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PARLIAMENTARY
GROUP ON


**INCLUSIVE
GROWTH**



Left
Behind
Neighbourhoods

centre for
**progressive
policy**



20 October 2021

A joint statement unites cross-party Parliamentarians in a call for a healthier, greener and more inclusive United Kingdom

As the UK emerges out of the pandemic and the government renews its focus on levelling up, Parliamentarians from the APPG Inclusive Growth and APPG for Left Behind Neighbourhoods come together to urge change.

The Spending Review and Levelling Up White Paper are opportunities for the government to go further and faster in driving inclusive growth and shared prosperity for all. Together with the UK's presidency of COP26 and our global role in pioneering health technologies and treatments – during the pandemic and beyond – the UK can lead the way for a healthier, green and more inclusive future, by:

- **Prioritising social as much as physical infrastructure investment, particularly in education and community health.** In particular, we call for an expanded Pupil Premium (in England) to close the education attainment gap.
- **Allow for integrated 'Total Place' style investment** for local authorities to align new and existing resources against their long term strategic objectives – including a just transition, protecting the poorest households from bearing the burden of net zero.
- **Going beyond headline GDP to measure and monitor economic success,** including prioritisation of health life expectancy and a shift in how government accounts for expenditure in people as an investment not a cost.

Why are we joining together?

- The APPG Inclusive Growth and APPG for Left Behind Neighbourhoods share a **common commitment to addressing the social and economic barriers holding back people and places across the United Kingdom.**
- The government recognises that **levelling up opportunity** across the nations and regions of the UK is critical. Whilst progress could - and should - be made in the coming months and years, truly **addressing these long-term challenges requires a cross-party commitment to doing so, with a plan to span successive parliaments.** Forging a new system of green and

inclusive growth, where as many people as possible can contribute to and share in the prosperity of our nation, will take the work of a generation.

- Whilst most of these challenges were evident before the coronavirus pandemic, the **deep inequalities that have been exposed – and compounded – by the crisis make action to address them even more urgent**. For example:
 - The learning loss for disadvantaged pupils is estimated to have undone between a third and two-thirds of the progress made over the past decade in closing the disadvantage gap among primary school children.¹
 - Healthy life expectancy had also stagnated for those in the most deprived areas of England, rising only from 52 years to 52.3 for men in this group between 2011/13 and 2017/19 and falling from 52.4 years to 51.4 for women in the most deprived areas during the same period.²
 - The most disadvantaged and ‘left behind’ neighbourhoods experience the greatest disparities of all, ranking below the average on educational attainment compared to other equally deprived areas and England as a whole,³ and with higher rates of cancer, greater mental health challenges, a disproportionate vulnerability to COVID-19 and higher mortality rates due to COVID-19.⁴
- **Climate change poses another urgent threat**, both to the future of the planet and to local economies least resilient to rapid decarbonisation and structural change. A green revolution must go beyond creating new job opportunities in renewable energy and other technologies, actively helping people into new and emerging sectors and encouraging and supporting community led responses in the most ‘left behind’ neighbourhoods to ensure the most deprived places are not forgotten in our efforts to achieve net zero.
- Underpinning long term change will **need to be a shift in what we value and what we measure** – going beyond headline GDP to monitor the distribution of social and economic opportunity at a regional and local level acknowledging the crucial importance of social infrastructure – places and spaces to meet, community activities and transport and digital connectivity - particularly in the most ‘left behind’ neighbourhoods – as a firm foundation both for local economic growth and improved health and well-being. Research by the Centre for Progressive Policy shows that healthy life expectancy is the most powerful proxy for inclusive growth.

What are we calling for?

¹ Office for National Statistics [ONS] (2021) Health state life expectancies by national deprivation deciles, England: 2017 to 2019. Available here: <https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthinequalities/bulletins/healthstatelifeexpectanciesbyindexofmultipledeprivationimd/2017to2019>

² Department for Work and Pensions [DWP] (2021) “Workless households and educational attainment statutory indicators 2021. Available here: <https://www.gov.uk/government/publications/workless-households-and-educational-attainment-statutory-indicators-2021/workless-households-and-educational-attainment-statutory-indicators-2021>

³ OCSI (2020) Economy Data Dive for the APPG for ‘left behind’ neighbourhoods. Oxford: Oxford Consultants for Social Inclusion <https://www.appg-leftbehindneighbourhoods.org.uk/wp-content/uploads/2020/09/OCSI-Economic-Data-dive-for-the-APPG.pdf>

⁴ OCSI (2021) Health Data Dive for the APPG for ‘left behind’ neighbourhoods. Oxford: Oxford Consultants for Social Inclusion. <https://www.appg-leftbehindneighbourhoods.org.uk/wp-content/uploads/2020/09/OCSI-Economic-Data-dive-for-the-APPG.pdf>

- We urge the Government to accelerate its commitment to promoting shared, sustainable growth by:
 1. **Prioritising social as much as physical infrastructure investment in the Comprehensive Spending Review.** Efforts to enhance the physical infrastructure of a place including the quality of local high streets, transport and broadband connectivity must go alongside efforts to improve the UK's social infrastructure, if the 'levelling up' agenda is to unlock economic opportunities across the country. This means – at a minimum (in England):
 - a. **Expanding eligibility for the Pupil Premium** so that children living in households earning less than £24,400 (representing 40% of households with children) are entitled to additional primary and secondary school funding.⁵
 - b. **Safeguarding community public health budgets** so that pressure on relieving acute NHS backlogs does not undermine efforts to tackle the root causes of ill-health and boost the health resilience of our communities. The launch of the new Office for Health Improvement and Disparities⁶ is an opportunity to catalyse action for population health within centre government, but needs to be supported by resources on the ground.
 - c. **Providing targeted investment in foundational social infrastructure from the next wave of dormant assets** for the most disadvantaged and 'left behind' neighbourhoods⁷ through the proposed Community Wealth Fund⁸. This would provide £2billion for community-led, hyper-local investment over the long term to help improve social, economic and environmental outcomes and level up through a 'least first' approach.
 2. **Allow for integrated 'Total Place' style investment for combined authorities (or their equivalent)** to ensure the transition to net zero goes hand in hand with inclusive growth – nationally and locally. This must involve:
 - a. **De-ringfencing public sector funding and investment** for Mayoral Combined Authorities and places with County Deals so that resources (including via UK Shared Prosperity Fund, Levelling Up Fund and others) reinforce local, long term economic and public service reform strategies – spanning urban regeneration, housing, planning, transport, R&D, skills and population health, and leveraging private sector finance and enterprise.
 - b. **Establishing a Just Transition Fund** for local authorities to help alleviate the financial impact on people least able to bear the costs of transitioning to net zero, allowing places to invest in retrofitting social housing or providing means-tested grants to households replace old gas boilers or for small businesses to switch to electric vehicles (e.g.).
 - c. **Launching a dedicated Net Zero Retraining Scheme** to assist people into new, quality jobs where they have been displaced by the process of decarbonisation -

⁵ See CPP joint report with the Northern Research Group (forthcoming, September 2021).

⁶ See [New body to tackle health disparities will launch 1 October, co-headed by new Deputy Chief Medical Officer](https://www.gov.uk/government/news/new-body-to-tackle-health-disparities-will-launch-1-october-co-headed-by-new-deputy-chief-medical-officer) – GOV.UK (www.gov.uk)

⁷ See the foundational research by Local Trust and OCSI <https://www.appg-leftbehindneighbourhoods.org.uk/wp-content/uploads/2020/09/OCSI-Economic-Data-dive-for-the-APPG.pdf>

⁸ See <https://communitywealthfund.org.uk>

working with sector representatives, trade unions, skills providers and employers, especially in the most carbon intensive industries.

- d. **Building community confidence and capacity through the mechanism of a Community Wealth Fund⁹** enabling the residents of ‘left behind’ neighbourhoods to take local action against climate change. Ambition Lawrence Weston, a community group in north Bristol, has used support of this kind (delivered through the Big Local programme) to, among other things, reduce fuel poverty, improve housing provision and generate revenue from community-owned renewables.¹⁰

3. Going beyond headline GDP to measure and monitor economic success¹¹ by:

- a. **Incorporating local, regional and national healthy life expectancy as a core component of the OBR’s fiscal sustainability reporting process** – maintaining recognition of the relationship between population health and economic productivity and risk.
- b. **Prioritising quality job metrics over standard employment figures in official monthly and quarterly statistics.**
- c. **Reforming Government accounting conventions to enable spending on people and skills to be treated as investment** rather than a cost (i.e. as capital rather than revenue).

What will this achieve?

- **Increasing the UK’s long term productivity potential and sense of shared, national identity** by enabling more people to contribute to, and benefit from, the shared prosperity of the regions and nations in a thriving United Kingdom.
- **Boosting the UK’s position as a global leader** in sustainable and inclusive growth during the time of our G7 presidency, hosting of COP26 and as we look to forge new relationships and opportunities on the post-Covid, post-Brexit international stage. In particular, by:
 - **Pioneering a new approach to productivity and prosperity in which people and the planet are the drivers of enterprise and innovation**, not beholden to poor quality employers or bound by circumstances of where they live.
 - **Making clear how a just transition to net-zero will be achieved in a way that promotes growth and ensures disadvantaged and ‘left behind’ communities are not penalised** by the cost of making pro-environmental choices.
 - **Pursuing a new approach to investing in the most deprived or ‘left behind’ neighbourhoods, which trusts local people with spending decisions**, building community confidence and capacity to leverage in mainstream funds and advocate for their needs, ensuring these areas have the opportunity to catch up with their more prosperous neighbours and addressing decades of neglect.

⁹ For more information, see <https://localtrust.org.uk/policy/community-wealth-fund-alliance/>.

¹⁰ See case study on page 20 of the 2021 IPPR report <https://www.ippr.org/research/publications/the-climate-commons>

¹¹ For more on measuring inclusive growth, see [Centre for Progressive Policy \(2019\) The Good Life: Communities](#) and on monitoring government progress on levelling up, see [Centre for Progressive Back from the Brink \(May 2020\)](#).

All Party Parliamentary Group on Inclusive Growth

- Rt Hon. Liam Byrne MP, Labour MP for Birmingham Lodge Hill (Chair)
- Rt Rev. David Urquhart, Bishop of Birmingham (Vice Chair)
- Baron William Bradshaw, Liberal Democrat Member of the House of Lords (Vice Chair)
- Rt Rev. Christine Hardman, Bishop of Newcastle (Vice Chair)
- Clive Efford MP, Labour MP for Eltham and Plumstead (Vice Chair)
- Bill Esterson MP, Labour MP for Sefton Central (Vice Chair)
- Lord Ian Wrigglesworth, Liberal Democrat Member of the House of Lords (Vice Chair)
- Seema Malgotra MP, Labour MP for Feltham and Heston
- Kate Hollern MP, Labour MP for Blackburn

All Party Parliamentary Group on Left Behind Neighbourhoods

- Dame Diana Johnson DBE, Labour MP for Kingston upon Hull North (Co-Chair)
- Paul Howell MP, Conservative MP for Sedgefield (Co-Chair)
- Nicola Richards MP, Conservative MP for West Bromwich East (Vice Chair)
- Judith Cummins MP, Labour MP for Bradford South (Vice Chair)
- Sharon Hodgson MP, Labour MP for Washington and Sunderland West
- Jack Brereton MP, Conservative MP for Stoke-on-Trent South
- Ian Levy MP, Conservative MP for Blyth Valley
- Kieran Mullan MP, Conservative MP for Crewe and Nantwich
- Karin Smyth MP, Labour MP for Bristol South

About the Centre for Progressive Policy

The Centre for Progressive Policy is a think tank committed to making inclusive economic growth a reality. By working with national and local partners, our aim is to devise effective, pragmatic policy solutions to drive productivity and shared prosperity in the UK. Inclusive growth is one of the most urgent questions facing advanced economies where stagnant real wages are squeezing living standards and wealth is increasingly concentrated.

CPP believes that a new approach to growth is needed, harnessing the best of central and local government to shape the national economic environment and build on the assets and opportunities of place.

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