

Settling in

Lessons from the Darlington Economic Campus for civil service relocation



About this report

The Darlington Economic Campus shows that, if done well, relocation can improve the effectiveness of the civil service. This paper draws out the positive impacts of the campus so far, evaluates the risks to its early success, and provides lessons and recommendations for current and future civil service relocations.

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Summary

The Darlington Economic Campus (DEC) has rapidly become the flagship site for civil service relocation. This paper, based on interviews with local politicians, local businesses and civil servants based in both Darlington and London (including on a visit to the DEC in November 2022), finds that the campus is evidence that, if done well, civil service relocation can have three main positive impacts:

1. **Allow talented people who cannot or do not want to live or work in London to contribute more effectively to the civil service**, incorporating different types of diverse thinking into the civil service's work.
2. **Help to change the way policy is made** by exposing policy makers to different realities across the country and linking them to different external stakeholders.
3. **Make a contribution to 'levelling up' deprived areas** by relocating public sector jobs to those parts of the country. Relocation can increase local pride as well as provide a modest and very local economic boost.

However, the campus is still early in its existence. Its continued success will rely on retaining some of the qualities that have contributed to its initial success, as well as mitigating some risks:

- **The campus will have to retain support from its key stakeholders.** There must be continued senior civil service presence; ministers must give positive permission for staff at the campus to practise hybrid ways of working and continue to visit; and all departments based at the campus must remain committed to it to ensure that staff have viable and varied career routes.
- **The campus must continue to attract and retain the best people.** Jobs in the civil service must be more accessible to external recruits; career paths must be adapted to suit the local workforce and model best practice to the rest of the civil service; and the DEC must establish and maintain its own version of sought-after 'accelerator roles', which advance people's civil service careers. In the absence of major civil service-wide changes to the way external talent is recruited, the DEC should be given freedom to experiment with new ways of attracting and retaining the people it needs, and the opportunity to discover new best practice.
- **The DEC must prove its existence improves national policy making.** While embracing and demonstrating the benefits of developing and providing policy advice from outside London, staff must retain a national focus and be alert to the risks posed by working across multiple sites and away from parliament. Teams at the DEC must sustain efforts to reduce siloed working.

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- **For the DEC to reach its full potential, the rest of the civil service must adapt to get the best out of it.** The civil service must become more open to new people and perspectives and ensure that it retains the flexibility to allow talented officials to do their job from the location that works best for them.

Against a background of some scepticism the Darlington Economic Campus has had a positive impact. From the success of the campus, some key lessons and recommendations for current and future relocations can be drawn:

- **Relocation's primary value comes from making it easier for talented people from different backgrounds to join the civil service and changing the way policy is made** to better take into account realities outside London.
- **Civil service relocation should not be considered a primary tool for reducing regional economic inequality.** Almost 80% of civil servants are based outside London already, and the number of roles being relocated is not substantial enough to meaningfully reduce regional inequality, even if it does provide a modest economic boost to the local areas receiving jobs.
- **Ministerial and senior civil service buy-in are essential to success** – although becoming too identified with specific politicians or political parties carries a risk that offices are seen as political stunts or lose important support from across the political spectrum.
- **Well-connected towns can be good places to host civil service offices.** There tend to be trade-offs between locating offices in towns, where policy makers are exposed to different realities and there can be a greater 'levelling up' effect, and cities, which tend to have larger and more skilled labour markets and a greater range of external institutions for government to connect with. Darlington is proof that well-connected towns with a large travel-to-work area can provide offices with the workforce they need – and its direct connection to London is useful for facilitating ministerial visits.
- **There are large benefits to co-locating departments in a single office.** It gives civil servants varied career paths, while also channelling movement between jobs more productively to allow officials to develop greater subject-specific knowledge. It can also reduce departmental siloes by making it easier for departments to work together.

Introduction

In the March 2020 budget, the then chancellor Rishi Sunak announced a target to move 22,000 civil service jobs out of London.¹ The June 2021 *Declaration on Government Reform* and the February 2022 *Levelling Up the United Kingdom* white paper added further detail to this target, including that half of UK-based senior civil service (SCS) roles would be based outside London by 2030.^{2,3}

As part of Sunak's March 2020 announcement, he committed to "opening a new economic campus in the North, with over 750 staff from the Treasury, and the departments for business, local government and trade".⁴ The Treasury was to permanently base policy staff outside London – something that had never happened in the history of the department, with its small existing office in Norwich (recently joined by one in Edinburgh) largely hosting junior administrative roles.⁵

Locations were invited to bid for the campus. After a year of silence from the government, a shortlist was communicated to candidate locations the day before the March 2021 budget.⁶ In the budget itself, Sunak announced that the office would be in Darlington.⁷

Originally envisaged to host around 750 staff, the Darlington Economic Campus is now expected to eventually accommodate around 1,400 officials in addition to the 700 existing Department for Education staff based in the town. It currently houses around 600 staff from multiple departments on top of the 700 from DfE, with many of these officials working in policy. As of March 2022, 68% of UK-based policy professionals across the whole civil service worked in London, with the Treasury particularly focused on the capital.⁸ The DEC is an explicit attempt to reduce the London-centrism of the profession.

There are also around 35 senior civil servants based at the campus, including two director generals and Beth Russell, one of the Treasury's second permanent secretaries. This reflects another of the DEC's goals – to contribute to the government's target of increasing the proportion of senior civil servants based outside the capital. Approximately 2.7% of the DEC's staff are senior civil servants, higher than the average across the whole civil service of 1.5%.⁹ That the DEC hosts a substantial proportion of senior officials, many of whom work in policy, makes it different to most previous attempts to relocate civil servants, which mainly focused on dispersing low- and mid-level administrative functions.

Following the recent machinery of government changes, there are now parts of nine departments and public bodies based at the campus: the Treasury (HMT); Department for Business and Trade (DBT); Department for Science, Innovation and Technology (DSIT); Department for Energy Security and Net Zero (DESNZ); Department for Levelling Up, Housing and Communities (DLUHC); Department for Culture, Media and Sport (DCMS); Office for National Statistics (ONS); Competition and Markets Authority (CMA); and the Department for Education (DfE), which had an existing office in Darlington that

has been absorbed into the campus. There has also been talk of a small number of staff from 10 Downing Street being based at the campus – fulfilling Rishi Sunak’s summer 2022 Conservative leadership campaign pledge to set up a “Downing Street campus” there – although it is unlikely this will end up happening.¹⁰ Approximately 80% of the staff at the campus have been recruited from the north of England, while the remaining 20% have relocated from London.¹¹

Many previous attempts at civil service relocation have fallen short. While some civil servants have ended up moving out of London, a litany of ambitious reform plans have not been followed up by concrete change, nor improved civil service effectiveness in the way that was hoped.¹² While it is still early, the Darlington Economic Campus’s success so far suggests that there is an effective and sustainable way to do relocation. This paper analyses the campus’s development so far, makes recommendations as to what is necessary to sustain it and draws out wider recommendations for current and future relocations.

The positive impacts of the Darlington Economic Campus

The campus has allowed talented people who cannot or do not want to live or work in London to contribute more effectively to the civil service

Opening up the civil service to people outside London helps to ensure that officials with different geographic backgrounds are properly incorporated into decision making processes. This can improve the way the civil service makes policy by bringing different lived experiences to bear. As one interviewee put it: “There are regional differences in how we live and so how we think. Without having voices from different regions in the conversation, you don’t get represented.”

Relocating roles to Darlington, and in particular senior and policy roles, has given new opportunities to talented people both within the town and its broader travel-to-work area – the area within commutable distance to Darlington – to contribute to the civil service. Multiple local interviewees emphasised that if the DEC had not been established they either would not have joined the civil service, with central government losing out on their talent, or would have left the North East to pursue that path, contributing to the decline of the local labour market and in some cases forcing them to live somewhere other than where they would prefer. The word “accessibility” was constantly repeated. As one interviewee put it:

“Accessibility is a great word for what DEC brings. This is my first civil service role. I have always lived in Darlington. I come from a career-focused family, most of whom have had to move south to chase that career. Lots of my family told me to do the same, but when DEC was announced I couldn’t have been happier. I had an opportunity in the North East now. I didn’t have to move to London.”

The campus passes four key tests which has allowed it to attract and retain the talent it needs

Previous Institute for Government research set four tests that relocated offices must pass in order to attract and retain the talent necessary to succeed.¹³ The campus’s general success is partially explained by it having met all four.

Test 1. Does the labour market in the receiving location meet the department’s needs? Departments should focus on widening the pool of talent available to them. They must also be sure that their chosen locations will be able to attract the skills they need.

Because the jobs at the DEC are “shiny and new” the campus has attracted Darlington’s “brightest stars”.¹⁴ But given the size and skills profile of Darlington’s labour market, even this scale of talent attraction to the DEC would, alone, fall short of what the campus needs to succeed. At present, the skills required to work in a senior or policy role in central government are in relatively short supply in Darlington itself

– according to the 2021 census, it ranked 257th out of 331 local authorities for the number of residents with level 4 qualifications and above (a category that includes undergraduate degrees and vocational Higher National Certificates).¹⁵ While there are undoubtedly some talented people in Darlington, there is “a skills mismatch at the moment, no doubt” – if “in London the civil service is fishing at a salmon farm, in Darlington it’s wild rivers”.¹⁶

However, because Darlington is extremely well connected to much of the north of England by road (being based next to the A1(M)) and rail (being on the East Coast Main Line), it has a large effective travel-to-work area. As an interviewee put it: “In London you often have an hour-long commute. Well here, an hour-long commute means you’re coming from Leeds.”

The civil service jobs based at the DEC are a relatively rare type of job for the area – 24.6% of jobs in Tees Valley Combined Authority are managerial or professional, according to SOC 2020 ‘major group’ classification, with the national average standing at 36.1%.¹⁷ And hybrid working means people do not have to come into the office five days a week. This has expanded the campus’s travel-to-work area even further, with people willing to accept an even longer commute on the days they attend the office.

In practice, this has allowed the DEC to draw on a much larger labour market than just Darlington itself. Many of the 80% of staff recruited from the north of England are from Darlington’s travel-to-work area, rather than living in the town. This has meant that the relative lack of skills in Darlington at the moment – which all interviewees expressed hope would be “transitory” – has not dealt a fatal blow to the campus. Instead, senior civil servants at the campus have been pleased with their access to talent.

Local interviewees tended to be relaxed about staff at the DEC being sourced from outside Darlington itself. This was in part because they recognised the state of the skills in Darlington’s labour market and in part because the campus is seen as something that provides opportunity to people in Tees Valley and the north as a whole, not just to the residents of Darlington.

Test 2. Will the relocation result in a ‘critical mass’ of roles, including senior ones, in the new location? Experience shows that this critical mass – which will be different for every department – is needed to make offices outside London vibrant and sustainable. Departments should relocate identified senior roles early in the life of a new office.

Relocating senior roles early in the life of the DEC is something that has been important to its success. There are a disproportionately large number of senior civil servants at the campus – particularly in the Treasury, where 14 of around 130 staff are graded at deputy director or higher, including a director general and one of the department’s second permanent secretaries, Beth Russell. Many of these roles were relocated at the outset of the DEC, which helped to show that the civil service “were going to put in serious effort to making this work” and that the campus was a serious endeavour with its own ‘centre of gravity’.¹⁸

The number of senior civil servants currently at the campus, the knowledge that there could eventually be around 1,400 jobs based there on top of the 700 DfE staff already in the town, and the fact that every role in the two largest departments, the Treasury and DBT, is able to be based there, means that – at least to the extent necessary during the early life of the campus – a ‘critical mass’ has been reached.

Test 3. Has the department taken account of the plans of other central government departments and local government? Co-ordination will be key. This will help provide full career pathways in a single location and make it easier to bring the right parts of government together in a relocation.

As an ‘economic campus’, the DEC is premised on the idea of multiple departments with similar functions coming together. This has helped to ensure that the campus has the full career pathways necessary to attract and retain the talented and ambitious people it needs – as well as bringing the right parts of government together and improving working relations between them.

Interviewees stressed that the “concept of the economic campus helps massively. It means there’s no glass ceiling, there are lots of options in one place.” This – along with the potential to work for Darlington Borough Council, although thus far the flow of staff has overwhelmingly been from the council into the DEC – has made the campus an attractive place to work. It has produced the all-important sense that officials can “climb within the DEC” and that there is either no, or a much reduced, regional limit to their career prospects.¹⁹

Test 4. Do the department’s ministers and senior officials have a long-term plan to ensure the move is sustainable? The necessity – perceived and real – of being located physically close to ministers has been a key barrier to successful relocations in the past. Ministers must show their full support for a relocation, while senior officials must have a long-term plan for how the new office will thrive and be integrated into the wider department.

The DEC has benefited from substantial ministerial support, mainly from the Treasury, and in particular from the former chancellor and now prime minister, Rishi Sunak. In many ways the DEC is “Rishi’s brainchild”. As chancellor, he was “there on day one and he put in place a rule that there was an HMT minister there every single week”.²⁰ Since becoming prime minister he has visited the campus at least four more times.²¹

Having “ministerial big hitters” visit the campus is crucial for its external reputation, and has helped officials at the DEC “feel like we’re on the map”.²² But from the perspective of officials there is only so much time ministers can spend at the campus and when they do so, it still tends to feel like a ministerial visit even if it is badged as them ‘working out of Darlington’.²³

Instead, for officials the most important thing ministers can do is give them active permission to practise hybrid ways of working when they are not present. Their physical presence is “the cherry on top of the cake”, but it is crucial for officials to be able to interact with ministers virtually as a matter of course.²⁴ One interviewee told us that “if I was substituted out of a meeting because I’m not in London, I couldn’t do my job from here” and previous Institute for Government research found that DfID’s East Kilbride office historically lacked senior staff precisely because it was constantly demanded that they travel to London.²⁵ So far the relevant ministers have been accommodating, making clear they are happy to be engaged with virtually. This is a large reason that senior staff in ministerially facing roles have been able to base themselves at the campus.

The presence of senior civil servants, and the scope to progress to that rank while working in Darlington, is also a must. It is vital to giving junior officials proof that they have a career path at the campus and avoiding the sense that it is an ‘auxiliary office’, devoid of decision makers and removed from the real action in the capital.

Senior civil service presence is even more important given the DEC has hardly any traditional ‘accelerator roles’ – highly sought-after jobs that “help to facilitate fast-track progression”, most obviously in a secretary of state’s private office or on a bill team – and is unlikely to ever have them in large numbers, given that working in these roles relies on permanent co-location with ministers or parliament.²⁶ To be considered a viable destination for ambitious staff the DEC needs its own version of accelerator roles, and interviewees suggested the easiest way to do this is by creating an environment where certain junior and mid-ranking jobs have unusually high levels of exposure to senior officials. This would also have the benefit of helping to reduce the civil service’s disproportionate emphasis on recruiting senior officials with a background in private office, providing an alternative route to the top for those with a different skillset and professional experience.²⁷

The DEC has a high proportion of senior officials and they have seemingly recognised that their accessibility to junior staff is an important part of the campus’s offering. This is one of the reasons that the campus has been able to attract and retain top talent so far.²⁸

Attracting and retaining people who cannot or do not want to live or work in London has improved the effectiveness of the civil service

The civil service has benefited from drawing on the DEC’s talent. Staff at the campus have a diversity of lived experience that the civil service as a whole currently lacks, and this has made a positive impact on the way policy is made. As one interviewee said:

“I think [the campus] has shifted mindsets... the people making policy are more exposed to the realities outside London and so more interested in understanding why things are as they are. Tapping into people with different backgrounds, you tap into a diversity of thought.”

This diversity is not just about regional background. It is also about professional experience. The DEC contains a high proportion of external recruits – for example, 69% of Treasury officials at the campus are new to the civil service. Whereas “in London they’ve mostly come up through the Fast Stream, here there are people who have worked in the police, education system, local government, elsewhere”.²⁹ Institute for Government research has previously argued that increasing the civil service’s cognitive diversity by recruiting people from different professional backgrounds who have been trained to process information in different ways would reduce ‘groupthink’ and improve the quality of the civil service’s work.³⁰

The DEC is a good example of this in practice. Interviewees suggested that its synthesis of outsiders with fresh ideas and existing civil servants with public policy expertise and the ability to navigate Whitehall has produced a more innovative and dynamic environment than civil service offices in London tend to possess. As one interviewee put it: “We feel like part of the reason we’re here is to innovate. London wants us to innovate, we want to innovate, and we can feed it back.”

Finally, civil service pay is less of a barrier to attracting talented people with in-demand skills in Darlington than it is in London.

Particularly at senior levels, the civil service’s remuneration offer is uncompetitive. The Senior Salaries Review Body’s 2022 report warned that “the government’s focus on keeping the annual pay increase low is eroding the attractiveness of the SCS proposition, which in turn will impact on the quality of those joining and remaining”.³¹ Civil servants’ 2–3% across-the-board pay rise in 2022 – against a backdrop of double-digit inflation and 7% wage growth in the private sector – eroded this proposition further at all levels of the civil service.^{32,33}

Civil service salaries in Darlington are still uncompetitive with some parts of the private sector. One interviewee gave an example of a financial controller of a local business who they had encouraged to explore the opportunities available at the Treasury. As they put it: “I assumed the gap between private sector and civil service salaries would be less of a problem in the North East, but that wasn’t the case. The individual in question would have taken a 50% pay cut to go to HMT, but their offer was even lower than that” and so they didn’t pursue the opportunity.

But in general, and particularly in comparison to the broader public sector, civil service salaries are more competitive in Darlington than London. In Darlington, median full-time pay is £29,312 while in Westminster it is £44,964, meaning that the same civil service salary is comparatively more attractive in Darlington. For example, median grade 6/7 pay would put the recipient into the top 10% of earners in the North East, while in Inner London it would not even put them into the top 20%.³⁴

The lower cost of living also means that civil servants are able to secure a better quality of life with their salary, which should help with retention of talent. As one interviewee put it: “In London, a civil servant earning approximately £75,000 could potentially afford to buy a small flat on the outskirts of the city of London. However, they could buy a four-bed detached for the same price in Darlington!”

The campus has helped to change the way that policy is made

The DEC has given civil servants a platform to engage with different external stakeholders

It is very hard to precisely judge the impact that the DEC has had on government policy because of the varied and complex influences that determine policy decisions. But there is a sense that while the campus has not led to a fundamental shift, it has “changed the way the sausage gets made, even if it’s hard to tell when or if we are the crucial ingredient”.³⁵

While having policy made by people with different experiences to the civil service’s norm is part of the reason for this, it is not the full explanation. It is also because the people making policy are based in a different locality.

Being based in Darlington has meant that civil servants have listened to different external stakeholders and are embedded in a different community. The senior management team in Darlington have agreed a campus ‘vision statement’ that commits to “making sure we actively consult businesses, public service providers and universities to inform our work”. Being based in Darlington does not mean that civil servants have access to the way ‘the rest of the country lives’. There are complex regional differences across the UK and while civil servants’ experiences in Darlington are more similar to the reality in some other parts of the UK than the experiences of their counterparts in London, to consider them crudely representative of the ‘rest of the country’ would be wrong. But it does mean that civil servants are exposed to something different than what the former permanent secretary Philip Rycroft described as London’s particular “cultural milieu”.³⁶ And it also means that they are further away from the ‘Westminster bubble’ and so less captured by the prevailing sentiments in Westminster; instead, on occasion, being able to provide a useful alternative perspective.

From the perspective of Treasury staff we interviewed, part of the point of the DEC “is that we want to feel we’re engaging more with the outside world”.³⁷ Indeed, that officials at the campus are engaging so openly with external stakeholders is relatively unusual given the department’s historical reluctance to do so, and this seems to be at least partly driven by their location. One interviewee joked, but with a kernel of truth, that “in London, we read what Torsten Bell thinks. Up here, we’re talking to different people, hearing different things.”

This is a two-way street. Having civil servants based in Darlington also means that a different set of external stakeholders have access to civil servants and ministers, and feel able to transmit their views to central government in a way that was not previously possible. One interviewee discussed how it is “really quite something for us in Darlington to have access to civil servants who work directly with ministers”, while one large local employer described how the DEC has “given northern people and northern concerns more facetime with politicians... because we’re in the same place as the DEC we’ve been able to make connections much more strongly.”

Together, this has changed the way policy is made in practice. As one civil servant based at the DEC put it:

“We do think we’re increasing the extent to which policy is grounded in realities outside London. For example, in the North East we see a regionally specific variant of deprivation, which is different to the type of deprivation you see in London. Seeing that with our own eyes brings sophistication and nuance to policy.”

This sense was corroborated by an interviewee external to the campus, who said:

“If you asked Treasury people in London about the situation around business debt, they’d give you an answer from the perspective of big conglomerates. Civil servants in Darlington would be more acutely aware of the situation for SMEs, and using the same data give you an answer from a slightly different perspective.”

Clearly, basing civil servants outside London is not the only way to incorporate the views of different stakeholders in policy making. But it is one way to do so, and so far it has proven largely effective.

Locating departments together has improved collaborative working

There are also factors internal to the campus that have changed the way policy is made. The DEC’s vision statement describes the campus as a place where “we come together as nine organisations to break down siloes” and this emphasis on cross-departmental work permeates through it. In particular, all staff have access to the whole building and, in contrast to almost all government offices in London, sit less rigidly in departmental groups. The result is more cross-departmental collaboration in areas where it is not formally called for yet is beneficial. As one interviewee described:

“There’s huge benefits to all these departments sharing the same space. I had a colleague in DCMS who, after a presentation, was sharing ideas about public bodies with non-DCMS colleagues. We’re doing cross-department data work on recruitment, promotion and diversity and inclusion. Having people in the same building, all with whole building passes – it just makes collaboration so much easier.”

Another said that having departments co-located allowed them to build useful professional connections with similar officials from other departments:

“I’m part of a leadership programme developed here. The DGs that work here help to run it. It’s great – there are people in other departments around me who I can grow my career with as part of a talented cohort.”

There are other factors that also aid the DEC’s collaborative approach. Because of the proportion of new recruits at the DEC, the historically embedded departmental power struggles and turf wars that might prevent such collaboration in the capital seem to matter less. Because it is an economic campus, much of the work done is naturally complementary. And formal structures have been put in place to try to

maintain good working relationships between departments and teams. For example, there are regular meetings between all of the campus's senior civil servants, a DEC steering group that has representation from all departments, monthly all-staff meetings and informal networks across the campus that reach across departmental lines, like 'DEC economists'.

The amount of cross-department work at the DEC has been beneficial. Even having greater awareness of what colleagues are working on allows civil servants to understand how their job contributes to the UK government as a whole and where potential conflicts or complementarities between different strands of work lie. It "makes you feel more included, you can see the bigger picture".³⁸ It reinforces the idea that officials at the DEC are "part of one team, with one mission, with the same priorities"; something that "leads to better policies".³⁹ And given that the work of the departments based at the DEC is grouped around a similar theme, when officials move roles within the campus they will tend to do so in a way that helps them to build subject-specific knowledge, which stands in contrast to London, where too often policy makers frequently move between broadly unrelated jobs.⁴⁰

A strong cross-Darlington social culture has also emerged. This is partly because of the collaborative way officials at the campus work, though also partly because there are not yet enough staff for clearly defined and separate team or department-based social groups to form.⁴¹ There is a virtuous circle at play: socialising together further increases the familiarity of people across teams and departments, which improves working relations across the DEC and makes people more likely to want to continue socialising together.

The campus has made a modest contribution to 'levelling up' the area

The DEC's most substantial levelling up effect has been through increasing local pride

In general, people in Darlington who know about the DEC are proud of it. Interviewees described the campus as "a beacon you can hold up to show what a great place we can be", which has "brought a real buzz, a sense that Darlington is on the map". One interviewee – albeit someone familiar with the bidding process – likened the initial announcement that the campus would be based in Darlington to "when your favourite football club makes a massive signing... like Ronaldo's coming to Darlington". One elected politician we spoke to described an experience they had while canvassing in the town:

"I had a conversation with a local while door-knocking. They were concerned about rubbish on the street. They said to me: 'What will the people from the Treasury think?' There's a serious level of pride at the fact such an important department is coming to Darlington."

The DEC's vision statement commits to being "a force for good in our community" and there is evidence this ambition is being taken seriously. The campus has sponsored an award at the borough council's annual awards night and hosted a ball in aid of two local charities.^{42,43} Representatives from the DEC have visited educational institutions, spoken at local events and generally tried to raise awareness of civil service jobs – with DBT recently hosting a four-day workshop for 16–18 year olds from two local schools.⁴⁴ Gestures like these should not be overstated but have enhanced the sense that the campus is playing, and will continue to play, an active role in the local area.

While civil servants can be important spokespeople, however, the external promotion of the campus ultimately relies on active ministerial engagement. Ministers are higher profile and more visible than civil servants can ever be and politicians visiting is an outward demonstration of commitment to the campus.⁴⁵ More than anything, it is the presence of politicians – and particularly senior ministers, including the prime minister and chancellor – in Darlington to support the DEC that has generated excitement in the town and the external sense that "something is happening here".⁴⁶ As one interviewee described it:

"Boris was a star here; when he came to visit it was like he was Beyoncé. Kids, non-political people, people who didn't vote Tory, working-class people, whoever – it was incredible. People must have thought, what incredible access we have – the prime minister is visiting our town!

"I was sceptical Rishi would have the same star quality but he does. He was walking around and the white van man was beeping his horn and hollering out the window. I'm so proud to see the PM in Darlington."

While the DEC's positive impact on local pride is real, it should not be overstated. As an interviewee noted, a family struggling to feed their children during the current cost of living crisis are unlikely to feel that the relocation of civil servants or an occasional prime ministerial visit matters greatly to them. And there are plenty of people in the town who do not have a particularly strong view on what the DEC means for them – it is simply not a big feature of their lives.

The campus has provided a modest boost to the local Darlington economy

Previous Institute for Government research has found that towns and smaller cities tended to be positive about the economic contribution that relocated civil service jobs made to their communities – although the positive effects were highly localised to the specific place that received new jobs and not large.⁴⁷ In Darlington, a similar effect has been observed.

The proposed 1,400 new jobs based at the campus is a meaningful amount in a local authority of approximately 108,000 people containing 58,000 jobs.^{48,49} This should provide a modest boost to the local economy, despite the fact that hybrid work and Darlington's large travel-to-work area means that there will be plenty of civil servants based at the DEC who spend only a couple of days a week there in-person. As an interviewee put it:

"If people live elsewhere and commute into Darlington, or stay overnight here and then travel back, they're still coming and spending money here. The DEC is about supporting local people, but it's also about local businesses, and having people commute in still helps with that. It also gives them the opportunity to show off Darlington to their mates and families, creating a buzz around us which functions as a pull factor. If people come here two days a week and see how great and full of opportunity it is, they might move permanently – including with their partners or families, so we get an even greater addition to our labour market."

The history and structure of the town's economy has heightened the impact that the DEC has had. First, the DEC offers a type of job that is not readily available in the town. Darlington "previously had some well-paid technical jobs, now less so. So it's great that we'll get high-paid jobs to replace the ones we lost, even if they are different types of jobs... the only similar jobs [to those at the DEC], people who lived in Darlington have had to commute out for."⁵⁰ While Darlington does have "a long history of central government jobs", most of these are "low level administrative roles" and the DEC offers something genuinely different.⁵¹

Second, after a short period housed in the existing DfE offices adjoining the local authority's building, the DEC's eight non-DfE departments have become primarily based in Feethams House, which was initially designed to house local businesses. Opened in February 2020, the subsequent onset of coronavirus meant that "the council had a 30,000 square-foot, grade A office space that nobody wanted".⁵² It was "at real risk of staying empty" but the DEC has taken over the whole building, giving the council a much-needed tenant in the medium term.⁵³

The government currently plans to build its own office on a vacant lot on the other side of Darlington town centre to Feethams. Previously a privately owned car park, it has "the potential to be a long-term vacant site" and so any office built will help to regenerate the physical environment in that part of the town.⁵⁴ But it is unclear what the timeline for building that office is, and what that might mean for the government's occupancy of Feethams House.

The economic benefits of attracting the DEC are most obviously seen in the demand for office space in Darlington town centre, which has increased since the campus was established. Interviewees credited the DEC for this, at least in part. One told us that: "We're now in a position where there isn't enough grade A office space in the town – after we thought we had a white elephant on our hands in Feethams." The local council had an existing plan to buy properties for sale on the outskirts of the town centre

to try to compact its central business district; originally these were intended to be converted for residential use but demand means that at least some are now likely to be converted into new offices.⁵⁵

The DEC has also piqued the interest of multinational businesses who want to be near senior and policy civil servants. The commitment shown by senior ministers towards the DEC so far has been helpful in this regard by signalling to businesses that the site hosts genuine decision makers, while instances where Darlington has been chosen as the venue for meetings with business leaders, as was recently the case when the prime minister met the CEO of Google at the campus, further helps to showcase the town.⁵⁶ While there has been relatively little concrete action so far, Deloitte recently announced that it planned to open a new office in Darlington that could create up to 200 jobs.⁵⁷ It is worth noting that while developments like these would bring economic benefits to the town, to some extent they might undermine the aim of the campus as a place that engages with the sort of external stakeholders that the government does not engage with enough in London.

Again, these impacts should not be overstated. Darlington became more deprived during the 2010s – with gross household disposable income per person falling to 19.3% below the England average in 2019, compared to 17.6% below it in 2010 – and 1,400 new civil service jobs, while beneficial on their own terms and likely to help the local economy further as an ‘anchor institution’ that attracts other business, will not reverse this alone.⁵⁸

Meanwhile, Darlington Borough Council reduced its workforce by 747 people between 2010/11 and 2018/19, which it attributes to “unprecedented financial challenges following the Government’s... significant public sector spending reductions”.⁵⁹ It is not clear what type of jobs these were – and many are likely to have been front-line roles not comparable to those at the DEC – but nonetheless, this suggests that the net impact of relocating civil servants to Darlington is slightly less than the headline numbers indicate, with some of the roles functioning as replacements for other recently abolished public sector jobs.

What are the risks to the success of the Darlington Economic Campus?

The campus must retain support from its key stakeholders

Retaining ministerial and senior civil service support is crucial to the DEC's success

Retaining the support of ministers and senior officials is crucial to maintaining the DEC's momentum. Continued senior civil service presence is a must, especially given that the campus's 'accelerator offer' hinges upon giving some junior and mid-ranking officials especially close access to senior staff. Ministerial attention, particularly through ministerial visits, is important for the external perception of the campus in the local community and the extent to which it generates a sense of local pride. More important inside the DEC is retaining positive ministerial permission to practise hybrid working. That is a prerequisite for staff in senior and ministerially facing roles to do their job effectively from outside London and is of existential importance to the DEC.

The risk of losing the required ministerial support is particularly pronounced. It is highly unlikely that any future chancellor or prime minister will be as personally committed to the campus as Rishi Sunak, and it is unclear whether future ministers with less personal stake in the campus will be as supportive of it, or as willing to visit. And it is highly likely that at least part of the reason Darlington was chosen as the location for the campus was because it is a 'red wall' constituency that voted Conservative in 2019, with a newly returned Conservative MP and Conservative leader of the council to complement the existing Conservative metro mayor for the Tees Valley region. During our visit to Darlington in November 2022 one interviewee argued that breaking just one of these "links in the chain" would harm the likelihood of any level of government being as full throated in its commitment to the campus. With Labour now the largest governing party in Darlington Borough Council after the May 2023 local elections, officials at the DEC will have to ensure that this does not prevent all levels of government continuing to visibly and strongly support the campus.^{60,61}

It is also unclear whether ministers will continue to support hybrid work to the extent they have done since the campus was established in 2021. Many current ministers were socialised by the pandemic into accepting hybrid ways of working (although previous Institute for Government research did note that "some ministers remain resistant to online meetings").⁶² But it remains to be seen whether future ministers, who may prefer having policy and senior staff more accessible in-person and might be more sceptical of civil service relocation, will be as accommodating. The former permanent secretary Philip Rycroft previously told the Institute that senior civil servants' ability to be based outside London has traditionally been "very limited by the demand to be present".⁶³ If ministerial attitudes return to this historic status quo, decision makers will be pulled back to London and the campus will fail in its ambition to provide more than low- to mid-level administrative jobs.

Departments other than the Treasury must remain fully invested in the campus

While the campus is a joint venture between nine organisations, both internally and externally it feels as though the campus is Treasury-led, and that there is more support for the campus among the Treasury's ministers and senior officials than in some other departments. As an illustration, there are 14 senior civil servants from the Treasury based at the campus – all other departments combined have 21.⁶⁴

To some extent this is natural, given the Treasury has always been the campus's 'headline department' – the economic campus's existence and location in Darlington were announced by the chancellor at the 2020 and 2021 budgets respectively and the most senior civil servant at the campus is Beth Russell, a Treasury official. There are also worse outcomes for the campus than being seen as Treasury-led. Both inside and outside government the department is seen as powerful and its close association with the campus has given it credibility that it might have struggled to acquire had it been associated with a department with a weaker brand.

But the DEC's success so far has been in no small part because it brings together multiple departments to give officials varied career paths and reduce departmental siloes. For the campus to continue to succeed it needs engagement from more than just the Treasury. It is important that other departments take their responsibility to the campus seriously. In some cases they need to enhance the level of support that senior officials have for the endeavour, including by increasing their presence at the campus.

The campus will have to prove it is not just a Conservative Party project

It is a good thing that the current government has been full throated in its support for the DEC, and that Rishi Sunak in particular has invested political capital in its success. The campus would not have achieved what it has so far had this not been the case.

But the campus's perceived association with the Conservative Party, particularly as a result of the circumstances that led to it being located in Darlington, has also generated some cynicism. Some opposition parliamentarians and mayors have cited it as an example of 'pork barrel politics', and while local politicians and the local community are happy with its presence, its reputation has led some to question whether it is more a political stunt than an office that will last for the long term.^{65,66,67}

This perception is unhelpful to the credibility and longevity of the campus. In particular, it may affect the commitment to it demonstrated by a potential future Labour government at a national level. There is little that can and should be done to directly respond to it, but the DEC's senior management should ensure that the campus is proactively marketing itself, highlighting its successes and how it is improving the way government works, to try to win over some of the sceptics.

The DEC will have to continue to attract and retain the best people **Civil service roles should be more accessible to external recruits**

The then chancellor of the Duchy of Lancaster, Steve Barclay, was right to argue in February 2022 that “attracting talent and expertise from more diverse backgrounds... is inextricably linked to realising the benefits” of relocation.⁶⁸

Staff at the DEC repeatedly described the “accessibility” to civil service jobs it provided as one of its positive impacts. But while the DEC has had some success in making civil service jobs more accessible, interviewees from outside the campus argued that it needs to go further. As the campus continues to expand, problems with recruitment will come to the fore if not fixed now. Too many potential recruits have found the civil service’s recruitment process off-putting.

Some of the problems with the way the civil service recruits are basic. Impenetrable job adverts, for example, have been a substantial barrier. One interviewee interested in applying to the DEC described how “the job advert lost me, so I lost interest in the job”. As another interviewee put it:

“Civil service jargon is a real problem for local people trying to get jobs at the campus. It only means something to civil servants on the inside. I know fantastic people, good enough for the civil service, who don’t have the confidence to figure out what opportunities might be available... there’s a specific example I can give you. I knew a caseworker for an MP who was interested in a job... but didn’t understand the role as advertised. When you stripped it back to what it actually was, he was more than skilled to do it. But even him, already working in politics, lacked the confidence to apply.”

Others are not even aware of the opportunities available or have been confused by rhetoric about cutting the number of people employed in the civil service. Multiple interviewees gave examples of being asked when the civil servants were arriving by people clearly unaware that they already had. There is also a problem with the name of the campus: as one interviewee told us: “When people first hear about it, they think what’s ‘the deck?’” And while civil service salaries are more competitive in Darlington than London, as noted above we still heard of multiple instances in which talented people from the private sector were put off from joining the DEC by the pay on offer.

Some of these problems will be harder to fix than others. But taking action to increase the accessibility of roles at the campus needs to be a priority if it is to continue to recruit a large proportion of staff externally and from the surrounding region as it continues to increase in size. Previous Institute for Government research has recommended how the civil service can improve external recruitment, including changing the way job adverts are written, replacing competency-based ‘success profile’ interviews with a process that more robustly tests candidates’ skills, providing civil service leaders with more flexibility on pay and making secondments easier to organise.⁶⁹ In the absence of civil service-wide action on this issue, there is a case for allowing the DEC, as a new office explicitly aiming to attract different types of people to the civil service, to experiment with different ways of recruiting and retaining staff. Any successful innovations could be beneficial to the whole civil service by helping to discover future best practice.

The DEC will have to adapt traditional civil service career paths

There is a sense that “in Darlington, and the North East generally, people’s career paths aren’t as transitory. They want to stay in a role for longer. That doesn’t fit too well with the civil service’s model that you have to move quite quickly to get to the top.”⁷⁰

Previous Institute research has criticised the fact that, at present, promotion in the civil service is best achieved by quickly cycling through roles.⁷¹ Civil servants in Darlington, most of whom will not have been socialised into accepting this as normal and might be used to a different workplace culture, are less likely to be prepared to do this – which must be taken into account if they are to be afforded equal opportunity to reach the top. Departments at the campus must think seriously about how to construct career paths that do not incentivise churn in the way that roles in London do, and suit the preferences of new recruits and the workplace culture of the North East. They should engage with the expertise of local big businesses when doing so.

This change would also have the additional benefit of modelling best practice to the rest of the civil service. The Institute has previously argued that the excessively rapid turnover of civil servants damages government effectiveness by reducing institutional memory and preventing officials from having the time to acquire domain knowledge.⁷² The DEC has an opportunity to demonstrate how civil service career paths can look different to the established way of doing things in London.

The DEC needs to retain its distinctive accelerator offering even as it expands in size

The campus’s distinctive ‘accelerator roles’ rely on close personal contact with senior staff, rather than gaining status and personal capital through the traditional route of working in a secretary of state’s private office or on a bill team. But as more staff join the DEC, the relative proportion of senior civil servants is likely to reduce – it was a conscious decision to locate a disproportionately large number of them at the campus at its outset, and new staff are likely to be disproportionately junior.

Attracting the best talent to Darlington relies on showing people that officials at the campus have a route to the top of the civil service. Accelerator roles are a key part of that journey, and if the campus loses its version of them it will reduce the calibre of people it is able to attract and retain.

It will therefore be incumbent on senior staff at the DEC, and their departments as a whole, to ensure that roles at the campus are structured so that even as the number of staff grows larger its accelerator offering remains.

The DEC must begin to export people as well as import them

While the DEC has so far secured the talent that it needs, it has done so in part at the expense of other local public sector organisations. The “DEC has sucked in most of the great people in the area – from the council, police and crime commissioner’s office, NHS and elsewhere,” leading to some skills shortages in those organisations.⁷³

Interviewees expressed hope that this would be transitional and that the DEC would begin to export skilled public servants to the wider region as well as recruit them. If it does not then it is a big problem – there is little sense in maintaining a civil service office in an area where doing so would severely damage the ability of other public sector organisations to attract and retain the talent they need. The DEC needs to recognise its place in the local area’s labour market and promote a two-way interchange between itself and other public sector organisations, not only as a mechanism for career development but also to ensure the viability of its continued presence in the area.

The DEC will have to continue to prove it can positively influence policy

The Darlington campus should ensure it adopts a national perspective

A core part of the reason the government has located a campus in Darlington is to foster closer engagement with the local community, with the ultimate aim of recruiting more staff from the region, gathering insights that improve policy making, and becoming part of the social and economic fabric of the town.

As this paper has demonstrated, these are positive ambitions and the DEC has already had a positive impact. But they also come with the risk that the campus, which sees part of its core remit as connecting with the local community, becomes captured by its interests.

Unlike some previous efforts at relocating civil service work out of London – for example, the Government Offices for the Regions – civil servants based in Darlington are not tasked with making policy for the region in which they are based.⁷⁴ But there is a danger that civil servants who are explicitly aiming to become part of the fabric of the local community in a way that civil servants in London are not fail to retain their national focus. This would be problematic; if the existing problem is that policy is sometimes too London-centric, then it should be replaced with a more geographically even approach, not with a different geographic bias.

Departments will have to mitigate the risks of working across multiple sites and outside London

While basing civil servants in Darlington has plenty of benefits, there are also associated risks, which will become more apparent over time and have to be actively mitigated.

Since the coronavirus pandemic, hybrid working has become normal across the economy. The simple fact that civil servants in Darlington are not physically co-located with colleagues should not pose too many problems on a daily basis. But there are types of work for which it is useful to bring people together and being based across multiple sites can pose difficulties. As one interviewee told us: “My team does a lot of collaborative idea generation – ‘get out the whiteboard and scribble all over it’ type stuff. That’s hard to do on Teams.” Given this problem is inherent to a multi-site workforce there is little that can be done to ‘fix’ it; instead teams will have to take a flexible approach to the way they work and find ways to physically co-locate when necessary.

Similarly, policy and senior roles rely on understanding a minister's political motivations and this is something that might be more difficult to discern if not physically co-located with them and regularly engaging in serendipitous exchanges, instead only coming into contact on scheduled virtual calls and the occasional visit. Ministers and civil servants tend to work best together when they have close and trusting relationships and this is something more easily established through in-person contact. Again, there is little that can be done to 'fix' this, but civil servants should be alert to the problems it can cause and mitigate them where possible.

Being based outside London also has disadvantages for some of the work that officials undertake. The Institute for Government has previously argued that civil servants should have a better understanding of parliament – both its procedures and political dynamics – so policy advice takes account of the current political context.⁷⁵ Civil servants in Darlington will be even less exposed to parliament than their counterparts in London – and so the 'satellite delay' between civil servants' perceptions and parliamentary reality is likely to be worsened, with negative consequences for the quality of advice.⁷⁶ Staff at the campus need to be aware of this and seek to ensure that civil servants have ample opportunity to experience and understand parliament.

It is also the reality that civil servants at the DEC whose departments remain London-centric will miss out on some informal conversations and, in some cases, feel less integrated into their department as a whole. This is also the case for Fast Streamers at the campus, with a large proportion of their cohort being based in London – something that, given the nature of the Fast Stream and number of roles at the DEC, will be difficult to change. One Fast Streamer at the campus told us: "I do feel a bit out of the loop. I go down to London to meet up with all the Fast Streamers once a month and I feel like I know nobody." The campus will have to offer appropriate pastoral care to staff in this situation, and departments and the Fast Stream should do what they can to build relationships between staff based in different parts of the country.

Building relationships across offices should also help to avoid an oppositional relationship developing between the DEC and colleagues in other parts of the country, particularly London. It is good that the DEC has a strong sense of identity and part of its remit is to innovate in ways that civil servants based in the capital are unlikely to. But this could also lead to regional siloes developing; to some extent the DEC is designed as a counterweight to officials based in London, but if managed the wrong way this could become an unhelpfully central component of its identity and lead to unproductive conflict. Departmental leaders need to keep a close eye on whether a rivalrous relationship between the Darlington and London campuses develops, and step in if so.

The DEC must not revert to siloed working as it expands

The DEC's lack of siloed working is in part due to the way it utilises its office space, the high proportion of external recruits who do not have experience of Whitehall's embedded inter-departmental turf wars and the fact that much of the work done at the campus is naturally complementary. But it is also a function of the relatively small number of staff currently based there.

As the campus grows there is a risk that bureaucratic tendencies take hold and teams and departments erect more rigid barriers between themselves. One of the campus's key positive innovations so far has been the way it has cut through traditional departmental siloes, and the campus's senior leaders need to be conscious that this is maintained, rather than allowed to falter. This is especially important with regard to DfE. It is based in a separate building to the rest of the DEC, it existed before the campus and is large enough on its own terms (with 700 staff, of which 11 are senior civil servants) to be thought of as a standalone office in its own right. It would be easy for it to gradually disconnect from the rest of the DEC and campus leaders need to be proactive in ensuring this does not happen.

The rest of the civil service must adapt to get the best out of the DEC **Properly incorporating the DEC's diverse perspectives relies on the civil service becoming more open to them**

The DEC exists in part to allow the civil service to harness different perspectives in the service of better policy making. If its full potential is to be realised then the civil service must become an organisation more open to the opinions and perspectives of people with different backgrounds.

According to the 2022 Civil Service People Survey, only 48% of civil servants felt "safe" to challenge the way things are usually done in their organisation, down from 49% the previous year. In the Treasury specifically, the percentage of civil servants who felt safe to challenge things fell from an above average 61% in 2021 to a more pedestrian (although still above average) 55% in 2022. And there are well-documented issues with the way staff from lower socioeconomic backgrounds feel treated in the civil service.⁷⁷

If staff at the DEC are to feed different perspectives into the policy making process, they have to feel comfortable and supported in doing so. In particular, civil servants in London (and ministers) have to respectfully engage with new insights from colleagues at the DEC, rather than rejecting them because they do not fit with existing orthodoxy. So far colleagues in London have "generally been pretty great" but there remains "some way to go" and the success of the DEC will partly rely on continuing improvement from London-based civil servants in this regard.⁷⁸

An 'any job, anywhere' policy helps to attract the best talent

It is crucial that the campus contains a substantial number of varied and senior roles to allow people based in Darlington to build full careers in the civil service. It is also important that there is not such a concentration of senior roles at the campus that officials in other parts of the country feel they have to move to Darlington to climb to the civil service's higher ranks.

It has been a net positive to the DEC that some departments, most notably the Treasury and DBT, have instituted a policy that any role can be done from the campus. It has allowed both prospective and existing officials to be sure they are able to build their careers in Darlington and broadened the number of roles available to them. And it has also ensured that talented officials in London do not feel they have to move to

Darlington to progress in the civil service, which would simply replace a status quo that forces people to move to London with one that forces them to move out. Other departments have been more prescriptive, which has frustrated some London staff who feel they would need to move to Darlington to progress – although thus far this issue has been limited in scope.

As some departments at the campus are currently discovering, allowing any job to be done from any office also has downsides. The DEC has a “slightly random collection of jobs” and previous Institute for Government research has noted that “split teams require deft management to instil an institutional culture and provide adequate support and access to development opportunities”.^{79,80} Such a model also creates a need for more intensive pastoral care for staff who might be based in a different part of the country to the rest of their team and most of their department. And it also has consequences for the campus’s ‘accelerator offering’. If a junior or mid-level official finds that the senior civil servants relevant to them are not based at the campus, it will be hard for their role in Darlington to be an accelerator.

But, despite some of the associated difficulties, the ‘any job, anywhere’ approach has more advantages than disadvantages – not least that it allows officials in Darlington to be sure that they can build a career at the campus without compelling staff based in other parts of the country to move there. It should be strongly considered by those departments based at the campus that have not adopted it.

What recommendations for current and future relocations can be drawn from the Darlington Economic Campus?

Civil service relocation can be successful

Against a background of some scepticism, the Darlington Economic Campus has proved that civil service relocation can be successful. It has helped to attract talented people from different backgrounds into central government, encouraged policy makers to contend with reality as experienced from a place outside London, increased local pride and provided a modest boost to the local economy. From the early success of the campus, some key recommendations on how to do relocation well can be drawn:

Civil service relocation should not be considered a primary way to reduce regional economic inequality

Almost 80% of the approximately 480,000 UK-based civil servants are already based outside London.⁸¹ The government's ambition is to base 22,000 more outside the capital, including approximately 1,000 more senior roles.

This is not an insignificant number. But it is far from large enough for relocation to be one of the government's core methods of reducing regional economic inequality – something that will also be true if a potential future Labour government implements the Brown commission's recommendation to move 50,000 civil servants out of the capital.⁸² As the DEC shows, the relocation of civil service roles can increase an area's local pride – a significant and tangible levelling up outcome. But the evidence suggests it provides only a modest economic boost, and cannot go the whole way to economically levelling up an area alone. Furthermore, there are only so many places that new offices can move to, and so the relocation of civil servants is not a replicable economic model that can be applied across the country.

While relocation can help, if the government wants to reduce regional economic inequality then it ultimately will have to rely on far more powerful levers than the dispersal of civil servants from London to the rest of the country.

Ministerial and civil service buy-in is a prerequisite for success – although there are risks to becoming identified with a single politician or party

Having serious ministerial and civil service backing has helped the Darlington campus to establish itself. It has helped to convince prospective staff that they will be able to have a fulfilling civil service career outside London, tempting 'relocators' out of the capital and local people into roles at the DEC; shown the local community that the DEC is worthy of their support and increased local pride; and signalled to the rest of Whitehall that the campus should be taken seriously and is worth disrupting usual ways of working for.

The two people most closely identified with the campus are Rishi Sunak and Beth Russell.⁸³ Having two senior figures, one the chancellor and then prime minister, and the other a senior civil servant (latterly at a permanent secretary grade), invest so much of their personal capital into the campus has been beneficial to its prospects. It provides a model for future relocations.

However, it is also worth noting that the campus has also seen the downside of being closely associated with a single politician and political party, with some cynicism among stakeholders as a result. While the benefits outweigh the risks, the dangers of being associated with a politician and party in this way are also worth noting for future relocations. Future offices will have to be proactive about building a broad base of support across the local community and among all political parties at a local and national level, demonstrating the benefit of their existence and showcasing tangible examples of how they have improved the way government works.

Well-connected towns can be effective places to locate civil service offices

If offices are relocated to areas with an unsuitable labour market, they fail. A large amount of the initial scepticism about Darlington as a location for the economic campus was that it did not have a large or skilled enough labour market to sustain a civil service office.

If staff at the DEC were coming from only the town itself, this would be a fair criticism. The “lack of skills in the area has needed addressing for years”.⁸⁴ But because of Darlington’s large travel-to-work area, thus far the campus has had access to the talent it needs and expects to continue to do so for the foreseeable future – with the wrinkle that at the moment an unhelpful proportion of it is being recruited from other public sector organisations in the area.

There tend to be trade-offs between basing relocated offices in cities and towns. Locating them in towns tends to produce a more meaningful boost to local pride and the local economy and expose policy makers to different realities, having more impact on the way policy is made. On the other hand, basing them in cities tends to be the best way to ensure they have access to a sufficiently large and skilled labour market – with previous Institute for Government research noting that “even the strongest advocates of relocation we spoke to were sceptical about the ability of the civil service to attract people with policy skills to small towns with a lower socioeconomic profile”.⁸⁵ Being based in a city also makes it easier to connect with high-quality academic institutions and businesses, of which there tend to be fewer in towns.

The DEC is proof that there are situations in which an office can be based in a town and still have access to a large and capable labour market. While the size of Darlington’s travel-to-work area might make it an exception and not a rule – and work still needs to be done on making the campus more accessible to external recruits – it is worth the government noting that locating offices in well-connected towns can help them to mitigate some trade-offs; allowing offices to contribute to levelling up an area and make more of an impact on the way policy is made while also ensuring they have a

sustainable supply of skilled labour. Being well connected to London has also made it easier for the DEC to host ministerial visits. The Cabinet Office minister Alex Burghart recently told a parliamentary select committee that “as a minister, the limitation is mostly on time... the further away you get, the bigger the constraints are”, and favourably contrasted Darlington, which is roughly two and a half hours from London by train, with the Cabinet Office’s hub in Glasgow, which is over four hours away.⁸⁶

There are benefits to co-locating multiple departments

For any relocated office to be successful, strong career paths are a must and a ‘critical mass’ of officials must be reached. The DEC’s ‘economic campus’ model, bringing together similar types of roles across multiple departments, has helped to provide this. It has also demonstrated the power of bringing multiple departments together in the same physical location to reduce departmental siloes. And, if the DEC fails to model a different way of managing civil service career paths, grouping the campus around a theme should at least help to curb the worst excesses of the rapid movement of officials between jobs by channelling their job-hopping around a single theme, improving their subject-specific expertise and helping to preserve institutional memory.

A similar ‘campus’ model should be seriously considered for future relocations. For example, a campus could be set up based around net zero, or crime and justice. As the rationalisation of the government estate continues, it might also be worth considering whether a campus model, with staff from multiple departments inhabiting the same spaces in the same building, might work in Whitehall itself – although this would be culturally alien and so more difficult to make work.

Conclusion

The Darlington Economic Campus is still early in its existence, around two years into what several interviewees described to us as a “10-year project”. But it has rapidly become the flagship for civil service relocation, and its success so far has shown that relocation can achieve three main aims:

- 1. Allow talented people who cannot or do not want to live or work in London to contribute more effectively to the civil service**, incorporating different types of diverse thinking into the civil service’s work.
- 2. Help to change the way policy is made** by exposing policy makers to different realities across the country and linking them to different external stakeholders.
- 3. Make a contribution to ‘levelling up’ deprived areas** by relocating public sector jobs to those parts of the country. Relocation can increase local pride as well as provide a modest and very local economic boost.

The campus is currently the recipient of substantial political and official support. But there remain challenges to overcome and risks to mitigate as it continues to grow. These include:

- **The campus will have to retain support from its key stakeholders.** There must be continued senior civil service presence; ministers must give positive permission for staff at the campus to practise hybrid ways of working and continue to visit; and all departments based at the campus must remain committed to it to ensure that staff have viable and varied career routes.
- **The campus must continue to attract and retain the best people.** Jobs in the civil service must be more accessible to external recruits; career paths must be adapted to suit the local workforce and model best practice to the rest of the civil service; and the DEC must establish and maintain its own version of sought-after ‘accelerator roles’, which advance people’s civil service careers. In the absence of major civil service-wide changes to the way external talent is recruited, the DEC should be given freedom to experiment with new ways of attracting and retaining the people it needs, and the opportunity to discover new best practice.
- **The DEC must prove its existence improves national policy making.** While embracing and demonstrating the benefits of developing and providing policy advice from outside London, staff must retain a national focus and be alert to the risks posed by working across multiple sites and away from parliament. Teams at the DEC must sustain efforts to reduce siloed working.

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- **For the DEC to reach its full potential, the rest of the civil service must adapt to get the best out of it.** The civil service must become more open to new people and perspectives and ensure that it retains the flexibility to allow talented officials to do their job from the location that works best for them.

From the success of the campus so far, some key lessons and recommendations on how to do relocation well can be drawn:

- **Relocation's primary value comes from making it easier for talented people from different backgrounds to join the civil service and changing the way policy is made** to better take into account realities outside London.
- **Civil service relocation should not be considered a primary tool for reducing regional economic inequality.** Almost 80% of civil servants are based outside London already, and the number of roles being relocated is not substantial enough to meaningfully reduce regional inequality, even if it does provide a modest economic boost to the local areas receiving jobs.
- **Ministerial and senior civil service buy-in are essential to success** – although becoming too identified with specific politicians or political parties carries a risk that offices are seen as political stunts or lose important support from across the political spectrum.
- **Well-connected towns can be good places to host civil service offices.** There tend to be trade-offs between locating offices in towns, where policy makers are exposed to different realities and there can be a greater levelling up effect, and cities, which tend to have larger and more skilled labour markets and a greater range of external institutions for government to connect with. Darlington is proof that well-connected towns with a large travel-to-work area can provide offices with the workforce they need – and its direct connection to London is useful for facilitating ministerial visits.
- **There are large benefits to co-locating departments in a single office.** It gives civil servants varied career paths, while also channelling movement between jobs more productively to allow officials to develop greater subject-specific knowledge. It can also reduce departmental siloes.

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