

**TUC**

Changing the world  
of work for good



# **A better recovery for the North West**

## 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 work-related benefits, including unemployment benefit. While the official unemployment rate has so far held steady, over a quarter of all workers have been furloughed. These jobs will become vulnerable as the Job Retention Scheme ends in October. As 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 British economy, including the long-run 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, 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 and 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, compliance with the public sector equality duty.
- **Rebuilding public services**, including a 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, representing unions, employers, Job Centre Plus, relevant civic partners and local and regional governments, to feed into the planning and delivery of recovery strategies at local 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.

Furthermore, different parts of the country will not be equally hit. The economy is already highly regionally imbalanced and uneven impact of lockdown on different sectors, combined with their uneven regional spread, means there is a danger of compounding regional inequalities. 8 per cent of the North West's employment is in at risk occupations, rising to 21 per cent % for workers age 25 and under.<sup>1</sup>

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

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

---

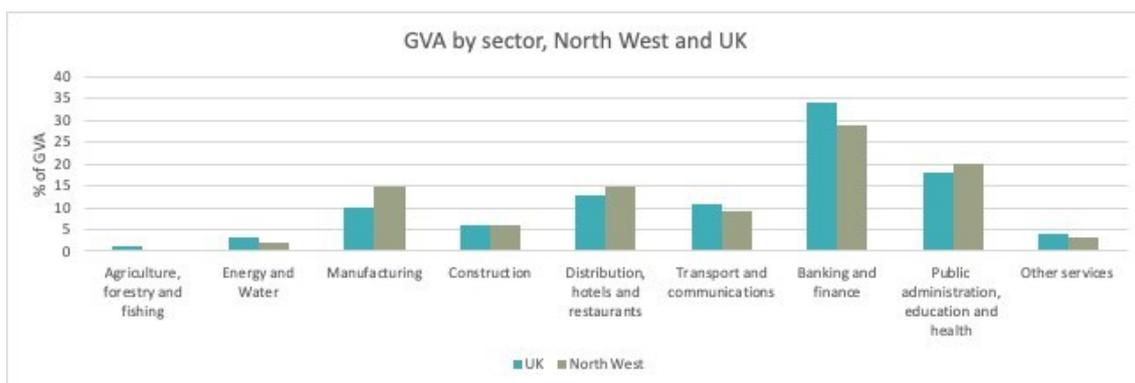
<sup>1</sup> TUC analysis of Labour Force Survey Q1 2020

## 2. North West economic snapshot

### 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 North West were slightly higher than for the rest of the UK, at 1.4 per cent compared to 1.3 per cent.<sup>2</sup>

Economic activity in the North West is more concentrated in manufacturing and in distribution, hotels and restaurants than in the rest of the UK, with 15 per cent of economic activity coming from manufacturing, compared to 10 per cent across the rest of the UK.



Source: ONS 2019

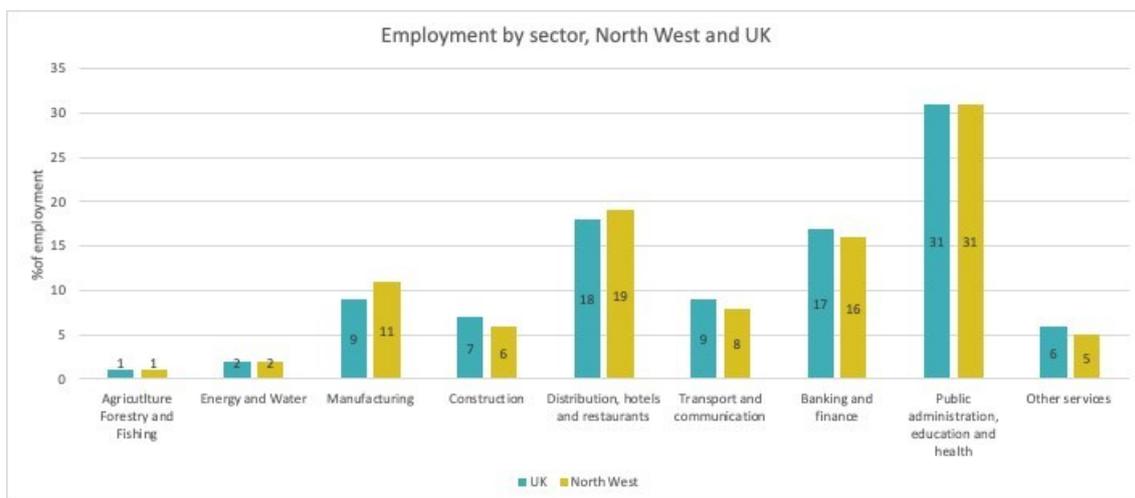
### 2.2 Where do people work and what is their job quality like?

The latest statistics, covering the period February– April 2020, before the economic impacts of the coronavirus pandemic had been fully felt, show that 75.9 per cent of the working age population were employed in the North West, slightly lower than the UK average of 76.4 per cent, with an unemployment rate of 4.1 per cent (compared to 3.9 per cent across the UK).<sup>3</sup>

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

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

People in the North West are more likely to work in manufacturing than in the rest of the UK, and slightly more likely to work in distribution, hotels and restaurants.



Source: TUC analysis of Labour Force Survey, Q4 2019

Across the UK, one in nine people are in insecure work. In the North West 11.4 per cent of people are in insecure work, according to TUC analysis.<sup>4</sup> 92,000 people or 2.6 per cent of those in employment were on a zero-hours contract.<sup>5</sup> 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.<sup>6</sup>

Median gross weekly pay in the North West is considerably below the UK average, at £455 a week compared to £479.<sup>7</sup>

Union membership in the North West is higher than the rest of the UK, at 28 per cent compared to 23 per cent of employees.<sup>8</sup>

## 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.<sup>9</sup>

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

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

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

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

<sup>8</sup> BEIS, 2020. [Trade Union Statistics](#), table 4.1

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

The structural discrimination faced by these groups helps explain their low pay and the undervaluing of these key roles. There are 679,120 key workers across the North West of who 41 per cent are paid less than £10 an hour.<sup>10</sup>

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

Across the North West TUC analysis estimates that over a million workers, or 30 per cent of those in employment<sup>11</sup>, 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
North West	224,000	828,900	1,052,900	30
Blackburn with Darwen UA	4,500	16,500	21,000	32
Blackpool UA	5,200	17,200	22,400	36
Cheshire East UA	11,600	43,400	55,000	29
Cheshire West And Chester UA	10,000	41,400	51,400	32
Halton UA	3,100	13,800	16,900	27
Warrington UA	5,700	24,500	30,200	28
Cumbria County	16,900	64,000	80,900	34
Allerdale	3,200	12,400	15,600	32
Barrow-in-Furness	1,300	6,300	7,600	30
Carlisle	3,400	15,100	18,500	34
Copeland	1,400	5,800	7,200	24
Eden	3,000	8,000	11,000	36
South Lakeland	4,700	16,500	21,200	42

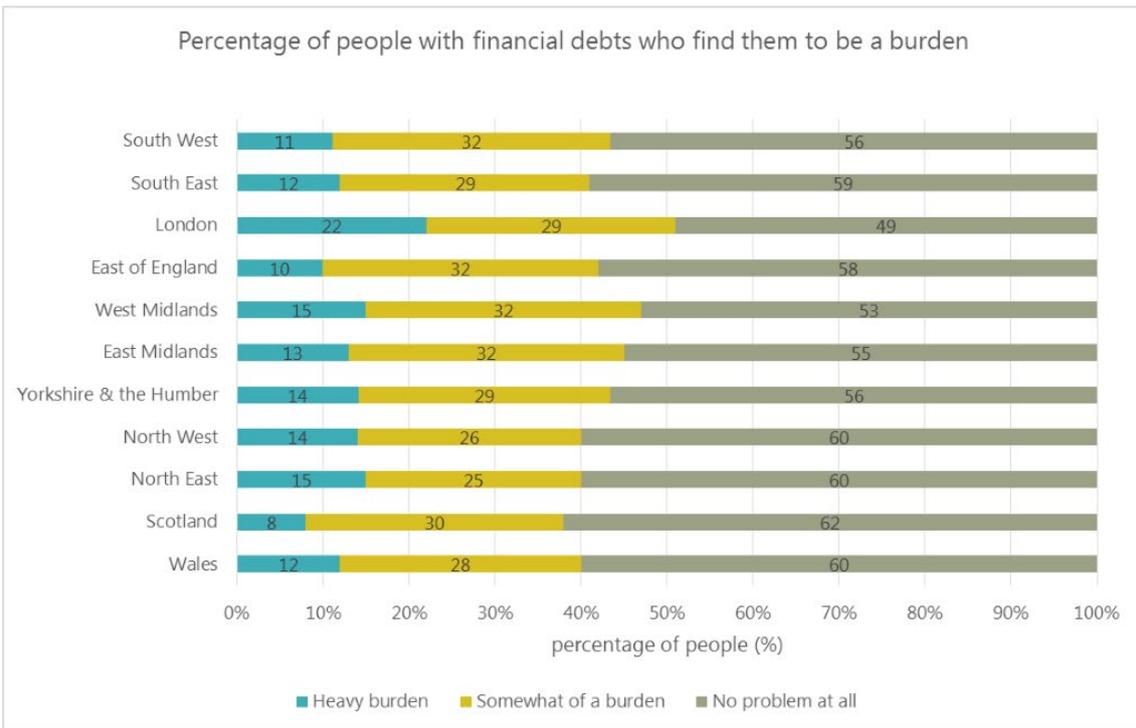
<sup>10</sup> Ibid.

<sup>11</sup> 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.

Greater Manchester Metropolitan County	88,100	326,800	414,900	31
Bolton	9,400	33,900	43,300	34
Bury	6,300	23,000	29,300	34
Manchester	15,900	62,200	78,100	30
Oldham	8,000	25,800	33,800	32
Rochdale	7,400	23,800	31,200	33
Salford	7,300	33,500	40,800	32
Stockport	9,400	33,700	43,100	30
Tameside	7,200	27,700	34,900	32
Trafford	6,700	26,100	32,800	28
Wigan	10,600	37,100	47,700	30
Lancashire County	38,500	137,500	176,000	31
Burnley	2,600	11,200	13,800	37
Chorley	3,700	13,300	17,000	31
Fylde	2,500	8,700	11,200	27
Hyndburn	2,900	9,800	12,700	32
Lancaster	4,200	14,200	18,400	29
Pendle	3,300	12,100	15,400	41
Preston	3,800	15,400	19,200	27
Ribble Valley	2,300	7,900	10,200	33
Rossendale	2,600	8,400	11,000	31
South Ribble	3,300	12,500	15,800	27
West Lancashire	3,500	11,800	15,300	31
Wyre	3,700	12,100	15,800	31
Merseyside Metropolitan County	40,000	143,900	183,900	28
Knowsley	4,700	16,500	21,200	29
Liverpool	13,200	48,600	61,800	27
St. Helens	5,000	19,500	24,500	19

Sefton	8,500	27,700	36,200	43
Wirral	8,500	31,600	40,100	26

With many people in the North West 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 “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 government can protect workers and the economy from the worst impacts of a recession this significant is through a major economic intervention 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. We failed to learn this lesson in 2010 with devastating results. This time must be different.

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 together.

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 face long term unemployment, prioritising young workers and those facing unemployment of six months or more
- be additional, so existing workers 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 an equal voice in decision-making between leaders, trade unions, businesses, Jobcentre Plus and relevant civic partners.

However, regions do not have to sit back and wait for government to act.

#### 3.1 Delivering good jobs through infrastructure investment

At his Spring budget, the chancellor pledged £640bn of infrastructure investment and we will be hoping to see further details and commitments unveiled this summer.

But investment alone won't guarantee good jobs are accessible to the people who need them. Combined authorities like those in Liverpool City Region and Greater Manchester, as well as LEPs, have a crucial role to play in shaping how infrastructure is delivered to maximise good job creation.

Combined authorities, local councils and LEP's should:

- work with other local actors to articulate the need for greater government investment in infrastructure in the North West and define what works best for those areas, including through recovery panels
- work with community and workforce representatives to ensure that infrastructure and regeneration is delivered in a way that meets genuine need and enhances wellbeing in those communities – not just in terms of identifying the infrastructure that meets that need but in shaping the way it is constructed and delivered in a way that maximising community benefits; consultation must be an on-going process that provides a feedback loop from communities and the workforce to the relevant delivery partners, to relevant local authorities and LEPs
- work with trade unions to ensure that every investment programme comes with an Olympics-style plan for decent jobs attached; 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.

### **3.2 Leveraging public procurement to support local economies**

Public sector organisations, such as University of Manchester, UCLAN and University of Liverpool have significant spending power. To give an indication, total public sector spending in [region] in 2018–19 was £94bn.<sup>12</sup> This spending can be used as a powerful economic lever to stimulate and restructure the region's economy.

Combined authorities and local councils 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 North West, similar to work we have seen in Preston.

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

### **3.3 A North West industrial strategy**

---

<sup>12</sup> ONS, Public Sector Expenditure, Table 4

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

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.

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
- 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 UK's regional inequalities that rest on the failed de-industrialisation policies of the past.

However, regional level industrial strategies will be key to levelling up investment and pay across the country and delivering change on the ground. There are enormous strengths and opportunities in the North West, for example, automotive and aerospace expertise and skills, which political leaders in the region can seize and build on.

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

- develop new sectoral boards, bringing the Centre for Decent Work and Productivity and others together with employers, 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
- provision of workforce development and training, pay and conditions and career progression – these would be useful contributors to recovery panels as we seek to deal with the current crisis, and would then help with future planning on Brexit.

There is clear potential to support the development of more high-skill, high-productivity jobs by expanding the North West's role in low-carbon technologies. For example, Liverpool City Region's plans for harnessing tidal power through the Mersey Tidal Power project, or the off-shore wind power across the Wirral, Sefton and Lancashire coastlines,

should develop a local industrial strategy that aims for 50 per cent of energy to come from renewables by 2030 and should map the potential for new technologies and areas of growth. These plans could coordinate support for workers and investment around a long-term plan for a just transition to a low-carbon economy.

There is a need to ensure a just transition for high-skilled jobs into new work, as we move towards a low-carbon economy – such as the move towards electric vehicles – but also as a response to the current crisis as industries are affected. This might mean accelerating the move towards low-carbon or relooking at what manufacturing in the UK can do.

The region should do all it can to protect assets that aid its economy and ability to sustain and grow. Airports, in the current crisis, are key to being a route into the city regions and wider North West – supporting trade, business and jobs in manufacturing and the visitor economy. As Brexit looms, the natural assets of the region, with a west-facing coastline including deep-sea port in Bootle, Liverpool, will be key. It is important that these are used to benefit the region through good jobs, and growth, and not to compete against others.

The North West's industrial strategy must also include an approach to driving up pay and conditions and productivity 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 visitor economies of many towns and cities in the North West would benefit from such an approach. The TUC believes that sectoral approaches will be essential here, with new bodies that bring business, unions, Mayoral combined authorities and other local political leaders together to forge joint working on improving training, progression and productivity along with collective bargaining.

## 4. Decent work and a new way of doing business

The coronavirus has highlighted just how much we rely on key workers. It is the shop workers, cleaners, security guards, refuse collectors, postal delivery workers and bus drivers who have kept our country going during the crisis, yet these same workers are often among the worst paid and least secure.

Recovery from the crisis cannot just consist in 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 North West so that all jobs are good jobs, with decent pay, more security and a strong voice for workers, and tackling discrimination and disadvantage at work.

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 North West are already doing things to improve job quality locally. In Greater Manchester, the 'Good Employment Charter' has been launched with trade union involvement to shape the criteria which includes payment of the real living wage and tackling insecure work by giving workers the right to review contracts after 12 weeks.

In Liverpool City Region, work is underway in developing a 'Fair Employment Charter,' with similar characteristics to make work fairer and more inclusive. Both charters include worker voice and the right for trade unions to access workplaces.

Councils in the region, including Cheshire West and Lancashire County Council, have signed up to the UNISON Ethical Care Charter, which is designed to improve the quality of care as well as carers' employment.

The North West recovery strategy should build on these measures.

### 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 North West, combined authorities, local councils and 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 best practice from devolved governments in Wales and Scotland.

This will involve the use of voluntary agreements and charters, including employment charters, to promote high quality service delivery, decent employment standards and to protect against exploitation of the outsourced workforce and supply chain.

In the North West, we have seen positive examples of this approach emerge. In Preston, the city council have taken a proactive approach, with what is seen as the Preston model. Other local authorities, including Wirral, are following suit.

## 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 developing safe working practices and adapting to changes in workload and output, engagement with workers and the trade unions has been essential to the crisis response.

Worker voice must be embedded in any recovery plan, whether through the promotion of collective bargaining at a workplace level, enterprise and sectoral level or using a social partnership model to ensure equal voice between government, workers and employers.

Collective bargaining delivers. [Workers in unionised workplaces](#) have better pay, more training, better work-life balance policies, better pensions, and are less likely to leave their job. But more and more evidence shows that collective bargaining also delivers for workers across the 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 can help tackle inequality, boost business productivity, and help groups who are discriminated against in the labour market get and keep jobs. It also says 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, combined authorities, local councils and LEPs should:

- set a headline aim to increase employee 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
- build employee, worker and trade union engagement by promoting the value of social partnership through collective bargaining and workforce voice in strategic decision-making; this could take the form of establishing greater information and consultation mechanisms with recognised trade unions or through other forms of employee engagement in non-unionised workplaces, including through new recognition arrangements where none currently exist; combined authorities and local authorities

should work with LEPs to jointly promote this as a core objective of the recovery strategy

- build on the experience of 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 – this should come with equal weight to trade union representation as that of business and other stakeholders.

### 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 combined authorities and LEPs have an opportunity to drive change in skills provision in the North West. 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. 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 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 expected 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.

There is also much that can and should be done by combined authorities, local authorities and LEP's. Greater Manchester and Liverpool City Region Combined Authorities 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:

- 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. Rebuilding public services

Properly funded, well-run and democratically accountable public services must be at the heart of a strong economy. In normal times they educate us, look after our sick, vulnerable and elderly, keep our streets clean and safe and enable us to travel affordably. They 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 public services, from public transport to schools and nurseries, being properly funded and able to operate safely.

Yet public services went into the crises weakened by ten years of cuts and pay restraint, which had created major shortages and capacity issues in key areas such as 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 workers' pockets and add demand to the economy.

After months of [publicly celebrating](#) public sector workers, the government should reward their sacrifices with a pay rise and proper funding to repair the damage caused by austerity and build public service 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 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 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 in the round
  - quality service standards
  - long-term sustainability of the service
  - high-quality employment conditions, pay and pensions
  - 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 North West and voluntary agreements and charters, promoted by trade unions and others, used to promote high quality service delivery and decent employment standards. We have seen Metro Mayors in both Liverpool City Region and Greater Manchester talk of the desire to link employment charters to procurement processes.

© Trades Union Congress, June 2020

Congress House, Great Russell Street, London WC1B 3LS

020 7636 4030 [www.tuc.org.uk](http://www.tuc.org.uk)

For more copies call 020 7467 1294 or email [publications@tuc.org.uk](mailto:publications@tuc.org.uk)

Please ask if you need an accessible format