

NEXT STEPS IN LEVELLING UP THE FORMER COALFIELDS

Submission to the APPG Inquiry from the Industrial Communities Alliance

Basis of the submission

The Industrial Communities Alliance is the all-party association of local authorities in the industrial areas of England, Scotland and Wales. The Alliance is the linear successor to the Coalfield Communities Campaign, its largest predecessor body.

Alliance member authorities have long experience of dealing with the economic, social and environmental consequences of the run down and closure of the British coal industry.

Responses to the APPG's questions

- 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?*

The economy remains the central problem. Despite substantial progress over the years, most former mining areas have lower incomes, lower output, more worklessness and higher numbers on benefit than more prosperous parts of the country. Get the economy right and many other problems – from child poverty through to the demand for retail space on the high street – tend to ease.

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

In terms of numbers, in several of the former coalfields the jobs lost from the coal industry since the 1980s appear to have been replaced. However, the coalfields started off with high unemployment (often a result of coal job losses in earlier years) and local labour supply has increased as more women have entered the workforce and in some places as a result of migration from outside the UK. A fundamental imbalance therefore persists in most coalfield labour markets. This is not well reflected in unemployment data but is more clearly evident in the much larger numbers of working age men and women who are 'economically inactive', especially on incapacity-related benefits.

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

Too many of the new jobs, notably in Yorkshire and the Midlands, have been in sectors such as warehousing where the pay is often poor and the conditions demanding. This can put off local residents, encouraging a dependence on migrant labour which has discouraged employers from up-grading pay and conditions and even closed their minds to the recruitment of local workers, especially those who are older and less physically fit. In the former coalfields there remains a shortfall of good quality well-paid manual work and of higher-grade white-collar jobs.

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

The worst of the environmental legacy of the coal industry has now been addressed. The National Coalfields Programme, which reclaimed more than a hundred former coal sites across England, was particularly important in this regard. However, there remains a worrying problem of coal tip safety in Wales. It is anomalous that the financial burden of addressing this problem should fall on the Welsh Government rather than the UK government-funded Coal Authority.

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

There has been a lot of progress, especially in developing modern road networks. However, most local authorities can still point to local infrastructure improvements that would be helpful. In particular, investment in new and improved rail links has been patchy at best.

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

Most of the former coalfields cover towns and smaller communities. For many years they have been a source of commuters into neighbouring cities while residents have to varying degrees drawn on city services. Over the last couple of decades this dependence has increased, partly because job growth in the cities has been faster than in most of the coalfields. This process of dependence on the cities has reached its acceptable limits. Commuting times have increased as a result of congestion and the shift of services to the big cities is stripping many former coalfields of business and vitality.

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

Property rentals are low in most former coalfield areas. This means that the private sector is often unwilling to invest in what it sees as risky segments of the property market, for example premises for SMEs, quality office space in town centres, and larger industrial and commercial units that do not have an occupier signed up in advance. This in turn can limit the growth of the local economy because without business space it is impossible to grow local employment. The solution is gap funding for land and property development, which unfortunately is only haphazardly available.

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

Former miners have been short-changed by the division of surpluses from their pension scheme. In return for guaranteeing miners' pensions, the Treasury has been taking 50 per cent of surpluses – a cumulative total now running into billions of pounds. This is a vastly inflated return for what is in practice a modest risk. The division of surpluses from the Mineworkers' Pension Scheme should be renegotiated in favour of pensioners.

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

Many young people from the former coalfields now go to university. Satisfactory vocational training – apprenticeships and the like – can be harder to find. This is a problem because there is a shortage of skilled manual workers across the economy as a whole and because in the former coalfields an above-average share of employment is in manual rather than white-collar activities.

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

The former coalfields pose a challenge and an opportunity for the green agenda. The challenge arises from the substantial share of terrace housing, often a legacy of the coal industry itself, that is ill-suited to electric car charging. The opportunity results from the possibility, in some places, for making use of underground minewater to provide a supplementary source of domestic and commercial heating.

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

After a decade of cuts in funding and with the prospect of further reductions in the coming years, local authorities in the former coalfields are severely constrained in their ability to support communities. Increasingly, statutory services take priority and discretionary spending on other activities is curtailed. Powers without the funding to match are of only limited value.

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

On an overall per capita basis, Levelling Up funding has been skewed to the less prosperous nations and regions of the UK where most former coalfields are located. This is appropriate and welcome. However, scheme by scheme and area by area the allocation of funding has been more haphazard and inconsistent. There is a strong case for a fresh approach involving allocation by formula, on the basis of need, and the simplification and consolidation of funding streams.

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?

The Coal Industry Social Welfare Organisation (CISWO) and its associated local schemes deserve a redefined and reinvigorated role in the post-coal era. Regrettably, the priorities and requirements of CISWO can prove to be an obstacle. It would make sense to integrate the activities and resources of CISWO alongside those of the Coalfields Regeneration Trust.

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

Identity, pride and heritage are kept alive by groups and individuals but there is a role for funding too. In particular, the National Lottery is a potentially important source of support but on a per capita basis the former coalfields have rarely done well from Lottery funding. The Lottery distributors need reminding that in total approaching six million people live in the former coalfields of England, Scotland and Wales and that they deserve to be supported.