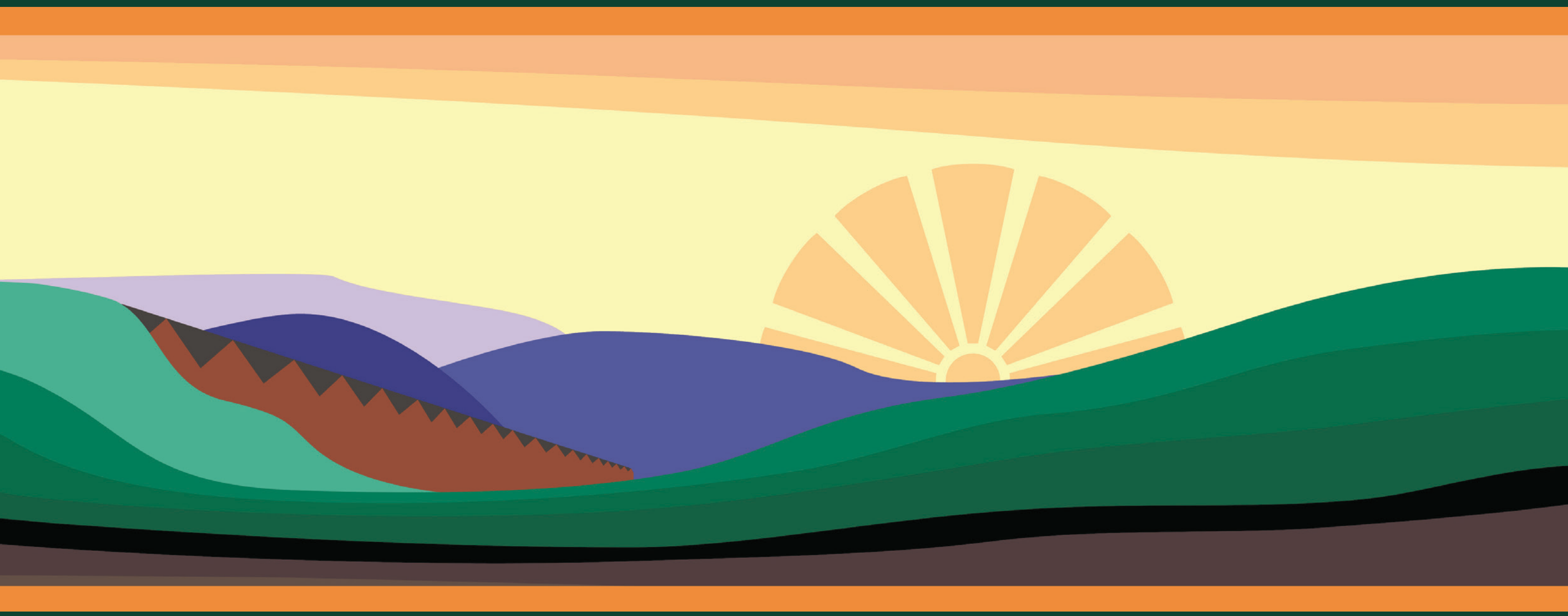
Next Steps in
Levelling Up the Former Coalfields



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All-Party Parliamentary Group on
Coalfield Communities

APPG Secretariat:

Industrial Communities **Alliance**

The Industrial Communities Alliance is the all-party association of local authorities in the industrial areas of England, Scotland and Wales.

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Recommendations

1. Stronger policies are needed to grow local economies in the former coalfields, including tackling high levels of economic inactivity.

2. Coalfield regeneration money returned to the Treasury should be recycled to support the Coalfields Regeneration Trust's programme of property investment.

3. There needs to be major investment in transport infrastructure in the former coalfields, particularly local rail connectivity and integrated public transport.

4. The UK and devolved governments should investigate geothermal mine water energy as a sustainable heating source across former coalfield areas.

5. The Coal Authority, funded by the UK Government, should cover the costs of dealing with coal tip safety in Wales.

6. The division of surpluses from the Mineworkers' Pension Scheme should be renegotiated in favour of retired miners, in line with the recommendations of the BEIS Select Committee.

7. CISWO should outline its strategic direction so that coalfield partners can scrutinise and better understand the organisation's aims and objectives.

8. The Lottery distributors should reassess their priorities and methods to bring their spending in the former coalfields much closer to the national average.

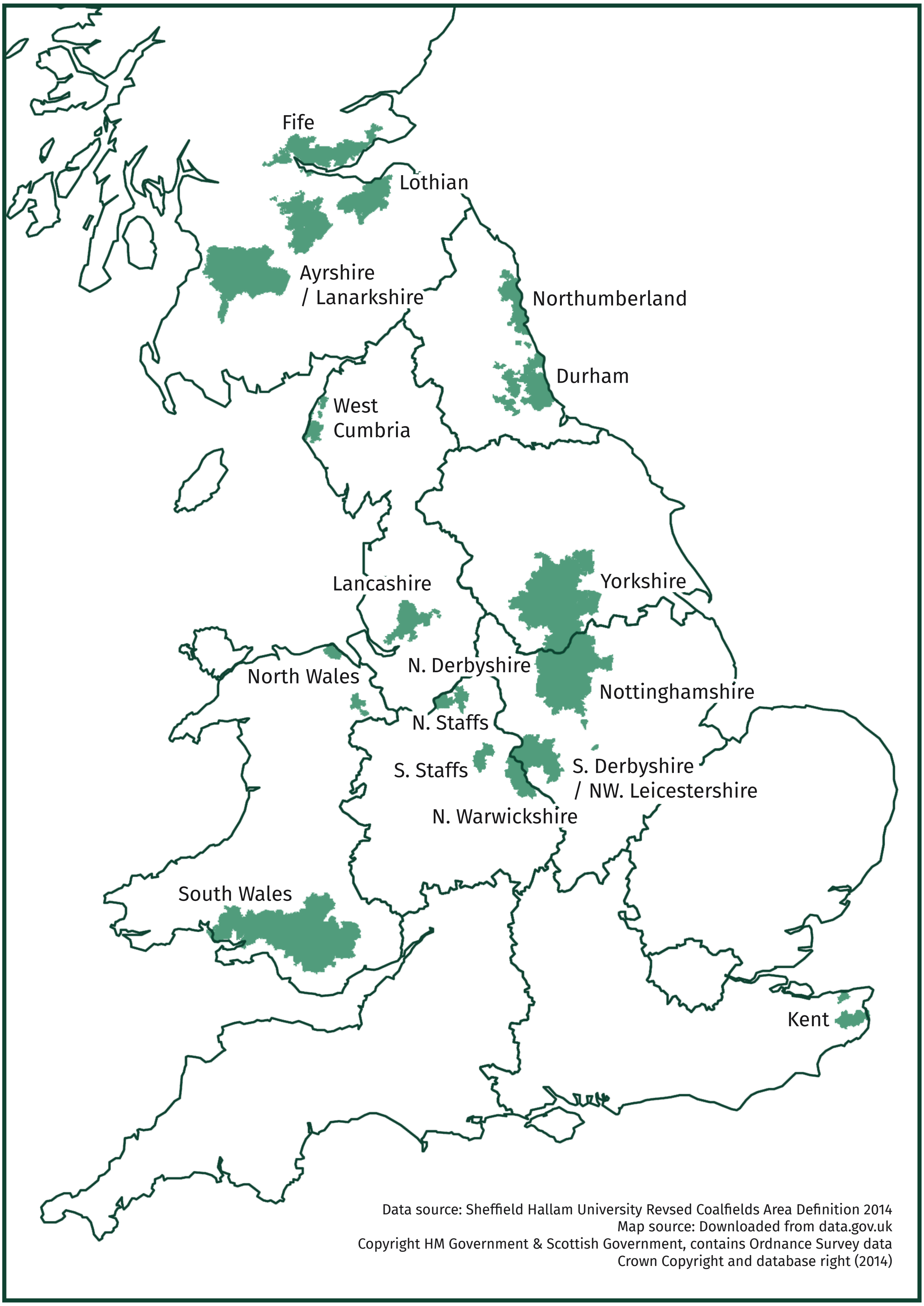
9. Levelling Up funds should be streamlined to create long-term, formula-driven, targeted funding.

10. The remit of Homes England should be amended to include industrial and commercial developments in areas of market failure.

11. There needs to be increased provision of high-quality, broad-skilled apprenticeships to put academia and vocational training on an equal footing.

12. Communities should be granted a statutory right to take ownership of assets of community value.

Figure 1: Location of the former coalfields



Data source: Sheffield Hallam University Revsed Coalfields Area Definition 2014
Map source: Downloaded from data.gov.uk
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1. Background to the Inquiry

The former coalfields are a distinctive part of Britain. Their long and proud history of mining developed unique local economies, cultures and landscapes. For many years, the coal industry shaped their way of life and its disappearance has raised concerns over the welfare of current and future residents.

Successive governments have addressed the economic and social problems caused by the decline of the coal industry. Significant progress has been made and many of the physical structures and scars of mining have now been removed. The miners' strike of 1984/85 is fading in popular memory, but the consequences of the upheaval caused by pit closures continue to be felt.

Put simply, the former coalfields continue to lag behind on a range of social and economic indicators[5]. Fundamental imbalances in labour markets, social mobility and health persist. While many other parts of the country have prospered, most coalfield communities are failing to keep up.

The former coalfields

Figure 1 shows the coalfields' location. This map, developed by Sheffield Hallam University and adopted by government, shows the parts of Britain where at the start of the 1980s, before the final round of closures, coalmining was still a major employer. In a number of additional places the industry had already disappeared by this point.

Nearly all the former coalfields are in the Midlands, North, Scotland and Wales. They generally lie away from the big cities, in and around the towns and villages that provided the workforce for the mines and grew prosperous on the back of the industry. The biggest single coalfield, starting just east of Leeds and Sheffield in Yorkshire and running south via Derbyshire to just north of Nottingham, has a population of 2 million. The South Wales coalfield, to the north of Cardiff and Swansea, is home to a further 750,000.

In total, on these boundaries the former coalfields of England, Scotland and Wales have a present-day population of 5.7 million – roughly the same as a typical English region, a little more than the whole of Scotland and far more than the whole of Wales[6]. They are too big to be ignored.

5 C Beatty, S Fothergill and T Gore (2019) The State of the Coalfields 2019, Centre for Regional Economic and Social Research, Sheffield Hallam University.

6 The State of the Coalfields 2019, op. cit.

APPG on coalfield communities

The All-Party Parliamentary Group (APPG) on Coalfield Communities is made up of MPs from constituencies in the former coalfield areas of England, Scotland and Wales.

Chair: **Alex Davies-Jones (Lab, Pontypridd)**
Vice Chairs: **Aaron Bell (Con, Newcastle under Lyme)**
Douglas Chapman (SNP, Dunfermline and Fife West)
James Grundy (Con, Leigh)
Sharon Hodgson (Lab, Washington and Sunderland West)
Stephanie Peacock (Lab, Barnsley East)
Christina Rees (Ind, Neath)
Owen Thompson (SNP, Midlothian)
Beth Winter (Lab, Cynon Valley)

The purpose of the APPG is to help promote the economic, social and cultural development of the UK's former coalfield communities by bringing together MPs, external stakeholders and others to develop credible proposals for further regeneration.

The Secretariat of the APPG is provided by the Industrial Communities Alliance, the all-party association of local authorities in the industrial areas of England, Scotland and Wales.

The Inquiry

The APPG launched its Inquiry into *Next Steps in Levelling Up the Former Coalfields* in November 2022 with the aim of identifying a contemporary agenda for the regeneration of the former coalfields in England, Scotland and Wales.

June 2023 marks twenty-five years since the UK Government published its *Coalfields Task Force Report*[7], which with the active support of past and present members of the APPG went on to shape many of the subsequent interventions to support mining communities. Much has changed since then, in the former coalfields and more generally in the national economy. But as the 2019 *State of the Coalfields* report documented only too clearly, the loss of coalmining jobs still casts a long shadow[8].

The APPG therefore felt it was time to take a fresh look at the needs of the former mining communities and to try to steer policies to improve the lives of residents, these days only

7 Coalfields Task Force (1998) Making the Difference: a new start for England's Coalfield Communities, Department of the Environment, Transport and the Regions, London.

8 The State of the Coalfields 2019, op. cit.

a minority of whom once worked in the coal industry. The interventions so clearly needed twenty-five years ago are not necessarily those needed today.

Levelling Up remains a UK Government priority of course, and one for which funding is in place until the next Spending Review due in 2024. Working out what should come next, and how it might benefit the former coalfields, is crucial to continuing the story of coalfield regeneration and helping communities to thrive.

The APPG issued a call for written submissions in response to fourteen questions agreed at the Group's meeting earlier in November. The Group recognised that there has often been substantial investment in regeneration so the fourteen questions were intended to gather views on the progress that has been made and on the challenges that still remain. The responses would then allow the development of a contemporary 'ask' of government and other key players. The conclusions of the Inquiry would also help shape the agenda of the APPG moving forward.

A wide range of stakeholders were contacted and invited to submit evidence. These included all local authorities covering the former coalfields, voluntary and community groups, and representatives of the business sector.

The APPG received over 70 submissions, including from local councils, the Scottish and Welsh Governments, the business sector, voluntary organisations, campaign groups and a number of individuals. A full list of the organisations and individuals submitting evidence is included in the appendix. The Group is immensely grateful to those who took the time to respond.

2. Responses to the Inquiry

Q.1. Most former coalfields still lag behind on a range of social and economic indicators. What do you consider to be the most significant problems?

Many respondents identify the local economy as the central problem facing the former coalfields. Whilst substantial progress has been made and mass unemployment is no longer the main problem, in many respondents' view the former coalfields still face significant economic challenges.

As Barnsley Council put it "the dominance of a single primary industry in the borough left us behind the starting line in the national structural shift towards a knowledge and service driven economy".

In the former coalfields, wages are below average, job growth lags behind the big cities, and there are large numbers out of the labour market on incapacity benefits. On indicators such as Gross Value Added (GVA) per head the overall productivity of the local economy is far behind the best parts of the country. A common issue reported by respondents to the inquiry is a low skills base and limited availability of higher skilled, higher paying jobs.

These observations from around the country are consistent with data from the 2019 *State of the Coalfields* report:

- Since the financial crisis, a 7.6 per cent increase in the number of jobs in the former coalfields compared to 9.8 per cent in the main regional cities and 14.7 per cent in London
- In the former coalfields as a whole there are just 55 employee jobs for every 100 residents of working age, compared to 84 for every 100 in the main regional cities
- The incapacity benefit claimant rate in the former coalfields is almost double the rate in South East England
- Only 30 per cent of the residents of the former coalfields have degree-level qualifications, compared to the GB average of 39 per cent
- More than half (53 per cent) of all employed residents in the former coalfields work in manual jobs, compared to a GB average of 44 per cent
- In the former coalfields, average earnings for men are 8 per cent below the national average, and 10 per cent below for women

In terms of GVA per head, a number of sub-regions covering the former coalfields have particularly low figures, including Derbyshire/Nottinghamshire at 78 per cent of the UK average, Sheffield City Region at 69 per cent and West Wales & the Valleys at just 63 per cent[5]. The low figures mainly reflect low employment rates and an excessive dependence on low-productivity industries and low-skill occupations.

One consequence is that the former coalfield areas have high levels of deprivation – according to the *State of the Coalfields* report, 42 per cent of neighbourhoods are in the most deprived 30 per cent in Britain. This is often reflected in poorer health. The *State of the Coalfields* report again:

- Average life expectancy in the former coalfields is a full year less than the national average, and two years less than in London

- 38 per cent of all coalfield residents aged 16+ report health problems lasting more than 12 months

- Approaching 9 per cent of the entire population of the former coalfields claim disability benefits (DLA or PIP)

East Ayrshire Council's assessment is that "multiple problems relating to economic and social deprivation remain a defining characteristic of our former coalfield areas...... The performance of these areas has been consistently below the regional and national averages".

Submissions from the Coalfields Regeneration Trust and from St Helens, North Lanarkshire and Stirling councils among others, expressed concern that the rising cost of living will exacerbate existing problems and that without new investment in the local economy, underperformance will become entrenched. There is also a view, expressed by the Industrial Communities Alliance, that if the problems of the coalfield economy are addressed many other problems – from child poverty to low demand for retail space on the high street – will ease.

Durham County Council summed it up: "many smaller towns and villages across the county have become stuck in a downward spiral of worklessness, low incomes, debt, poor quality housing, poor health and a general lack of investment. These circumstances reinforce negative stereotypes......".

5 C Beatty and S Fothergill (2019) Local Productivity: the real differences across UK cities and regions, CRESR, Sheffield Hallam University.

Q.2. Have the job losses from the coal industry now been fully replaced by new jobs in other sectors?

There has unquestionably been progress in replacing jobs lost from the coal industry. It is worth bearing in mind, however, that even before the pit closures of the 1980s and 90s most coalfield areas started off with high unemployment, often as a result of job losses in earlier years.

Job growth in a number of former coalfields has been commendable, especially in some parts of the Midlands. More recently, over the pandemic, Barnsley Council reports a growth in employment fuelled by the expansion of warehousing and online retailing.

The *State of the Coalfields* report identified the smaller coalfields of South Staffordshire, North Warwickshire, Kent, S Derbyshire/NW Leicestershire, Lothian and North Wales as places that in terms of job numbers seemed to be well on the way to recovery. Elsewhere, especially in the larger coalfields, progress has been less impressive. The report noted that to bring employment rates in the former coalfields up to the level in South East England would require:

- 45,000 extra residents in work in Yorkshire
- 38,000 extra residents in work in South Wales
- 32,000 extra residents in work in Durham

The report also noted that the main reason why employment rates in the former coalfields are not still further behind regional and national averages is that so many coalfield residents travel to work in neighbouring areas and further afield – an estimated net outflow flow of 370,000.

Unsurprisingly, the view of many respondents to the Inquiry is therefore that there remains a fundamental imbalance in coalfield labour markets. This is rarely reflected in unemployment data but is clearer in data on economic inactivity. East Ayrshire Council, for example, say that unemployment statistics tend to mask high levels of 'hidden unemployment' in their area, where substantial numbers have migrated to incapacity benefits. Similarly, Barnsley Council highlight that a quarter of working age residents are not engaged in the labour market. In most former coalfields, the numbers out of the workforce on incapacity benefits are especially high – across the coalfields as a whole, an average of 8.5 per cent (that's one-in-twelve) of all 16-64 year olds according to recent figures[6].

6 C Beatty and S Fothergill (2021) Beyond the Pandemic: older industrial Britain in the wake of the crisis, CRESR, Sheffield Hallam University.

Many of the new jobs are concentrated in certain sectors, particularly warehousing and logistics, health and social care, and retail. A reliance in some places on a small number of large employers can be a vulnerability, especially where lower-skilled work might be replaced by automation. Manufacturing still plays an important role in many coalfield economies but high value-added service sector jobs are few in number.

While some high streets struggle, town centre businesses continue to provide jobs. However, some businesses continue to trade despite anecdotal evidence that incomes are low. Despite below average start-up rates, respondents such as South Yorkshire Chambers of Commerce highlight SME growth as important in building resilience.

Q.3. Are the new jobs of an adequate standard in terms of pay, conditions and opportunities?

There is a widely held view that the quality of newly created jobs leaves a lot to be desired. For example, the Local Enterprise Partnership in Derbyshire and Nottinghamshire (D2N2) reports that "employment opportunities......are lower paying than former coalmining jobs, with possibly higher working hours". Bolsover Council describes pay and employment terms in many newly created jobs as "basic".

The growth of warehousing, especially in Yorkshire and parts of the Midlands and North West, has been particularly significant. The majority of submissions expressed concern over these jobs in terms of pay, working time and conditions. Aside from manufacturing, the private sector is often characterised by low-wage services.

Many submissions argued that these are not meaningful alternatives to the skilled jobs that have been lost. Local authorities such as Bolsover note that the demanding and irregular nature of this work has prompted a reliance on migrant workers, creating tensions with local communities. Some feel this has discouraged employers from up-grading pay and conditions, and even deterred them from recruiting local workers, especially those who are older and less physically fit.

There have been success stories, however. National and international investments, such as the Toyota factory in South Derbyshire, which employs more than 3,500 people, have created skilled employment. Similarly, the conversion of former colliery sites into industrial and business parks has offered opportunities for growth.

Q.4. Has the environmental legacy of the coal industry - spoil heaps, dereliction, pollution - finally been rectified, or are there still outstanding problems?

The reclamation of former coalfield sites is seen as one of the bigger success stories. In England, the National Coalfields Programme initiated in the mid-1990s reclaimed over a hundred sites. Yet while the worst of the coal industry's physical legacy has been addressed there appear to be specific issues still requiring attention.

Blaenau Gwent and Rhondda Cynon Taf councils report flooding from the failure of coal tip drainage, landslides and the pollution of watercourses. Blaenau Gwent also reports gas leakage from abandoned mines. Across Wales as a whole, 327 coal tips have been identified as at 'higher potential risk' of landslides[7]. The Welsh Government commented that "the Tylorstown landslide (in February 2020) was a stark reminder of the potential risks for our communities, environment and infrastructure still posed by Wales' past mining industry".

The Coalfields Regeneration Trust argues that in the context of coal tip safety in Wales there are issues of "outdated legislation as well as a significant financial burden" and notes that in England these responsibilities would lie with the Coal Authority, funded by the UK Government. At present, legislation places the full responsibility with the Welsh Government.

Fife Council notes that the "unseen legacy" of coal mining, such as subsidence, poses risks and can require costly stabilisation work prior to development. Several local authorities report that while some former colliery sites have been transformed into nature reserves and areas of outstanding beauty, insufficient investment remains a barrier to attracting visitors and boosting local development. There is also concern among some authorities, such as Nottinghamshire County Council, that reclaimed sites are being abused by off-road vehicles and other anti-social behaviour.

Q. 5. Is the physical infrastructure for local economic growth now in place, or are there important gaps that need to be plugged?

Development of the road network in former coalfield areas has made significant progress. The submissions report that where investment has been made in unlocking former mining land, businesses and job opportunities have followed. However, some submissions also note that the inherited townscape can restrict the scope for the installation of bus and cycle lanes.

Durham County Council's successful development of a new station at Horden underscores the benefits of connectivity to former mining communities. Nevertheless, they add that "this took more than a decade of planning and future public investment here needs to be balanced against the needs of other places in the county".

7 Source: Welsh Government data on disused coal tips.

It is a widely held view among respondents to the Inquiry that poor connectivity still holds back many communities, with rail links a key infrastructure deficit. For instance, Allerdale Council call for urgent investment in rail connectivity across the whole of West Cumbria to provide a reliable service for residents and visitors. The council notes that “timetable restrictions mean the service is not hourly with timetable gaps at the key interchange of Carlisle”. Similarly, Mansfield Council raise concerns over poor rail infrastructure, which they say is leaving many communities isolated.

Poor rail links hamper connections with the main cities, within the former coalfields themselves, and within multicentric urban areas such as North Staffordshire. Some local authorities flag up the need for better dialogue with the Department of Transport and a desire for greater control over public transport.

Whilst Nottingham County Council reports high levels of digital connectivity, the Coalfields Regeneration Trust notes that many coalfield communities are still hampered by poor mobile phone reception and broadband access.

Q.6. Is a reliance on job growth and services in neighbouring cities a viable way forward?

Respondents to the Inquiry were near unanimous that the city-led approach to regeneration and growth has failed former coalfield communities.

Wigan Council said “place-based trickle down economics does not work as a strategy in the same way as it does not work on a macro-economic level. While there may be some benefits in terms of property development, land prices and attracting residents in some areas to our borough as a result of their proximity to Manchester, we remain a feeder for the cities…….It is not sustainable to rely on neighbouring areas for our economic success and we have to fulfil our own economic destiny”.

The increase in commuting has put a strain on local transport infrastructure. Blaenau Gwent Council, for example, states that low car ownership, inadequate buses and high rail fares prove prohibitive. Wakefield Council highlights that while its city centre is well connected by road and rail this does not apply to surrounding towns and villages, so residents are less able to rely on jobs and services outside their local communities. In some parts of the country, such as West Cumbria and Ayrshire, where the nearest cities are many miles away, reliance on city-led growth is simply unrealistic.

The transformation of many coalfield communities into commuter towns and the migration of services to urban centres has in the view of some respondents resulted in a decline in local vitality. Commuting has created a social disconnect among residents. East Lothian Council, for example, reports a decline in community ties and increased feelings of isolation, particularly among vulnerable residents.

Q.7. Is the private sector willing to invest in industrial and commercial floorspace without support from the public sector?

Private sector investment is seen by respondents as vital to economic growth in the former coalfields. However, property rents are often low, offering smaller returns on investment, and brownfield sites usually have upfront costs. A shortage of industrial and commercial property leaves coalfield communities in a catch-22 situation: the private sector won't invest on a speculative basis because the local economy is too weak, but the shortage of good quality premises constrains local business growth.

The majority of submissions, such as those from Rhondda Cynon Taf, Swansea and North Tyneside councils, emphasised that gap funding is crucial to delivering private investment in industrial and commercial floorspace. The Scottish Government reported that it is "working to revitalise former industrial sites so that they can be transformed into new homes, offices and public spaces" through programmes including its Vacant and Derelict Land Investment Programme. However, the current Levelling Up funds available from the UK Government are too limited in duration to allow major capital developments. Local authorities stress the need for significant and flexible gap funding to make sites commercially viable.

Referring to its former coalfield, Fife Council says "without further significant investment the under-performance of the Mid-Fife economy will be further entrenched and the area will continue to be less attractive to potential investors and local businesses seeking to grow".

The APPG has previously received presentations from the Coalfields Regeneration Trust (CRT) on its programme of property development. This involves building small industrial units in the heart of the former coalfields – a segment of the market that private-sector developers usually avoid – which helps grow local employment and generates a financial surplus that is then recycled to provide grants to community projects. Further developments of this kind require gap funding and the CRT has identified coalfield regeneration funds that have been returned to the Treasury as a possible source of funding for a pilot scheme to scale up this work.

Q.8. Former miners are a dwindling group, but are their distinctive needs (including health) being adequately met?

Respondents highlighted the health needs arising from working in the coal industry, social and mental well-being, and financial issues relating to the Mineworkers' Pension Scheme.

There have been successful health initiatives in former coalfield areas, notably the Breathing Space centre in Rotherham, established with help from the Coalfields Regeneration Trust, which provides respite care and support. Submissions from smaller communities report shortages of local healthcare services - Bestwood Village Parish Council in Nottinghamshire states that villagers have to travel to access GP practices, which is a challenge for some older and less mobile residents.

Mental health and social isolation, as with many elderly residents in general, are identified by East Lothian and Bolsover councils as issues affecting many older miners. It was noted by the Coalfields Regeneration Trust that the support to tackle loneliness and isolation among former miners, delivered by CISWO and funded by the South Wales Miners' Welfare Trust Fund, has ended.

A number of submissions, including those from MPs Grahame Morris and Stephanie Peacock, argued that former miners have been short-changed by the division of surpluses from the Mineworkers' Pension Scheme. The Treasury has accumulated billions of pounds as its share of the surpluses in exchange for what is considered to be a modest risk in underwriting miners' pensions. The National Mineworkers' Pension Campaign calls for the present 50/50 division of surpluses from the Mineworkers' Pension Scheme to be reviewed in favour of pensioners – a call endorsed in 2021 by the BEIS Select Committee[8].

Q.9. Are young people in the community able to access the training and education they need?

The evidence on secondary education in England, from the *State of the Coalfields* report, is that the local education authorities covering the former coalfields deliver GCSE results that are broadly in line with the national average, though some (such as Barnsley and Doncaster) lag a little while others (Durham and Nottinghamshire for instance) are fractionally ahead[9].

However, the 30 per cent of working-age coalfield residents educated to degree level or above compares unfavourably to just over 50 per cent in London[10]. Rather than low levels of participation in higher education among school leavers from the former coalfields, this seems most likely to reflect the nature of the local jobs on offer. Graduates move to where graduate-level jobs are available, and there simply aren't that many in the former coalfields.

Many local authorities say they are keen to improve education opportunities and several cite programmes to provide skills training to young people. The think-tank Demos, based on their research in Mansfield, reports that young people feel they "face a binary choice: going away to university or finding a job locally" and that it isn't clear what courses or local jobs are available and where they might take them in future.

Some local authorities, such as Wrexham and Wigan, say they are well served by local FE institutions. On the other hand, less well-connected places report that young people have to travel long distances to access education or indeed leave entirely. Derbyshire County

8 Business, Energy and Industrial Strategy Committee (2021) Mineworkers' Pension Scheme, House of Commons, London.

9 The State of the Coalfields 2019, op.cit.

10 The State of the Coalfields 2019, op.cit.

Council is among those identifying transport connectivity as an obstacle to accessing further education and training.

Across the former coalfields as a whole, the view of respondents to the Inquiry is that satisfactory vocational training and apprenticeships can be hard to find, contributing to the shortage of skilled workers across the economy.

Q.10. Is there a distinctive role for the former coalfields in the development of the 'green' agenda?

Several respondents express a hope that a green transition could be a catalyst for creating new high-skilled, well-paid jobs, particularly in communities that still feel the impact of deindustrialisation. In South Tyneside, for example, support services for offshore wind are a source of job growth. However, the Coalfields Regeneration Trust notes that "there still remains a need for specifics and action in order to ensure that the former coalfields can benefit from the green revolution". Bringing large scale green projects to fruition, such as the presently thwarted plans for a battery factory in Northumberland, offered £100m in aid, can also require substantial public investment.

Some submissions, such as those from Wrexham Council, the Coalfields Regeneration Trust and the D2N2 Local Enterprise Partnership, highlighted coalfield communities' proud history of powering the UK. However, there is also recognition that former mining areas are not guaranteed a leading role in the green economy.

One potential area where coalfields may have a distinctive role is in using water from abandoned mines for geothermal district heating. Technically, this is a real possibility. Several places express an interest in preliminary exploration of geothermal energy, which could provide low-cost and low-carbon heating to homes and businesses. The British Geological Survey and Coal Authority have estimated that a quarter of homes and businesses in the UK are situated above former coal mines[11].

Preliminary investigations in Gateshead suggest that mine water is capable of heating up to 1,250 new private homes, a care home, Gateshead International Stadium and other council-owned buildings. Wigan Council, however, notes that "currently there is not the interest within the private sector to progress and deliver and if we wanted to spearhead this ourselves we will need significant government support".

South Yorkshire Mayoral Combined Authority argues that the scaling up of the UK's recycling industry could provide opportunities for former coalfield communities. Fife Council notes that areas around former mines can be well suited to host wind turbines, solar arrays, battery storage and waste-to-heat facilities.

11 Coal Authority (2022) Mine water heat, GOV.UK (www.gov.uk)

Q.11. Do local authorities have the powers and funding they need to support local communities?

There is unanimity that the ability of local authorities to support communities has been significantly impacted by a decade of funding cuts. Barnsley Council's analysis is that their funding from central government has been cut by 50 per cent in real terms since 2010. Wigan Council calculate that their loss works out at £484 per person. Submissions report that statutory services have had to be given priority over other initiatives.

It is also a widely expressed view that the over-centralisation of power in the UK has had a detrimental effect on local, regional and devolved governance. The short timescales involved in putting together bids for multiple pots of Levelling Up funding work against the development of effective long-term regeneration plans, and tight spending windows prevent the implementation of most capital projects.

Bolsover Council commented that "a lot has been achieved at local level but through local action with diminishing amounts of funding in the face of austerity and budget cuts".

Many responses state that local leaders would welcome greater flexibility to collaborate with neighbouring authorities, and with the private and voluntary sectors, on initiatives where there are shared aspirations and objectives. However, there are concerns over the cost of new responsibilities. Ultimately, new powers without funding are of limited value.

Q. 12. Has Levelling Up funding from the UK government properly targeted the needs of the former coalfields?

Data from government[12] shows that, on a per capita basis, Levelling Up funding as a whole has been skewed to the less prosperous regions and nations of the UK. These include the areas where most of the former coalfields are located. The strong targeting of the UK Shared Prosperity Fund, in particular, is welcomed.

However, the Levelling Up Fund itself is seen in submissions from Wigan and Barnsley councils and others as having been poorly managed and is given as an example of poor targeting. Stoke-on-Trent Council, for example, makes it plain that "competitively bidding for finite pots of money does not feel like an adequate solution to what the Levelling Up White Paper openly admits are a set of entrenched structural problems.......which conspire to hold economically deprived areas back". According to the Welsh Government, only 11 out of 43 bids made by Welsh authorities in the second round of the Levelling Up Fund were successful. The competitive nature of this fund and other funds mean that some local authorities find it difficult to engage in the application process.

12 Figures released by DLUHC to the Chair of the Levelling Up Select Committee, 22 June 2022.

The view of the Local Enterprise Partnership in Derbyshire and Nottinghamshire (D2N2) is perhaps typical in arguing that “while the additional funding awarded through the Community Renewal Fund and UK Shared Prosperity Fund enabled local authorities to address the needs of local communities, the level of funding is not commensurate with the scale of the challenges”.

The haphazard scheme-by-scheme and area-by-area approach of recent funding is identified by several submissions from local authorities as detrimental to rebalancing the UK economy and making a strong case for a new approach and simplification of funding streams. Fair, formula-based and highly targeted long-term funding is viewed as vital.

Q.13. What should be the 21st century role for the physical and institutional structures - welfares, institutes, playing fields etc. - once linked to the coal industry?

Submissions from community groups emphasise that the assets associated with the coal industry remain popular and crucial to social welfare. These facilities are often accessible by foot, making them especially important in areas with poor public transport and low car ownership. Many local authorities continue to support the revitalisation of welfare institutes.

However, the Coalfields Regeneration Trust reports that over half of all coalfield community assets have been lost in recent years and the rate of closure has increased since the pandemic. “It is clear that existing institutional structures, designed to preserve these community assets, have failed to ensure their survival”, says the CRT.

Several submissions remark on the good work done by the Coal Industry Social Welfare Organisation (CISWO). However, the Industrial Communities Alliance reports its member authorities’ view that “the priorities and requirements of CISWO can prove to be an obstacle” in redefining and reinvigorating local schemes in the post-coal era. When land or buildings are sold off by CISWO the monies appear not to be retained locally or returned to charitable bodies that have previously made a financial input.

Local Trust, which disburses Lottery funding in ‘left behind’ neighbourhoods, argues that there should be a Community Right to Own, whereby local communities have a statutory right to buy spaces that have been registered as assets of community value.

It is disappointing that CISWO did not take the opportunity to respond to the present Inquiry.

Q.14. How might identity, pride and heritage in coalfield communities be best maintained in the future?

Former mining communities are proud of their heritage and there is a real desire to ensure that coalfield identity and memory are preserved for future generations. Examples range from the Tredegar Heritage Centre – the 'birthplace of the NHS' – to the national coal mining museums in Wakefield, Midlothian and Torfaen.

Several places are keen to grow their cultural, historic, and tourist initiatives, with many expressing pride in local attractions but stating there is often a lack of funding and capacity. As a result, local residents are too often burdened with heritage preservation on a voluntary basis. The Welsh Government points out that many sources of local pride across Welsh mining regions are now sustained by volunteers, while Bestwood Village Parish Council in Nottinghamshire reports that despite the village's status as a conservation area they receive no additional funding for heritage preservation. As a result, the financial burden for such undertakings invariably falls on local residents.

There is a general sense from respondents that National Lottery funding could be better targeted because, on a per capita basis, it has short-changed most coalfield areas. North Lanarkshire Council, for example, reports that "despite being an 'area of focus' for Lottery Distributors over the past four years, coalfield and other industrial communities have as yet been unable to access a proportionate share of Lottery funding".

There is an argument that given the emphasis on Pride in Place in the UK government's the Levelling Up agenda, investment is required to reinvigorate coalfield areas around a shared 'cultural vision'. Nevertheless, the vision should not be too backward looking. Bolsover Council and South Derbyshire CVS, for example, express concern that the term 'former coalfields' fails to resonate with many young people and undervalues communities' resourcefulness. Coalfield heritage must be relevant to the 21st century and 'move with the times', they argue.

3. Recommendations

The recommendations below are grouped into two categories: those specific to the former coalfields (Recommendations 1-8) and those relevant to the former coalfields but with wider applicability (Recommendations 9-12).

The local economy

The strongest message from submissions to the Inquiry is that the economy of the former coalfields is still in need of support. There are too many poorly paid low-skilled jobs, there are too many men and women out of the labour market on benefits, and trickle-down from job growth in the big cities isn't working.

Growing the local economy requires action across a broad front: infrastructure investment, support for businesses, investment in skills, training and R&D, and targeted funding. As pit closures retreat into the past, Westminster and the devolved administrations should not be lulled into thinking the economic and labour market consequences for communities have all disappeared.

RECOMMENDATION 1
Stronger policies are needed to grow local economies in the former coalfields, including tackling high levels of economic inactivity.

Small business units

Small firms have an important role to play in growing the local economy. But to develop and grow they also need suitable premises.

The Coalfields Regeneration Trust has developed a successful investment model. It invests in new units for small firms and then re-cycles a portion of the rental income to deliver programmes and funding to benefit former coalfield communities. The CRT has also identified a potential source of new funding in the money unexpectedly returned to the Treasury from the wind-up of the former Coalfields Enterprise Fund and Coalfields Growth Fund – some £13-15m in total. This is already 'coalfield' money, and when match-funded by CRT would create a pot worth around £30m to begin to scale up this work to develop small business units.

RECOMMENDATION 2
Coalfield regeneration money returned to the Treasury should be recycled to support the Coalfields Regeneration Trust's programme of property investment.

Transport

There is a widespread view that investment in transport infrastructure is one of the keys to unlocking local economic prosperity. Better transport links are good for businesses and allow coalfield residents to access jobs.

Whilst spending on HS2 and the planned HS3 in Northern England grabs the headlines, there has been a tendency to lose sight of the smaller-scale investment in local rail links and bus services that would make the biggest differences to the job opportunities and daily lives of many coalfield residents. The South Wales Metro, linking the Valleys and Cardiff, is an ambitious scheme that points the way for other former coalfield areas.

RECOMMENDATION 3
There needs to be major investment in transport infrastructure in the former coalfields, particularly local rail connectivity and integrated public transport.

Mine water heating

There is a desire for the former coalfields to play their part in the transition to a green economy.

The distinctive asset that the coalfields can bring to bear is the potential for geothermal heating from water in abandoned mines. This is an opportunity to provide a sustainable and reliable low-cost warmth for many communities across the former coalfields with little or no associated carbon footprint. It also has the potential to provide significant higher-skilled employment opportunities.

RECOMMENDATION 4
The UK and devolved governments should investigate geothermal mine water energy as a sustainable heating source across former coalfield areas.

Coal tip safety

There is a problem in Wales. In the Valleys, colliery spoil was often tipped on the hillsides. These tips are in many cases now at risk of slippage, posing a risk to life and property. Memories of the Aberfan disaster of 1966 have not dimmed.

It is anomalous that the Welsh Government should be financially responsible for addressing coal tip safety. The Coal Authority, established at the time of privatisation and funded by the UK Government, takes full responsibility for just about all the coal industry's other environmental legacies – water pollution from abandoned mines, gas leakages and pit shaft safety for example. The Welsh Government is to be praised for not flinching in picking up the multi-million tab for coal tip safety in Wales, which is presently its legal responsibility, but this an anomaly that should be rectified.

RECOMMENDATION 5
The Coal Authority, funded by the UK Government, should cover the costs of dealing with coal tip safety in Wales.

Mineworkers' pensions

The current 50/50 division of surpluses from the Mineworkers' Pension Scheme remains disproportionate to the level of risk borne by the UK government in continuing to guarantee the fund. By 2019 the government had received £4.4bn from the Scheme and, excluding any new surpluses, was already scheduled to receive a further £1.9bn in phased payments[13].

A 2021 BEIS Select Committee report[14] recommended that there should be a revised arrangement under which the government would only be entitled to a share of surpluses if the Scheme fell into deficit and required funding. It also recommended that the government should relinquish its entitlement to the 'Investment Reserve', worth £1.2bn.

RECOMMENDATION 6
The division of surpluses from the Mineworkers' Pension Scheme should be renegotiated in favour of retired miners, in line with the recommendations of the BEIS Select Committee.

CISWO

There is much goodwill towards the Coal Industry Social Welfare Organisation (CISWO) but it is apparent from some of the submission to the Inquiry that there are also concerns about its role in helping to safeguard community facilities and its role when properties are sold off. Though originally established by legislation, since 1995 CISWO has been an independent charity, which means the government no longer has a role in its operations. Nevertheless, CISWO clearly has an obligation to act in a manner that benefits former miners and coalfield communities.

RECOMMENDATION 7
CISWO should outline its strategic direction so that coalfield partners can scrutinise and better understand the organisation's aims and objectives.

13 Business, Energy and Industrial Strategy Committee (2021) Mineworkers' Pension Scheme, op. cit. p.9, quoting a letter to the Committee Chair from the Chair of the MPS Trustees.

14 Business, Energy and Industrial Strategy Committee (2021) op. cit.

Lottery funding

Former coalmining communities take pride in their identity and are eager to preserve their heritage. They need better support to do so.

Coalfield communities would benefit from fairer funding from the National Lottery. Although no recent analysis is available, it is well established that historically Lottery grants have on a per capita basis short-changed the former coalfields[15]. The counter-argument that Lottery-funded projects in neighbouring cities, which have generally done much better in terms of funding, will also benefit coalfield residents doesn't in practice offer much comfort to those in the coalfields who live very locally orientated lives. It's also probably the case that coalfield residents, like many of the less well-off, buy a particularly large share of Lottery tickets.

There have been previous efforts by the Lottery Distributors to steer more funding to the coalfields. These included Brass for Barnsley initiative in the early 2000s and the more recent Dosh for Donny (Doncaster). Both were intended to be pilots and for a while did deliver local benefits but extending the push to other areas never progressed beyond fine words.

RECOMMENDATION 8
The Lottery distributors should reassess their priorities and methods to bring their spending in the former coalfields much closer to the national average.

Levelling Up funding

The UK Government's commitment to Levelling Up is welcome and should be of benefit to the former coalfields. However, the promise has so far not lived up to its potential. There is widespread criticism of competitive bidding processes and the results on the ground, in terms of funding allocations, are seen as haphazard and inconsistent.

The UK Government's intention to streamline the funding landscape is therefore welcome. But streamlining needs to be done in a way that delivers targeting and fairness – which points to allocation formulas that command support – and streamlining must not be used as a smokescreen to reduce the overall budget. Budget lines also need to be put on a longer-term footing to allow the delivery of genuinely transformative projects.

RECOMMENDATION 9
Levelling Up funds should be streamlined to create long-term, formula-driven, targeted funding.

15 Analyses of Lottery funding statistics undertaken by the Coalfield Communities Campaign and the Industrial Communities Alliance.

Gap funding

In the former coalfields and other less prosperous areas, the private sector often fails to invest in industrial and commercial property because the financial returns are too low. This holds back growth and jobs. Development on brownfield sites, where there are additional costs, is doubly difficult.

This 'market failure' can be tackled by gap funding. Scotland and Wales have their own schemes for providing gap funding. In England, the principal source of gap funding is the government agency Homes England but, as the name implies, the monies are available only for projects that are housing-led. This narrow focus on housing is a recent development – it did not apply when the agency's predecessor English Partnerships did much good work in the former coalfields in the early 2000s.

RECOMMENDATION 10
The remit of Homes England should be amended to include industrial and commercial developments in areas of market failure.

Apprenticeships

In the former coalfields, as in much of the rest of Britain, there is a shortage of good quality apprenticeships. This is holding back the economy locally and nationally. In the coalfields the shortfall in training opportunities is particularly serious because a higher proportion of jobs are in manufacturing and manual activities.

'Vocation, vocation, vocation' has been the rallying call for those who would like to see apprenticeships and vocational training placed on an equal footing with academic qualifications. This needs to go hand in hand with reforms to the Apprenticeship Levy and a renewed focus by employers, unions, government and local players.

RECOMMENDATION 11
There needs to be increased provision of high-quality, broad-skilled apprenticeships to put academia and vocational training on an equal footing.

Community right to own

Many of the community buildings associated with the coal industry, such as miners welfares and institutes, remain valued by residents but are under threat.

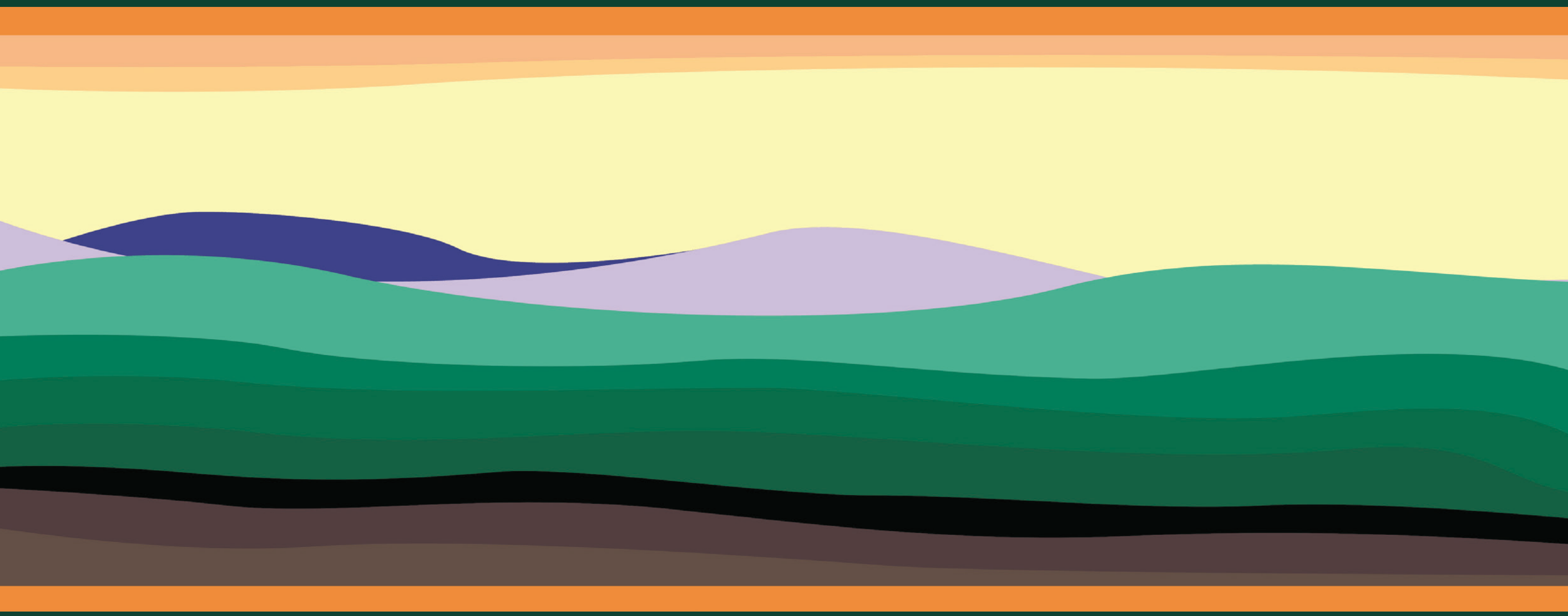
In England, the Localism Act 2011 empowers communities to designate assets of community value and grants a right to bid for such spaces when their owners put them up for sale. This falls short of a right to buy, which already exists in Scotland. The definition of assets of community value is also limited and could be expanded to include buildings and land that has the potential to further the social wellbeing of a community.

RECOMMENDATION 12
Communities should be granted a statutory right to take ownership of assets of community value.

Appendix

List of organisations and individuals making written submissions

Academy Transformation Trust
Action for Station Town
Allerdale Borough Council
Amber Valley Borough Council
Amble Development Trust
Atherton and Leigh Foodbank
Barnsley Council
Bestwood Village Parish Council
Blackhall Community Association
Blaenau Gwent County Borough Council
Bolsover District Council
Bolsover Woodlands Enterprise
Chatterley Whitfield Friends
Chesterfield Borough Council
Citizens Advice Ashfield
Citizens Advice Bassetlaw
Clackmannanshire Council
Cllr S Davies, Powys County Council
Coalfields Regeneration Trust
D2N2 LEP
Demos
Derbyshire County Council
Durham County Council
Durham University
East Ayrshire Council
East Durham Community Development Trust
East Lothian Council
Fife Council
Gareth Hughes, Miners' Pension Fight for Justice
Grahame Morris, MP for Easington
Hucknall Men in Sheds, Age UK
Industrial Communities Alliance
Lee Shaw, Newcastle-under-Lyme
Local Trust
Mansfield District Council
Margaret Morgan, National Mineworkers' Pension Campaign
Newark & Sherwood District Council
North East England Chamber of Commerce
North Lanarkshire Council
North Tyneside Council
Northern Housing Consortium
Nottinghamshire County Council
Pegswood Welfare
Powys County Council
Rhondda Cynon Taf County Borough Council
Richard Ayling, Newcastle-under-Lyme
Rotherham Council
Rushcliffe Borough Council
Rycroft Leisure, Wakefield
Scottish Government
South Ayrshire Council
South Derbyshire CVS
South Lanarkshire Council
South Tyneside Council
South Yorkshire Chambers of Commerce (verbal)
South Yorkshire Mayoral Combined Authority
St Helens Council
Station House Community Association
Stephanie Peacock, MP for Barnsley East
Stirling Council
Stoke on Trent City Council
Swansea Council
The Land Trust
The Learning Community
Trades Union Congress
Vibrant Warsop CIC
Wakefield Council
Welsh Government
Wheels 2 Work County Durham
Wigan Council
Wrexham County Borough Council



All-Party Parliamentary Group on

Coalfield Communities