

---

## RSA Inclusive Growth Commission

The following is a submission from the Joseph Rowntree Foundation and Inclusive Growth Analysis Unit, University of Manchester. If you would like to arrange a meeting with one of our experts to discuss the points raised please contact:

**Josh Stott:** Head of Policy and Research, Joseph Rowntree Foundation  
[josh.stott@jrf.org.uk](mailto:josh.stott@jrf.org.uk)  
01904 615945

---

# 1. Introduction

1.1. We welcome the opportunity to submit our response to the Inclusive Growth Commission. We begin by outlining some headline messages which we believe could help frame the Commission's thinking:

- City regions provide the best opportunity for inclusive growth but, outside of these principal urban areas, the challenge of economic inclusion is even greater. The commission needs to distinguish between different types of area and be explicit in what it is recommending for where.
- A more interventionist approach is required in order to address the following priority issues: the geographic unevenness of economic growth; the education and skills attainment gap; and low productivity, particularly in low pay sectors. The Commission should make clear the proposed role and added value of cities in these areas and the intersection with national policy/frameworks.
- Devolution is not a panacea for inclusive growth because:
  - Central government has an ongoing, critical role to play across many related policy areas. The Commission should make a wider call for action beyond decentralisation.
  - Cities can get on and do more to deliver inclusive growth now. They do not need permission from Whitehall to make progress and the Commission should call on cities to 'step up' wherever possible.
- There are four overlapping spheres of city level activities central to developing more inclusive local economies:
  - *Setting an inclusive growth agenda* – cities should make inclusive growth an organising principle for their place, leading the agenda and catalysing action. This should include setting ambitious new targets around employment, pay and skills attainment.
  - *Education and skills system* – cities can play an important role helping to create a more cohesive system through early years to lifelong learning. Closing the attainment gap is a priority for driving both growth and inclusion.
  - *Shaping a more inclusive economy* - supporting jobs growth and better quality jobs must be central to an inclusive growth strategy. Particular emphasis must be placed on low-wage, low-skill sectors and occupations.
  - *Connecting people to economic opportunities* - cities have influence over a wide range of policies areas (housing, transport, childcare, employment support) which can influence a person's labour market connections/opportunities.

- 1.2. This framework provides the structure for organising much of our evidence and solutions in what follows. We have sought to focus our response on the practical actions that our evidence point towards and would welcome the opportunity to discuss any aspect of our response in further detail. We draw out some of the key recommendations in our final, concluding section.

## 2. About our work

- 1.3. This submission draws primarily on the learning and evidence base developed through the Joseph Rowntree Foundation's Cities, Growth and Poverty programme, including the work of the Inclusive Growth Analysis Unit (IGAU). Since 2013, we have been working in - and with - cities to understand the issues they are facing and to work together to develop practical actions to achieve more inclusive local economies.
- 1.4. We are working in two partner city regions, Greater Manchester (where we have established the IGAU in partnership with the University of Manchester) and Leeds City Region. The submission reflects the insights we have gained through our 'deep dive' approach in these metropolitan areas.
- 1.5. Alongside these partnerships we've undertaken a wide range of influencing and research activities including: international reviews<sup>1</sup>; comparative data analysis and mapping; action learning; policy and practice development; study tours; conferences, seminars and roundtables. Projects have been led by a range of leading academics, think tanks and research organisations - a full list of JRF and IGAU projects is provided in Appendix A.
- 1.6. Our programme of work is ongoing with a number of highly relevant projects due to complete and events due take place before the Commission reports. We will ensure that this forthcoming work is fed into the Commission in early 2017. We also draw on JRF's wider evidence, in particular our Solve UK Poverty Strategy published earlier this year.

## 2. Rationales for inclusive growth

- 2.1. 'Inclusive growth' has potential to gain support across the political spectrum because it is a 'win-win' formulation. A more inclusive economy will reduce poverty and inequality and the inclusion of more people in the economy will enable stronger and more sustainable growth and reduce the demands on government spending and services<sup>2</sup>.
- 2.2. The RSA's interim report emphasises the economic case for inclusive growth "to achieve more prosperity and help economies grow". However, it is crucial that all parts of the argument are made and well evidenced.

### *Social case*

---

<sup>1</sup> Green et al (Forthcoming, Jan 2017)

<sup>2</sup> Bivand and Simmonds (2014)

- 2.3. Economic prosperity is not the only goal of nation-states and cities or their residents. There are compelling moral/humanist cases for engaging citizens more fully in society and economic activity, to improve the well-being and quality of life of individuals and their dependants and promote greater social cohesion. Even if greater inclusion did not contribute to economic growth, it would widely be regarded as a good thing in itself.
- 2.4. It is shocking that 13.5 million people live in poverty, 3.9 million of these are children, and 1.6 million are pensioners. JRF's evidence<sup>3</sup> is that:
- 39% of people in poverty living in a family where at least one person is disabled.
  - 67% of all people in poverty live in rented accommodation.
  - 35% of children in poverty live in a single-parent family.
  - 66% of working-age households in poverty have someone doing paid work.
- 2.5. The Brexit vote has highlighted the level of disconnection and dissatisfaction felt by many people and in many places across the UK. The rise of populism both sides of the Atlantic is a stark reminder of the potential social and political consequences of growth which is not inclusive. It is worth noting one of the key findings from JRF's report *Brexit Vote Explained: poverty, low skills and lack of opportunity*<sup>4</sup> that people from all levels of qualification were more likely to vote to leave the EU in low- skilled areas compared to high-skilled areas. This apparent 'place effect' highlights the potential social and political consequences of the uneven nature of growth and prosperity across the UK.

### *Economic case*

- 2.6. Beyond the social case for inclusive growth there is a clear economic one. The economy is not working for many people across the country, most clearly demonstrated by the fact that work is no longer a sure route out of poverty; 55% of people in poverty are in a household with at least one person in work.<sup>5</sup> The bottom end of the labour market so often becomes a trap for people, stuck in low-paid, insecure jobs that offer no prospects for progression - four fifths of those that enter low-paid work have failed to escape low pay 10 years later.
- 2.7. The flip side is untapped economic potential that prevents the economy as a whole from growing, and contributes to the UK's productivity problem. In the 2016 Autumn Statement, the Chancellor cited raising productivity as 'the central long-term economic challenge facing the UK', and promised to address this through a forthcoming Industrial Strategy. But all too often such strategies focus on the 'shiny and new' – infrastructure investment or support for high-tech sectors. In fact, big gains for national productivity could come from a focus on low-wage sectors. Research funded by JRF conducted by IPPR shows that sectors such as retail, hospitality and care account for a third

---

<sup>3</sup> Joseph Rowntree Foundation (2016)

<sup>4</sup> Goodwin and Heath (2016)

<sup>5</sup> Tinson et al. (2016)

of the UK's productivity gap with leading European economies.<sup>6</sup> Boosting productivity in low-wage sectors requires a broader focus on management, innovation, job design and progression routes for workers whose skills are currently underused. If national and local leaders focus their attention on low-wage sector productivity, this would help deliver inclusive growth and lead to faster growth of productivity and the economy as a whole.

2.8. The government has also recognised that too many people and places are being 'left behind' by the current economic model, and as a result are proposing a more interventionist industrial strategy. We highlight two particular failings of the UK's economic model that need to be addressed in the quest for inclusive growth:

- **The dominance of London and the South East in economic growth** has led to a skewed economy, where economic opportunity is determined by where people live (See Section 3 for further analysis). Policy has been insufficient to deal with the spatial consequences of economic change through regional and intra-regional industrial strategies, leading to widening disparities between different parts of the UK, as well as widening inequalities within London. These economic differences are also manifest in widening social disparities. There is a need for active economic policy to rebalance the economy and encourage investment in places that are not already the most prosperous parts of the country. This approach brings its own tensions and trade-offs in terms of whether to invest in growing the larger metro regions based around core cities or investing in more peripheral towns outside of the biggest cities. We believe that metro regions provide the greatest opportunities for inclusive growth; however boosting labour market inclusion for people living outside of these areas is also important.
- **A failure of markets to deliver a skilled, productive workforce and decent job opportunities.** Across the country, many people lack the basic skills required to get on in work. There has been an expectation that businesses will invest in training for their employees, but workers in low-wage jobs in the UK receive less training than other European countries.<sup>7</sup> Market failures mean the government needs to play a role in addressing skills shortages and creating a productive workforce. This also requires active demand-side policy to increase the demand for skilled work (see section 8).

2.9. We fully support the Commission's position in highlighting the false divide so often made between social and economic infrastructure. If we are serious about achieving more inclusive growth then this is a critical hurdle for policy makers to overcome in terms of how they view the rationale and impact of investment in so-called social infrastructure. The education and skills system – going right back to the earliest years of a child's life – is a key driver of both growth and inclusion. People, or human capital, must be at the heart of any growth or inclusive growth strategy. In order to drive up innovation, creativity

---

<sup>6</sup> IPPR (2016)

<sup>7</sup> IPPR (2016)

and productivity we need a more dynamic, socially-mobile labour market which unlocks the potential of all citizens.

- 2.10. Social infrastructure is critical to inclusive growth but so are the number and quality of jobs available in the local economy. An inclusive growth strategy must seek to proactively influence and shape the nature of employment opportunities. This includes employer demand for skills, the occupational and sectoral make-up of the economy, the levels of pay and terms and conditions of employment contracts.
- 2.11. While public policy helps to create the conditions, achieving inclusive growth ultimately relies on the actions of individuals and individual firms. Therefore, the general economic case must be complemented by convincing arguments for more inclusive employment at the firm level. What is the business case for paying higher wages? What are the productivity benefits of pursuing a different business model or offering a different employment contract? Unless economic arguments for more inclusive employment can be convincingly made at the firm level they may lack traction. Our evidence<sup>8</sup> highlights how much will depend on a company's business model. Cities can play an important role in engaging employers and support firms to move up the value chain, raise productivity and create better jobs.
- 2.12. Creating more and better jobs and connecting citizens in most need to these opportunities are the central components of inclusive growth. But an inclusive economy can't simply mean better quality jobs and higher wages offset by higher costs of living. The availability and cost of housing, in particular, but also services such as transport and childcare will determine the extent to which growth can be considered inclusive.

### *Fiscal/financial case*

- 2.13. Poverty is not just a cost to individuals; it is also a drain on public resources. JRF research estimates that the annual cost of poverty to the public purse is £78 billion; £69 billion of which is the public service cost associated with poverty, and a further £9 billion is associated with the knock-on effects of poverty.<sup>9</sup> The flip side is that inclusive growth can bring fiscal benefits and free up public spending for other areas. For example, for every out-of-work claimant that moves into a job paid at the Living Wage, the government gains on average £6,900.<sup>10</sup>
- 2.14. There are significant gains to be made from considering the challenges of 'growth' and 'inclusion' together. Far from being separate spheres of policy, it is now clear that the challenges we tend to think of under the domain of 'social policy' – poverty, economic inactivity, education attainment gaps, poor health, neighbourhood disconnection – have been costing us economically. Inclusive growth offers the promise of both addressing social issues, but also

---

<sup>8</sup> Schmuecker (2014)

<sup>9</sup> Bramley et al. (2016)

<sup>10</sup> Bivand and Simmons (2014)

fiscal benefits through reduced welfare spending and increased tax receipts, and ultimately a more productive, faster-growing economy.

### 3. Uneven Growth – inequalities between and within cities

- 3.1. Too many places are being left behind by growth. Our research highlights the growing spatial inequalities between towns and cities in the UK and also within them.
- 3.2. JRF's report *Uneven Growth: Tackling City Decline*<sup>11</sup> found that while no large towns and cities are experiencing absolute population loss, many northern cities are characterised by relative decline or low growth: their increases in population or employment are at relatively low levels compared with other cities. Relative decline in UK towns and cities is shaped by their industrial history, skill levels and location at the city regional and national scales. The report found that 10 of 12 cities ranked highest on the study's index of relative decline are in the north of England, while no city in southern England is among the 24 relatively declining cities identified by this index.
- 3.3. This reflects the geographically uneven legacies of economic restructuring and de-industrialisation. The report identified different priorities for cities with particular circumstances. They were:
  - Core cities (principal cities of their city regions): long-term and strategic city-regional planning; prioritising inclusive growth; and coordinating anchor institutions.
  - Overshadowed cities (cities with larger neighbouring cities): developing distinctive and complementary economic roles and strategies; improving accessibility; and enhancing training and skills.
  - Freestanding cities (not overshadowed but smaller than core cities): building on internal assets and capabilities; bolstering anchor institutions; cooperating with larger cities in broad-scale functional economic areas; and repositioning and rebranding.<sup>12</sup>
- 3.4. There are important policy implications for city regions in this, particularly in relation to overshadowed cities. For example, three of the towns and cities in the bottom 12 of our index are in Greater Manchester, despite the success of the city centre in recent years. Addressing inequalities across all areas within city regions should be at the heart of an inclusive growth strategy.
- 3.5. Many of the places at the bottom of the index are in non-metro areas. The impending exit from the EU will hit these places further as regionally-targeted European Structural and Investment Funds will cease. A more comprehensive approach to devolution across the UK and a better-developed regional policy is required to boost labour market inclusion and reduce poverty in these places. JRF has recommended<sup>13</sup> that government should establish a

---

<sup>11</sup> Pike et al, (2016)

<sup>12</sup> Pike et al (2016)

<sup>13</sup> Joseph Rowntree Foundation (2016)

Rebalancing Fund to replace EU funding after 2020. This would complement a proposed Inclusive Growth Fund, an evolution of the Local Growth Fund which would invest in programmes according to their contribution to inclusive growth.

- 3.6. Huge inequalities exist within cities too. Neighbourhoods are the building blocks of urban labour markets and our major cities contain relatively high proportions of deprived neighbourhoods. JRF research is clear that not all deprived neighbourhoods are the same. A differentiated approach is required to tackle the varying challenges which include geographic isolation from employment opportunities and/or proximity to jobs but disconnection from the labour market resulting from concentrations of multiple social problems.
- 3.7. JRF's report on neighbourhood disconnection<sup>14</sup> analyses how neighbourhoods in the bottom 20% of IMD rankings interact with housing and labour markets. The report identifies three categories of neighbourhood in relation to labour markets: primary employment zones (where there are more jobs than people); connected neighbourhoods (residential areas where there are a high number of 'links per worker'); and disconnected neighbourhoods (residential areas where there are a low number of 'links per worker'). These neighbourhoods were mapped across the UK, which can be found [here](#). Different types of neighbourhood require different policy solutions to help improve those links. For connected neighbourhoods and primary employment zones, policy solutions may include improving skills and employability, or improving availability and accessibility of childcare. For disconnected neighbourhoods, policy solutions may include improving transport links or locating new employment opportunities close to marginalised communities.
- 3.8. Policy responses need to be both economic and social. In the economic sphere, seeking to influence the location of jobs over the long-term through levers such as strategic land use planning and infrastructure investment is an important consideration for a city region. It will involve significant trade-offs and risk and poses a challenge to the prevailing orthodoxy of agglomeration. More evidence is needed on the long-term impact of supporting jobs growth in alternative locations and approaches will need to be bespoke, reflecting the unique economic geography of every city. The location of jobs will reflect employer preferences and so any strategy to influence these must: engage employers in the design; take into account a realistic assessment of local market opportunities/appetite; be sufficiently resourced; and combine investment into sites/premises/financial incentives with education and skills provision in order to raise the 'attractiveness' of the local labour force to businesses and enable local residents to access the new opportunities.
- 3.9. There are also economic interventions that can be made at the neighbourhood level. JRF's review of Regeneration and Poverty<sup>15</sup> highlights some important lessons for neighbourhood-level interventions' capacity to generate jobs that benefit people living in poverty:

---

<sup>14</sup> Rae et al (2016)

<sup>15</sup> Crisp et al (2014)

- 'job-proofing' future regeneration strategies and programmes to maximise the number of direct employment opportunities;
  - ensuring job-creating initiatives carefully target sectors and groups least likely to generate displacement effects;
  - providing training and employment provision to help residents access jobs created;
  - implementing large scale Intermediate Labour Market (ILM) schemes to create new jobs in areas of high worklessness.
- 3.10. But these strategies need to be underpinned by social investment. The social consequences of rapid deindustrialisation in particular neighbourhoods where these changes were most acutely experienced has left legacy problems including poor physical and mental health, intergenerational unemployment, disengagement from education and a sense of abandonment and mistrust of the political class. Inclusive growth strategies must recognise this 'legacy' in disconnected areas whether these are close to, or distant from, economic opportunity.
- 3.11. Our evidence suggests that it is not enough to generate employment and provide transport links. Intensive local place-based interventions are still necessary to connect people to labour market opportunities. In the face of severe cuts in public spending, many local authorities are developing new models of integrated place-based working involving multi-agency partnerships and new relationships with citizens. The learning from these initiatives needs to be captured to understand whether they have the capability to make a significant difference to the long-standing and complex problems of the most disadvantaged neighbourhoods. The potential that city-region governance offers for redistribution of services (e.g. health, training) also needs to be seriously explored as part of inclusive growth strategies.

## 4. Responsibility for inclusive growth

- 4.1. The complex and inter-linked nature of the issues outlined in sections 2 and 3 highlight the profound policy challenges for inclusive growth. These go well beyond the challenges of excessive centralisation and a 'one-size-fits-all' approach identified in the RSA's interim report. Devolution must not be seen as a panacea for inclusive growth. Even where there is a strong rationale for devolving policy, our evidence<sup>16</sup> is clear that devolution is not guaranteed to give better outcomes and must be accompanied by a framework of transparent performance standards nationally; and fiscal, management and delivery capacity locally.
- 4.2. JRF's evidence shows that poverty is seldom the result of a single factor, but almost always of an overlapping, shifting series of influences that include market opportunities, state support and individual initiative.<sup>17</sup> Delivering inclusive growth is the responsibility of each one of these. For example, just as improving basic skills requires government investment, it also depends on

---

<sup>16</sup> Finn (2015)

<sup>17</sup> JRF (2016)

individuals wanting to develop their talents, and businesses creating jobs that enable people to put these skills to use.

- 4.3. There are many ways that businesses and employers can contribute to inclusive growth. Many employers are already taking positive steps, for example by paying the voluntary Living Wage. There are also benefits for employers from having good employment practices. Employers introducing the Living Wage have experienced a more motivated workforce as well as lower turnover, sickness and absenteeism.<sup>18</sup> Similarly, improving human resources and development practices can offer financial returns for employers through higher productivity, low absenteeism, and increased job satisfaction and well-being.<sup>19</sup>
- 4.4. It is also clear that a large responsibility lies with government. These may be 'place-based' in the sense of being sensitive to spatial disparities and to the particular characteristics of different places. The state - central, city-region and local government - has a vital role in shaping the opportunities available to individuals and businesses for inclusive growth.
- 4.5. In our view, many of the responses that are needed now are the responsibility of central government. For example: industrial strategies (including infrastructure and other investments) to support a wider range of economic sectors and parts of the country; welfare benefits that provide the right incentives for work as well as a satisfactory 'safety net'; investments in skills; labour market regulation; high-quality public services funded in response to need; and inclusive education policies and intensive programmes to address legacy problems in the most deprived areas.
- 4.6. A crucial issue that can only be addressed at the national level is how to regulate the labour market to ensure the existence of quality jobs. JRF's work has highlighted the rise of in-work poverty<sup>20</sup>, while there are concerns about growing labour market insecurity of various forms, including zero hours contracts, false self-employment, the 'gig' economy, and agency work. Insecure work raises issues around how to provide protection to employees, such as ensuring minimum wage coverage and allowing access to the social security system. These are questions that can only be answered by central government.
- 4.7. Central government also dictates the financial settlement across the country, and therefore the resources available for inclusive growth locally. This raises three key issues:
  - How the local government finance system ensures decent quality services nationally. Cuts to public service spending have been tilted towards more deprived local authorities since 2009-10<sup>21</sup>, and there is a risk that business rate retention will leave more deprived local authorities

---

<sup>18</sup> Business in the Community (2015)

<sup>19</sup> Philpott (2014)

<sup>20</sup> Tinson et. al (2016)

<sup>21</sup> Hastings et. al (2015)

with less ability to raise revenues locally. This could have implications for the quality of public services across the country. Fiscal devolution can provide opportunities and incentives for inclusive growth locally, but this should not be at the expense of vital local services such as social care.

- How to manage regional funding following exit from the EU. There is evidence that European structural investment funding has boosted economic growth and employment in lagging regions. JRF recommends government should establish a Rebalancing Fund to support inclusive growth and employment in lagging towns and cities to replace the ESIF funding.<sup>22</sup>
- The scale of funding for local growth to LEPs and city-regions. The Local Growth Fund has committed £12bn to be spent on local growth from 2015-16 to 2020-21. This is much smaller than the original pot of £50bn over four years proposed by the Heseltine report. The incentives created by the fund also matter. As mentioned above, JRF recommends that this is redesigned to form an Inclusive Growth Fund, where bids are assessed based on their contribution to inclusive growth, rather than the current focus on growth.<sup>23</sup>

4.8. It is clear that central government has a critical role to play in delivering inclusive growth and that devolution cannot be seen as a substitute for this. The Commission's work needs to be set in the context of a broader 'call for action' to central government. The following five sections focus on what can be done at the city-region and city level to deliver more inclusive growth.

## 5. A framework for cities and inclusive growth

5.1. We believe that there are four overlapping spheres of activity central to developing more inclusive local economies:

- Setting an inclusive growth agenda – cities should make inclusive growth an organising principle for their place, leading the agenda and catalysing action. This should include setting ambitious new targets around employment, pay and skills attainment.
- Education and skills system – cities can play an important role helping to create a more cohesive system through early years to lifelong learning. Closing the attainment gap is a priority for driving both growth and inclusion.
- Shaping a more inclusive economy - supporting jobs growth and better quality jobs must be central to an inclusive growth strategy. Particular emphasis must be placed on low-wage, low-skill sectors and occupations.
- Connecting people to economic opportunities - cities have influence over a wide range of policies areas (housing, transport, childcare,

---

<sup>22</sup> Joseph Rowntree Foundation (2016)

<sup>23</sup> Joseph Rowntree Foundation (2016)

employment support) which can influence a person's labour market connections/opportunities.

- 5.2. The following four sections of the submission are organised around these spheres. For the sake of brevity and clarity we have chosen not to cover every related policy area. We have been selective in drawing on the most recent research and most salient issues. We would welcome the opportunity to discuss our wider evidence base further.
- 5.3. At the outset we would emphasise that cities are able to do more now, within the context of their current powers and responsibilities. Cities have choices, for example, over what to prioritise, what to invest in, how to join up and work more collaboratively. We would strongly encourage the Commission to recognise the capacity for Cities to get on and pursue a more inclusive growth agenda with the tools and resources available to them. This is not to argue against greater devolution, but also not to see it as the only blockage to developing more inclusive local economies.

## 6. Setting an inclusive growth agenda

- 6.1. Inclusive growth is an agenda, not a new policy initiative. We believe it should become an organising principle for cities. Taking this step does not require new powers or responsibilities or permission from central government. Cities can take the lead now. City leaders (perhaps, in particular, forthcoming Metro Mayors) have the opportunity to be champions of inclusive growth: raising ambition, shaping strategy, inspiring action, marshalling resources, fostering collaboration and asking difficult questions.

### *Joining up strategy and delivery*

- 6.2. To date, local authorities and city-regions in the UK have not been geared to the development of inclusive growth strategies<sup>24</sup>. Typically, economic growth has been dealt with under the banner of economic development, and measured principally by output and employment growth, with less attention to the quality of employment and wages. 'Inclusion' has largely been dealt with in other spheres of social policy – by local authority anti-poverty strategies, schools, public health, housing associations and so on. Moving to an inclusive growth approach in which economic and social policy are integrated requires new systems for planning that delivers cross-professional work of a new kind. This will mean developing new capacities and ways of working within cities.
- 6.3. Our evidence<sup>25</sup> shows that austerity has provided impetus for the redesign and integration of services at a local level. However, public service reform is often being driven by the necessity of short-term efficiency savings. In order to deliver more inclusive growth, cities need to be enabled to adopt more a more strategic, preventative approach of 'invest to save'.

---

<sup>24</sup> Lee et al (2014)

<sup>25</sup> Hastings et al (2015)

6.4. Local government has a critical role in taking forwards the inclusive growth agenda but an inclusive growth strategy needs to be designed to engage the broader city networks that create jobs and the opportunities for citizens to access them. This requires strategic integration and work with a wider range of stakeholders - local businesses, employers, policy makers, service providers, institutions and communities that interact and shape the nature of local growth.

*Defining success and measuring performance*

6.5. We believe that cities should redefine how they measure economic performance. If cities are serious about pursuing a more inclusive vision and marshalling resources accordingly then this needs to be underpinned, or even catalysed, by a new approach to measuring and monitoring performance. This involves moving beyond simplistic GVA measures to capture who is benefitting from growth. We have developed the Inclusive Growth Monitor<sup>26</sup> which brings together a balanced package of prosperity and inclusion measures which will enable cities to measure performance over time and benchmark performance against comparable cities. The IGAV is updating the monitor on an annual basis. We welcome the Commission’s emphasis on developing further measures. However, we would highlight the difficulty of representing inclusive growth with a single measure, as measuring inclusive growth is necessarily multi-dimensional. We welcome the opportunity to discuss this further as the Commission’s thinking evolves.

**TABLE 15: A MULTI-LEVEL FRAMEWORK FOR INCLUSIVE GROWTH**

Theme	Dimension	Indicator
Inclusion	Income	Out-of-work benefits
		In-work tax credits
		Low earnings
	Living costs	Housing affordability
		Housing costs
		Fuel poverty
	Labour market exclusion	Unemployment
		Economic inactivity
		Workless households
Prosperity	Output	Output
		Private-sector businesses
		Wages/earnings
	Employment	Workplace jobs
		People in employment
		Employment in low-pay sectors
	Human capital	Higher-level occupations
		Intermediate and higher-level skills
		Educational attainment

6.6. The Inclusive Growth Monitor provides a useful tool for assessing how cities are performing on inclusive growth, but local leaders should set themselves concrete objectives on which they be held to account. The specific challenges will differ from place to place, but key areas must include employment, wages and skills. Cities will need to develop their own indicators based on local needs and opportunities but as a starting point we would recommend the following:

- *Employment* - Bring the employment rate in line with the national average.

<sup>26</sup> Beatty, Crisp and Gore (2016)

- *Wages* - Increase earnings at the 20<sup>th</sup> percentile faster than the median.
- *Skills* - Halve Free School Meal/non FSM attainment gap at 5A\*-C at GCSE (including with English and maths).

6.7. Developing revised performance frameworks at a city level is a first step. A second step should be to ensure that decision-making processes for major capital and revenue investment decisions align with inclusive growth objectives. This requires a new approach to how the costs and benefits of projects are appraised and how value for money is calculated. We believe cities can take a lead in developing their own new appraisal and evaluation frameworks. These should remain Green Book compliant but seek to provide a more robust assessment of the anticipated impacts and outcomes for target groups. The Commission will be aware that we are currently working with Sheffield City Council and Cardiff City Council in developing a new appraisal framework to help guide local investment decision making and will feed in our findings in early 2017<sup>27</sup>.

### *Engaging citizens*

6.8. If cities are genuinely committed to developing inclusive growth strategies then the process in designing these strategies and the accountability mechanisms put in place around them should be inclusive too. An inclusive growth strategy should draw on the ideas and lived experience of local people and be designed to meet their needs. This principle should be adopted to directly involve service users in the design of local services.

6.9. The inclusive growth agenda has been taken up by many organisations and institutions, but too often the opinions of citizens have not been taken into account in moving the agenda forward at city level. The introduction of Metro Mayors presents an opportunity to think differently. The Commission will be aware that we have commissioned the RSA to investigate how citizens can be better engaged in the inclusive growth agenda. We are developing proposals around how citizen engagement can be: genuinely inclusive; innovative – a source of ideas; influential in the decision-making process; and live/ongoing – not a one-off consultation process. The project will report in early 2017 and will feed into the Commission's thinking.

### *Anchor institutions*

6.10. For cities to set an inclusive growth agenda will require more than vision, strategy, measurement and engagement. It requires action; leading by doing. We believe that local government can play a pivotal role in corralling the place-making potential of local anchor institutions (the biggest local spenders and employers such as local authorities, universities and the NHS), to set the tone for a more inclusive local economy. Anchors make a significant contribution to the local economy through the large amount that they spend procuring goods and services, their investment in real estate, the number of people they employ, and their contribution to the strategic development of local economies.

---

<sup>27</sup> Metro Dynamics (Forthcoming)

- 6.11. JRF evidence<sup>28</sup> suggests that whilst individual anchors can have an impact, it is when they work collaboratively that their combined impact can be transformative. Organisations such as local authorities, universities and hospitals should work together to increase the amount of money they spend in the local economy, and consider using their powers as large procurers of goods and services to increase wage levels in their city and develop the capacity of smaller local business to supply goods and services.
- 6.12. Anchor collaborating in other areas could also help to boost the local economy. For example, collective action in recruitment, workforce development and progression could make a significant difference for individuals and also provide good practice and help set the tone for the wider local labour market. This may include action on a specific issue, such as the disability employment gap. If anchors worked together on such an issue, significant progress could be made.
- 6.13. We believe all cities should develop an anchor institutions strategy to help lead and deliver an inclusive growth agenda locally.

## 7. Education and Skills System

- 7.1. The education and skills system – going right back to the earliest years of a child’s life – is a critical driver of both growth and inclusion.
- 7.2. People, or human capital, must be at the heart of any growth or inclusive growth strategy. In order to drive up innovation, creativity and productivity we need a more dynamic, socially-mobile labour market which unlocks the potential of all citizens. But economic prosperity and the organisation and distribution of the benefits of economic growth also provide the incentives and motivation for people to learn and train. A key mistake that has been made in recent decades is to try to raise ‘standards’ in education in isolation from the opportunities that young people can see for themselves in local and national economies and societies.
- 7.3. At every stage of education, in every part of the UK, children from better-off backgrounds achieve better results at school than those from disadvantaged backgrounds. At the age of five, the attainment gap in England between children on free school meals and all other children is 18 percentage points. By age 16, the gap increases to 27 percentage points.<sup>29</sup> The focus has to be on improving attainment for children from low-income backgrounds across all types of schools, rather than on particular kinds of school structures. There is growing and considerable evidence about how this can be achieved. Two of the most important factors are effective leadership and high-quality teaching. JRF has recommended that the DfE trials a ‘Teacher Pay Premium’ pilot in which 2,000 high-performing teachers are given a 25% pay premium if they

---

<sup>28</sup> Devins et al (Forthcoming)

<sup>29</sup> Joseph Rowntree Foundation (2016)

move to teach in challenging schools that are struggling to recruit. This would cost £20 million per year.<sup>30</sup>

- 7.4. While we welcome the recent focus of HM Chief Inspector of Schools and of the DfE through its Northern Powerhouse Schools Review on the importance of schools for the economy of the North, it is regrettable both that the emphasis has been placed on schools, rather than on an integrated approach to 0-19 provision, and that the problem is seen as one of institutional failure. No doubt there are things that can be done to improve school practice, but the principal reason for the persistent relationship between socio-economic disadvantage and education is disadvantage, not school failure. The challenge for Northern city regions (and for central government) is to deliver the inclusive economies which will connect young people to learning and to provide the systems to enable them to achieve their potential. In a changing economy, and with the legacy of de-industrialisation still with us, we must also recognise the central importance of adult learning.
- 7.5. It is also widely recognised that by comparison with European competitors, the UK has a weak FE and adult skills system including:
- A complex landscape of provision with multiple qualifications and providers, which affects both entry and progression;
  - A lack of high-quality and well-regarded vocational programmes for young adults that offer transition routes from school to work that are as secure as those available to young people pursuing academic options;
  - A weak apprenticeship system, with many apprenticeships being taken by adults and/or being 'conversions' from existing jobs;
  - Fragmented and underfunded advice and guidance services;
  - Incoherence of governance arrangements, in particular the development of a system of autonomous schools with no mechanisms for local accountability or coordination with other parts of the local learning and skills system.
- 7.6. Devolution to city regions and the recent reorganisation of DfE to incorporate FE and adult learning as well as schools provides an opportunity to rethink education and skills systems to support more inclusive growth.
- 7.7. This is a major policy area to which we cannot do justice in a short section of this submission. We urge the Inclusive Growth Commission to lobby central government on:
- The need to see the education and skills system as a whole and over the life course, starting with early years;
  - The need to focus on transitions between phases, focusing on progress rather than just final outcomes;
  - The need to value (and fund) learning and skills across the economy, not just those acquired in HE and knowledge economy jobs, and to integrate general and vocational education; and

---

<sup>30</sup> Joseph Rowntree Foundation (2016)

- The need to invest in adult skills and retraining, included but not limited to enhancing employer contributions to training – although we note the introduction of the apprenticeship levy will result in considerable employer contribution to support apprenticeships.

7.8. It is important to take a regional or area-based approach to overseeing and supporting schools, while ensuring they are able to access ideas and be challenged by the results of those outside their immediate areas, especially in places where overall standards are low. One option here is to delegate powers to mayors to convene city-regional education and skills boards and to create duties on local authorities, schools, colleges, employer representatives and private providers to participate. Learning from the experience of the London and other City Schools Challenge is highly relevant to this.

### Basic Skills

- 7.9. A fundamental building block of an education and skill system is basic skills provision. No-one should leave school without basic skills, but provision needs to be in place to address adults who need to learn them.
- 7.10. Respondents to IGAU's inclusive growth research<sup>31</sup> emphasised that although the development of high-level skills is essential for economic growth, productivity gains can also be made through upskilling at the lower end of the labour market. This work is often best done in local, community outreach settings. Cuts in adult skills budgets represent a significant risk and the move to city-region commissioning needs to make the most of localised networks in order to maintain and improve existing provision.
- 7.11. JRF has recommended<sup>32</sup> setting an ambitious target to meet all basic skills needs, including digital skills and English for Speakers of Other Languages (ESOL) by 2030. This would require doubling the current rates of participation from around 100,000 people per year for literacy and numeracy to 200,000. Priority should be given to people experiencing, or at risk of, poverty. Delivering this ambitious target would require refocusing the existing £200 million per year investment in literacy and numeracy in England, plus a further £200 million per year of new funding.

## 8. Shaping a more inclusive economy

- 8.1. Creating a more inclusive economy means creating a better labour market with opportunities for those currently out of work, or on precarious contracts or low pay, to find a good quality, decently-paid work. In short, an inclusive economy requires more and better jobs.
- 8.2. Improving the number and quality of jobs involves action on both the supply- and demand-sides of the labour market. On the supply-side, there is a need to address persistent skill shortages - including the fact that five million adults

---

<sup>31</sup> Lupton and Hughes (2016)

<sup>32</sup> Joseph Rowntree Foundation (2016)

in the UK lack the basic literacy and numeracy skills required to find and secure work<sup>33</sup>- as discussed in the previous section.

- 8.3. Improving the supply of labour is necessary but not sufficient; building an inclusive economy requires addressing a chronic shortage of demand for secure labour that pays the Living Wage in many parts of the country. The role of active demand-side policies has been recognised by the government's commitment to industrial strategy; it is vital that this strategy is focused on creating good job opportunities for those currently lacking them.

#### Job creation and job quality

- 8.4. Creating more productive local economies that offer more and better job opportunities will ultimately require addressing a lack of demand for labour in many areas. Focusing policy on increasing skills and qualification levels without a corresponding increase in demand for skills by employers may simply result in people working in jobs they are over-qualified for<sup>34</sup>.
- 8.5. The need for active policy on the demand side has been clearly recognised by the government's recent commitment to developing industrial strategies. Yet the traditional focus on high-wage and tech sectors is unlikely to lead to inclusive growth. A broader demand-side focus is required. Alongside the targeting of traditional high-growth sectors, activities to raise the productivity and pay of low-skill workers and should also be a priority.
- 8.6. Job rich sectors, like retail and hospitality, which might be pursued in order to ensure employment growth not just output growth (as the RSA's interim report recommends) can also be the sectors which have poor job quality and few opportunities for skill or pay progression. A major cause of low pay is low productivity in low-wage sectors. It is well known that UK productivity lags behind other developed countries, but less well known this gap is larger for low-wage than high-wage sectors. While low-wage sectors – such as retail, care and hospitality – constitute about 23% of the UK economy, they account for around a third of the productivity gap with leading Western European economies.<sup>35</sup> Future industrial strategy at national and local level must include a focus on raising productivity and job quality in low-pay sectors. Promising approaches include: taking a broader view of innovation, to include business models, workplace organisation and production processes; improving management skills through training and business support services; and encouraging business models that ensure firms invest in employees' skills.<sup>36</sup>
- 8.7. As well as upgrading the quality of existing low-wage jobs, another key focus of demand-side policies should be encouraging enterprise, innovation and investment that boosts the demand for mid-level jobs to counteract the hollowing out of the labour market and create progression routes out of low pay and into decently-paid work. JRF-funded research has demonstrated that

---

<sup>33</sup> Joseph Rowntree Foundation (2016)

<sup>34</sup> Schmuecker (2014)

<sup>35</sup> IPPR (2016)

<sup>36</sup> Joseph Rowntree Foundation (2016)

this hollowing out has affected cities differently, and solutions need to be specific to the needs of the local labour market.<sup>37</sup>

8.8. City-level policymaking provides the opportunity to target both the supply and demand for labour<sup>38</sup>. Ongoing work for JRF is looking at how inclusive growth demand-side policies in cities could be designed, drawing on case studies and innovative approaches around the world. Local leaders have a wide range of policy levers at their hands. These include:

- targeted support for employers, such as subsidised employment schemes and career ladder initiatives;
- targeted support for specific occupations through entrepreneurship training or business support services;
- subsidies, business incubators and university-industry linkages aimed at boosting specific sectors; and
- wider city economic development and fiscal policy, including public investment, public-private partnerships, encouraging inward investment and enterprise zones.

8.9. All of the above policies and how they are targeted have implications for the level and quality of demand for labour in local economies. The ongoing project will develop a set of demand-side policy proposals for how they can be used to generate inclusive growth. The project will report in February 2017<sup>39</sup>.

8.10. One area we already know that local policymakers can make a difference is business support services. JRF evidence demonstrates that well-designed business support programmes can be an effective way of supporting people into better jobs, while supporting growth sectors to tackle problems such as skills shortages. (NB: see also discussion of Progression services in Section 9). Successful programmes share a number of characteristics:

- **Focused on the needs of a sector:** they are delivered by organisations that understand the needs of business in a selected sector, who are able to secure buy-in from businesses on the basis of identified problems such as skills shortages or high turnover.
- **Strong partnership working:** they are able to broker a bespoke response by working with training providers and employment support providers to design and deliver training to low-paid employees and unemployed people and match participants to jobs.
- **Personalised support for individuals:** for example to overcome transport and childcare barriers to work.

8.11. IGAU research<sup>40</sup> has identified a need to understand more about the ways wealth generated locally can be utilised locally and contribute to inclusive growth. This could include local investments, philanthropy or in-kind support to small firms or civil society organisations. Using local pension funds to invest

---

<sup>37</sup> Clayton et al (2014)

<sup>38</sup> Schmuecker (2014)

<sup>39</sup> Pike, Lee and MacKinnon (forthcoming)

<sup>40</sup> Lupton and Hughes (2016)

in local economic development is also worth further investigation. Recent examples of investor campaigns to promote the voluntary Living Wage in companies demonstrate how investor activism can benefit people on low incomes.<sup>41</sup>

- 8.12. City policymakers should also look beyond a narrow focus on the profit-oriented sector to the 'social economy' – a broad term encompassing social enterprises, co-operatives, community enterprises and numerous other forms of enterprise that aim for social outcomes rather than private profit. There is a small body of evidence suggesting the social economy could play an important role in creating quality jobs. For example, work integration social enterprises provide training opportunities targeted at vulnerable groups, while employee-owned businesses offer increased pay and better job satisfaction. Policies that enable the growth of the social economy could therefore be effective at producing better quality jobs. An ongoing JRF project is considering the role that city policies aiming to grow the social economy can play in inclusive growth. The project will report in early 2017.<sup>42</sup>

## 9. Connecting citizens to growth

- 9.1. Alongside mainstream education and skills provision, cities have influence over a range of policies and levers which can help connect people to labour market opportunities and support progression in work. Some of these services, such as employment support, relate directly to labour market outcomes, but other issues such as childcare, transport and housing can also be critical to enabling people to work. There is scope at the city level for better integration of services and tailoring and targeting them to meet individual needs. We focus below on areas we believe are most directly relevant to overcoming labour market exclusion.

### Employment Support

- 9.2. Including more people in economic opportunity is perhaps more familiar territory within economic development and social policy. IGAU's consultation in Greater Manchester<sup>43</sup> revealed that many effective practices are already established locally and lessons have been learned from past programmes. In particular, the importance of long-term, intensive and holistic support for those furthest from the labour market was emphasised, as was work with employers to develop training and into-work programmes directly linked to actual vacancies.
- 9.3. We believe a fundamental shift in thinking is required if employment support services are to meet aspirations of full employment, closing the disability and ethnicity employment gap, and improving living standards via work. Job Centre Plus currently has one goal: moving people off benefit, into employment, as quickly as possible. Its performance is measured by the rate at which people leave benefits (the 'off-flow rate'). We think this is inadequate,

---

<sup>41</sup> Joseph Rowntree Foundation (2016)

<sup>42</sup> Vickers et al (Forthcoming)

<sup>43</sup> Lupton and Hughes (2016)

and instead, efforts should be focused on reducing poverty, with a target to deliver higher employment and earnings for people using the services.<sup>44</sup>

9.4. The level and type of support offered to individuals using employment services is currently determined on the type of benefit that is claimed, the length of time the claim has been made, alongside individual characteristics. We do not think this is sufficient to identify what support an individual needs to be supported into work. JRF has recommended<sup>45</sup> that a segmentation tool be developed to identify an individual's distance from the labour market, carried out as early as possible during a claim. This would allow support to be tailored much more closely to individual needs. Our *UK Poverty: Causes, Costs and Solutions*<sup>46</sup> report outlines this proposal in greater detail, but in summary, the following type of targeted support could be offered following segmentation:

- light-touch support for people expected to return to work quickly;
- more intensive face-to-face and personalised support for those with some barriers to work or at risk of moving in and out of low-paid work;
- specialist support delivered through the new Work and Health Programme trialling approaches such as peer support, and individual placement and support, and providing support to employers to make adjustments in the work place.

9.5. Improving accessibility to advice and support services is also important. Embedding such services in others that people already use, such as GP surgeries, is one option. Further improvements could be made if a range of services related to work and income were brought together in a single 'hub'. This may include: employment support, careers advice, advice on transport and childcare, local welfare assistance schemes, benefit checks and debt advice. Cost-reduction services, such as help in switching utility providers and energy-efficiency programmes, could be included.<sup>47</sup>

9.6. The idea of joined-up service delivery is not new, and has been tried (and is being tried) in various ways around the UK and elsewhere. There are challenges to co-location, in particular cuts to local government budgets, and issues will arise that are specific to local areas. Decisions about what the most appropriate hub model works best needs to be made at a local level, and government should help this by, for example, removing barriers to data sharing. A radical option to speed up the process of co-location in local areas is to dismantle Jobcentre Plus in its current form. This would allow the co-location of Jobcentres with local authority services, since these two could form the core of the hubs. This could help to make savings for government in its estate, money which could potentially handed to local government.<sup>48</sup>

9.7. Discrimination shapes some people's experience of work and the opportunities open to them. JRF research has shown that BAME citizens were at a greater disadvantage in the labour market<sup>49</sup> and more likely to work for

---

<sup>44</sup> Joseph Rowntree Foundation (2016)

<sup>45</sup> Joseph Rowntree Foundation (2016)

<sup>46</sup> Joseph Rowntree Foundation (2016)

<sup>47</sup> Joseph Rowntree Foundation (2016)

<sup>48</sup> Joseph Rowntree Foundation (2016)

<sup>49</sup> Catney and Sabater (2015)

less than the minimum wage<sup>50</sup> than the majority group. The persistence of the gender pay gap, disability employment gap, ethnic penalties and segregation of some groups into different occupations has spurred government plans and initiatives. Ideas to address issues of discrimination in employment include:<sup>51</sup>

- monitoring employment outcomes for disabled people and ethnic minority groups by geographic area (e.g. local enterprise partnerships and devolved administrations);
- public sector and voluntary sector employers leading through their own employment practices, including the promotion of quality flexible work;
- practical support and advice to businesses, for example on informal workplace cultures; retention of employees following disability, physical illness or mental health conditions; and making reasonable adjustments using the Access to Work fund; and
- employers taking positive action to counter discrimination, including support for staff networks so staff can build a collective voice; small employers could enable staff to be part of networks across employers.

### Progression

- 9.8. In-work poverty is rising in prevalence across the country. Between 2004/05 and 2014/15, the number of people in poverty living in a working household rose by two million to a total of 7.4 million. 55% of people in poverty now live in a working household.<sup>52</sup> This means that despite working, people are not earning enough to lift themselves and their families above the poverty line and to enjoy an acceptable minimum standard of living. The scope to progress out of low pay will be constrained by a significant drop off in demand for mid-level jobs.
- 9.9. There is an imperative to tackle this issue not just from an individual perspective, but also from a business perspective. Evidence shows that where business demand for skills is low, pay in turn is low, and productivity is undermined. The business case for engagement should be based on the competitiveness and productivity gains that can be achieved from progressing to higher skill and wage business models.
- 9.10. A range of factors shape an individual's progression once in work. These include personal circumstances, access to training, employers' business models and HR practices and firm size and sector. To improve progression from low pay, evidence points to an approach that combines:
- growing an individual's level of skills and education;
  - boosting business demand for skills to drive productivity and growth; and
  - engaging with business in low-pay sectors that locally offer most potential to grow. A sectoral approach can be beneficial in shaping and delivering progression-focused policy interventions.
- 9.11. At a national level we believe that employment support programmes should be refocussed so that the high-level incentives are focused on delivering high

---

<sup>50</sup> Brynin and Longhi (2015)

<sup>51</sup> Joseph Rowntree Foundation (2016)

<sup>52</sup> Tinson et al (2016)

employment and earnings, rather than simply moving people off benefits. Our research, *Improving progression from low-paid jobs at city-region level*<sup>53</sup> in the Leeds City Region identifies a set of proposed solutions to improve progression from low pay which could be developed and adopted in any City Region.

9.12. The core proposal is to develop business support services to pilot a sector-based employment programme involving employers and individuals. This would target employers in a number of sectors with high levels of demand for labour and which also offer comparatively well-paid jobs and scope for progression to higher earnings; engaging them to understand recruitment needs for good jobs and develop provision to support low-paid workers to access these (see section 8.8 above which outlines the characteristics of successful business support programmes of this type).

9.13. Alongside this core proposal we also recommend:

- *A pilot to enhance National Careers Service provision available to low-paid workers* - Careers IAG is not targeted at people who are already in work, so low-paid workers are unlikely to access current provision. Adapting the NCS payment and delivery model to allow greater targeting at workers in key low-pay sectors in LCR and to support better employment and progression outcomes as a result.
- *Pilot an advancement service for individuals*. Employment policies aimed at addressing poverty are primarily focused on work entry, not on advancement once in work. A large pool of workers could benefit from action focused on earnings progression, not least when seen alongside incoming conditions for progression for those on very low wages through Universal Credit. In-work progression for low-wage workers could be supported<sup>54</sup> through funded training, coaching and IAG, signposting to services to address barriers to progression and an employer brokerage function to place participants in better-paid jobs.
- *An employer-facing initiative to shape workplace practices to improve earnings progression for low-paid, part-time workers*. Some sectors have a heavy reliance on low-paid, part-time positions (e.g. social care, retail and hospitality). Part-time workers are among those most likely to get stuck in low pay and are over-represented among households in poverty. They are also less likely to benefit from training and development opportunities and job security, and are more likely to be women. A lack of part-time work at higher pay levels results in under-employment and thus wastes talent and skills, holding back productivity and business growth. Business support services could be developed with a view to opening up better opportunities for progression for low-paid, part-time workers by supporting employers in low-pay sectors to make changes to workplace practices that support earnings progression for part-time workers.

---

<sup>53</sup> Green et al (2016)

<sup>54</sup> Earning less than £9 per hour and in low-pay for at least 12 months and/or who qualify for in-work benefits

Increasing the availability of better-paid part-time jobs will make a significant difference to poverty and bring broader economic benefits. The current lack of part-time and flexible work means people take jobs for which they are over-qualified: 41% of flexible workers say they have taken a job below their skill or salary level to get the flexibility they need.

- 9.14. We are aware of several related progression pilots being taken forward including in Leeds City Region, Oldham, Glasgow and Plymouth. We would encourage the Commission to investigate progress in delivering these pilots and any learning that could be translated to other cities.

### Childcare

- 9.15. Our evidence has pointed to the importance of childcare in supporting people into work. Affordable childcare that can match parents' hours of work or education can reduce pressure on families' incomes and help parents to work, participate in training or look for a job. Our report *UK Poverty: Causes, Costs, and Solutions*<sup>55</sup> made a series of recommendations to increase the quality, affordability, and availability of childcare. These include:

- Radically reform early years education and childcare to greatly increase quality, coverage and affordability, enabling more parents to work and improving children's development.
- These reforms would remove parental contributions to childcare costs for families on low incomes where parents are in work, education, training or preparing for work, and move to a graduate-led, fully qualified workforce in early years education. This would require the UK to increase public funding for childcare over a decade, over time spending an additional £5.4bn per year.
- Retain 15 hours of free childcare for three- and four-year-olds; extend over time to two-year olds; but do not increase to 30 hours per week.
- Provide additional childcare free to low-income parents who are employed, training or looking for work; for other parents pay an income related top up through personal accounts.
- Change to a supply-side funding model, and cap overall costs, to be decided by an independent body.
- Invest in a social enterprise programme to develop business models that are proven to deliver quality and flexibility; link childcare providers more closely to early intervention networks; and roll out a programme of inclusion for children with special educational needs and disabilities

### Housing and Planning

- 9.16. Housing policy should be integral to an inclusive growth agenda. High housing costs are a direct contributor to poverty, and decisions about where and how new housing is developed and who it is for are both contributors to local economic growth. The security and quality of housing are significant for

---

<sup>55</sup> Joseph Rowntree Foundation (2016)

a family's long-term prospects, with a safe, secure home providing a foundation upon which people can build their lives and realise their potential. It matters for a household's health and for a child's development; affordable housing makes it easier for work to be worthwhile. Accessibility, space and adaptations are of growing importance for disabled children and adults and in an ageing society.

9.17. Planning policy has a significant impact on housing supply. Planning can limit knock-on costs of development to society, and enable sharing of the benefits of growth. It can also enhance private sector benefits, by limiting time, cost and risk associated with the development process.<sup>56</sup> Planning obligations have proved important ways of delivering an increase in the supply of affordable housing within the jurisdictions where they exist. The effectiveness of planning obligations can be improved by:<sup>57</sup>

- defining affordability in planning legislation: affordability should be defined in relation to local earnings;
- making the viability process more transparent: clarifying the parameters used to decide what represents an appropriate contribution, and ensuring planning officers have the information they need to be able to negotiate;
- capacity to negotiate: local authorities should establish specialised viability officers or teams within planning departments, and provide additional training in viability for officers and members. This can also be successful at city region level, with officers and members learning best practice from each other, or sharing specialist knowledge.

9.18. Research by Sheffield Hallam University for JRF<sup>58</sup> found that housing elements of devolution agreements and strategic economic plans were focused on purely on housing growth rather than on tackling poverty and inclusive growth. The research found that SEPs contained far less appetite to pursue policies that directly address key factors that link housing and poverty, such as measures to increase the supply of genuinely affordable housing, improve housing quality, regulate the Private Rented Sector where it is failing, raise energy efficiency levels to tackle fuel poverty, and provide direct employment opportunities. It also found housing and planning 'asks' in devolution agreements to be limited and tentative, with little sense that these can be used as levers to meet housing need and increase opportunities for households experiencing poverty.<sup>59</sup>

9.19. Some of this is because of the need to align with national policy. Decision making over a significant amount of housing policy remains at Westminster. A further report is being compiled by Sheffield Hallam University for JRF<sup>60</sup> to be published in 2017, which will consider what action (from both government and cities) is required to tackle poverty at a city region level though housing and planning policy. Early findings from roundtables in Greater Manchester and Sheffield are:

---

<sup>56</sup> Adams and Watkins (2014)

<sup>57</sup> Brownill et al (2015)

<sup>58</sup> Crisp et al (2016)

<sup>59</sup> Crisp et al (2016)

<sup>60</sup> Crisp et al (Forthcoming)

- A lack of grant funding for brownfield land remediation is seen as a key constraint on housing delivery. HMR-style grant funding to invest in improving housing quality and remediation of brownfield land may help.
- Government rent reduction policy has reduced appetite of registered providers to develop low-cost rented housing.
- Delivering of affordable housing through s106 agreements has been constrained by falling land values and renegotiations by developers on the grounds of viability.
- City regions should acquire greater flexibility over HCA funding to better address local need and increase supply.
- Mayoral development corporations will provide opportunities to simplify planning to make it more 'developer friendly' and to package up high value sites with brownfield land to encourage development in less attractive areas.

9.20. There is a general consensus that a failure to build sufficient homes in the UK has contributed to high housing costs. Current rates of house building in England are at around half the level needed to meet existing and anticipated demand<sup>61</sup>. It is estimated that levels of poverty caused by housing costs in England can only be contained if the rate of housing supply nearly doubles, rent rises are limited and people continue to receive support with their housing costs.<sup>62</sup> Increasing the supply of housing cannot be achieved by the market alone. Since private developers have no interest in flooding the market with new properties, increasing the supply of social and intermediate housing is critical. But powers and financing at a city level to do this distinct from national policy is severely limited. JRF's strategy to solve UK poverty made the following recommendations:

- each UK nation to implement a development framework that meets objectively-assessed need for affordable housing, with rents linked to earnings;
- make better use of planning powers by improving the effectiveness of planning obligations, and increasing local powers over land assembly;
- ensure Right to Buy does not increase poverty through local discretion and ensuring homes sold are replaced like-for-like.

9.21. There is great need for additional affordable housing to rent in the UK. In particular social rented housing is required. JRF research has shown that a fall in the proportion of social housing is likely to lead to a rise in poverty.<sup>63</sup> The continued sale of council and housing association rented properties via right to buy will have a negative impact on the supply of low-cost rented housing in the short term. Government has promised that these properties will be replaced, but this will take up to three years per property, and in the longer term there is a real question as to whether low-income households will be able to afford the replacements. If – as the Government has suggested – the replacements are for shared ownership or let at a market-linked rent rather than the current social rents, then the answer is probably not. Just 3% of new social renters could have afforded to buy a shared ownership property or

---

<sup>61</sup> Birch, J. (2015)

<sup>62</sup> Stephens et al (2014)

<sup>63</sup> Stephens et al (2014)

starter home instead.<sup>64</sup> The country needs ambitious plans for more genuinely affordable housing as part of an overall target of building 300,000 properties every year. Experience shows the market alone is unlikely to deliver this.

- 9.22. Alongside housing supply, planning for inclusive growth requires cities to think clearly and precisely about the nature of how land is allocated for employment. City Regions with Mayors should make use of powers to consider strategic allocations, as is already happening in Greater Manchester. As outlined in section 3.8 this is a complex and challenging area. There needs to be a balanced approach, recognising the benefits of agglomeration in city centres, whilst planning for future employment growth in all parts of the metro area. In both instances, consideration should always be made of access to future employment land by residents of deprived neighbourhoods.

## Transport

- 9.23. Transport is important in making the connections between people in poverty and employment opportunities. Bus networks are particularly critical for people with a high risk of poverty: 77% of jobseekers in cities outside London have no access to a motor vehicle, and 60% of long-term unemployed people are bus users.<sup>65</sup> Geography and time, as well as lack of accessibility to people with physical or mental challenges, can all be barriers to transport as well as cost<sup>66</sup>. To connect people in poverty to economic opportunities and essential services, transport must be affordable and connect people and places effectively.<sup>67</sup> Transport is a significant issue for neighbourhoods that are disconnected from the labour market.<sup>68</sup>
- 9.24. Transport investment in the UK has been overwhelmingly skewed towards London and the South East in recent years. Analysis from IPPR North<sup>69</sup> shows that this is to continue in the next five years. This is largely because cost benefit analysis of transport investment will tilt decisions in favour of more prosperous areas. However, this doesn't necessarily mean that investing in transport in more prosperous areas will generate greater productivity gains than investing in transport in less prosperous areas, as these productivity gains are very difficult to predict in advance.
- 9.25. General transport investment might provide some boost to the opportunities and wages of low-income households, but it won't increase wages faster than average productivity; it won't change the share of prosperity they receive. Transport investment should be used as a tool to improve productivity and opportunity for low-income households. JRF research<sup>70</sup> would suggest that transport investment should be focused on neighbourhoods that are disconnected from employment opportunity in the wider area.

---

<sup>64</sup> Clarke et al (2015)

<sup>65</sup> PTEG (2015)

<sup>66</sup> Titheridge et al (2014)

<sup>67</sup> Joseph Rowntree Foundation (2016)

<sup>68</sup> Rae et al (2016)

<sup>69</sup> <http://www.ippr.org/news-and-media/press-releases/transport-secretary-urged-to-close-1-600-per-person-london-north-spending-gap>

<sup>70</sup> Rae et al (2016)

- 9.26. JRF is funding research that is taking place in 2017 on the transport connectivity of deprived neighbourhoods to areas of employment opportunity. The research will feature interviews with people living in those areas and the barriers they face to accessing transport, and will pick up on some of the issues discussed above.
- 9.27. Transport costs are also a barrier to access. Bus fares have increased faster than inflation, particularly in metropolitan areas<sup>71</sup>, and getting the best deal generally requires advance payment for multiple trips. JRF has recommended<sup>72</sup> that poverty reduction is made an explicit part of the remits to Local Transport Authorities, prioritising connecting people in poverty to opportunities and make sure public transport – especially buses – is affordable and accessible. Combined authorities should make the most of power being devolved to them by the Bus Bill currently going through parliament to take action in these areas.

### Social value through procurement and planning

- 9.28. Securing additional employment and training opportunities via social value clauses in public procurement and planning policies should be a real focus of local inclusive growth strategies. Cities should look to generate a year's work for a person from a targeted disadvantaged community for each £1m in contract value. Objections have previously been raised that UK and EU legislation make this difficult to achieve, but JRF research has demonstrated how this can be done while complying with UK and EU procurement rules.<sup>73</sup>
- 9.29. There is a particular opportunity to generate social value through major infrastructure projects in cities across the UK, both in the construction and end use phases. JRF research<sup>74</sup> has found many good examples nationally and in the Leeds City Region where procurement and Section 106 agreements have been used to create valuable employment and training opportunities for local unemployed people.
- 9.30. JRF work in Leeds City Region<sup>75</sup> has highlighted a number of practical learning points for developing social value policies at a city region level. These include:
- Success requires senior support *and* the overcoming of organisational inertia;
  - Progress depends on the pipeline of development;
  - Employment and skills network support is critical to success;
  - Multi-area collaboration helps to foster greater consistency and ambition; and
  - Targeting and monitoring of beneficiaries is crucial.

---

<sup>71</sup> Department for Transport (2016)

<sup>72</sup> Joseph Rowntree Foundation (2016)

<sup>73</sup> Macfarlane (2014)

<sup>74</sup> While et al (2016)

<sup>75</sup> Newby (Forthcoming)

## 10. Key messages

10.1. This submission is not based around a single 'big idea' but, reflecting the multi-dimensional nature of inclusive growth, puts forward many ideas and proposals for consideration by the Commission. This final section provides some of our headline recommendations. We have intentionally kept this concise in order not to repeat the main content of our submission and would welcome the opportunity to discuss these messages and any element of our submission in more detail.

### Cities and local government

10.2. Cities can get on and do more to deliver inclusive growth now. They do not need permission from Whitehall to make progress and the Commission should call on cities to 'step up' wherever possible. Priorities and strategies will vary from place to place however we believe cities should make urgent progress on the following recommendations:

- Make inclusive growth an organising principle for the city and redefine what economic success looks like locally. Adopt our Inclusive Growth Monitor to measure performance and establish priority targets for inclusive growth around jobs, wages and skills.
  - Adopt a new approach to investment appraisal and evaluation, geared towards delivering programmes/projects which maximise inclusive growth. We will be publishing guidance on this in early 2017.
  - Establish an inclusive growth cabinet portfolio position which brings together responsibilities for the relevant economic and social policy areas. Back this up by allocating appropriate staff time and resource to support delivery of an inclusive growth agenda.
  - Develop and implement an anchor institutions strategy geared towards maximising spend in the local economy and enhancing job quality through direct employment and supply chains.
  - Create new mechanisms for enabling citizen engagement in the design of specific policy proposals and overall city strategy.
  - Champion the creation of integrated service hubs, combining employment support with other core local services.
  - Develop local economic and industrial strategy (integrating with/building on national strategy where possible) so that it moves beyond a sole focus on high value added sectors. Design and pilot projects for supporting productivity improvement in low pay sectors.
  - Initiate city-region wider 'schools challenges', learning from the London and other City Challenges, and with a particular focus on narrowing socio-economic attainment gaps
- 
- Establish cross-phase learning and skills partnerships (or one-off commissions in the first instance) to develop integrated learning and skills systems from 0 to adulthood, making more coordinated and strategic use of existing powers and resources to target under-achieving groups, ensure progression between phases, involve employers and make systems easier to navigate for learners.

## Central government

- 10.3. The role of central government is wide and varied - high quality public services funded in response to need, labour market regulation, and welfare benefits. Our Solve UK Poverty strategy sets out a comprehensive set of proposals for addressing poverty. Here, we focus on central government's role in relation to cities and inclusive growth policy.
- **Focus the new Industrial Strategy on low-pay sectors** – retail, hospitality and care – to both reduce in-work poverty and narrow the UK's productivity gap with leading European countries. Empower cities to develop tailored industrial strategies, providing the opportunity to target both the supply and demand for labour.
  - **Provide a secure funding arrangement that supports local economic growth.** This should include a Rebalancing Fund to support inclusive growth in lagging towns and cities to replace European funding, and redesigning the Local Growth Fund into an Inclusive Growth Fund, scaling up its funding in line with Heseltine's original proposal.
  - **Employment support.** Focus all employment support services on reducing poverty, with a target to deliver higher employment and earnings; develop a segmentation tool to identify an individual's distance from the labour market, and carry out assessments as early as possible during a claim; encourage the co-location of Job Centre and local authority employment support services.
  - **Develop a more strategic and comprehensive approach to devolution for all towns and cities across the UK.** This wouldn't necessarily preclude differential paths and bilateral deals but it should seek to ensure places are not simply getting left further behind.
  - **Invest in developing a better integrated and fit for purpose education and skills system with a specific focus on reducing educational inequalities.** This should adopt a life course approach from early years to life-long learning. Specific focus on improving the development gap in early years; and also include but not be limited to targeting school funding to meet additional need (including trial a 'Teacher Pay Premium' pilot), developing multi-agency and cross-phase support for disadvantaged children, and developing a better funded, higher quality and better coordinated post-16 offer in line with those of leading international economic competitors.
  - **Give city regions greater flexibility over Homes and Communities Agency funding** to better address local housing need and increase housing supply.

## Concluding remarks

- 10.4. City regions provide the best opportunity for inclusive growth but, outside of these principal urban areas, the challenge of economic inclusion is even greater. The commission needs to distinguish between different types of area and be explicit in what it is recommending for where.
- 10.5. We would urge the Commission not to lose sight of the 'demand side' of the inclusive growth equation. The availability of jobs and the quality of jobs at the

bottom end of the labour are critical to inclusive growth and this needs to be reflected in your recommendations.

- 10.6. We would encourage the Commission to be bold, not just pragmatic. Yes, it should exploit the opportunities for immediate change, but it should also set a longer-term vision for achieving more inclusive growth and the relationship between central and local government and between cities and their citizens.

## Appendix 1

### JRF and IGAU evidence base

#### **JRF - Solve UK Poverty**

Joseph Rowntree Foundation (2016), *UK Poverty: Causes, Costs and Solutions*, York: Joseph Rowntree Foundation. Available at: <https://www.jrf.org.uk/report/uk-poverty-causes-costs-and-solutions>

#### **Inclusive Growth Analysis Unit**

Lupton, R., Rafferty, A., Hughes, C., (2016), *Inclusive Growth: Opportunities and Challenges for Greater Manchester*, Manchester: University of Manchester. Available at: <http://www.cities.manchester.ac.uk/medialibrary/igau/IGAU-report-2016-FINAL.pdf>

Lupton, R., Hughes, C., (2016), *Achieving Inclusive Growth in Greater Manchester: What can be done*, Manchester: University of Manchester. Available at: <http://www.cities.manchester.ac.uk/medialibrary/igau/IGAU-Consultation-Report.pdf>

#### **Setting an inclusive growth agenda**

Beatty, C., Crisp, R., and Gore, T., (2016), *An inclusive growth monitor for measuring the relationship between poverty and growth*, York: Joseph Rowntree Foundation. Available at: <https://www.jrf.org.uk/report/inclusive-growth-monitor>

Devins, D., Gold, J., Garvey, B., Gamu, M., Bickerstaffe, T., Claxton, J., and Mitchell, B., (Forthcoming), *Maximising the local impact of Anchor Institutions: A case study of Leeds City Region*, York: Joseph Rowntree Foundation

Green, A., Froy, F., Kispeter, E., and Sissons, P., (Forthcoming), *How do cities lead an inclusive growth agenda? International experiences*, York: Joseph Rowntree Foundation.

Metro Dynamics, (Forthcoming), *A framework for public sector practitioners to assess whether interventions and investments will support inclusive growth*, York: Joseph Rowntree Foundation.

#### **Shaping a more inclusive economy**

Business in the Community, (2015), *Beyond pay: An inquiry into improving low income employment*. London: Business in the Community. Available at: [http://www.bitc.org.uk/system/files/beyond\\_pay\\_-\\_an\\_inquiry\\_into\\_improving\\_low-income\\_employment\\_-\\_final\\_2.11.15.pdf](http://www.bitc.org.uk/system/files/beyond_pay_-_an_inquiry_into_improving_low-income_employment_-_final_2.11.15.pdf)

Clayton, N., Williams, M., and Howell, A., (2014), *Unequal opportunity: how jobs are changing in cities*, London: Centre for Cities. Available at: <http://www.centreforcities.org/publication/unequal-opportunity-how-jobs-are-changing-in-cities/>

IPPR (2016), *Boosting Britain's low-wage sectors: A strategy for productivity, innovation and growth*, London: IPPR. Available at: <http://ippr.org/read/boosting-britains-low-wage-sectors-a-strategy-for-productivity-innovation-and-growth#the-role-of-low-wage-sectors-in-the-uk-s-productivity-problem>

Philpott, J. (2014) *Rewarding work for low-paid workers*. York: Joseph Rowntree Foundation. Available at: <https://www.jrf.org.uk/report/rewardingwork-low-paid-workers>.

Pike, A., Lee, N., MacKinnon, D. (Forthcoming), *Cities and Demand-side policies for inclusive growth*, York: Joseph Rowntree Foundation.

Schmuecker, K., (2014), *Future of the UK Labour Market*, York: Joseph Rowntree Foundation. Available at: <https://www.jrf.org.uk/report/future-uk-labour-market>

Stewart, E., and Bivand, P. (2016) *How flexible hiring could improve business performance and living standards*. York: Joseph Rowntree Foundation. Available at: <https://www.jrf.org.uk/report/how-flexible-hiring-could-improve-business-performance-and-living-standards>

Vickers, I, Westall, A., Spear, R., and Syrett, S., (Forthcoming), *How can cities help develop the social economy in order to achieve more inclusive growth?* York: Joseph Rowntree Foundation.

### **Connecting citizens to growth**

Adams, D. and Watkins, C. (2014), *The value of planning*. London: Royal Town Planning Institute. Available at: [http://www.rtpi.org.uk/media/1024627/rtpi\\_research\\_report\\_value\\_of\\_planning\\_full\\_report\\_june\\_2014.pdf](http://www.rtpi.org.uk/media/1024627/rtpi_research_report_value_of_planning_full_report_june_2014.pdf)

Birch, J. (2015) *Housing and Poverty: A Round-Up*. York: Joseph Rowntree Foundation. Available at: <https://www.jrf.org.uk/report/housing-and-poverty>

Brownill, S., Cho, Y., Keivani, R., Nase, I., Downing, L., Valler, D., Whitehouse, N. and Bernstock, P. (2015) *Rethinking planning obligations: Balancing housing numbers and affordability*. York: Joseph Rowntree Foundation. Available at: <https://www.jrf.org.uk/report/rethinking-planning-obligations-balancing-housing-numbers-and-affordability>

Brynin, M., Longhi, S., (2015), *The effect of occupation on poverty among ethnic minority voters*, York: Joseph Rowntree Foundation. Available at: <https://www.jrf.org.uk/report/effect-occupation-poverty-among-ethnic-minority-groups>

Catney, G., and Sabater, A., (2015), *Ethnic minority disadvantage in the labour market*, York: Joseph Rowntree Foundation. Available at: <https://www.jrf.org.uk/report/ethnic-minority-disadvantage-labour-market>

Clarke, A., Jones, M., Oxley, M., Udagawa, C., (2015), *Understanding the likely poverty impacts of the extension of Right to Buy to housing association tenants*, York: Joseph Rowntree Foundation. Available at: <https://www.jrf.org.uk/report/understanding-likely-poverty-impacts-extension-right-buy-housing-association-tenants>

Crisp, R., Eadson, W., While, A., (2016), *Tackling poverty through housing and planning policy in city regions*, Sheffield: Sheffield Hallam University. Available at: <https://www4.shu.ac.uk/research/cresr/sites/shu.ac.uk/files/tackling-poverty-housing-planning-city-regions.pdf>

Crisp, R., Cole, I., Eadson, W., Ferrari, E., Powell, R., While, A., (Forthcoming), *Tackling poverty through housing and planning policy in city regions: final report*, Sheffield: Sheffield Hallam University.

Department for Transport (2016) *Local bus revenue fares and costs*. Available at: <https://www.gov.uk/government/statistical-data-sets/bus04-costs-fares-and-revenue>

Finn, D., (2015), *Welfare to work devolution in England*, York: Joseph Rowntree Foundation. Available at: <https://www.jrf.org.uk/report/welfare-work-devolution-england>

Green, A., Sissons, P., Ray, K., Hughes, C., and Ferreira, J., (2016), *Improving progression from low-paid jobs at city-region level*, York: Joseph Rowntree Foundation. Available at: <https://www.jrf.org.uk/report/improving-progression-low-paid-jobs-city-region-level>

Macfarlane, R., with Anthony Collins Solicitors LLP, (2014), *Tackling poverty through public procurement*, York: Joseph Rowntree Foundation. Available at:

<https://www.jrf.org.uk/report/tackling-poverty-through-public-procurement>

Newby, L., (Forthcoming), *Connecting Major Development to Jobs, Skills and Poverty Reduction in Leeds City Region: Project Report*, York: Joseph Rowntree Foundation.

PTEG (2015) *Ticket to thrive: The role of urban public transport in tackling unemployment*. Leeds: PTEG. Available at:

<http://www.urbantransportgroup.org/resources/types/reports/ticket-thrive-role-urban-public-transport-tackling-unemployment>

Rae, A., Hamilton, R., Crisp, R., Powell, R., (2016), *Overcoming deprivation and disconnection in UK cities*, York: Joseph Rowntree Foundation. Available at:

<https://www.jrf.org.uk/report/overcoming-deprivation-and-disconnection-uk-cities>

Stephens, M., Leishman, C., Bramley, G., Ferrari, E. and Rae, A. (2014) *What will the housing market look like in 2040?* York: Joseph Rowntree Foundation. Available at:

<https://www.jrf.org.uk/report/what-will-housing-market-look-2040>

Titheridge, H., Christie, N., Mackett, R., Oviedo Hernandez, D. and Ye, R. (2014) *Transport and poverty: A review of the evidence*. London: University College London. Available at:

<https://www.ucl.ac.uk/transport-institute/pdfs/transport-poverty>

While, A., Crisp, R., Eadson, W., and Gore, T., (2016), *Major development projects: connecting people in poverty to jobs*, York: Joseph Rowntree Foundation. Available at:

<https://www.jrf.org.uk/report/major-development-projects-connecting-people-poverty-jobs>

## **Cross Cutting**

Bivand, P., Simmonds, D., (2014), *The benefits of tackling worklessness and low pay*, York: Joseph Rowntree Foundation. Available at:

<https://www.jrf.org.uk/report/benefits-tackling-worklessness-and-low-pay>

Bramley, G., Hirsch, D., Littlewood, M., Watkins, D. (2016), *Counting the cost of UK poverty*, York: Joseph Rowntree Foundation. Available at:

<https://www.jrf.org.uk/report/counting-cost-uk-poverty>

Crisp, R., Gore, T., Pearson, S., Tyler, P., (2014), *Regeneration and poverty: evidence and policy review*, Sheffield: Sheffield Hallam University. Available at:

<http://www4.shu.ac.uk/research/cresr/sites/shu.ac.uk/files/jrf-regeneration-poverty-final-report.pdf>

Goodwin, M. and Heath, O., (2016), *Brexit Vote Explained: poverty, low skills and lack of opportunity*, York: Joseph Rowntree Foundation. Available at:

<https://www.jrf.org.uk/report/brexit-vote-explained-poverty-low-skills-and-lack-opportunities>

Hastings, A., Bailey, N., Bramley, G., Gannon, M., and Watkins, D., (2015), *The cost of the cuts: the impact on local government and poorer communities*, York: Joseph Rowntree Foundation. Available at:

<https://www.jrf.org.uk/report/cost-cuts-impact-local-government-and-poorer-communities>

Lee, N., Sissons, P., Hughes, C., Green, A., Atfield, G., Adams, D., Rodriguez-Pose, A., (2014), *Cities, Growth and Poverty: A review of the evidence*, York (Joseph

Rowntree Foundation). Available at: <https://www.jrf.org.uk/report/cities-growth-and-poverty-evidence-review>

Pike, A., MacKinnon, D., Coombes, M., Champion, T., Bradley, D., Cumbers, A., Robson, L., and Wymer, C., (2016), *Uneven Growth: tackling city decline*, York: Joseph Rowntree Foundation. Available at: <https://www.jrf.org.uk/report/uneven-growth-tackling-city-decline>

Tinson, A., Ayrton, C., Barker, K., Barry Born, T., Aldridge, H., Kenway, P., (2016) *Monitoring poverty and social exclusion 2016 (MPSE)*, York: Joseph Rowntree Foundation. Available at: <https://www.jrf.org.uk/report/monitoring-poverty-and-social-exclusion-2016>

---

## About the Joseph Rowntree Foundation

The Joseph Rowntree Foundation is an endowed foundation funding a UK-wide research and development programme.

We work for social change in the UK by researching the root causes of social problems and developing solutions. Together with the Joseph Rowntree Housing Trust, we use our evidence and practical experience of developing housing and care services to influence policy, practice and public debate.

All research published by JRF, including publications in the references, is available to download from [www.jrf.org.uk](http://www.jrf.org.uk)