

## **Levelling Up: Firm Foundations Executive Summary**

We all want the UK to be a more equal, as well as a more prosperous society. This means an economy that works for everyone. As we look to the future, post-pandemic, we have a real opportunity to level up the country. We can tackle injustice and break down the barriers that prevent so many of us from reaching our potential. And we can put in place the firm foundations that will enable us to build back better, for the long term, improving opportunity and outcomes for everyone, where no-one is left behind.

Covid-19 has exposed and exacerbated long standing structural and systemic inequality in the UK. It has shown how inequalities in employment, in housing, in health - in all aspects of our lives - lead to lost potential and, ultimately to lost lives. And it has shown how discrimination and disadvantage combine to place some groups at higher risk of Covid-19 and its wider social and economic impacts.

These injustices not only cause unnecessary costs to health and other public services, they also limit productivity and growth. Tackling them would bring significant economic benefits for the whole of society. For example, bridging the pay and employment gaps that hold back women, disabled people and Black and ethnic minority people would have a significant, positive impact on economic growth.

### **A national equality strategy**

The Government's levelling up agenda represents a real chance to advance equality between people and places and deliver better outcomes for all. This will require a cross-government strategy that will:

- address the deep-rooted inequality experienced by women, Black and minority ethnic people, disabled people and others that Covid-19 has highlighted; and
- set explicit, strategic objectives to protect and promote equality, social inclusion and sustainable development at every level (national, regional, local) and give these goals the *same* priority and attention as purely economic objectives.

All government policies and actions should set out how they will advance equality. Without this, we all lose out and already marginalised people will be pushed further to the margins.

Enforcement of existing anti-discrimination and equality law will remove barriers to the labour market and other opportunities. This will give everyone the freedom to progress and live good lives.

## **People and Places**

Inequality in the UK is deeply entrenched. To reverse this, and level up our economy, we need to start with the most disadvantaged people in the poorest places.

Decision-making needs to be devolved. The Scottish and Welsh Governments, the Northern Ireland Assembly, as well as combined and local authorities in England all have a role to play. New investment, such as the Levelling Up Fund and the proposed UK Shared Prosperity Fund, needs to go with the grain of existing policies and priorities for levelling up in each place, especially where these already have broad public support and therefore legitimacy.

All place-based funds should be allocated according to need, using a fair and transparent formula. Local plans should set clear targets to address the specific equality challenges for their area, drawing on both quantitative data and the views of people with lived experience of those challenges. Plans should be developed in partnership with local communities and civil society.

Making local authorities compete for funding from different pots will not achieve the sustainable and resilient levelling up plans, nor the efficient local government sector that is essential for delivering them. A new funding settlement for local government, weighted for deprivation, is also needed to enable local authorities to lead change in their areas.

## **Investing in Social Infrastructure**

Public services such as health and social care, housing, education, childcare and social security provide a vital social infrastructure that protects and promotes the well-being and resilience of individuals, communities and the economy.

Sustained investment in universal services would provide a significant economic stimulus as well as improve outcomes for people. As the Women's Budget Group has shown, a care-led recovery, spending 1.9% of GDP on care would generate two million jobs and close the gender pay gap by 4%.<sup>1</sup>

## **An adequate standard of living**

Levelling up means ensuring that everyone has an adequate standard of living. We should all have enough to eat and a secure home where we can keep warm and dry; fair and decent work for those who can work, and social security for those who are unable to work or are looking for a job.

Disadvantage and discrimination mean that some of us are more likely to lack these essentials, because of our age, because we are disabled, because we are women and / or because of our ethnicity, for example. By recognising these systemic and structural inequalities and tackling their root causes we can level up opportunity and improve outcomes for everyone.

## **Conclusion**

Many have questioned what levelling up means and there are different views on how to achieve this in practice. But whatever the question, the answer is always 'advancing equality'. A more equal society is the key to our shared prosperity.

Equality is about making a reality of our common humanity and the fact that we are all born equal in worth, dignity and rights. To be effective, levelling up must enable all of us to realise our rights in practice. We can build back better, creating more inclusive social structures and institutions and an economy that works for all.

## Recommendations

### A National Equality Strategy

The UK government should introduce a cross-government equality strategy that:

- recognises that action is needed across a range of policies to address the cumulative impact of socio-economic disadvantage and racial and other forms of discrimination; and
- sets explicit, strategic objectives to advance equality and social inclusion at every level (national, regional, local) and gives these goals the *same* priority and attention as economic objectives.

Policies and resources should intentionally target inequality, with outcomes for different groups considered from the outset.

The government should use its commissioning and procurement power to reduce discrimination and other barriers to the labour market and to public services.

As the Women and Equalities Committee has recommended, existing anti-discrimination and equality legislation must be, and be seen to be, robustly enforced<sup>2</sup>. We support these recommendations, including the need for:

- the EHRC to have a stronger, strategic role in ensuring that employers, public authorities, service providers and other regulators comply with their legal obligations; and
- all other regulators, inspectorates and ombudsman, use their powers to ensure compliance in their areas of responsibility.

These bodies must have the resources they need to carry out their role, so there is a realistic prospect that those who do not meet their legal obligations will be caught and sanctioned.

### People and places

Responsibility for place-based funding, including both the Levelling Up Fund and the UK Shared Prosperity Fund, should be devolved to the Scottish and Welsh governments, the Northern Ireland Assembly and to local and combined authorities in England.

- Funds should be allocated according to need, based on a fair and transparent formula.
- Local plans should be based on objective evidence of inequalities in each area, and the barriers faced by marginalised groups, and informed by the needs, view and priorities of those groups themselves

- Dedicated funding should be available to local communities and civil society organisations to develop and strengthen grassroots infrastructure and support their participation in decisions affecting their locality more broadly.

A new funding settlement for local government, weighted for deprivation, would provide long term, sustainable investment in social infrastructure and enhance local authorities' ability to lead change in their area.

A care-led recovery, with investment in universal child care and in a radically new vision for social care, would improve outcomes for children, increase opportunity for women and disabled people and create jobs.

### **A right to fair and decent work**

The government should, as a matter of urgency, introduce an Employment Bill to implement its Good Work Plan.

This should provide a clear legal framework to underpin workers' right to basic protections in the workplace, including the right to

- flexible working from day one
- a regular hours contract, decent notice of shifts and compensation for cancelled shifts
- statutory sick pay, paid at an adequate rate
- protection from redundancy for pregnant women, (as set out in Maria Miller's Pregnancy and Maternity (Redundancy Protection) Bill) and
- a greater say in the workplace.

These must be accompanied by clear information and support, so that people understand and exercise their rights, backed up by adequate, and adequately resourced, enforcement mechanisms.

### **A right to equal treatment at work**

Mandatory reporting has narrowed the gender pay gap by almost one fifth (19%).<sup>3</sup> This should now be extended. Employers should be required to report ethnicity and disability pay gaps and produce targeted action plans to address these.

Action to address pay gaps should be intersectional, recognising the cumulative impact of ethnicity, disability and gender on people's pay and progression in the workplace. This should include, for example,

- Fair and transparent processes for recruitment, remuneration and progression.

- A willingness to make reasonable adjustments to work roles and the work environment to maximise the individual strengths and experiences of all employees.

Senior managers in all sectors should be accountable for creating inclusive workplace cultures. This should be a key performance indicator, backed up by robust data to measure progress. Those workers most effected should be actively involved in the development of plans.

Employers already have a duty to make reasonable adjustments at work for disabled employees. This must be actively enforced.

The government should work with disabled people's organisations to review the effectiveness of the Access to Work scheme to ensure that every disabled person has the support they need at work.

## **A right to social security**

Changes announced in the Budget 2021 will help those in low paid work, but those who are unable to work, or are between jobs, will not benefit from these changes. To ensure that everyone has an adequate standard of living, the government also needs to:

- Reinststate the £20 a week uplift and extending it to those on legacy benefits.
- Remove the two-child limit and benefit cap
- End the use of sanctions and conditionality
- Review benefit levels for disabled people, ensuring that every disabled person has a secure income, with a premium to cover the additional costs they face.
- Remove No Recourse to Public Funds.

The government should also acknowledge that these weaknesses in the social security system are structural, and therefore the system requires fundamental reform to be fit for purpose.

A reformed system should be built around people's needs and based on trust and empathy with people experiencing financial hardship. People with lived experience of the social security system should be directly involved in its redesign, including those for whom employment is not a viable or available option.

## **A right to a secure home**

Private tenants should have the right to safe and secure homes. Measure to address this in the short term include: an end to Section 21 evictions; a register of landlords; some level of rent protection; and greater enforcement of housing standards.

The government should end discrimination by landlords, enforcing the rights of social security claimants and removing 'right to rent' checks on prospective tenants' passports.

Reductions in housing benefit support should be reversed and Local Housing Allowance increased to the 50<sup>th</sup> percentile of average rents in an area.

Women's refuges must be adequately funded, so that no-one need be turned away when they leave a violent or abusive relationship, this should include provision for women with No Recourse to Public Funds.

Long term, the government needs to invest in social housing to give families on low income the security of long-term tenancies at a rent they can afford. This will also reduce the amount spent on Local Housing Allowance.

The government should also make it easier for local government to build and invest in housing and exercise control over local Permitted Development Rights to achieve this goal.

## **Accessibility**

Inclusive design must be a statutory requirement for all housing, as well as for public spaces and the built environment more generally.

Last year the government consulted on changes to Building Regulations to improve accessibility for all new homes. We strongly endorse Option 4, that is

- the current optional standards for Accessible and Adaptable Homes (M4(2)) should become the minimum standard for all new homes; and
- there should be a set percentage of homes for wheelchair user (M4(3) homes) in all areas.<sup>4</sup>

Gypsy, Traveller and Roma communities

The provisions in the Police, Crime, Sentencing and Courts Bill that would effectively criminalise Gypsy and Traveller communities must be removed. The government must engage with those communities to agree alternative solutions.

The government should work with the community to develop a cross-government strategy to improve outcomes for Gypsy, Roma and Traveller communities, as promised in its response to the Women and Equalities Committee report.<sup>5</sup>

## References

---

- <sup>1</sup> J de Henau and S. Himmelweit, 2020, *A care led recovery from coronavirus* <https://wbq.org.uk/wp-content/uploads/2020/06/Care-led-recovery-final.pdf>
- <sup>2</sup> Women and Equalities Committee, 2019, *Enforcing the Equality Act: the law and the role of the EHRC Tenth Report of 2017-19 session* <https://publications.parliament.uk/pa/cm201719/cmselect/cmwomeq/1470/147002.htm>
- <sup>3</sup> J Blundell, 2021, *Gender pay gap closes by one fifth after reporting introduced* <https://www.lse.ac.uk/News/Latest-news-from-LSE/2021/c-March-21/Gender-pay-gap-closes-by-one-fifth-after-reporting-introduced>
- <sup>4</sup> Ministry of Housing, Communities and Local Government, 2020, *Raising accessibility standards for new homes: A consultation paper* <https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes>
- <sup>5</sup> House of Commons Women and Equalities Committee, 2019, *Tackling inequalities faced by Gypsy, Roma and Traveller Communities, Seventh Report of Session 2017-2019 Government and Ofsted response* <https://publications.parliament.uk/pa/cm201719/cmselect/cmwomeq/2411/2411.pdf>