

**A better recovery
for the East of
England**

1. Introduction

Urgent action is needed to rebuild our economy after coronavirus.

The lockdown of the economy has already caused a sharp rise in numbers claiming Universal Credit, of both in-work and of unemployment benefits. While the official unemployment rate has so far held steady, over a quarter of all workers have been furloughed. We know many of these jobs are vulnerable as the Job Retention Scheme moves into its next phase. As the temporary support measures are wound down, a major economic stimulus will be needed if we are to avoid mass unemployment.

The scale of action needed is also an opportunity to address long-running problems in the UK economy, including the ongoing decline of our industrial base, which has contributed to regional inequalities and the growth of insecure and low paid jobs, while stepping up action to decarbonise our economy and better preparing our public services to deal with future challenges.

The [TUC has set out](#) the measures needed nationally to rebuild our economy:

- **Decent work and a new way of doing business**, including a £10 an hour minimum wage, a ban on zero-hours contracts, boosting collective bargaining, and giving workers a voice at the heart of government by establishing a National Recovery Council.
- **Building a sustainable industrial base and a green economy**, including establishing a recovery programme to deliver over a million new jobs, an ambitious job guarantee scheme to decarbonise the economy, funding a right to retrain, requirements for government investment programmes to rebuild UK manufacturing supply chains, and ensuring every government investment project comes with a plan for decent jobs.
- **Equality at work**, including a day one right to flexible working for all, greater protections for pregnant women and new mums, better resourcing of Access to Work, and compliance with the public sector equality duty.
- **Rebuilding public services**, including a fair pay rise for all public sector workers, sustainable funding and a proper workforce strategy for social care, a funding settlement for the NHS, local government, education and other public services, and an end to outsourcing.
- **A real safety net**, including reforming universal credit so it better supports working people, removing benefits conditionality, increasing the rate of statutory sick pay and maintaining the state pension triple lock.

We want to see regional and devolved nation 'recovery panels', mirroring a National Recovery Council for the UK, bringing together unions, employers, Jobcentre Plus, relevant civic partners and local and regional governments, to feed into the planning and delivery of recovery strategies at local, regional and devolved nation level.

These regional and devolved nation structures are essential because there are wide variations across the country in terms of both the nature and scale of the challenges faced and the institutional arrangements and capacities for addressing these challenges. In these

circumstances, a one size fits all solution won't work. Instead, we need to turn headline objectives into tailored strategies for each region and sub-region.

Furthermore, different parts of the country and the different parts of regions will not be equally hit by the recession. The economy is already highly imbalanced between regions and within regions. The uneven impact of lockdown on different sectors, combined with regional and sub-regional imbalances means there is a danger of compounding spatial inequalities. 7 per cent of the East of England's employment is in at-risk occupations, rising to 18 per cent for workers age 25 and under.¹

We hope to see action on these measures in the chancellor's summer fiscal event, but there is much that the region can do within existing structures.

As well as calling on the chancellor to provide support for the East of England as part of a national recovery plan, this report sets out a recovery plan for the region that the combined authority, local authorities and the LEPs can start putting into action right away.

¹ TUC analysis of Labour Force Survey Q1 2020

2. Snapshot of the economy in the East of England

For clarity we define the East of England using the former Government Office for the East of England boundaries, comprising Essex, Hertfordshire, Bedfordshire, Cambridgeshire, Suffolk and Norfolk. The Government Office for the East of England was abolished in 2011. This was also the geography of the former East of England Regional Development Agency (EEDA) which was abolished in 2012.

There is one combined authority and directly elected Mayor in the East of England, responsible for Cambridgeshire and Peterborough. There are 52 local authorities, unitary, district and county councils, and four Local Enterprise Partnerships (LEPs) within the region.

The government's statistical report of trade union trends, published in May 2020, about 2019, found that there were 540,000 trade union members in the East of England, an increase of 40,000 on the previous year. Many other workers in the East of England work in workplaces or enterprises in which trade unions are recognised for negotiating purposes, or that have trained health and safety reps, or other workplace reps.

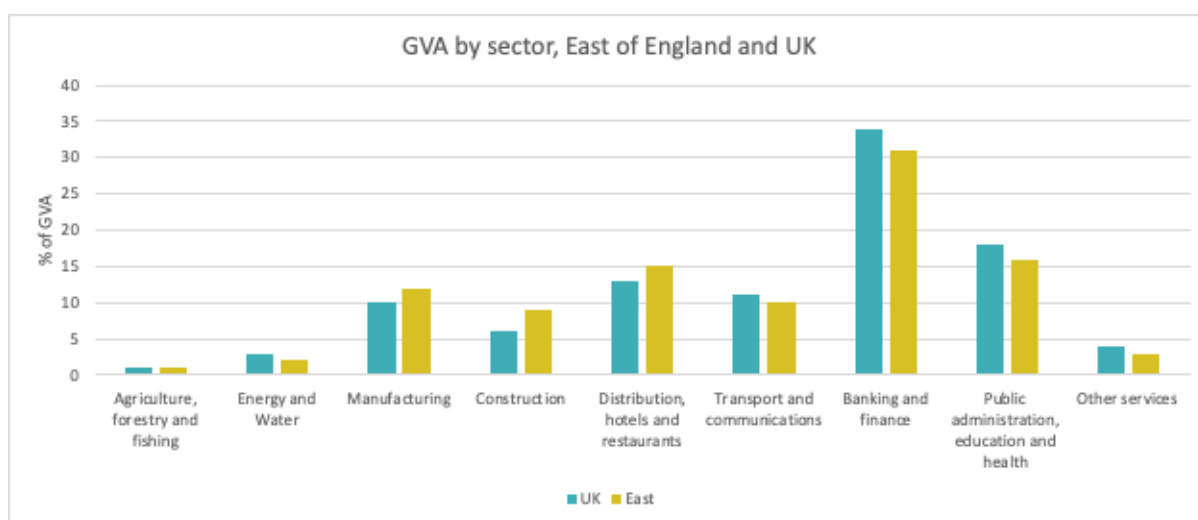
Total membership of unions in the UK in 2019 was found to be 6,440,000, a net increase of 91,000 on the year before. This was the third consecutive year of net growth in trade union membership.

8.4 percent of all trade unionists in the UK work in the East of England.

2.1 The regional economy

The latest full year of regional growth data we have, for 2018, shows that the growth value added (GVA) figures for the East of England were lower than for the rest of the UK, at 0.5 per cent compared to 1.3 per cent.²

Economic activity in the East of England is similar to UK averages, though with slightly more people working in manufacturing and distribution, hotels and restaurants.



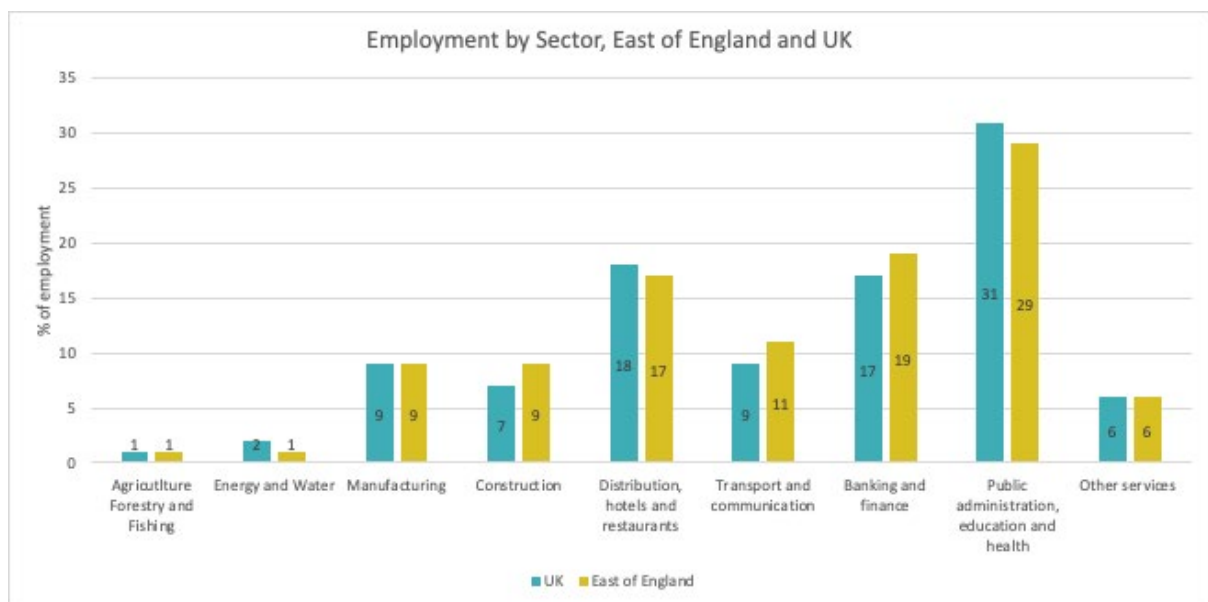
² ONS, December 2019. [Regional gross value added \(balanced\) per head and income components](#)

Source: ONS 2019

2.2. Where do people work and what is their job quality like?

The latest statistics, covering the period February–April 2020, before the economic impacts of the coronavirus pandemic had been fully felt, show that 78 per cent of the working age population were employed in the East of England, higher than the UK average of 76.4 per cent, with an unemployment rate of 3.6 per cent (compared to 3.9 per cent across the UK).³

People in the East of England are more slightly more likely to be employed in distribution, hotels and restaurants and in public administration than in the rest of the UK.



Source: TUC analysis of Labour Force Survey, Q4 2019

Across the UK, one in nine people are in insecure work. In the East of England 10.4 per cent of people are in insecure work, according to TUC analysis.⁴ 84,000 people or 2.7 per cent of those in employment were on a zero hours contract.⁵ National figures show that insecure work has a disproportionate impact on those already facing structural discrimination in the labour market, including women and BME groups.⁶

Median gross weekly pay in the East of England is below the UK average, at £464 a week compared to £479.⁷

Union membership in the East of England is lower than the rest of the UK, at 21 per cent compared to 23 per cent of employees.⁸

³ ONS, June 2020. [Labour market in the regions of the UK: June 2020](#)

⁴ TUC, 2019. [Insecure work: why the PM must put decent work at the top of his to-do list](#)

⁵ ONS, February 2020. [EMP17: People in employment on a zero hours contracts](#)

⁶ TUC, June 2020. [Rebuilding after recession: a plan for jobs](#)

⁷ ONS, 2019. [Earnings and hours worked, UK region by industry by two-digit SIC: ASHE Table 5](#)

⁸ BEIS, 2020. [Trade Union Statistics, table 4.1](#)

2.3 The impact of the pandemic

2.3.1 Key workers

The pandemic has highlighted the vital role that key workers play, and the poor pay and conditions that too many still face. Nationally, women are almost twice as likely as men to be employed in a key worker occupation (45 per cent, compared to 26 per cent). Black and minority ethnic (BME) employees are also more likely than white employees to be key workers, with 40 per cent of BME employees being a key worker, compared to 35 per cent of white key workers.⁹

The structural discrimination faced by these groups helps explain their low pay and the undervaluing of these key roles. There are 580,190 key workers across the East of England of who 35 per cent are paid less than £10 an hour.¹⁰

2.3.2 Workers relying on the Job Retention Scheme and Self-employment Income Support Scheme

Across the East of England, TUC analysis estimates that around 956,600 workers, or 31 per cent of those in employment¹¹, are reliant on government schemes to support incomes during the pandemic, with many facing an uncertain future.

	Claimed SEISS	JRS	Total JRS and SEISS	% of in employment on a scheme
East of England	247,000	709,600	956,600	31
Bedford UA	6,500	20,200	26,700	31
Central Bedfordshire UA	12,100	35,300	47,400	31
Luton UA	10,200	25,700	35,900	36
Peterborough UA	6,200	22,400	28,600	30
Southend-on-Sea UA	7,200	20,200	27,400	30
Thurrock UA	8,500	21,600	30,100	35
Cambridgeshire County	21,500	68,400	89,900	27

⁹ TUC, 2020. [A £10 minimum wage would benefit millions of key workers](#)

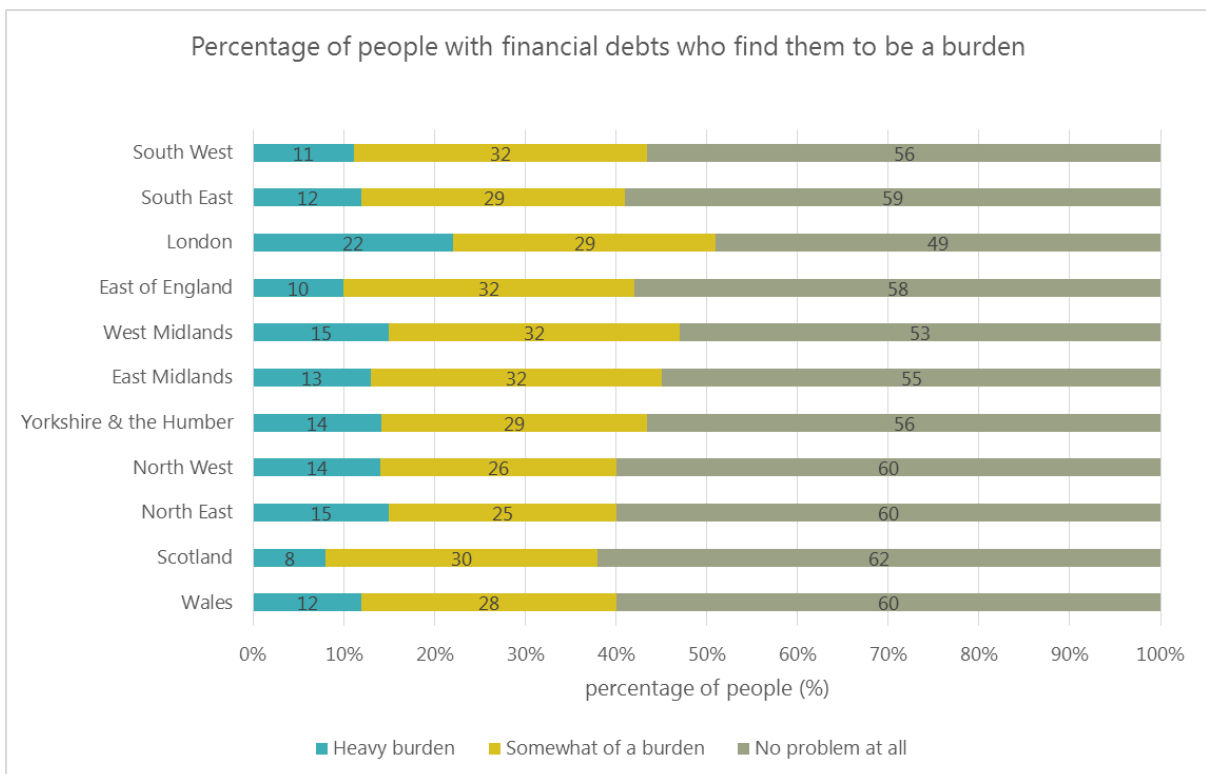
¹⁰ TUC analysis, summarised at TUC (2020) A £10 minimum wage would benefit millions of key workers at <https://www.tuc.org.uk/research-analysis/reports/ps10-minimum-wage-would-benefit-millions-key-workers>

¹¹ This is based on statistics published by HMRC. The figure is the number of employments using the job retention scheme (JRS) plus the number of people using Self-Employment Income Support as a percentage of those in employment in the local authority. Across the UK, there are 1 million JRS employments where the location is 'unknown'. This means that the local authority JRS stats (and therefore the overall figure) may be an underestimate. HMRC stats available at: <https://www.gov.uk/government/collections/hmrc-coronavirus-covid-19-statistics>

Cambridge	3,200	12,300	15,500	22
East Cambridgeshire	3,400	9,600	13,000	28
Fenland	3,700	10,400	14,100	31
Huntingdonshire	5,700	20,600	26,300	30
South Cambridgeshire	5,400	15,500	20,900	25
Essex County	63,200	174,700	237,900	33
Basildon	8,100	22,100	30,200	33
Braintree	6,500	20,500	27,000	36
Brentwood	3,100	8,200	11,300	28
Castle Point	4,400	10,200	14,600	32
Chelmsford	6,600	20,300	26,900	29
Colchester	7,200	21,600	28,800	31
Epping Forest	6,900	16,700	23,600	36
Harlow	4,000	11,600	15,600	40
Maldon	3,000	8,100	11,100	34
Rochford	3,700	9,800	13,500	29
Tendring	5,800	14,900	20,700	36
Uttlesford	3,800	10,900	14,700	32
Hertfordshire County	49,400	137,800	187,200	30
Broxbourne	4,800	13,100	17,900	36
Dacorum	6,800	19,200	26,000	32
East Hertfordshire	5,800	18,100	23,900	33
Hertsmere	5,400	13,100	18,500	34
North Hertfordshire	4,900	13,700	18,600	26
St Albans	4,900	14,400	19,300	27
Stevenage	3,800	9,800	13,600	29
Three Rivers	4,000	10,700	14,700	31
Watford	4,700	12,900	17,600	32
Welwyn Hatfield	4,200	12,800	17,000	25
Norfolk County	34,100	97,800	131,900	30
Breckland	4,900	14,700	19,600	29

Broadland	5,500	15,100	20,600	30
Great Yarmouth	3,000	10,900	13,900	31
King's Lynn and West Norfolk	5,800	15,700	21,500	30
North Norfolk	4,700	11,200	15,900	37
Norwich	4,400	15,900	20,300	29
South Norfolk	5,600	14,300	19,900	28
Suffolk County	27,800	85,600	113,400	31
Babergh	4,000	10,500	14,500	36
East Suffolk	8,700	26,500	35,200	31
Ipswich	4,700	16,200	20,900	33
Mid Suffolk	4,200	11,700	15,900	30
West Suffolk	6,200	20,700	26,900	29

With many people in the East of England already facing significant levels of debt, they cannot afford the hit to their incomes that unemployment would involve.



Source: ONS Wealth and Assets Survey 2016-18, table 7.9-7.11

3. Investing in jobs

With economists warning that unemployment is expected to reach levels unseen in decades, protecting and creating jobs must be one of the biggest priorities for the recovery. Unemployment – especially long-term unemployment – can do huge damage, both to individuals, and to the economy. While unemployment negatively impacts on individuals at any age, the long-term impacts of unemployment can particularly “scar” young people’s prospects and earning potential more profoundly than those experiencing unemployment later on in life. It is therefore vital this group do not face another catastrophic hit to their employment prospects.

The most effective way that government can protect workers and the economy from the worst impacts of a recession of this magnitude and type is through a major economic intervention and counter-cyclical investment to stimulate the economy, with a job creation scheme at its heart. The lesson of the UK’s economic history is that investment is the most effective way to deliver growth following a recession, and to restore the public finances. The incoming government chose to ignore this lesson in 2010, with devastating results. This time must be different. This time we need a ‘better recovery’.

Nationally, the TUC is calling on government to fund a nationwide job guarantee scheme, to mitigate against the worst effects of the pandemic on unemployment. The scheme should be ambitious, encouraging the creation of sustainable jobs in every part of the country, addressing the threats of unemployment, labour market inequalities and the climate crisis in an integrated way.

These jobs should:

- be a minimum six-month job with accredited training, paid at least at the real living wage, or the union negotiated rate for the job, whichever is greater
- be offered to as many people as possible who are suffering unemployment of six months or more, and prioritising young workers under 25 who have been unemployed for three months or more
- be additional, so workers in existing jobs are not displaced
- provide a community, public benefit and/or help to decarbonise the economy, ensuring new jobs contribute to building a fairer, more sustainable economy
- meet local labour market needs
- promote and protect equality.

The scheme should be funded by national government, but delivered at regional, devolved nation and local level, through the relevant recovery panels, ensuring a strong voice in decision-making between local authority leaders, trade unions, businesses, Jobcentre Plus and relevant civic partners.

However, regions and sub-regions do not have to sit back and wait for government to act. There are things that they can be getting on with at the local, sub-regional and regional level.

3.1 Delivering good jobs through infrastructure investment

At his [Spring Budget](#), the chancellor pledged £640bn of infrastructure investment in the next five years and we will be hoping to see further details and commitments unveiled this summer.

But investment alone won't guarantee that good jobs are accessible to the people who need them. The combined authority, local authorities and LEPs, in alliance with key regional partners, have a crucial role to play in shaping how infrastructure is delivered to maximise good job creation.

The combined authority, local authorities and LEPs should:

- work with other regional and local partners to articulate the need for greater government investment in infrastructure in the East of England and define what are the priorities for the region
- work with community and workforce representatives to ensure that infrastructure and regeneration is delivered in a way that meets genuine need and enhances employment opportunities, skills uplift and wellbeing in those communities – the optimal task is not merely to identify the infrastructure upgrade, but to shape the way it is delivered to maximise long-term economic, social, community and environmental benefits: dialogue must be an on-going process such that it provides a feedback loop from communities and the workforce to the relevant delivery partners, and to combined authority, local authorities and LEPs
- **work** with trade unions to ensure that every investment programme comes with a London Olympic and Paralympics 2012-style commitment to generate decent jobs embedded within it – all infrastructure projects, including house building, should include framework agreements that maximise employment and training opportunities for local people and deliver great jobs, employment standards and positive industrial relations.

When the media writes and talks about infrastructure it often refers to new roads, road widening, new bridges, new rail lines, electrification of rail, nuclear power stations and airport expansion. Big long-term projects can be important and can be value for money. But infrastructure investment can be on a smaller more granular scale and more immediate. Bus services are crucial to millions of workers, providing them with a potentially increased access to the labour market, especially young workers, those living remote from centres of commerce and those on low incomes.

Buses are used for nearly 60 percent of public transport journeys in England. But:¹²

- Passenger journeys in England outside London declined by 3.2 per cent in the year to March 2018, continuing the decline since 2008/09.
- In England outside London bus mileage has declined by 12.9 per cent since 2004/05, and it declined by 4.2 percent in the year ending March 2018.

¹² Department for Transport, 2019. [Annual bus statistics: England 2017/18](#)

- This has been driven by a decrease of 49 per cent in local authority supported mileage, in particular in non-metropolitan areas. Supported mileage reached its highest proportion in 2009/10 at 24.2 percent but has decreased 12.7 percent of total mileage in 2017/18.
- Out of 88 clusters of local authorities in England outside London, 70 had a decrease in bus use per head from 2009/10 to 2017/18.

The viability of bus services has been greatly impacted by coronavirus, the lockdown and social distancing. Some interim relief funding has been provided by the government. But a long-term plan, investment, strategic working between the combined authority and local authorities to organise a renaissance of bus services would be a stimulus to the East of England's economy and greatly widen access to labour market opportunities, especially for the young, those on low incomes and those who are geographically marginalised.

3.2 Leveraging public procurement to support local economies

Public sector organisations, such as the combined authority, local authorities, NHS and government departments have immense spending power. To give an indication, total public sector spending in the East of England in 2018/19 was £73bn.¹³ This spending can be used as a powerful economic lever to stimulate and restructure the region's economy.

The combined authority, local authorities and LEPs should:

- work with anchor institutions in the region to coordinate strategic procurement spending in support of the local economy, aiming to make the creation of great jobs and the promotion of high quality employment standards central to spending by public bodies and anchor institutions in the East of England

These objectives should be a key measurable outcome and condition of the financial support co-ordinated by the combined authority, local authorities and LEPs through City Deals, the Local Growth Fund and the forthcoming Shared Prosperity Fund.

3.3 A regional industrial strategy for the East of England

The economic shock caused by Covid-19 has come on top of the longer-running industrial challenges that the UK faces. These include the erosion of the UK's manufacturing base, the structural changes needed to meet the government's target of net-zero carbon emissions by 2050, and inequalities between and within regions.

While the pandemic has added to these challenges, it also presents a unique opportunity to shape a recovery that not only gets us out of recession but does so in a way that tackles these long-running structural problems simultaneously.

Nationally, the TUC is calling for a recovery that:

- charts a path towards a net-zero economy that delivers a just transition for workers across the economy

¹³ ONS, 2019. [Country and regional public sector finance expenditure](#), Table 4

- rebuilds the UK's industrial capacity that will be necessary to deliver this transition, including by investing in the skills of the workforce
- uses this programme to tackle the inequalities between regions and within regions that are the legacy of the failed deindustrialisation policies of the past, and factors such as the marginalisation of coastal communities.

Regional-level industrial strategies will be key to levelling up and delivering change on the ground. There are enormous strengths and opportunities in the East of England, for example, world-class research and development, strong manufacturing and biotechnology sectors, a strong financial and business services sector, a strong design sector, high-quality international transport links and excellent tourism and leisure assets. These are strengths that political leaders in the region can collaborate upon and optimise, to the potential benefit of the wider region as a whole.

To build on these opportunities and develop strong local recovery strategies, the combined authority, local authorities and LEPs should:

- develop new sectoral boards, working jointly with employers' organisations, unions and other stakeholders to support productivity improvements and better jobs across key industries.

These sectoral boards would provide strategic guidance for each sector, looking at and planning for:

- opportunities for growth
- resilience of the sector and the key employers within it
- local labour supply
- development of robust supply chains in the local economy
- education and training that enables local people to access the skills required for key sectors
- the provision of workforce development and training, pay and conditions and career progression.

There is clear potential to support the development of more high skill, high productivity jobs by expanding the East of England's leading role in low-carbon technologies, for example, in the development and utilisation of on- and off-shore wind farm technologies, including R&D and the manufacture of the hardware, in solar technology and in R&D of future-proof energy efficient housing technologies. The East of England's European Regional Development Funding (ERDF) Programme 2014-20 included 'supporting the shift towards a low carbon economy'. The 2007–2013 ERDF Programme overarching theme was 'low carbon economic growth'. Fourteen years of business development and supported research in low-carbon technologies has built world-class research capacity and a strong, low-carbon business cluster. The East of England should:

- develop a regional industrial strategy that builds upon these strengths and that aims for 50 per cent of energy to come from renewables by 2030 and should map the potential

for new technologies, areas of growth and coordinate support for workers and investment around a long term plan for a just transition to a low-carbon economy.

This industrial strategy must also include an approach to driving up productivity, pay and conditions in those parts of the local economy that play a key role in the community and employ large numbers of local people but are often characterised by low pay and poor employment standards, including social care, retail and hospitality. The TUC believes that sectoral approaches will be essential here, with new bodies that bring business, unions and Mayoral combined authorities and other local political leaders together to forge joint working on improving training, progression and productivity.

3.4 Housing

The government acknowledged in its white paper [Fixing our broken housing market](#) that the housing market was broken and that successive government's housing and homes policy had failed for decades.

ONS research found¹⁴ that there were 77 local authorities in which housing became less affordable over the last five years, and most were in London, the South East and the East of England. There were no local authorities in which affordability improved.

The impact of poor housing upon health, education and employment outcomes is well-documented. So is the link between increasing housing costs and household poverty calculated after housing cost are paid.

Research¹⁵ has identified a need for 340,000 new homes each year to 2031 of which 145,000 "must be affordable homes". Shelter's Housing Commission,¹⁶ recommended a radical renewal of social housing, with a 20-year programme to deliver 3.1 million more social homes, these being housing association and council homes that are genuinely affordable – available at low cost.

There is an acute housing shortage in the East, particularly of social homes, and a crisis of affordability.

The East of England has the opportunity to make the building of new social homes a central plank of infrastructure investment and of a regional industrial strategy. In addition to providing new homes, the programme could:

- provide quality employment opportunities, including for women, BME and disabled workers in construction
- provide a skills uplift and skills escalator
- provide many high-quality apprenticeship opportunities
- contribute significantly to the improvement of the renewal of housing stock and to net carbon goals

¹⁴ ONS, 2019. [Housing affordability in England and Wales: 2018](#)

¹⁵ Crisis, 2018. [Housing supply requirements across Great Britain: for low-income households and homeless people](#)

¹⁶ Shelter, 2019. [Building for our future: a vision for social housing.](#)

- provide a solid platform for innovation in house building technology, such as modular housing, and for off-site manufacture.

There are major obstacles to a 'regional social homes building programme' in the East of England on this scale. The first is cost, but the government needs to factor in the costs that it and local authorities incur that are caused by poor housing quality and lack of access to housing. The government has quite correctly been willing to take on very significant debt to deal with the present health crisis. Building social homes is an investment, money is not an obstacle, political will is. Second, the 1961 Land Compensation Act needs to be amended to make development land for the provision of social homes much more affordable. Third, local authorities in the East of England must be committed to such a programme and they must cooperate.

4. Decent work and a new way of doing business

The coronavirus has highlighted just how much we rely on key workers. It was shop workers, cleaners, security guards, refuse collectors, postal delivery workers and bus drivers, care workers and staff at local authorities, alongside the NHS and staff in schools, who literally kept our country going during the crisis. Yet many workers in such occupations are often among the worst paid and least secure.

Our aspiration for recovery from the crisis cannot merely be creating new jobs to replace those that have been lost. It must also be about improving the quality of jobs that already exist in the East of England and creating new quality jobs, so that all jobs are good jobs, with decent pay, more security and a strong voice for workers, and that discrimination and disadvantage at work are eliminated.

Nationally, the TUC is calling for:

- the national minimum wage to be lifted to £10 an hour
- a ban on zero-hours contracts and bogus self-employment
- all workers to be automatically put into an occupational pension scheme with sufficient contributions for a decent standard of living in retirement
- proposals to boost collective bargaining, including ensuring good access to workplaces for unions to meet staff and to organise effectively
- new business models to deliver workforce voice in corporate governance and reform of corporate purpose
- workers to be given a voice at the heart of government through a National Recovery Council, bringing together workers and employers, mirrored at regional and sectoral level
- government support for business, taking the form of equity stakes, and being conditional on business putting in place fair pay and employment plans.

Leaders in the East of England are already doing things to improve job quality locally. Cambridge City Council won the 'Living Wage Places Award' in 2019 for its successful work to drive take up of the real living wage by employers in Cambridge. It was also quick to consult with unions and the regional TUC on an economic and social recovery plan, inviting the TUC to join a strategy group. Norwich City Council has launched a 'good jobs and employment standards initiative'. Luton Borough Council has been active supporting the provision and take-up of apprenticeships. The combined authority has a skills retraining fund into which employers can bid.

A broader East of England 'better recovery' strategy should build upon those and many other progressive initiatives by local authorities and the combined authority.

4.1 Promoting great jobs through public procurement

Just as public procurement can be a valuable lever for creating jobs in the region, so it can also be used to drive up job quality.

To maximise the potential of procurement to drive up job quality across the East of England the combined authority, local authorities and the LEPs should:

- work with commissioners and decision makers across the public sector – including the health service and local government – to promote, implement and monitor a more dynamic approach to social value procurement in support of great jobs and inclusive growth, including the wider public sector learning best practice from devolved governments in London, Wales and Scotland.

This will involve the use of procurement codes, pre-procurement eligibility checks and protocols, voluntary agreements and charters, including employment charters, to promote high quality service delivery, decent employment standards and to protect against exploitation of any outsourced workforce and standards across the supply chain.

4.2 Worker voice

The crisis has shown value of working with unions to deliver rapid change on the ground. From expanding NHS capacity to the development of safe working practices across the economy and adapting to changes in workload and output, engagement with workers and the trade unions has been essential to the response to the crisis.

Worker voice must be embedded in any recovery plan, through the promotion of collective bargaining at a workplace level, sectoral agreements and using a social dialogue model to ensure effective communication and joint working between government, unions and employers.

Collective bargaining delivers at a workplace level. [Workers in unionised workplaces](#) have better pay, more training, better work-life balance policies, better pensions, and are less likely to leave their job, it is the foundation for better safety, health and welfare outcomes and better equality outcomes too. Workplaces in which unions are recognised have a higher rate of productivity on average than workplaces in which unions are not involved in the organisation of work.

And research shows that collective bargaining also delivers for workers across the wider economy too - particularly when workers can bargain with employers to set standards across a whole industry or sector. The OECD has [published evidence](#) showing that collective bargaining helps tackle inequality, boost business productivity, and help groups who are discriminated against in the labour market to get and keep jobs. The OECD also found that collective bargaining is at the heart of how governments can deliver better work.

To embed this kind of good practice and increase workers' voice in the long term, the combined authority, local authorities and the LEPs should:

- set a headline aim to increase employee, worker and trade union engagement, explaining the benefits that this can bring for productivity, and use commissioning, procurement and the allocation of specific funding streams to require evidence of effective workforce engagement from employers
- build employee, worker and trade union engagement by promoting the value of social dialogue through collective bargaining and workforce voice in strategic decision-making; one way of doing this is to establish extended information and consultation

mechanisms with recognised trade unions, building on the existing 'Information and Consultation of Employees Regulations 2005' – the combined authority, local authorities and the LEPs should work with LEPs to jointly promote this as a core objective of the recovery strategy

- build on the experience of London, Greater Manchester, Liverpool City Region and other areas, in developing structures and mechanisms for engaging trade unions and other stakeholders in the heart of regional decision making and economic strategy – and learn from competitor economies that have a strong experience of social dialogue and successful regional economic policy, such as Germany, Belgium and the Nordic economies.

4.3 Skills

Good quality skills provision is essential to improve the quality of jobs and enable people to access them.

On a national level, the TUC is calling for:

- a job guarantee scheme that includes a flexible training element and the option for starting an apprenticeship
- a new right to retrain for everybody, backed up by funding and personal lifelong learning accounts, bringing forward the £600m promised investment in a national skills fund, and accelerating the work of the national retraining partnership, to ensure there is a gateway to new skills for everyone
- an "education and training guarantee" for all school leavers and other young people aged 25 and under who wish to take this up; this guarantee would include an apprenticeship, a place at college or university, and other education and training options – the apprenticeship levy should be flexed to support this where appropriate
- a fully funded entitlement for all adults to achieve a Level 3 qualification level
- increased financial support for adult further education and higher education students through maintenance grants and bursaries
- investment in the further education estate and workforce
- a new right to paid time off for education and training for workers
- a new entitlement to a mid-life skills or career review, and the development of an all-age careers guidance service in England.

Regional and local responsibility for skills provision means that the combined authority, local authorities and the LEPs have an opportunity to drive change in skills provision in the East of England. They should:

- use procurement and advocacy and soft powers to ensure that the recovery strategy has a core aim of driving up employer engagement in training, with a view to increasing:
 - the number of employers providing workplace training

- engagement with unions on the learning and skills agenda, including the use of workplace learning agreements negotiated with relevant trade unions
- the number of employees provided with time off to train
- ensure local skills strategies are aligned with infrastructure and investment decisions
- secure employment and training opportunities for local communities through intelligent procurement and framework agreements such as those used for the London Olympics and HS2, including making sure that apprenticeships and other training opportunities are established across supply chains
- sign the TUC Apprenticeship Charter, like has been done with Liverpool City Region, and work with LEPs to engage employers to ensure every apprenticeship has purpose, is paid fairly, with high-quality learning and training elements and access to trade unions.

4.4 Equality at work

The impact of Covid-19 has had a clear disproportionate impact on certain groups. People from BME communities have been hit more severely by the virus than other groups, in part because they are [more likely to work in frontline jobs](#) that expose them to the virus. There are also [reports](#) that the economic impact of the virus has so far been worse for women, with paid hours of work falling more for women than men and more women dropping out of the workforce, something likely to be related to women bearing a greater share of caring responsibilities.

Immediate steps must be taken to address the adverse impact on people with protected characteristics and to tackle discrimination and disadvantage in the longer term. This is crucial to making sure that inequalities are not increased and entrenched by the coming economic downturn.

Nationally, the TUC is calling for the government to:

- develop a cross-departmental action plan in government, with clear targets and a timetable for delivery, setting out steps to tackle the entrenched disadvantage and discrimination faced by BME people, with regular updates given to parliament
- strengthen the role of the Race Disparity Unit to properly equip it to support delivery of the action plan
- review and where necessary redraft the Gender Equality Roadmap and include a clear timetable for delivery
- engage with disabled people's organisations and disabled people to ensure that the voice and experience of disabled people are central to the following:
 - reviewing the Access to Work grants and ensuring better resourcing and process
 - understanding the implications of the increase in home working for disabled workers, and responding, building access to quality employment opportunities

- taking the necessary steps to close the disability employment gap and the disability pay gap
- producing a strategy and timetable to address the systemic inequality that disabled people experience in the labour market
- ensure compliance with the public sector equality duty throughout its response to Covid-19.

At the regional and sub-regional level the combined authority, local authorities and the LEPs should use their procurement and leadership powers and policy levers such as employment charters and the public sector equality duty to enact the following recommendations and encourage employers to adopt them:

- There should be programmes to increase the availability and affordability of childcare.
- There should be programmes to support and promote positive flexible working, to enable those with care responsibilities or chronic health problems (that do not qualify as a registered disability), to access quality work and career advancement.
- Employers with 50 employees or more should be encouraged to report on their gender, disability and BME pay gaps, and develop an action plan to reduce them; employers with 250 or more employees, who are legally required to report their gender pay gap figures, should be encouraged to develop time bound and target driven action plans informed by detailed monitoring.
- All employers in the area should be encouraged to carry out regular pay audits for a better understanding of how to address the root causes of pay inequalities in their organisation.
- There should be adequate funding for specialist domestic violence services and centres where government cuts have significantly reduced provision and access in the area.
- The partial devolution of some skills funding should be used to ensure apprenticeships and routes into jobs and training are designed and delivered in a way that is truly accessible to the most underrepresented groups (e.g. women, BME workers, disabled workers).
- Mechanisms should be built in that ensure wider consultation of stakeholders who bring in underrepresented group such as women, BME people, disabled people and LGBT+ people in a local area to ensure diversity of views and accountability, so local policy isn't decided behind closed doors.
- Employers must be encouraged to promote and adopt a zero-tolerance approach to sexual harassment and other forms of discrimination, including developing clear disciplinary procedures, in partnership with trade unions.
- Employers should ensure their equality policies are inclusive of lesbian, gay, bisexual and trans (LGBT) workers.
- Employers should consult with their disabled staff and their trade unions on the best way to remove barriers and address the disability employment and pay gaps. Employers should also consult and work closely with recognised trade unions.

- Employers should be helped to better understand their Equality Act obligations, and to put in place reasonable adjustments for disabled workers. This should include adopting the [TUC's model Reasonable Adjustments Disability Passport](#) to ensure their disabled workers adjustments are maintained through times of change.

5. Eliminate spatial inequalities in the East of England

There are extreme spatial inequalities in the East of England. That those spatial inequalities endure and are even worsening is a sign of the current failings of economic and social policy and the overall weakness of central government's regional economic policy. Some of the coastal perimeter has experienced deindustrialisation, such as Great Yarmouth and Lowestoft. Some parts of the coastal perimeter have suffered a loss of traditional tourism such as Clacton and Southend. In the 2019 indices of deprivation, Jaywick in Essex ranked as the most deprived neighbourhood out of 32,844 local areas evaluated in England.¹⁷ Data from income, employment, education, health, crime, barriers to housing and living environment were all used to measure levels of deprivation. It is the third time in ten years that Jaywick had ranked as the most deprived place in England, demonstrating not just that the area's problems are deep and persistent, but that central government policy has not yet aided communities like Jaywick. But deprivation and economic marginalisation are not limited to the coastal perimeter.

In 2019, Luton was ranked the [70th most deprived](#) out of 317 local authorities in England. Luton had four 'lower layer super output areas' in the top ten per cent most deprived in England. These were in Northwell, South and two in Farley. Luton's highest deprivation ranking factor was in 'barriers to housing' and 'barriers to services'.

And no part of the East of England was immune from deprivation. In what are seemingly the most affluent parts of the East of England there is clear evidence of economic and social failure, illustrated by statistics for the number of workers earning less than £10 per hour, the number in insecure unemployment with no guarantee of work, the number of children living in poverty after housing costs and the proportion of the working population who do not have Level 2 literacy and numeracy skills.

Acute spatial economic inequality is an economic, social and political failure. It should be a priority for the combined authority, local authorities and the LEPs to actively address the spatial inequalities in the region. The creation of good jobs with security, good terms and conditions of employment and a high level of training at work are central to delivering this objective.

¹⁷ Ministry of Housing, Communities and Local Government, 2019. The English [Indices of Deprivation 2019](#)

6. Rebuilding world-class public services

Effective, efficient and well-run public services must be at the heart of a strong economy and they are the backbone of our society and of every community. The TUC believes that publicly owned, publicly delivered, publicly accountable and publicly controlled is the most effective and efficient model in the vast majority of instances, and this should be the default mode. Adequate funding of public services is essential, as is stable funding.

In 'normal' times public services educate us, look after our sick, vulnerable and elderly, keep our streets clean and safe and enable us to travel affordably and safely. Our public services were even more important during the pandemic, with public sector workers making huge sacrifices on the frontline in the fight against the virus. The wider economic recovery will also crucially depend on the quality and capacity of public services, from public transport to schools and nurseries, being properly funded and able to operate safely.

Yet public services went into this pandemic weakened by twelve years of cuts, pay freezes, pay awards less than the rate of inflation and unfunded pay awards, which had created major staff shortages and capacity issues in key areas including; health, social care and local government. Investment in public services is not only needed to address these issues, it will also increase jobs, get more money into consumer's pockets and add demand in the economy.

After months of [publicly celebrating](#) public sector workers, the government should reward their professionalism and sacrifices with a fair pay rise and by awarding increased funding to the services in which they work, to begin to repair the damage caused by austerity, and to build public service capacity, quality and resilience in the future. Nationally, the TUC is calling for:

- government to reward public sector workers for the huge sacrifices they have made with fair pay rises that restore what they have lost through ten years of cuts and slow growth
- a new funding settlement for the NHS, local government, education and across public services to address the chronic under-funding of our public services, with funding for councils in deprived areas a priority
- a new settlement for social care that establishes integration and genuine parity of esteem with the NHS, includes proper funding and a care sector workforce strategy that supports standards, productivity and workforce development and is able to enforce sector-wide standards for both service users and workers
- an end to the outsourcing of public services and services to be brought back in-house over a reasonable timeframe, except where there is a strong public interest case against doing so
- all providers of public services to be subject to the Freedom of Information Act and be required to make full details of contracts, supply chains and company information public, to ensure that public procurement practices deliver greater accountability and transparency in our public services

- the creation of a clearing house of all significant contracts across the public sector in order to evaluate their performance. This could be a public services commission, an enhanced National Audit Office or a new regulator.

While issues such as pay and funding will require action by national government, regional and local authorities can take important steps to improve the resilience and quality of public services by:

- adopting a policy of all service provision being publicly managed 'in-house' by default in all public sector organisations, only outsourcing where there is a proven strong public interest for doing so
- reviewing existing contracts with a view to renegotiating and/or terminating such contracts where this is demonstrably in the public interest
- basing all procurement and commissioning decisions on a public interest test, with clear, measurable "make or buy" criteria to ensure the delivery mechanism chosen best promotes:
 - a public service ethos
 - accountability to service users and elected representatives
 - value for money including social value and equality outcomes
 - quality service standards
 - long-term sustainability of the service
 - high-quality employment conditions, pay, pensions and employee voice
 - integration of services.

Where there is a public interest case for going to the market, a social value procurement strategy should be put in place across all public sector bodies in the East of England and voluntary agreements and charters, promoted by trade unions and others, used to promote high quality service delivery and decent employment standards.

7. Conclusion

A 'better recovery' in the East of England will involve an accelerated commitment to shovel ready projects like transport schemes and a massively increased regional house building strategy to provide low cost homes, including council and socially owned homes for those who need them. It should include a commitment to improve and complete access to high quality broadband in all parts of the region. It should also include investment in social infrastructure, such as childcare and social, as both the essential backbone to a strong economy and a source of quality employment in their own right.

But new money and accelerated schemes allied to old thinking will not work. We now all have new economic and social goals, we all have new challenges and we all need a new way of thinking. We need a new way of working and we should learn from economies in countries like Germany and the Nordic nations that have a long and successful experience of regional economic and social development based on partnership working.

This is an unprecedented economic crisis written over the top of an economy that was already broken, as exemplified by indicators such as inequalities between regions and within regions, the level of in-work poverty in every region, of poor quality employment and job insecurity in every region, of unaffordable housing and homeless, and slow transition to zero carbon goals.

But the challenges and opportunities in every nation, region and sub-region of the UK are different. A 'one-sized' or centralised strategy will not work. And the objective cannot be to merely attempt to resurrect the economy in the East of England that we had before the pandemic. There are new and strong dynamics in play, such as the increase in remote working. There are crucial goals, such as meeting the climate crisis, that can be integrated into a 'better recovery' response. And there are new goals that may not have featured in the list of priorities for regional economic development in the past, but which have rightly been elevated by our experience of the pandemic, such as building a high-quality and well-funded social care system based on good employment practices, high skills and fair pay.

An effective short-term and long-term regional and sub-regional response needs a renaissance in local government aligned with the necessary funding to allow it act in a transformative way. It needs a revisit of the incomplete devolution settlement in England. It needs a deep and rapid assessment of what architecture is necessary to manage a successful economic and social recovery in sub-regions and regions. And it needs genuine partnership working and impactful social dialogue with trade unions and employers at the table, with a meaningful voice.

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