	2012-19, England & Wales	ONS, ASHE Table 7

Table 2

Diversity increase measure	Metric	Timespan, region	Source
Proportion of population that are not British	Changes in size of the resident population who are not British nationals, as a % of the overall resident population	2011-19, England & Wales	ONS, local area migration indicators
Proportion of population registering to use social systems who do not have British citizenship	Changes in the proportion of NINo registrations for overseas nationals, as a % of the overall resident population	2011-19, England & Wales	ONS, local area migration indicators
	Changes in the proportion of GP registrations for overseas nationals as a % of the overall resident population	2011-19, England & Wales	ONS, local area migration indicators
Proportion of population who were born outside Britain	Changes in size of the non-UK born resident population as a % of the overall resident population	2011-19, England & Wales	ONS, local area migration indicators
Proportion of population born to parents from outside Britain	Changes in the proportion of live births to mothers born outside of UK, as a % of all live births	2010-19, England only	ONS, local area migration indicators
Proportion of population of different heritage	Changes in the % who do not have names of Anglo-Saxon or Celtic heritage	2012-19, England & Wales	Origins dataset
The overall transience of the local population	Changes in combined internal and international inflows and outflows to an area, expressed as a % of the overall population	2011-2019, England & Wales	ONS, local area migration indicators

This essentially lets us chart the proportion of the population likely to not be from the area – indicating the size of the transient or temporary community.

By comparing the five measures of increasing economic prosperity in Table 1 with the seven ways of charting increases in diversity in Table 2, we aim to provide a comprehensive picture of the relationship between these two things. (Appendix B lists the sources used to do this).

NOTES
3   www.centrefortowns.org/our-towns
4   See Understanding Community Resilience in Our Towns, HOPE not hate, 2020, pages 22-23.
5   The exceptions here are Birmingham North, Stoke-on-Trent Central, Stoke-on-Trent North and Derby North.

4. FINDINGS

Our research reveals that the places within our field of study which saw the greatest economic advances during the 2010s were also, on average, those which saw the biggest increases in population diversity. The extent to which this pattern sustains itself throughout our research is striking. There are positive correlations between rising prosperity and rising diversity across the board, almost regardless of which metric you use.

Indeed, as Table 3 shows, of 35 comparisons we made between economic and demographic datasets for the 2010s, 30 revealed a positive correlation between economic improvements and increases in diversity. In four cases there was no clear correlation either way, and in only one instance was there a negative correlation.

Some of these trends were more stark than others, but across the board it was the same story. Some of the most striking findings included that:

- The 50 places with the highest GDP rises in the 2010s saw their non-UK born communities grow at more than twice the pace of the 50 authorities with the lowest GDP rises;

- These 50 highest growth places also saw two and a half times higher rises in NINo overseas registrations, GP overseas registrations, and the proportion of births to non-UK mothers, compared with the 50 lowest growth areas;

- The 50 places with the greatest increases in property values between 2011 and 2019 also saw the number of births to non-UK born mothers increase at three times the pace of the 50 council areas with the smallest property price increases;

- The non-British national and non-UK born populations rose at twice the pace in the 50 areas with the fastest rising property prices as in the 50 places with the slowest rising prices;

- Local authorities where deprivation improved between 2010 and 2019 had more than twice as many GP overseas registrations as those where deprivation worsened;

- Areas where deprivation got better also had twice as rapid increases in their non-UK born populations as those where deprivation got worse;

- The 50 local authorities with the greatest increases in employment during the 2010s have seen an average increase of 2.2 percentage points in the size of their non-British population; by contrast, the 50 authorities with the smallest rises in employment have seen an average increase of just 0.8 percentage points;

- In communities where employment went up by more than 5 percentage points during the 2010s, the average increase in the proportion with non-Anglo-Saxon/Celtic names was 2.2 percentage points; in those where employment rose by less than 2 percentage points the average increase was just 1.4 percentage points;

- In the highest 50 places for salary increases, the rise in the non-British proportion of the population is a third again as high as in the lowest 50 places for salary increases;

- In communities with above average population transience, the median salary rose by £3,379 between 2012 and 2019; in those with below average transience it rose by just £3,037.

Table 3 – for a more detailed version of this table see Table 5 in Appendix C

	Non-British increases	NiNo overseas reg. increases	GP overseas reg. increases	Non-UK born increases	Increases in Births to non-UK mothers	Non-UK heritage proportion increases	Population transience
Economic growth	✔	✔	✔	✔	✔	✔	✔
Value of homes	✔	✔	✔	✔	✔	✔	✔
Reduction of deprivation	✔	✔	✔	✔	✔	–	–
Rises in employment	✔	–	–	✔	✔	✔	✘
Pay increases	✔	✔	✔	✔	–	✔	✔

✔ = Positive correlation, ✘ = Negative correlation, – = No correlation

All of this is a rebuff to the conventional logic, which tends to acknowledge the connection between increases in diversity and improvements in economic outputs at a national level, but which often contends that big cities are the chief beneficiaries of this. And it is certainly a rebuff to the 'lump of labour' logic favoured by the far right and the populist radical right, who argue that immigration is a drag on employment and prosperity.

Rather, our research suggests that in smaller cities, town communities and rural areas there is also a strong connection between prosperity and diversity. The implication of this is that any meaningful 'levelling up' process will entail a diversification of the population, both thanks to international inflows and internal migration from minority groups and others.

Of course, correlation is not causation. We cannot say that rising employment in a local authority is a direct consequence of more foreign nationals moving there, for example. But what we can say is that:

a) rising diversity and migration have not prevented the areas that have done best from performing as they have;

b) increases in diversity and migration have tended not to happen in places which are already in decline but in those which are doing well;

c) demographic changes of the type described are a likely consequence of areas becoming successful and attracting more people to live there.

The analysis below looks at this in more detail, going through the different economic criteria by which you might measure levelling up.

4.1 ECONOMIC GROWTH

Growth is perhaps the most obvious means by which the narrowing of regional inequality could be measured. Increases in GDP are consistently used as criteria for how well different parts of the economy have performed during the past few decades. The areas sometimes termed 'left behind' are usually those where traditional industries have departed and where growth is sluggish or non-existent.

Our analysis uses GDP per head to measure 'growth', and finds that, across all seven definitions of increasing diversity (see Table 3 at the start of this section), there is a positive correlation. In short, parts of the country that have seen faster economic growth have also experienced faster demographic change.

Figure 1, for example, compares the change in the proportion of births that are from non-UK born mothers (vertical axis), with the change in GDP per head (horizontal axis). As the trend line shows, there is a clear correlation. In Corby, picked out on the map, the proportion of births to non-UK born mothers went from 26% in 2011 to 38% in 2019 – a rise of 12 percentage points. During the same timeframe GDP per head in the local authority went from £21,138 to £32,509 – a rise of £11,371.
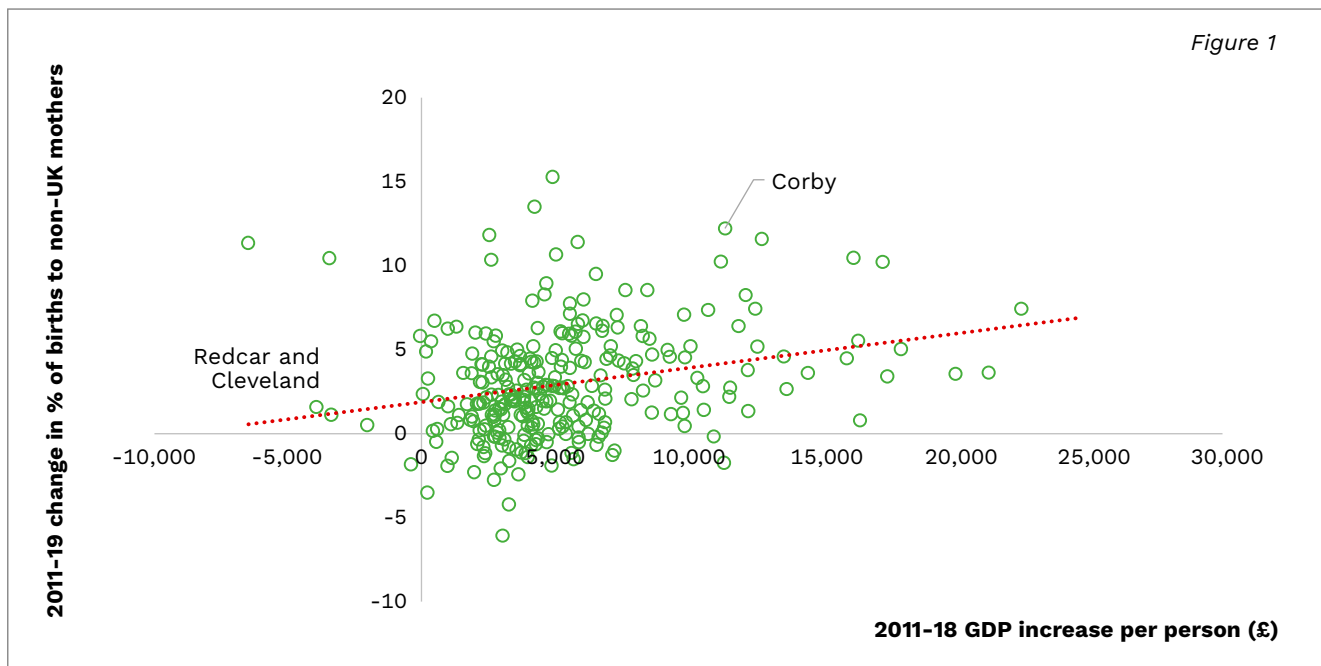

Figure 1

2011-19 change in % of births to non-UK mothers
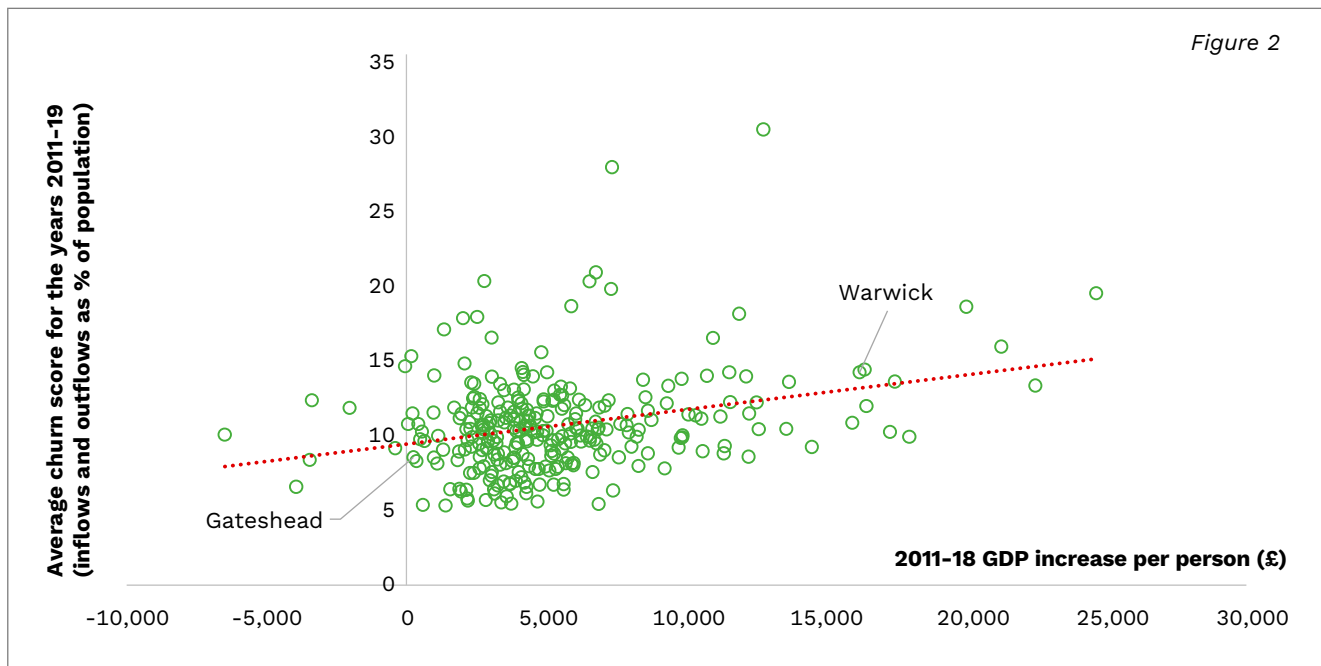
2011-18 GDP increase per person (£)

Figure 2

Figure 2 shows much the same thing, but uses population transience as the measure of demographic change. As we have said, this is deduced by looking at the average annual internal *and* international inflows *and* outflows as a proportion of the population, during the years 2011 through to 2019. Again, there is a clear pattern, with high growth places having significantly more transient populations.

Warwick, picked out, has nearly twice the population churn of Gateshead, the other local authority highlighted. And GDP per head rose much faster in the former than in the latter from 2011 onwards.

Local authorities with above average growth *and* above average diversity increases across at least six of seven metrics: *Basildon, Bedford, Brentwood, Cambridge, Cherwell, Corby, Doncaster, Epping Forest, Harlow, Hertsmere, Ipswich, Kettering, Luton, Milton Keynes, Nuneaton and Bedworth, Oxford, Salford, Sandwell, Spelthorne, Surrey Heath, Tamworth, Telford and Wrekin, Warwick, Watford, West Berkshire, Wokingham.*

4.2 VALUE OF HOMES

High property prices may come with their own challenges in some areas – such as London, where the cost of buying and renting is often prohibitive. But they nevertheless work as a broad indicator of prosperity. If the poorest parts of the country experience 'levelling up' of the kind hoped for by the present government, house prices in these places will likely increase and begin to catch up with national averages.

Again, rising house prices during the 2010s correlate with all seven measures of increasing diversity (see Table 3 at the start of this section).

Figure 3 compares changes in the non-UK born population (vertical axis) with increases in the average house price (horizontal axis).
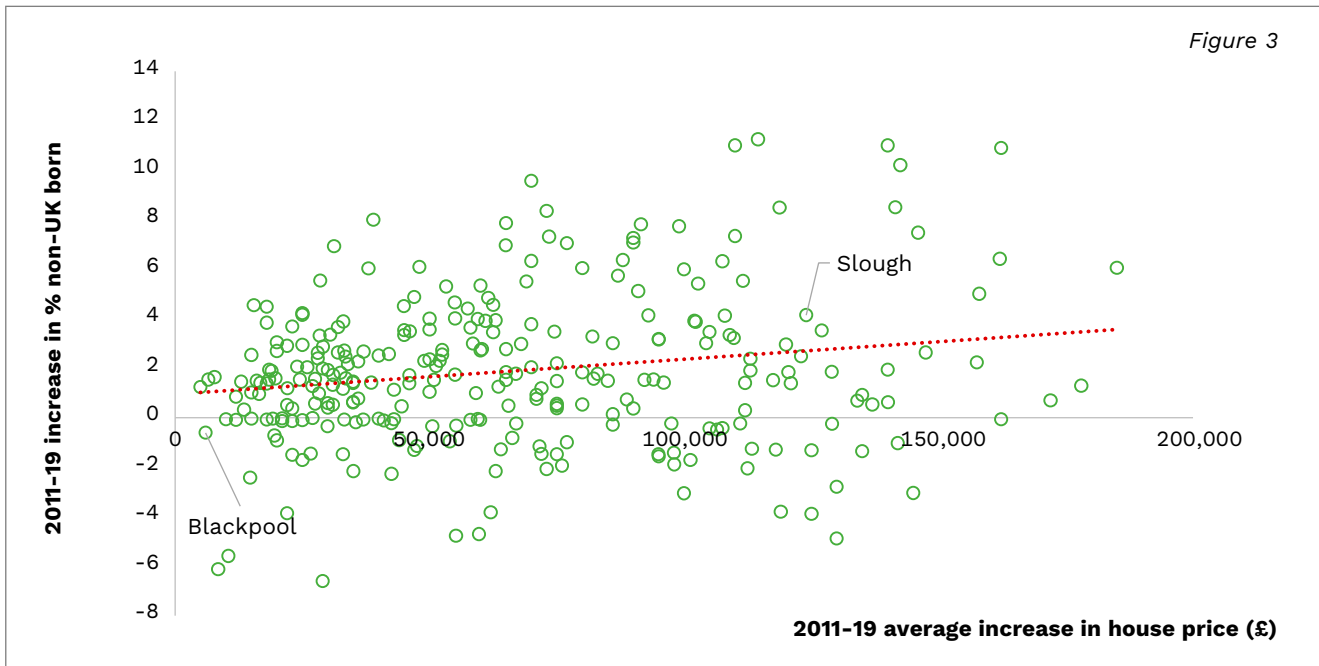
The Blackpool resident base, for example, was 5.8% non-UK born in 2011, and 5.2% in 2019 – a fall of 0.6 percentage points. During the same timeframe average house prices in Blackpool shifted from £104,000 to £110,000 – one of the smallest rises in the UK.

This is in stark contrast to Slough, also picked out, where the non-UK born population rose by 4.14 percentage points, and where the average house price rose by £124,000.

In many ways the figures here reflect the London housing market and the rapidly rising property prices close to the capital. While there are exceptions to this, once you drill into the data, the south east slant is very strong.

Yet this in many ways underscores the wider issues. It is notable that rising diversity and rising prosperity have essentially been two sides of the same coin when it comes to the areas immediately outside London. If infrastructure and investment changes mean that other parts of the country see the growing prosperity – if housing prices across England and Wales 'level up', in other words – then there will almost certainly be a demographic dimension and a rise in diversity.

Local authorities with above average house price increases *and* above average diversity increases across at least six of seven metrics: *Basildon, Bedford, Brentwood, Broxbourne, Cambridge, Cherwell, Epping Forest, Harlow, Hertsmere, Ipswich, Kettering, Luton, Maidstone, Milton Keynes, Northampton, Oxford, Spelthorne, Surrey Heath, Swindon, Thurrock, Warwick, Watford, Wellingborough, West Berkshire, Woking, Wokingham.*

Figure 3

2011-19 increase in % non-UK born (y-axis, values: -8 to 14)

Slough

Blackpool

2011-19 average increase in house price (£) (x-axis: 0 to 200,000)
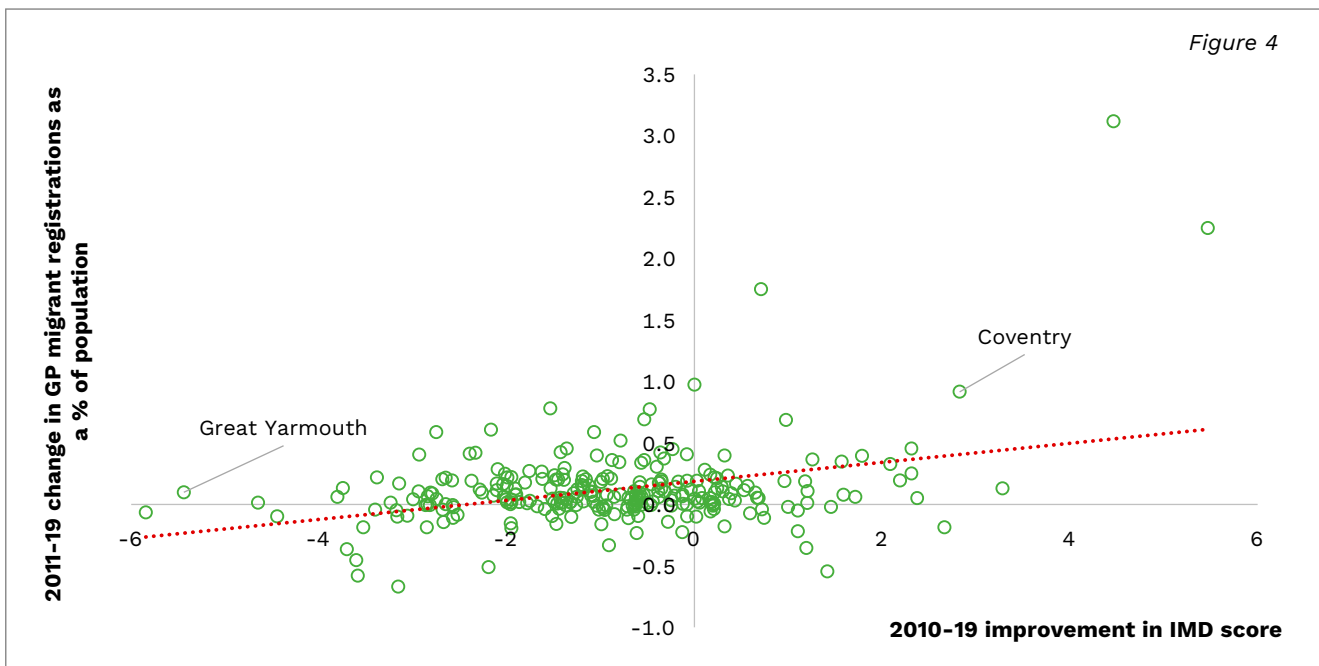
4.3 REDUCTION OF DEPRIVATION

Deprivation is a third criteria by which we might measure increasing prosperity. If towns begin to do better on scales such as the Indices of Multiple Deprivation (IMD), we can conclude that overall living standards are improving and the gap between these places and more affluent communities is lessening.

The reality is that a great many of our 285 local authorities in England and Wales have seen deprivation worsen since 2010. Nevertheless, by looking at places where deprivation has been

alleviated – or at those where it has not fallen back in such a pronounced way – we can again see the strong correlation with increasing diversity. Indeed, our findings show that local authorities where deprivation has reduced since 2010 have also tended to be those where diversity has risen fastest. This correlation applies in the case of six of our seven ways of measuring diversity increases (see Table 3 at the start of this section).

Figure 4 shows one of these positive correlations – between overseas GP registrations and IMD reductions. Coventry, picked out, had an IMD overall score of 28.4 in 2010 and of 25.6 in 2019

Figure 4

2011-19 change in GP migrant registrations as a % of population (y-axis: -1.0 to 3.5)

Coventry

Great Yarmouth

2010-19 improvement in IMD score (x-axis: -6 to 6)

(higher scores indicating worse deprivation). This effectively represented an improvement of 2.8 in its deprivation score. During the same period, the proportion of GP overseas registrations went from 2.7% of the overall population to 3.6% – a rise of 0.9 % points, which is higher than most areas.

This is in contrast to Great Yarmouth, the other town picked out, where there were proportionally fewer overseas GP registrations and where the deprivation score got more than five points worse. Yarmouth was ranked the 54th most deprived of our local authorities in 2010. By 2019 it was ranked 20th. Like many seaside town local authorities, it saw comparative poverty worsen. Correspondingly, diversity has remained fairly static, whichever way you choose to measure it.

Local authorities with above average deprivation reduction *and* above average diversity increases across at least six of seven metrics: *Bolton, Boston, Brentwood, Cambridge, Corby, Coventry, Doncaster, Epping Forest, Harlow, Hertsmere, Luton, Nuneaton and Bedworth, Oxford, Rochdale, Salford, Sandwell, Walsall, Warwick, Watford, West Berkshire, Woking, Wokingham, Wolverhampton.*

4.4 RISES IN EMPLOYMENT

Of all the 'levelling up' indicators, we find the weakest relationship between employment and population diversity. It is the only criteria for prosperity which we have looked at where one of the seven correlations is negative (in the case of population transience).

Nevertheless, the overall pattern observed in this research holds true; across our seven measures of increasing diversity, four see a positive correlation when it comes to rising employment rates during the 2011-19 period (see Table 3 at the start of this section).

This is illustrated by Figure 5, which compares changes in the size of the non-British population (vertical axis) with increases in the employment rate (horizontal axis) – revealing a relationship in the data.

For instance, in Sandwell, a council area on the edge of Birmingham, there were 24,000 people who were not British nationals in 2011, of 307,000 residents; by 2019 these figures were 53,000 and 328,000 respectively. This was an increase from 7.82% non-British to 16.16%, a rise of 8.34%. During the same period Sandwell's unemployment rate went from 12.08% to 5.48% – a rise in employment of 6.6 percentage points.

Many of the authorities with the biggest increases in employment rates are places which had the highest unemployment in the first instance; towns and cities where jobs were hit especially hard by the recession, which began our period of study playing catch-up. Other examples, along with Sandwell, include Middlesbrough, Wolverhampton, Doncaster and Salford.

These areas spent the 2010s 'levelling up', in terms of job prospects, with places which had not been hit so hard in the first place. In line with this, most saw the proportion of non-British nationals rise.

Local authorities with above average employment increases *and* above average diversity increases across at least six of seven metrics: *Boston, Corby, Coventry, Doncaster, Epping Forest, Harlow, Ipswich, Luton, Middlesbrough, Northampton, Nuneaton and Bedworth, Oadby and Wigston, Oldham, Portsmouth, Rochdale, Salford, Sandwell, Tamworth, Telford and Wrekin, Thurrock, Walsall, Wolverhampton.*
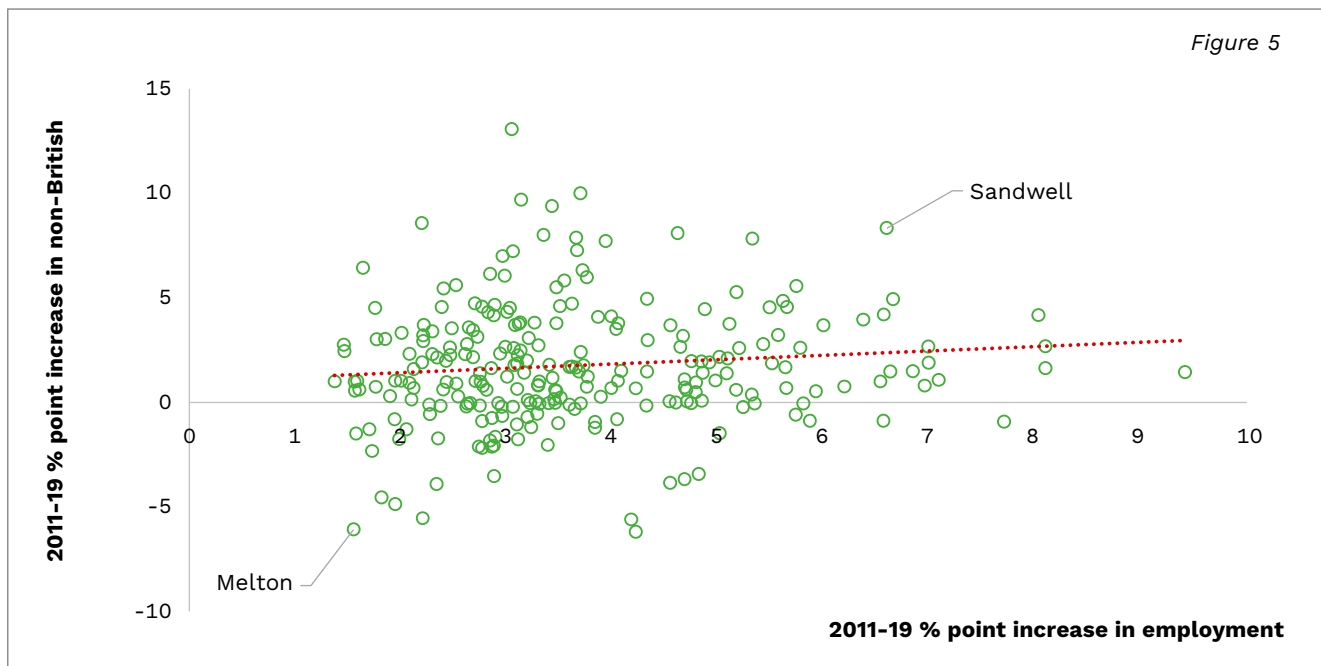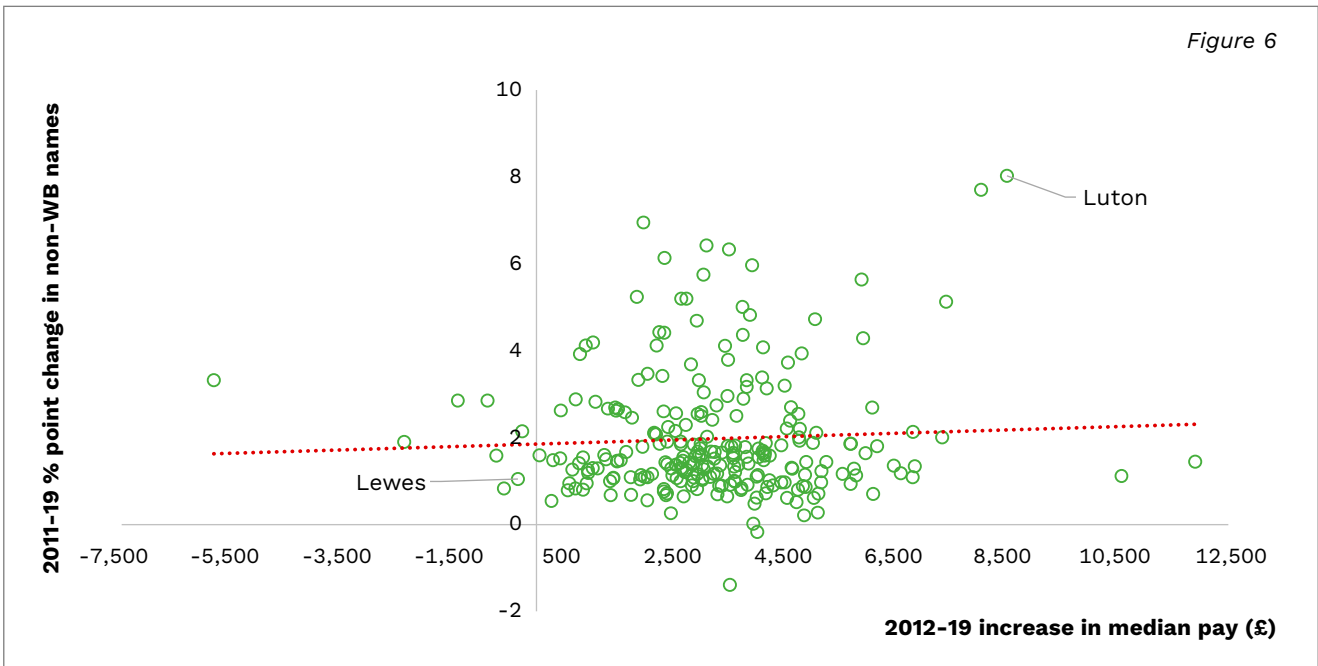

*Figure 5*

Figure 6

4.5 SALARY INCREASES

Rates of pay are the final criteria that we use in this report as a metric for levelling up during the 2010s. Our way of measuring this is based on the median average salary in each local authority.

This is a field where there is, once again, a connection between areas which prospered, in comparative terms, during the 2010s and those where diversity rose. Salary increases correlate positively with six of our seven measures for increasing diversity (see Table 3 at the start of this section).

Figure 6 shows, for instance, the relationship between rising median salaries over the 2012-19 period, and rises in the proportion with non-Anglo-Saxon/Celtic names – a figure which helps to indicate the area's ethnic diversity. Luton, picked out, saw both an £8,503 increase in the average salary between 2012 and 2019, and an 8.03 % point 2011-19 increase in the number with names not of Anglo-Saxon/Celtic heritage.

Places which prospered in comparative terms according to the pay metric include a wide range of different local authorities – from Bolton and Walsall to Cambridge and Warwick.

Local authorities with above average salary increases (Median OR Mean) *and* above average diversity increases across at least six of seven metrics: *Basildon, Bedford, Bolton, Brentwood, Broxbourne, Cambridge, Cherwell, Harlow, Hertsmere, Luton, Maidstone, Milton Keynes, Northampton, Nuneaton and Bedworth, Oxford, Salford, Sandwell, Spelthorne, Surrey Heath, Swindon, Tamworth, Telford and Wrekin, Thurrock, Walsall, Warwick, Watford, Wellingborough, West Berkshire, Wolverhampton.*
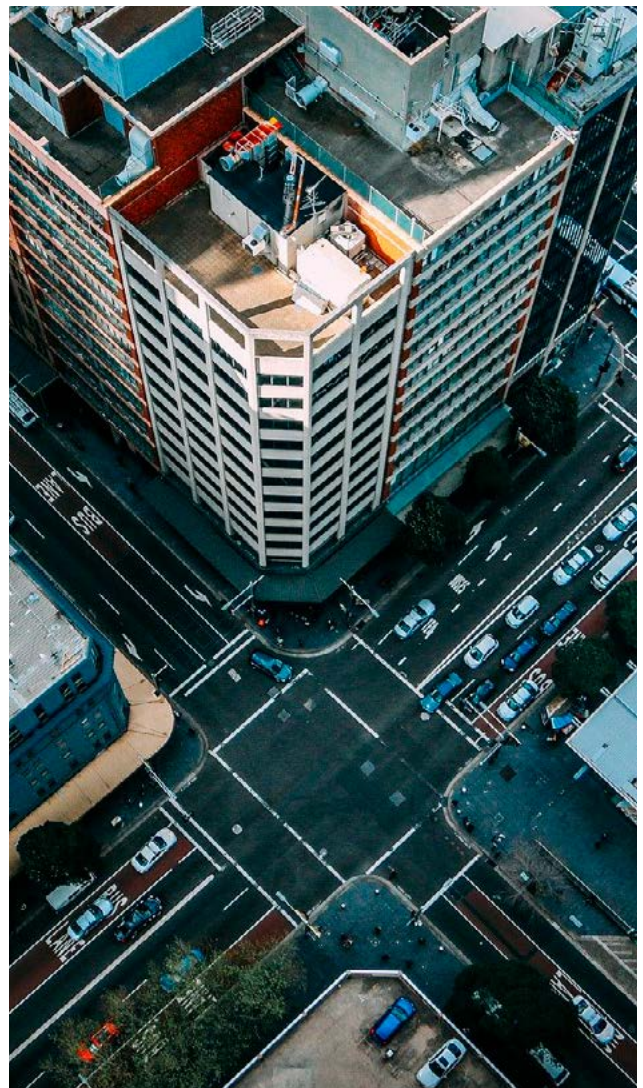
5. RECOMMENDATIONS

The outcomes in this report show parallels between rises in prosperity and rises in diversity, across parts of the UK away from big cities. Consistently, throughout a range of metrics, the authorities that recovered best after the recession were those which saw big demographic changes. The implication of this is that growing diversity is an inevitable part of increasing prosperity – and, potentially, a contributor to it.

There are three key implications from this which flow from this.

A. **Building resilience and diversity into the levelling up agenda.** The government must acknowledge the relationship between regional growth and demographic change; migration and growing diversity are part of any levelling up process. New migration arrangements and Home Office policies need to support the process by which communities get more diverse. In policy terms this means a clear cohesion and resilience element to the levelling up agenda, to help towns welcome new groups and to ensure that growth is inclusive.

B. **Targeted funding to support community infrastructure in changing places.** To successfully 'level up', the government must guarantee that demographic change is well-managed. This means ensuring that economic growth is accompanied by investment in infrastructure, to accommodate population increases and growing diversity. Failure to do so can easily swell into community tensions. This applies to housing (particularly in regards to HMOs), GP places, community facilities, school funding and a host of other local issues. Targeted national spending on community facilities and revisions to national funding formulas could help to provide the support needed.

C. **Inclusive language and policies from national government.** Levelling up cannot just be about economic growth. It must also ensure that communities can live well together, and that those living in a place have a decent standard of living. 'Lump of labour' rhetoric around migration at the national level is fundamentally at odds with the policies most likely to address regional inequality or to reduce deprivation in British towns. Likewise, if the government is serious about cutting regional inequality it must ensure that 'hostile environment' policies become a thing of the past.
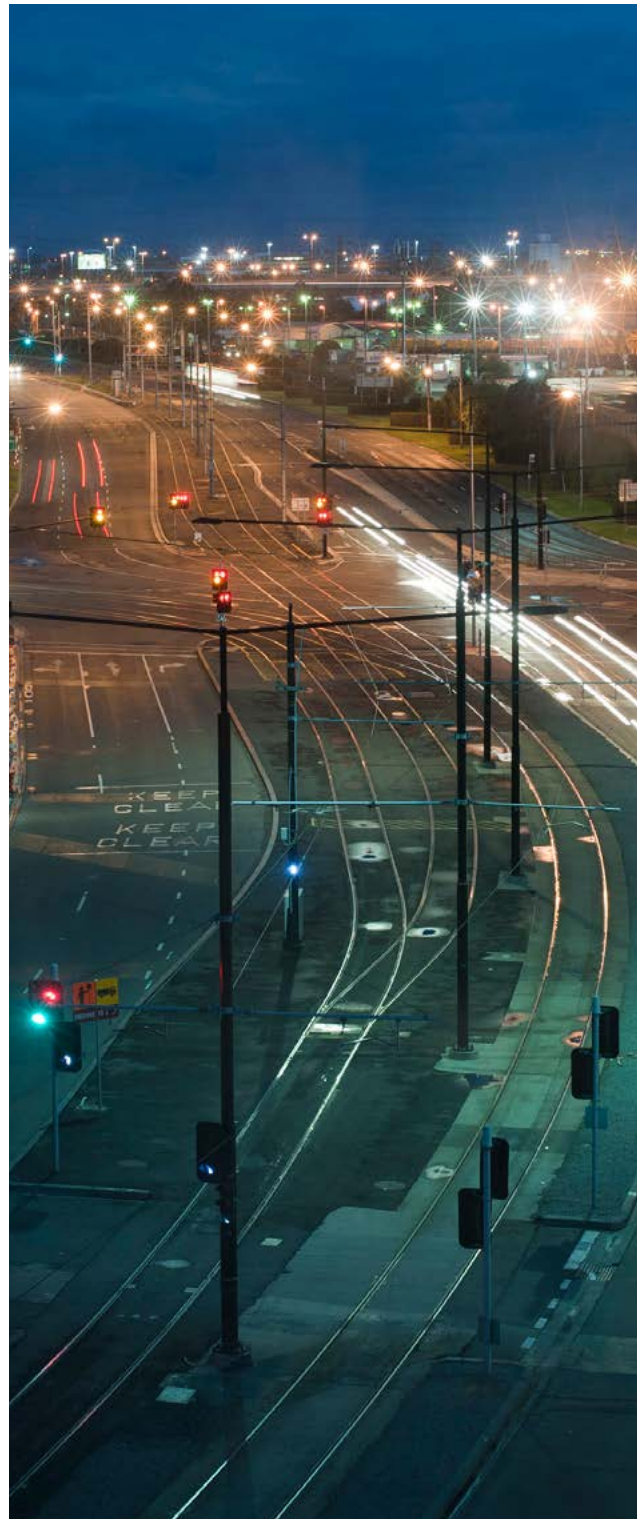
6. APPENDIX

APPENDIX A

For the purposes of this data we look at 285 lower level council areas across England and Wales. There are 51 'big city' authorities which we do not look at, which are listed below:

Hull, Derby, Leicester, Nottingham, Stoke-on-Trent, Bristol, Brighton and Hove, Southampton, Manchester, Liverpool, Sheffield, Newcastle, upon Tyne, Sunderland, Birmingham, Bradford, Leeds, City of London, Barking and Dagenham, Barnet, Bexley, Brent, Bromley, Camden, Croydon, Ealing, Enfield, Greenwich, Hackney, Hammersmith and Fulham, Haringey, Harrow, Havering, Hillingdon, Hounslow, Islington, Kensington and Chelsea, Kingston upon Thames, Lambeth, Lewisham, Merton, Newham, Redbridge, Richmond on Thames, Southwark, Sutton, Tower Hamlets, Waltham Forest, Wandsworth, Westminster, Swansea, Cardiff.

The reason for removing these authorities was that a central aim of 'levelling up' is to close the gap between larger conurbations, many of which have seen significant regeneration and investment, and smaller places further from economic centres of gravity. This research is therefore looking at how town areas with smaller populations did, when it came to stimulating growth and investment.

Although it is true that not every major city thrived during this timescale, we felt that once you begin to include very big cities, you are not necessarily comparing like with like. Challenges in Leicester, Liverpool or Lewisham may be severe, but the problems are distinct from elsewhere.

For this reason we focused on the same areas as those covered by Understanding Community Resilience in Our Towns – namely authorities outside Greater London, away from towns with over 250,000 residents.

APPENDIX B

In the table below is a list of the main data sources we have used to compile this research.

Table 4

Growth:	https://www.ons.gov.uk/economy/grossdomesticproductgdp/datasets/regionalgrossdomesticproductlocalauthorities (Table 7)
House prices:	https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/median-housepricefornationalandsubnationalgeographiesquarterlyrollingyearhpssadataset09
2010 IMD:	https://www.gov.uk/government/statistics/english-indices-of-deprivation-2010
	https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/6884/1871689.xls
2019 IMD:	https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019
	https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/833995/File_10_-_IoD2019_Local_Authority_District_Summaries__lower-tier__.xlsx
Unemployment:	https://www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/unemployment/datasets/modelledunemploymentforlocalandunitaryauthoritiesm01
Pay:	https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/placeofworkbylocalauthorityashetable7
	https://www.ons.gov.uk/file?uri=%2femploymentandlabourmarket%2fpeopleinwork%2fearningsandworkinghours%2fdatasets%2fplaceofworkbylocalauthorityashetable7%2f2019provisional/table72019provisional.zip
	https://www.ons.gov.uk/file?uri=%2femploymentandlabourmarket%2fpeopleinwork%2fearningsandworkinghours%2fdatasets%2fplaceofworkbylocalauthorityashetable7%2f2012revised/2012-revised-table-7.zip
Migration indicators:	https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/migrationwithintheuk/datasets/localareamigrationindicatorsunitedkingdom
Origins	Analysis of name origin in a given area

The decision to use Origins came because we wanted to look at diversity within the UK population as well as at newer migration, and it was hard to find ethnicity data beyond 2016 in a format which was comparable with 2011. Origins was developed by Webber Phillips and is based on analysis of names using commercial marketing data, using a file of around 5 million unique names, which have been coded. The figures we used were from 2011 and from the end of 2019. Confidence scores are attributed to names based on forenames and surnames, and certain groups of names that are harder to categorise are weighted using other data sources. The tool is used elsewhere by public and private sector organisations, and has the advantage of presenting a relatively up-to-date picture of changing dynamics within the population. The focus on nomenclature means heritage is taken into account as well as nationality.

APPENDIX C

The table below presents in more detail the deductions underpinning Table 3. For each levelling up metric it shows the average diversity increase for the top 50, the average for the bottom 50, and the difference between the two.

For example, the cell furthest to the top left shows the average 2011-19 percentage point increase in the non-British population, among the 50 local authorities with the highest growth (3.1%). The cell immediately beneath it shows the average non-British percentage point increase for the 50 authorities growing slowest (1.7%). And the cell beneath that shows the difference between the two (1.4%), demonstrating that places with high growth have seen almost twice as big an increase in their non-British population during the 2010s as places with low growth.

Table 5

	Non-British increases	NiNo overseas reg. increases	GP overseas reg. increases	Non-UK born increases	Increases in Births to non-UK mothers	Non-UK heritage proportion increases	Population transience
GDP per head: Top 50 diversity average	3.1	0.42	0.21	3.34	4.64	2.59	12.26
GDP per head: Bottom 50 diversity average	1.7	0.15	0.08	1.5	2.04	1.78	10.05
GDP per head increases – top 50 minus bottom 50	**1.4**	**0.27**	**0.13**	**1.84**	**2.6**	**0.81**	**2.21**
House prices: Top 50 diversity average	1.87	0.43	0.21	2.52	4.37	2.71	13.54
House prices: Bottom 50 diversity average	0.85	0.13	0.1	0.86	1.22	1.74	8.18
House price number increase – top 50 minus bottom 50	**1.02**	**0.3**	**0.11**	**1.66**	**3.15**	**0.97**	**5.36**
IMD score reduction: Top 50 diversity average	3.15	0.29	0.25	3.06	3.91	2.05	12.46
IMD score reduction: Bottom 50 diversity average	1.6	0.17	0.02	1.53	3.09	2.17	10.12
IMD score reduction – top 50 minus bottom 50	**1.55**	**0.12**	**0.23**	**1.53**	**0.82**	**-0.12**	**2.34**
Unemployment reduction: Top 50 diversity average	2.20	0.19	0.13	2.46	3.21	2.19	8.33
Unemployment reduction: Bottom 50 diversity average	0.77	0.2	0.08	1.3	2.18	1.57	11.78
Unemployment reduction % point – top 50 minus bottom 50	**1.43**	**-0.01**	**0.05**	**1.16**	**1.03**	**0.62**	**-3.45**
Pay increase: Top 50 diversity average	1.93	0.24	0.15	2.19	3.01	2.07	11.33
Pay increase: Bottom 50 diversity average	1.41	0.19	0.1	1.46	2.5	1.87	9.86
Pay increase (median) – top 50 minus bottom 50	**0.52**	**0.05**	**0.05**	**0.73**	**0.51**	**0.2**	**1.47**

Key: Positive correlation, Negative correlation, No correlation

HATE

HOPE

CHARITABLE

TRUST