



Elections 2021: Can the Conservatives deliver real change in Tees Valley?

Nick Gray

Conservative Mayor Ben Houchen has won a second term and the party has taken the Hartlepool by-election

It's been a day of reflection on Conservative Party successes and, given the strong indications from <u>polling reports</u> over the last few weeks, the regional and Hartlepool by election results were unsurprising. Locally, we've long expected a second term for Ben Houchen as Tees Valley Mayor. Houchen has been relentlessly positive about the region throughout his first term and perhaps most importantly, he's largely done what he said he would do when he was first elected. This meant he could go into the election able to point to a clutch of his own popular flagship projects; <u>South Tees Development Corporation</u> and <u>freeport</u> status, the <u>publicly owned airport</u>, the promise of more <u>civil service jobs moving</u> from Whitehall to the region, and financial support for industry such as the Industrial Strategy Challenge Fund award for <u>Net Zero Teesside</u>.

It's worth saying that it was a polite contest between Houchen and Labour's, Jessie Joe Jacobs. Jacobs is respected in the region, but it always felt an uphill task against a popular incumbent strongly backed by central government, especially for a Labour campaign that never looked heavily resourced. More broadly, while Houchen is undoubtedly proudly Conservative, metro-mayors are in some respects apolitical with limited power or room to act without the agreement of combined authority partners. In essence, the mayor leads a grant coalition aimed at attracting public (and in turn private) investment, using soft power to bring local actors together, while acting as a figurehead for the region. Something the voters have judged Mayor Houchen to have done very successfully.

The national electoral situation is possibly more complex. Labour held Hartlepool in 2019 with a relatively low vote share and last night the <u>Conservatives appeared to pick up a large chunk of Brexit Party voters while many people chose to not vote at all</u>. There'll be thousands of words written attempting or purporting to understand why voters are shifting to the Conservative Party in previously Labour areas like Hartlepool but there's an emerging narrative of a combination of a national emergency (including a vaccine bounce) favouring the governing party, Boris Johnson's personal popularity, <u>shifting demographics</u>, and the ongoing Brexit factor with a heavily leave voting town happy with a government that promised to get Brexit done, optimistic about a post-EU future, and unimpressed with a remain campaigning Labour candidate.

There is also the question of a deeper <u>cultural and political shift</u> in response to <u>long-term</u> <u>economic decline</u>, widening <u>geographic economic inequality</u>, and the feeling that <u>some</u> <u>places don't matter</u> in a modern global economy. In this context, fraying Labour support in the region has been linked to disillusionment with the party after many years of it dominating local government, there being little sense of what it currently offers following the replacement of a leader who was extremely unpopular with some voters, and a lack of fundamental change in Tees Valley's economic fortunes when Labour were last in power. Against this backdrop, there is feeling that voters are willing to give the Conservatives a chance to deliver on their promises of change.



In this context there is the argument that the Johnson Government is seeking to appeal to working class, possibly older voters who are socially conservative but economically left, with a kind of populism lite. While this argument is <u>contested</u>, it's certainly true that Tees Valley is perceived to have benefited from having a conservative mayor and that government will want to continue to be seen to deliver for places that have returned a Conservative MP for the first time in a long time or in Hartlepool's case for the first time since the constituency was first contested in its current form in 1974. In this sense, the substance of Levelling Up is likely to be important in deciding whether the conservative hold on Tees Valley (and places like it) continues as a long-term trend.

We've offered some <u>thoughts elsewhere</u> on the levelling up agenda and while there is much to welcome in its positive vision, including a local and national focus on active <u>industrial</u> <u>policy</u> in a region where manufacturing remains important, there is often a lack of clarity around long term objectives and its geographic scale. Alongside this, it features some very familiar regional policies and, while there is great deal of <u>media commentary</u> on the "<u>tidal</u> <u>waves</u>" of money coming into the region, the reality is much less clear. The sources of regional development funding and whether i additional money or more than would have been spent in the past (or spent anyway) has become <u>increasingly difficult to pin down over</u> <u>the past decade</u> with spending commitments routinely presented as unprecedented and transformative. Importantly, government is keener to talk about more about capital investment and ring fenced funds than day-to-day spending but, emerging from the initial Covid-19 crisis, Tees Valley is likely to face the amplification of the longstanding socio-economic problems beyond reach of discrete economic development policy <u>and a first step</u> to improving the lives of the region's residents would be to reinvest mainstream public <u>services</u> and the social security system.

From a local perspective, it is generally assumed that Mayors like the re-elected Ben Houchen will be at the heart of any drive to level up but, while we anticipate government will look to create more mayors in the future, it is not clear that they will get <u>the increased</u> <u>powers for which many are calling</u> and it could be that government sees fewer local authorities headed by a mayor as easier to deal with and control. In fact, some of the emerging regional development funds are targeted at local authorities and contingent upon support from MPs not mayors, with the <u>Levelling Up Fund</u> and <u>Towns Fund</u> essentially bypassing Mayors altogether. We're keen to get a better understanding of government's plans for devolved government and its role in recovery and growth planning, but whether last year's delayed <u>devolution white paper</u> will appear in its originally planned form is <u>unclear</u>.

As government has acknowledged, levelling up needs a sense of coherence around what it is and what it is trying to achieve. Looking to the future of Tees Valley and its political landscape, the big challenge for the Conservative Party locally and nationally is to demonstrate real change in the lives of the people who live in the region with job and opportunities that go beyond high profile initiatives and have real reach into the communities than need it.

