A NATION DIVIDED

BUILDING A UNITED KINGDOM

Set in the context of the underlying divisions behind Britain's decision to leave the European Union, *A Nation Divided: Building a United Kingdom* explores the extent to which the UK is divided along social, economic, cultural, regional and intergenerational lines.

Forewords from leading academics and public figures are presented alongside chapters written by a team of eighteen Young Fabian members, each considering the impact of these divisions on community cohesion and social integration across the UK.

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A Nation Divided: Building a United Kingdom

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CONTENTS

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INTRODUCTION

Ria Bernard
Young Fabian Chair
and Project Lead

Set in the context of the underlying divisions behind the Brexit vote, our Nation Divided pamphlet explores the extent to which the UK is divided along social, economic, cultural, regional and intergenerational lines and the impact of these inequalities on our sense of community cohesion and social integration.

When this pamphlet was first proposed, there was confusion about whether we would be, in effect, reinventing the wheel – regurgitating the reasons behind the Leave vote that had been put forward by countless other think tanks, policy-makers and politicians since the Referendum in 2016. However, our objective was to cast the net further. Consequently, this pamphlet recognises the Brexit vote as a symptom of the deep-rooted inequalities and gulfs that existed far before the decision to hold the referendum was made.

It is widely acknowledged that Globalisation and immigration have brought huge benefits – economically and socially – to Britain. However, we sought to examine whether the diverse nature of modern Britain in terms of ethnic background, social class and age has been accompanied by a downward trend in engagement between social groups. This research aims to explore the extent to which cohesion within and between neighbouring communities has broken down in modern Britain.

The publication of this pamphlet has been an enormous feat involving 18 Young Fabian members who have remained committed to the project as it has matured and developed into the remarkable body of research that it has become. Although it has been a hectic eight months, I can still recall my elation at receiving the members' responses to the invitation to submit an essay on the topic, 'Britain is more divided

than it was 50 years ago. Discuss'. The selection process was a competitive one given the quality of submissions but following a blinded assessment with an experienced policy-maker, we gathered together a team of contributors from across the country boasting a wealth of experiences and political and academic backgrounds.

Through a series of policy roundtables over the ensuing eight months, this ambitious project took shape. Working within six small teams, the contributors conducted interviews, examined case studies, and analysed data from secondary sources to explore the extent to which cohesion within and between neighbouring communities has broken down in modern Britain. Keen not to produce a pamphlet centred on descriptive narrative, members were tasked with the objective of generating policy recommendations that targeted the issues they had identified. The executive summary provides an insight into the issues raised in the publication and the recommendations proposed by our team of researchers.

The pamphlet is divided into six chapters, all of which have been written by our members following primary and secondary research. Each chapter is preceded by a foreword from an organisation or individual with special interest in the field. We are delighted that our final publication comprises contributions from the Resolution Foundation, IPPR North, the Co-operative Party, Chuka Umunna MP, British Future and Mayor Dan Jarvis MBE MP. I'd like to take this opportunity to thank every one of them for their contribution to this publication. In addition, on behalf of the team, I'd like to thank the Midcounties Co-operative and Bath University who enabled us to publish through their grants and Ben West for his hard work both in designing and formatting this publication.

The team behind this pamphlet have worked tirelessly to identify key trends, analyse some of the most substantial challenges faced by our communities and generate policy ideas to tackle the issues they identify as corrosive to social integration within modern Britain. They deserve a huge thank you – every one of them has proved what the Young Fabians can achieve through policy-focused outputs that have clear and relevant objectives. A commitment that has stood the test of time since the work of the first Fabians all those years ago. It has been a privilege to work with every member of this talented team and to guide this pamphlet through to its completion. An ambitious project that raises a host of questions that we hope our parliamentarians will begin to ask to tackle the factors that undermine social justice, social cohesion and inequality in the UK.

A Nation Divided: Building a United Kingdom does not ignore the issues of Brexit nor do we deny that Brexit brought with it another layer of division. However, while parliamentary debate remains firmly fixed on the Brexit negotiations, it seems politicians and policy-makers have forgotten the deep inequality that has taken root and is breaking apart our communities. As is alluded to throughout this pamphlet, policy that attempts to remedy the challenges that accompany globalisation, changes in the labour and housing markets, and integration across class, ethnic group and age cannot be reactionary. We need to be looking to how we tackle these issues now to help us re-build a sense of national identity, inclusion and cohesion within a country that I fear does not live up to its name: the United Kingdom.

Ria Bernard
National Chair, Young Fabians

EXECUTIVE SUMMARY

CHAPTER 1
IMMIGRATION & INTEGRATION

Cross-governmental

- In order to heal wounds – including those most obviously opened by the Windrush scandal – with settled migrant populations, government should introduce a Race Equality Strategy, using the Race Disparity Audit as its basis.

- Learning from the RSA's 'Citizens' Economic Council' 1, the government should appoint a Citizens' Assembly on Race Equality to devise its Race Equality Strategy.

- Mainstream opportunities for social mixing across government, through the application of 'design principles for meaningful mixing'. A requirement should be placed on other government departments to account for how they have considered these principles when designing new initiatives and programmes.

- Introduce an 'Immigrant Integration Levy' to fund local interventions aimed at boosting migrant integration.

Migration policy

- Abandon the net migration target and invest in supporting the Office for National Statistics (ONS) to improve the accuracy of its migration statistics.

- Introduce an Annual Migration Report which makes clear the contribution migrants make to our society.

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1   https://www.thersa.org/action-and-research/rsa-projects/economy-enterprise-manufacturing-folder/citizens-economic-council

- Put migrants on a pathway to citizenship on arrival in the UK. The UK should learn here from the Canadian approach which treats almost all migrants as citizens-in-waiting.

- Reduce the cost of applying for citizenship to £400.

- Make low interest loans available to those who are still unable to pay this reduced fee upfront, with the loan repayable via PAYE, similar to the student loans process.

Local government

- Establish a Place-Based Co-ordination Unit within the Ministry for Housing, Communities and Local Government (MHCLG) to support local government, other public agencies and the third sector to work in a more joined up way at a local level. One of the key aims of this unit should be to share and spread best practice responses to integration challenges.

- Local authorities in areas whose population normally includes significant numbers of new migrants should establish welcome centres for new arrivals. These welcome centres should be hosted in community hubs – third sector organisations which are rooted in, and trusted by, the local community.

CHAPTER 2
INTERGENERATIONAL INEQUALITY

- A Property Speculation Tax (PST), targeting high-end speculative investment, applied at the point of purchase for overseas buyers not living in that property.

- Long-term, low-risk bonds with yield and redemption linked to the current housing market would provide the government with funds to build more social housing.

- Reassess & expand auto-enrolment to make contribution rates between employers and employees more equitable.

- Collective Defined Contributions as an alternative occupational pension scheme. A smoothed earnings link to replace the triple lock.

- Introducing votes at 16 alongside a stronger programme of civic education
- Initiatives that foster intergenerational dialogues, e.g. a ring-fenced budget for youth services, investing in shared care facilities for children and the elderly, and increasing access to apprenticeships.

CHAPTER 3
SOCIO-ECONOMIC DIVIDES

Economic and Health inequality

- Trade union auto-enrolment for those 25 and under, and those working in the gig economy
- Reintroduce Child Trust Funds.
- Introduce a range of changes to the rental market influenced by the German rental sector such as rent brakes, diverse housebuilders etc.
- Reduce VAT to 17.5%.
- Reduce the tax free allowance to £10,000 in order to partly fund uprate of benefits and scrapping the benefits cap.

Education and Employment

- Oracy education in the National Curriculum
- Mindfulness meditation promoting wellbeing and mental health.
- Increased access to apprenticeships

Deindustrialisation and regeneration

- Whereby government recognises the need to re-evaluate the traditional role played by big industry in providing secure employment, boosting secondary economic activity and giving pride and purpose to an area.
- Further, that healing division may best be achieved through new models of regeneration, enhanced to empower and respect local communities; and that those redefined models of regeneration aim to upskill a town or area, provide tangible living quality benefits for the residents, and

boost economic opportunity and employment, through policies that raise the profile, the wage and the knowledge of a place as a whole, giving shared purpose and a sense of no longer being forgotten.

CHAPTER 4
REGIONAL DIVISIONS

- Establish a network of regional investment banks - fulfilling a similar role to Germany's Sparkassen

- The Government should prioritise access to the European Single Market and the Customs Union as part of the Brexit negotiations, as this is crucial for Britain's manufacturing industry

- Scrap 'free school' and academisation policies in order to re-focus funding and effort on increasing school places and quality in the places that need them mos

- Rethink current plans to reform local government funding – at a minimum, the 50% Business Rates Retention level should be retained, with the remaining half of Business Rates helping to fund the Revenue Support Grant.

CHAPTER 5
COMMUNITY COHESION

Promoting collective responsibility

- Support Village Agent and Good Neighbour schemes, as delivered by many ACRE Network members to address the health and social care challenges for isolated (mainly older) people and reduce the pressure on hard-pressed public services.

Strengthening the Social Value Act

- The Government should ensure that contracting authorities can reserve some contracts for not-for-profit enterprises.

Community assets

- Extending the Land Reform Act (Scotland) to England and Wales.

- Strengthen rights under the Localism Act (2012) – giving community groups a first right of refusal to purchase listed assets through 'right to

try' and provide proper support for communities to form cooperatives, e.g. pubs, as outlined by the Co-operative Party.

- Legislate that assets transferred by local authorities remain in the public interest, and accountable to the community that they serve.

Crime and policing

- Police forces should establish 'participatory budgeting units' in order to ensure greater involvement of local communities in allocating local police resources.
- Lower tier of government should be given power to set priorities for neighbourhood policing
- Mandatory training for young people in schools, through partnerships with specialist community groups, addressing gang violence and knife crime

Housing

- The Government should ensure that where local authorities do hold ballots on stock transfer, residents have the option of voting for a community led transfer.
- Support the development of Neighbourhood Plans that enable local communities to proactively engage in the planning process.
- Higher council tax on second homes, or bans and other limits where appropriate, such as in St. Ives' Neighbourhood Plan

Transport

- Local councils reviewing their procurement strategies to ensure that they are fit-for-purpose and give not-for-profit operators equal treatment.

CHAPTER 6
NATIONAL IDENTITY

- Restoring local government grants to pre-2010 levels as a matter of urgency, incentivising investment in local shared spaces and local pride initiatives.

- A national campaign to promote standing for local council and, more broadly, engaging with local government.

- A national day of holiday designated for celebrating Britain, civic values, local communities and areas.

- Implementing an immigrant integration strategy - as called for by the Social integration APPG.

- Introduce a Civic Integration Programme for new arrivals - based on the Dutch 'Inburgeren'.

- Designating separate official national anthems for the United Kingdom and England.

- Controlling the rise of reactionary English nationalism and promoting local devolution by introducing an English Parliament outside of London

- Introducing national public holidays to celebrate aspects of Britishness – as well re-introducing a St George's Day bank holiday.

- A public debate around the design, content and installation of a national memorial to empire.

- Foundation of a commission to establish a National Museum of British History - modelled on German DHM - sitting alongside national museums for each of the constituent nations of the United Kingdom.

CHAPTER 1

IMMIGRATION AND INTEGRATION

FOREWORD

Chuka Umunna MP
Chair, Social Integration APPG

When the United Kingdom voted to leave the European Union in 2016, the issue of the UK's societal divides and how they negatively impact politics and our communities was thrust into the spotlight. From issues of race and immigration, to divides between urban and rural communities, younger and older generations, and socio-economic class, the Brexit vote brought into acute focus the need for greater social integration in our society. It is the only way we can tackle the distrust and divisions that currently define British politics.

Too often, people from different ethnic, socio-economic and generational groups are living side-by-side but not mixing with one another and actually leading parallel lives. If we don't take action now to bridge the divides in our society, we run the risk that our communities will weaken and people become increasingly isolated.

This insightful and timely report by the Young Fabians is an important contribution to the debate on social integration and immigration. It sets out a clear account of some of the key issues at the heart of migrant life in modern Britain, and makes a compelling case for change.

It is clear that immigration has impacted on different communities in different ways. The All-Party Parliamentary Group (APPG) for Social Integration, which I Chair,

has encountered a sense of bewilderment in some communities at the pace of demographic and cultural change in their area.

However, there is also rising concern about anti-immigrant sentiment and the demonisation of newcomers to our communities. Following the Brexit vote, research has shown there was a marked increase in racist abuse and hate crimes directed at ethnic minority groups. This shames our country. Yet, as this chapter also highlights, the public backlash against the Windrush scandal was a clear example of the disconnect between public attitudes to the idea of immigration in the abstract, and specific individual cases with a human face. The public's views on immigration are varying and complex. When considering the policy implications of this, it's important to note that 'positive contact' and integration between different groups are what lead to a boost in levels of trust.

The Government's Integrated Communities Strategy, announced in the wake of the APPG on Social Integration's report, was welcome and introduced plans to promote social mixing, reform school admission policy, and support immigrant communities to ensure everyone can learn English. As this chapter highlights, integration is a two-way street where the responsibility lies upon both new immigrants settling in a community, and on government to provide support and opportunities to mix. Such measures reflect this model of reciprocity in the way the strategy should be implemented.

This chapter is right to place such an importance on the work of local government, and the need for more funding for integration projects. Cuts to local councils, youth work, and education have all contributed to the escalating costs of living, and subsequently damaged the ability of communities to integrate, especially at a time when some areas are needing more support.

The authors also echo many of the recommendations made by the APPG on Social Integration, from abandoning the net migration target; expanding English language training; learning from Canada by putting migrants on a pathway to citizenship and treating them as Britons-in-waiting; and the need for more funding through an Integration Impact Fund/Immigrant Integration Levy. I'm glad to see that new consensus on the centre-left is slowly emerging, of which this chapter is an important contribution and addition to the debate.

As long as integration strategies ignore crucial socio-economic factors, racial, class, and generational divisions will continue to deepen. We are dealing with a

national problem that demands national leadership, and local implementation if we are to see meaningful change.

The Labour movement now has an opportunity to develop a comprehensive integration strategy that celebrates the contribution that immigration has made and continues to make to British life, and helps to forge a new social contract between communities across the UK and Britons of all backgrounds.

INTRODUCTION

Arran Parry-Davies & Nick Plumb

Hostile or welcoming? An exploration of the UK's migrant integration environment, and an agenda for change.

We are in a period of massive upheaval and shifting tectonic plates. We will have decided on the terms of our rupture with the European Union by the end of the year – with or without a deal – which represents the biggest change to our constitutional underpinnings for half a century. Office of National Statistics (ONS) research shows that Britain's household debt is now at levels not seen since the 1980s[1]. Precarious work is on the rise, and austerity continues to chip away at the social infrastructure and public services so central to our society. To compound all this – or indeed because of this – there is growing consensus that we are a nation ill-at-ease with itself, fracturing along social, cultural and political fault lines.

This chapter seeks to explore the place of migrants, and their opportunities and prospects for integration, in the Britain described above. It comes at this challenge from a distinctly Fabian – a distinctly Labour – standpoint, based upon progressive, egalitarian values. It will investigate whether we are fracturing or how deep these fractures are, or indeed, whether this is a political narrative that is spiralling out of control - and will seek to answer these questions through the lens of migrant integration.

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1   ONS (2018), Making ends meet: are households living beyond their means?

Throughout, we will focus on practical measures which would increase opportunities for migrant integration, focusing on reforms to migration policy devised in the Home Office; English language provision which straddles a number of government departments; as well as the role of local government and industrial strategy.

DEFINITIONS

Here, for context, we lay out definitions of key terms used throughout the chapter. Below, there will be a more detailed exploration of various competing terms and explanation of why we reached the conclusions we did to use these definitions.

Migrants

Uunless stated otherwise, this will refer to economic migrants (as opposed to refugees or asylum seekers). An investigation of the policy landscape for the latter two groups is beyond the scope of this chapter. The economic migrants to which we refer may be recently arrived, or second or third generation migrants.

Migrant integration

This term describes the degree to which immigrants and members of the settled population are able to access the same level of opportunity and lead interconnected lives.

THE POLICY CONTEXT

Brexit necessitates re-design of the UK's immigration system

A discussion of migrant integration cannot be divorced from our departure from the European Union. Indeed, the vote to leave the European Union – while the benefits and drawbacks of this could, and will, be debated until the end of time – represents a unique opportunity to look at our migration policy afresh.

The European Union's 'four freedoms' – goods, services, capital and peoples – are indivisible. Free movement of all four are the very essence of the European Union project. It is with this in mind that we must consider it highly likely that the current system of freedom of movement of people will be reformed, however closely we choose to align ourselves with the EU through the negotiations on our post-Brexit settlement.

Hostile environment abandoned

The public backlash against the Windrush scandal that surrounded the government's 'hostile environment' policy – which turned employers, landlords, the NHS and banks into de facto border guards – was a clear example of the disconnect between people's attitudes to immigration in the abstract, and with a human face. More concerned in the case of the former, and more supportive in the case of the latter.

It is also a clear demonstration of the importance of rhetoric, for integration outcomes[2]. If all newly-arrived (and long-standing) migrants face a hostile, rather than welcoming, environment this impacts on the likelihood that newcomers end up leading parallel lives. Sajid Javid, who recently took over the Home Office brief, has indicated that he wants to move on from the 'hostile environment' policy. What takes its place will set the tone for future migrant integration outcomes.

An Integration Strategy, finally: will actions match rhetoric?

The UK is finally on its way to having an overarching strategy for integration[3] - as contested a term as that is - that moves beyond the narrower scope of previous refugee or migrant integration plans. That Government is seeking to tackle, head on, the huge challenge of how we all live together should be commended.

At a big picture level, there is also a welcome shift in tone from the Government, since its early soundings after the publication of the Casey Review[4]. Integration is not assimilation. Integration is a two-way street. These assertions - made by the Government in the opening paragraphs of the Green Paper - are both encouraging and absolutely right.

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2   APPG on Social Integration (2017), Integration not demonisation demonstrates the impact of a demonising rhetoric on integration outcomes.

3   HM Government (2018) Integrated Communities Strategy Green Paper

4   Casey, Louise (2016), The Casey Review: a review into integration and opportunity

However, we must ask, do the policy proposals and the tone of the rest of the paper match this early scene-setting narrative? If a strategy aimed at addressing integration challenges doesn't consistently define the term as an 'everyone issue' - and develop policies which reflect this conception - it risks entrenching the divides it seeks to tackle.

Race disparity audit - a radical start that must be backed up by concrete action

The Race Disparity Audit – published by Theresa May's government as part of her attempt to tackle the 'burning injustices' she spoke of in her inaugural speech as Prime Minister – was a radical attempt to lay out the injustice and discrimination ethnic minority groups face on a daily basis.

It may be a collection of data that already exists; campaign groups have been speaking about the challenges ethnic minority groups face for decades. However, for the most powerful office in the land to recognise these challenges is important. The recognition of disparities – not all of which can be fixed by government – is an encouraging step. Yet, how this central repository of statistics is used will be the measure against which future generations judge its importance.

Brexit, Brexit, Brexit. No new legislation

The current climate – in which Brexit consumes almost all policymaking oxygen, and where the parliamentary arithmetic makes the possibility of stalemate very real – means that the government is increasingly turning to non-legislative approaches to policy-making. It's using its power as a convener, introducing pilots to test new ideas and avoiding new domestic policy altogether as it focuses on Brexit.

This chapter seeks to provide policy recommendations that could be implemented in this climate by this government, but also by a future Labour government.

INTEGRATION: A CONTESTED TERM

Integration is multidimensional

At a roundtable hosted as part of this Young Fabian research project, we heard from a number of experts on their experiences of migrant integration and its complexities. Dr Laurence Lessard Phillips, of the Institute for Research into Superdiversity, introduced her research on the multidimensionality of integration (or 'adaptation', to use her term[5]).

Lessard-Phillips speaks about four domains – spatial, socio-economic, political identity and cultural – in which migrants can experience integration or exclusion. In her 2015 study[6] she identifies different typologies, i.e. groupings of migrants which may exhibit 'adaptation' in certain domains, but not in others.

An important finding from her research is that the most common typology is that which includes individuals with overall high levels of adaptation in all domains. In other words, almost half of her sample exhibited good levels of integration across the board.

Other typologies include 'cultural and political exclusion', 'politically and economically disenfranchised, cultural inclusion' and 'isolated and engaged'. This is useful in that it demonstrates that integration can happen at different speeds in different domains; that levels of integration are interconnected but that this interconnection is complex.

Labour market and economic integration

Here, we will investigate further the socio-economic domain, and the challenges newly-arrived and settled migrants face in accessing the labour market and in achieving more equitable levels of income distribution.

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5   Lessard-Phillips, L (2017), 'Exploring the Dimensionality of Ethnic Minority Adaptation in Britain: An Analysis across Ethnic and Generational Lines' in Sociology, 51:3, 626 - 645

6   This study used comes from the Ethnic Minority British Election Survey (EMBES) - a nationally representative survey of the main ethnic minority groups in Britain: Indian; Pakistani; Bangladeshi; African; and Caribbean

The McGregor-Smith Review into Race in the Workplace found that "full representation of BME individuals across the labour market, through improved participation and progression, is estimated to be £24 billion"[7].

From an economic standpoint in the aggregate, this is clearly a compelling argument to increase labour market opportunity for ethnic minority groups. From a Fabian standpoint – which exists to promote greater equality of power, wealth and opportunity – there is a moral case to be made here too.

The Runnymede Trust has argued that "tackling the persistent disadvantages faced by ethnic minority groups in employment (and in higher education) is essential for effective integration". Indeed, communities with higher levels of deprivation are more likely to say that people in the area do not get on well together[8].

Throughout this chapter, we will argue that the integration debate has been dominated by voices focusing on the cultural and spatial factors which determine integration outcomes, whilst neglecting the importance of socio-economic factors.

Policy recommendation

In order to heal wounds – including those most obviously opened by the Windrush scandal – with settled migrant populations, government should introduce a Race Equality Strategy, which sits alongside the Integration Strategy, and uses the Race Disparity Audit as its basis.

Learning from the RSA's 'Citizens' Economic Council', the government should appoint a Citizens' Assembly on Race Equality to devise the Strategy.

Social integration, mixing and contact

The power of social contact, and its link to societal levels of trust has risen up the political agenda in recent years. The government's Integrated Communities Strategy green paper references the importance of social mixing and contact throughout. The definition of integration the government uses is follows:

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7   Department for Business, Energy & Industrial Strategy, (2017). Race in the workplace: The McGregor-Smith Review. Issues faced by businesses in developing Black and Minority Ethnic (BME) talent in the workplace.

8   CoDE (Centre on Dynamics of Ethnicity) (2013), Diversity or Deprivation: What's the Issue? Manchester: CoDE.

> 66 This is what true integration looks like – communities where people, whatever their background, live, work, learn and socialise together, based on shared rights, responsibilities and opportunities. Communities where many religions, cultures and opinions are celebrated, underpinned by a shared set of British values that champion tolerance, freedom and equality of opportunity. A society in which everyone is a potential friend."[9]

Its focus on the idea that a well-integrated society is one in which everyone is a 'potential friend', is a clear demonstration of this emphasis. Indeed, the idea that the state should concern itself with who we are friends with might seem strange to some. However, there is a growing body of academic evidence, much of it inspired by American academic Robert Putnam, which shows the importance of (diverse) social networks for health, wealth and community outcomes[10].

Moreover, it is something that has support beyond university campuses and Whitehall corridors. The National Conversation on Immigration found that an approach which received widespread public support was to:

> 66 Encourage social integration between newcomers and longer settled residents through social contact, as this helps build trust and understanding between different groups of people".[11]

When considering the policy implications of this, it is important to note that 'positive contact' between different groups is what leads to a boost in levels of trust. Done in the wrong way, contact across difference can have a counterproductive effect.

Oxford Academic, Miles Hewstone, has done lots of work on the necessary conditions for positive contact and reduction in prejudice towards migrants[12]. Social Integration charity, The Challenge, have built on this theory and used their experi-

9   Integrated Communities Strategy green paper, Page 10
10   Halpern, D (2015), Social trust is one of the most important measures that most people have never heard of – and it's moving (https://www.behaviouralinsights.co.uk/uncategorized/social-trust-is-one-of-the-most-important-measures-that-most-people-have-never-heard-of-and-its-moving/
11   Rutter, J and Carter, R (2018), National Conversation on Immigration: an Interim Report to the Home Affairs Committee
12   See, for example: Hewstone, D (2003) 'Intergroup Contact and Prejudice Toward Immigrants in Italy: The Mediational Role of Anxiety and the Moderational Role of Group Salience', in Group Processes and Intergroup Relations

ence in designing and delivering social mixing programmes with young people to develop nine 'design principles for social mixing'[13]. These principles provide institutions with a practical guide to designing programmes and initiatives, which have social integration at their heart.

Design principles for meaningful mixing

- Give people a positive reason to join in.
- Project an inclusive brand and proposition.
- Capitalise on transitions to drive behaviour change.
- Proactively counteract the 'people like us' preference.
- Facilitate equal status interactions.
- Promote common challenging goals.
- Cultivate a culture of unity.
- Encourage regular and sustained contact.
- Enable reflection.

Policy recommendation

Mainstream opportunities for social mixing across government, through the application of 'design principles for meaningful mixing'. A requirement should be placed on other government departments to account for how they have considered these principles when designing new initiatives and programmes.

Concluding remarks on definitions

Consequently, we are advocating a blended approach to integration which emphasises the importance of social contact, but that recognises economic empowerment as vital in facilitating this. Integration understood in these terms should be seen as a third way - not laissez-faire multiculturalism, nor muscular assimilation.

As highlighted above, years of contested definitions and shifting metrics have meant there is no common measure of integration which enjoys wholesale agreement. That the Green Paper recognises - and seeks to remedy this - is an important step forward. In the proposals for an 'integration measurement framework'[14], three of

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13   The Challenge (2018), All Together Now: Meaningful mixing for a more integrated society
14   Integrated Communities Strategy green paper, Page 64

the seven individual/personal level indicators look at levels of social mixing/contact – which suggests a level of consensus is emerging. We will watch this space with interest as measurement tools develop and we begin to get a more accurate picture of the state of integration in the UK.

How to fund all this?
An 'Immigrant Integration Levy'

As explored in detail by the All Party Parliamentary Group (APPG) on Social Integration[15], an Immigrant Integration Levy – on businesses especially reliant on migrant labour, and whose wage bills are above a certain threshold – could prove a highly effective way of funding migrant integration policy.

Whilst taking migrant integration seriously will require a shift in government priorities, an allocation of monies to this effect at the forthcoming Comprehensive Spending Review, asking businesses to pay a little more, could prove to be an effective way of securing funding to support this agenda. Focusing on sectors which rely heavily on migrant labour – fruit and vegetable processing and the hotel and catering industry, for example – would provide a clear link between benefit and contribution.

MIGRATION POLICY

Whilst there are other policies and departments which impact levels of migrant integration, the migration policy formulated in the Home Office sets the tone for other interventions and is the clearest lever at our disposal for shifting migrant integration outcomes. In recent years, the tone set by the Home Office – under Theresa May's long stewardship, and since – has been unwelcoming, unhelpful and, on its own terms, unsuccessful.

The net migration target of the 'tens of thousands', which the government has consistently missed, has eroded public trust in the immigration system. Whilst net migration has fallen slightly since the vote to leave the European Union, it remains well off this target, at 280,000[16]. Moreover, this target has focused the political

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15   Integration not Demonisation, Page 51
16   ONS (2018), Migration Statistics Quarterly Report: July 2018 (rescheduled from May 2018) (https://www.ons.gov.uk/
      peoplepopulationandcommunity/populationandmigration/internationalmigration/bulletins/migrationstatisticsquarter-
      lyreport/july2018revisedfrommaycoveringtheperiodtodecember2017)

debate on numbers of migrants, rather than their rich contribution to our economy, society and culture. It should be abandoned.

In order to restore public trust in the immigration system, the government should improve monitoring – in conjunction with the ONS – and, as has been suggested by the Home Affairs Select Committee, present this in the form of an Annual Migration Report[17]. This report should include detail on the skills of the migrants coming to settle here.

Policy recommendations

• Abandon the net migration target and invest in supporting the ONS to improve the accuracy of its migration statistics.

• Introduce an Annual Migration Report which makes clear the contribution migrants make to our society.

Citizenship

Countries across the world place different values on citizenship. Some expect almost all of those resident in their country to be, or on course to become, citizens while others actively encourage transience amongst large groups of the population. Today, Britain is much closer to the second category.

We should see new migrants as Britons-in-waiting; on pathways to citizenship from the day they arrive. Such an approach would reassure new arrivals that we value their presence in our country and reassure those who doubt migrants' intentions that they take living here seriously. It might go some way to changing the terms of our toxic immigration debate.

Importantly, a pro-citizenship stance would likely boost levels of integration – through equalising status, encouraging greater permanence and incentivising those entering into this mutual agreement to see one another as a potential friend.

Policy recommendation

Put migrants on a pathway to citizenship on arrival in the UK. The UK should learn here from the Canadian approach which treats almost all migrants as citizens-in-waiting.

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17   Home Affairs Committee (2018), Immigration policy: basis for building consensus

The cost of British citizenship for children is now 22 times more expensive than Germany[18]. The cost for adult citizenship is also at the upper limits of affordability, or indeed financially out-of-reach for many. A move towards a system which sought to place as many new migrants as possible on pathways to citizenship would have to be accompanied by a sharp drop in the cost of applying for citizenship. Funding a government department through charging people inflated prices for something we should be encouraging is a crude way of balancing the books. The system should be reformed to put as few financial barriers in place to citizenship as possible, and the fee reduced to the administration cost of processing an application, to around £400.

Policy recommendations

- Reduce the cost of applying for citizenship to £400.
- Make low interest loans available to those who are still unable to pay this reduced fee upfront, with the loan repayable via PAYE like the current system for repaying student loans.

From 'controlling migration' to 'building connection'

As explored in greater detail in the section below on 'local government', integration outcomes are driven at the local level. Therefore, local government should be able to access a pool of funding that enables them to support integration initiatives in communities.

At present, the Controlling Migration Fund (CMF) fulfils some of this purpose. However, as its name suggests, it is less about boosting levels of integration and more about reassuring anxious citizens that the UK government has migration 'under control'. Rolling this into the 'Building Connections Fund' would allow for an expansion of the scope of the funding for which local areas can apply.

At present, the CMF is used "to help local authorities respond to the impacts of recent migration on local services". Under the expanded 'Building Connections Fund', local authorities and their sector organisations should be able to bid for funding pots to support initiatives which bring people together in their communities, and help migrants and the settled population build bonds of trust.

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18   Bulman, M (2017), Cost of British citizenship for children is now 22 times more expensive than Germany, The Independent, 13 December 2017

Policy recommendation

Roll the 'Controlling Migration Fund' into the 'Building Connections Fund' and increase the funding available to local authorities and third sector organisations through this fund.

English language skills

Being able to speak English to a high level is essential to fully integrating migrant communities. Therefore, boosting English language skills must be a key part of any nationwide integration strategy.

At present, there are too many in Britain who do not possess the adequate level of language ability. According to the last census, there are around 770,000 people in England aged 16 and older who cannot speak English well or at all[19]. Within this, English proficiency is lowest among working age adults for all but one ethnic group, harming the ability of migrants to access employment. Within ethnic groups, Pakistani and Bangladeshi communities have the most worrying levels of poor English language ability with 18.9% and 21.9% respectively of those aged 16 or over not being able to speak English well or at all.[20]

Despite government rhetoric on English language provision, cuts at both the national and local level since 2010 have greatly harmed the English as a Second Language (ESOL) scheme. Improved funding as well as changes to the structure of ESOL provision are vital to improving provision for new migrants.

The importance of ESOL

ESOL provision is important for the following reasons:

'Soft' skills

English ability builds confidence and independence[21]

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19   Office for National Statistics, (2011), Census Data on English Language Proficiency, Analysis of data from table CT0558 - Ethnic group by pro ciency in English by sex by age

20   Census Data on English Language Proficiency, Analysis of data from table CT0558 - Ethnic group by pro ciency in English by sex by age,Office for National Statistics, 2011

21   A. Paget and N.Stevenson, On Speaking Terms, Demos, 2014, p.10

Accessing social and cultural relationships

English language ability increases the likelihood and ability to form social relationships with native citizens[22]

Accessing Services

Access to services like education and healthcare or enabling women to seek help if they are victims of abuse[23]

Economic outcomes

Better language skills improve likelihood that an individual will be employed, economically active or in full-time employment[24]

Savings to services

Reduced cost to local authorities such as use of translation services[25]

Key problems with current provision

Government Funding

National Level

ESOL provision has been decimated by the Government's austerity agenda. In real terms, ESOL funding has fallen 60% between 2009 and 2010[26], principally through cuts to the Adult Education Budget (AEB)

Local Level

ESOL has also been impacted by cuts to local authorities. Local authority budgets have been cut by 50% since 2010-11 to 2016-17[27], leading to the closure of places where community-based ESOL lessons could take place, such as libraries and community centres.

Cost

ESOL lessons can be cost prohibitive for many migrant workers. Since August 2007 automatic fee remission was removed, meaning currently free classes are

22   Ibid p. 31
23   Ibid p.10
24   Integrated Communities Strategy Green Paper, Department of Housing, Communities and Local Government, March 2018, p.36
25   Ibid p.37
26   D.Foster and P.Bolton, Adult ESOL in England, House of Commons Briefing Paper No 7905, April 2018, p.3
27   A.Burfitt et al, Financial sustainability of local authorities 2018, National Audit Office, p.4

available only to individuals that are unemployed or in receipt of certain state benefits. Even the most basic of ESOL classes average around £450 per annum for 150 hours[28] and can stretch upwards of £1000 per annum depending on the mode of study[29]. This high cost is particularly significant given groups with the lowest levels of English language ability are often the poorest. The majority of migrant workers are employed in the caring and leisure services industries, which in 2017 had an average weekly wage of only £361.[30] Using the average ESOL cost listed above, this means a person on this wage will spend 4% of their weekly income on ESOL alone.

Waiting Times

Demand for ESOL constantly outstrips supply. The think tank, Demos, found in a survey of ESOL providers that 80% had waiting lists, some with over 1000 people on them and 66% cited insufficient government funding as the primary cause of this.[31] Evidence consistently shows that waiting a long time to access ESOL support can damage confidence and mean migrants find it more difficult to begin learning.[32]

Quality of teaching

Research conducted by the University of Birmingham highlighted how wider issues in the employment market have impacted the quality of English language teaching. It has been cited that Teachers were increasingly employed on precarious, short-term contracts, resulting in a high turnover of teaching staff - many left when they found more secure, long-term employment.[33] Adding to this, government policy has encouraged the 'deskilling' of the profession with Further Education ESOL teachers no longer required to possess a qualification specific to teaching English language.[34]

Structure of Learning

Current organisation of English language teaching is not the most effective in improving outcomes. Students are placed in classes based on their current level of

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28   J.Phillimore, Perspectives on how government can boost migrant's English Language skills, blog post for Institute for Research into Superdiversity, March 2018, https://superdiversity.net/2018/03/16/perspectives-on-how-government-can-boost-migrants-english-language-skills/

29   A. Paget and N.Stevenson, On Speaking Terms, Demos, 2014, p.50

30   Annual Survey of Hours and Earnings 2017,Office for National Statistics, October 2017, p.22

31   Migrants on huge waiting lists for English courses as government funding is cut again, NATECLA, May 2014, https://www.natecla.org.uk/news/779/ESOLwaiting-lists

32   Integrated Communities Strategy Green Paper, Department of Housing, Communities and Local Government, March 2018, p.37

33   .Phillimore, J, L.Goodson, D.Hennessy & E.Ergun, Empowering Birmingham's migrant and refugee community organisations, 2009

34   A. Paget and N.Stevenson, On Speaking Terms, Demos, 2014, p.47

English language ability without taking into account their prior level of education. This has led to provision failing both the most and least able. The least able are likely to drop out, as they lack basic literacy skills, such as writing. Meanwhile, the most able are also likely to drop out, finding other methods such as reading the newspaper or watching the TV with subtitles more effective.[35]

Learning is also too formal and classroom-based, failing to equip students with the ability to interact in real-life situations. There are too few opportunities for learners to be involved in volunteering and community networks as part of their ESOL provision.

Barriers for Women

Two thirds of ESOL students are female[36]. There is a significant gender gap in English language ability, particularly amongst women of Asian ethnicity.[37] Muslim and Hindu women were half as likely as Muslim and Hindu men to be able to speak English well.[38] The primary driver of this is access to and the affordability of childcare. The UK has the most expensive childcare in the Western world[39], which makes the already expensive cost of English language lessons even greater. This results in women with young children often attending ESOL classes in piecemeal over long periods of time.

Community-based ESOL provision is far more likely to have childcare facilities than FE colleges.[40] Government austerity cuts have closed community spaces and ones that remain have fewer classes available or consolidate them into fewer locations, making them more difficult for women with caring responsibilities to access.[41]

Policy Recommendations
Cost

Ideally, ESOL classes would be cost-free for all new migrants. However, this would be both fiscally unsustainable and politically challenging in the present climate. Up until August 2007, ESOL classes were free at the point of use with automatic fee

35   J.Phillimore, Monitoring for equality? Asylum seekers and refugees' retention and achievement in ESOL. International Journal of Inclusive Education 15 (3), 2011

36   C.Sedgwick et al, Towards an ESOL strategy for England, NATECLA, October 2016

37   The Casey Review: a review into opportunity and integration, Ministry of Housing, Communities and Local Government, December 2016, p.95

38   Ibid

39   OECD (2016), Society at a Glance 2016: OECD Social Indicators, OECD Publishing, Paris, https://doi.org/10.1787/9789264261488-en

40   Wonder Foundation (2018). Empowerment Through Education: Woman Breaking The English Language Barrier. p.29

41   Ibid

remission. This resulted in a substantial increase in ESOL expenditure[42] and led to the then Labour Government to introduce course fees paid by individuals, apart from those in receipt of certain means-tested benefits.

The entitlement to fully funded ESOL has now become too limited. Provision free at the point of delivery should therefore be expanded to further groups, particularly to those at the lowest levels of English language ability, who require the greatest incentive to begin English language lessons.

The National Association for Teaching English and other Community Languages to Adults (NATECLA) recommends provision be expanded to[43]:

- People in receipt of benefits not related to unemployment
- Beginner learners of English at Pre-Entry and Entry 1
- Those with low literacy levels in their first language
- New arrivals such as spouses and asylum seekers

To tackle the high cost of classes for migrants that are on low incomes but do not fit into one of the current or above exceptions, further assistance is needed. The All Party Parliamentary Group (APPG) on Social Integration recommends a loan system – similar to that of Student Finance used in UK higher education. An 'income contingent' advanced learning loan should be introduced, where learners begin paying back after they reach a certain income threshold.[44] The APPG believes this can be substantially funded by businesses through an 'integration levy', paid by businesses that use a high degree of migrant labour[45].

Community-based ESOL

Community-based English Language lessons have been shown to be a highly effective measure of improving language ability and promoting integration. In a March 2018 randomised trial by the MHCLG , they found a "a strong and size-able difference in overall English proficiency"[46] of participants compared to more traditional, classroom-based learning, while also observing an increase in their

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42   House of Commons Briefing Paper (2016). Adult ESOL in England. p.11.
43   NATECLA (2016). Towards an ESOL strategy for England. p.2.
44   NATCELA. Towards an ESOL Strategy for England. (2016). p.2.
45   All Party Parliamentary Group on Social Integration (2017). Integration not Demonisation. p.71.
46   Ministry of Housing, Communities and Local Government (2018). Measuring the impact of Community-Based English Language Provision. p.0.

number of social interactions, friendships formed and confidence in accessing public services.[47]

The Government has latterly realised the importance of community-based provision and sets out a number of recommendations in the Integrated Strategies Green Paper to strength this. These include:

- Encourage local authorities, where applicable, to work with the Combined Authority on their approach to enhancing English language provision.
- A new England-wide scheme to strengthen existing volunteer-led support. Principally, by setting up a network of 'conversation clubs'[48]

However, these measures do not go far enough. Since 2010, the infrastructure needed to deliver effective community-based ESOL has been damaged by cuts to local authority budgets. There has been a real terms reduction in funding for recreational spaces of 46% and 33% for library services[49] – venues where ESOL lessons commonly take place.

We echo the policies advocated in the 2017 Labour Manifesto:

- A real terms increase in local government funding[50]
- Ending the cuts to local authority budgets to support the provision of community spaces like museums[51]

Within the current fiscal climate, central government is unlikely to significantly increase funding to local government. Therefore, local authorities need new ways to raise funds to support community provision, which will be discussed later in the report.

Children's centres are a key community resource to provide ESOL. They provide lessons during school-hours, which allows migrants that work in the evenings to be able to attend classes. They often provide on-site childcare, making it easier to access classes. Bradford Council highlighted in their submission to the APPG on

47   ibid

48   Ministry of Housing, Communities and Local Government (2018). Integrated Communities Strategy Green Paper. p.41.
49   National Audit Office (2018). Financial Stability of Local Authorities.
50   Labour Party (2017). The Labour Party Manifesto 2017 [online]. Available at https://labour.org.uk/manifesto [Accessed 20/10/2018]
51   Ibid

Social Integration that the provision of 'wrap around childcare' had significantly increased the uptake of ESOL classes[52]. However, since 2010 one third of children's centres have closed and approximately 52% of those that remain, do not offer any form of ESOL lessons[53]. This is a missed opportunity that must be remedied.

The Government's Integrated Communities White Paper must make further integrating of ESOL with public services a priority, particularly by expanding ESOL provision at community centres.

Qualification of Teachers

The quality of ESOL teaching needs to be improved and the current trend towards 'de-skilling' in the profession must be ended. The teaching of English language must be given the same parity of esteem as other teachers – seen as a career and not an 'in-between' job that teachers quickly move on from. Moreover, the use of zero hours contracts in the FE sector (with two thirds of FE colleges now using them[54]) must also be remedied. We recommend:

• Reinstating the requirement for Further Education. ESOL teachers to have or be working towards a recognised subject-specific qualification in teaching ESOL

• Work towards nationally provided courses and qualifications both for the pre-training of teachers and lifelong learning

• Create a 'National ESOL Teachers Awards' attended by the Education Secretary to recognise excellence in the profession. This would boost the esteem and recognition of ESOL teachers

• A complete and total ban on zero-hours contracts to ensure that ESOL teachers get a guaranteed number of hours each week

Volunteering and External Excursions

As the vast majority of ESOL lessons now take place within Further Education colleges, there is limited opportunity for learners to interact in 'real world' scenarios. We believe there is an opportunity for a mutually beneficial relationship to emerge between ESOL learners and the charity sector.

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52   All Party Parliamentary Group on Social Integration (2017). Integration not Demonisation. p.75.
53   The Sutton Trust (2018). Stop Start: Survival, decline or closure? Children's centres in England, 2018. p.3
54   University and College Union (2014). Zero-hours contracts: A UCU briefing. p.2.

Many voluntary organisations suffer from a shortage of volunteers. Volunteering can provide a method for students to practice their English, for example through conversing with other volunteers or through roles such as talking to customers in a charity shop.

Aside from the value of improving their English skills, there is significant social and cultural benefit to volunteering, especially for newly arrived migrants who may lack social connections and are vulnerable to isolation. As highlighted in the Centre for Ageing Better report 'The benefits of making a contribution to your community in later life', volunteers report making stronger social connections and feeling less depressed.[55]

Alongside this, ESOL providers at FE colleges should be strongly encouraged to make external trips, for example to community venues like a museum or to a cafe. Some community amenities already have pre-planned activities for ESOL excursions. For example, the London Transport Museum provides a template course guide to familiarise students with the common types of transportation in the UK and provide them with knowledge of London's transportation system to aid with integration[56].

We propose:

- An online hub matching ESOL students at FE colleges with local charities in need of volunteers
- A localised version of the ESOL curriculum to contain model excursions and existing resources to facilitate these trips - available to further education colleges and community ESOL providers

55   Centre for Ageing Better (2016). The benefits of making a contribution to your community in later life. p.11.
56   Transport for London. (n.d.). ESOL notes for teachers Entry 1. [online] Available at: https://www.ltmuseum.co.uk/assets/downloads/documents/adult/esol_worksheets_entry_1.pdf [Accessed 21 Oct. 2018].

LOCAL GOVERNMENT

Polling for the Commission on the Future of Localism found that people feel they have not much or no control over the decisions that affect their country. They reported that 57% believe that local people from their own community should be calling the shots (compared with just 3% who think this should be national government)[57]. There is real demand for a shift in the balance of power in the UK.

> 66 To be attached to the subdivision, to love the little platoon we belong to in society, is the first principle (the germ as it were) of public affections. It is the first link in the series by which we proceed towards a love to our country and to mankind." (Edmund Burke)

This shift requires local government to act as an 'enabler', and a strengthened 'power partnership' between local government and local people to unlock the power in communities. A more localist approach to policy is especially pertinent in the case of integration. People's identities are shaped in their communities and the National Conversation on Immigration found that "the public sees immigration on the national scale through a 'local lens' that reflects their everyday experiences"[58].

Integration and local government

Local government is key to implanting and driving policies on integration. National approaches to integration can lack the specificity and fail to serve the unique needs that different migrant and ethnic minority communities require. Therefore, in this report, we have put repairing the damage done to local government and expanding its provision (in areas such as ESOL, youth services and community sport) front and centre of our recommendations.

As the Local Government Network has summarised "if we are to truly help create cohesive communities, local government needs to have the powers and resources to be able to do so"[59]

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57   Locality (2017). Commission on the future of localism. Polling findings.
58   Rutter, J. and Carter, R. (2018). National Conversation on Immigration An interim report to the Home Affairs Committee.
59   Local.gov.uk. (2018). LGA responds to the Government Integration Strategy. [online] Available at: https://www.local.gov.uk/about/news/lga-responds-government-integration-strategy [Accessed 21 Oct. 2018].

The challenge facing local government

Local government has been at the sharp end of cuts to public expenditure since 2010. According to the National Audit Office, local authorities have seen their budgets fall in real terms by 50% from 2010-11 to 2016-17[60]. Local government has faced nearly the largest fall in central government funding than any other, and by 2020 half of all councils will be receiving no grant from central government[61].

Moreover, councils are unable to raise the revenue to compensate for this with a cap of 2% on rises to council tax[62] (5% if the council has responsibility for social care) and local authorities are currently still unable to collect the full revenue from business rates. Recent polling by the New Local Government Network found that only 29% of council leaders and chief executives think their council will be able to provide more than the basic minimum of services beyond 2023[63].

The provision of local authority services that contribute directly or indirectly to integration have been particularly affected by cuts to local government. This includes youth services, community sport and library provision. The Government's own Integration Strategy Green Paper is difficult to deliver. As Labour MP Naz Shah states "the government's cuts have decimated the infrastructure [needed to] deliver his policies"[64].

Government cuts have resulted in a 17% real terms reduction to cultural services since 2010. This includes a real terms fall of 46% in recreation / sports services, 33% in library services and 27% in open spaces. Likewise, spending on children's and education services has fallen a staggering 40.5% in real terms.[65]

The future of local government

Local government and MHCLG face a fight, in the run up to the forthcoming Comprehensive Spending Review (CSR), to ensure austerity doesn't continue to

60   National Audit Office (2018). Financial Stability of Local Authorities.
61   Ft.com. (2017). UK councils allowed to lift tax 6% to help fund social care | Financial Times. [online] Available at: https://www.ft.com/content/f25709b4-e4d9-11e7-97e2-916d4fbac0da [Accessed 21 Oct. 2018].
62   BBC News. (2017). What's the deal with council tax increases?. [online] Available at: https://www.bbc.co.uk/news/uk-politics-38936088 [Accessed 21 Oct. 2018].
63   NLGN (2018), NLGN Leadership Index:
64   Perkins, A. (2018). Integration plans criticised over English-language teaching cuts. [online] the Guardian. Available at: https://www.theguardian.com/society/2018/mar/14/integration-plans-criticised-over-english-language-teaching-cuts [Accessed 21 Oct. 2018].
65   National Audit Office (2018). Financial Stability of Local Authorities.

hit local government the hardest. Presuming there isn't a change of heart on the Treasury's policy of 'fiscal restraint' in the run-up to the CSR, the majority of the recommendations in this section are for a future Labour government. A Labour government with an empowered local government as the driving force behind its radical agenda.

In recent months, Labour has begun to sketch out what this might look like, through speeches on municipal socialism and the establishment of a Community Wealth Building Unit[66]. The momentum building behind an empowered local government within the Labour Party should be harnessed to boost migrant integration outcomes.

An overarching vision

Building on the Community Wealth Building Unit – which will support Labour-led local councils whilst the national party is in opposition – a Labour government should establish a Place-Based Coordination Unit. This central government unit based within MHCLG, would support places which wish to implement place-based policies.

Here, by place-based policy, we refer to "the creation of a stronger approach to joint working amongst the public sector agencies in a local area"[67], in the pursuit of a shared goal or goals that are important for the local area.

The unit's purpose would be to learn from localities across the country and provide a level of standardisation to ensure quality across the country and build capacity within local government. The Unit's purpose should be to provide strategic policy advice to places – but not to advise on services delivered in the locality.

Oversight (the Advisory Board) of the Unit should include representatives from:

• Local Government

• Community and Voluntary Sector

• Ministry for Housing, Communities and Local Government

• Department for Digital, Culture, Media and Sport

• Department for Work and Pensions

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66   Democracy Collaborative (2018), The Democracy Collaborative Joins Jeremy Corbyn's New Community Wealth Build-ing Unit As Advisors (https://democracycollaborative.org/content/democracy-collaborative-joins-jeremy-corbyns-new-community-wealth-building-unit-advisors)

67   Jennings, W et al (2018), Place-based policymaking after Brexit: In search of the missing link, Page 12

- Department for Health
- Treasury

Staff in the unit should include full-time civil servants and secondees from local government and community and voluntary sector groups involved in the delivery of place-based policy.

One of the remits of this Unit should be to build an evidence base for what works when it comes to coordinating a place-based response to integration challenges and share and spread best practice.

Policy recommendation

Establish a Place-Based Co-ordination Unit within MHCLG to support local government, other public agencies and the third sector to work in a more joined up way at a local level. One of the key aims of this unit should be to share and spread best practice responses to integration challenges.

YOUTH SERVICES

Youth services are services targeted at improving the personal, social and developmental needs of young people. These are managed both directly by local authorities or commissioned out to external providers or voluntary organisations.

The importance of youth services

Young people in Britain are the most ethnically and culturally diverse generation in British history, with just over a quarter of schoolchildren coming from an ethnic minority background[68]. Yet, at the same time, young people are increasingly likely to attend a school, where they are the ethnic majority – 50% in the case of ethnic minority students[69]. This can mean young people from different ethnic and cultural backgrounds have more limited opportunities to mix socially in a school environment.

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68   Demos.(2015). 61% of ethnic minority kids in England – and 90% in London – begin Year 1 in schools where ethnic minorities are the majority of the student body - Demos. [online] Available at: https://www.demos.co.uk/press-release/61-of-ethnic-minority-kids-in-england-and-90-in-london-begin-year-1-in-schools-where-ethnic-minorities-are-the-majority-of-the-student-body/ [Accessed 21 Oct. 2018].

69   Casey, L. (2016). The Casey Review: A review into opportunity and integration. p.11.

Youth services can fill this gap, facilitating and bringing together young people from different communities. The vital importance of this was highlighted by the Social Mobility Commission, which found a significant improvement in trust and a reduction in prejudice when people from different ethnic and cultural backgrounds mix socially.[70]

The challenge facing youth services

Youth services are not part of a council's statutory duty and thus are particularly vulnerable to local government cuts. This has meant youth services have faced a disproportionate reduction in funding since 2010 – with a fall in spending by 65.6% in real terms and nearly every local authority reducing its provision.[71] Between 2012 and 2016, 603 youth centres have closed across the UK; thus by 2016/17 the average council had closed two youth centres.[72]

Unison raises particular alarm that the closure of services has disproportionately impacted ethnic minority communities and ethnic minority women in particular. For example, 57% of respondents to Unison's survey reported services to women and girls had been affected with one respondent stating "A girls' club has been cut which had regular attendance of over 60 young Muslim girls"[73].

Alongside funding cuts, youth services are increasingly being 'outsourced' by councils to private companies. For example, Devon County Council in 2016 announced that its entire youth service budget would be outsourced[74]. In Unison's view, outsourced companies lack the localised knowledge that council-employed youth workers possess and, as in the case of Southwark, outsourcing does not necessarily result in savings for the council.

Case Study – Youth services in London

London, as a region, has one of the youngest and most ethnically diverse populations in the UK. Therefore, youth services should be instrumental in promoting community cohesion from the earliest of ages. However, youth services in the city

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70   Social Integration Commission (2014). Social integration: A wake-up call.
71   Unison (2016). A future at risk: Cuts in youth services. p.4.
72   Berry, S. (2017). London's Lost Youth Services: A briefing by Sian Berry Green Party Member of the London Assembly. p.4.
73   Unison (2016). A future at risk: Cuts in youth services. p.7.
74   ibid p.5.

have faced a significant loss of funding, space and buildings.[75] There has been an average 36% reduction in spending on youth services across London[76] and in many local authorities cuts are still continuing in 2017/18[77].

Often, the councils with the most diverse populations and pressing issues of integration made the largest reductions in funding. The borough of Newham has one of the highest migrant and BAME populations as well as the youngest population of any local authority in the UK.[78] It has made the greatest cut to youth services of any London borough with an 81% reduction in funding 2011/12 to 2016/17.[79] Similarly, in Barking and Dagenham – an area where communal tensions have simmered over the past decades, youth services spending has been reduced by 68% from 2011/12 to 2016/17[80], the fourth greatest of any council sampled.

Case Study – Youth Services in Bradford

Bradford is a region of considerable integrational challenges, including the site of violent race riots in 2001 and today, has some of the highest levels of residential and school 'segregation' (children attending schools where they are the ethnic majority') in the UK[81].

The Government has devoted considerable attention to Bradford, designating it as one of its five key 'Integration Areas' in the Integrated Communities Strategy Green Paper. However, austerity has severely damaged the local infrastructure needed to improve community cohesion. Bradford council are continuing to have to reduce spending with a further £29.4 million of cuts announced in February 2018, including £311,000 to be taken from youth services in the period 2018–20[82]. Additionally, grants to voluntary groups that assist with youth services are ceasing from April 2019[83], removing the valuable, expert provision that the voluntary sector can provide in this area.

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75   Berry, S. (2017). London's Lost Youth Services: A briefing by Sian Berry Green Party Member of the London Assembly. p.1.

76   Ibid p.1.

77   Ibid p.1.

78   En.wikipedia.org. (n.d.). London Borough of Newham. [online] Available at: https://en.wikipedia.org/wiki/London_Borough_of_Newham [Accessed 21 Oct. 2018].

79   Berry, S. (2017). London's Lost Youth Services: A briefing by Sian Berry Green Party Member of the London Assembly. p.3.

80   Ibid p.1.

81   Casey, L. (2016). The Casey Review: A review into opportunity and integration. p.11, 46.

82   Ilkley Gazette. (2018). Biggest council tax rise in at least a decade and £29.4 million cuts package agreed by Bradford Council. [online] Available at: https://www.ilkleygazette.co.uk/news/16043208.biggest-council-tax-rise-in-at-least-a-decade-and-294-million-cuts-package-agreed-by-bradford-council/ [Accessed 21 Oct. 2018].

83   Ibid

In order to fully fund youth services, we echo some of the recommendations of the Unison's report 'A future at risk Cuts youth services'. We summarise Unison's recommendations below:

Policy recommendations
A statutory duty to provide youth services

Currently, rules allow local authority youth services to be merged with other services and be provided as part of a broader range of educational and social care measures. High quality provision is achieved through this but the 'essence' of youth work can be lost through reorganisations of this type. Local authorities should be required to maintain youth services as a separate and bespoke service.

Services saved and kept in-house

Local authorities should avoid outsourcing and employ their own staff. Council-employed staff often have better expertise of the needs of their local communities than outsourced staff. Youth workers themselves must be at the heart of decision-making and management, as they know best how to support young people.

Fair pay

Encourage within sector-wide pay bargaining systems; councils should ensure all youth workers and associated staff are paid no less than the living wage, which according to the Living Wage Foundation is £8.75 outside of London and £10.20 within London as of 2017/18.[84]

Young people involved and consulted

Young people should be involved in the decision-making process around youth services. Council and central government consultation about youth services must sample and survey young people themselves. This can yield positive results with services being maintained in response to public pressure. For example, in Southwark, a campaign by local young people led to a youth centre being kept open along with an associated 80 youth work jobs.

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84   Livingwage.org.uk. (2018). What is the real Living Wage? | Living Wage Foundation. [online] Available at: https://www.livingwage.org.uk/what-real-living-wage [Accessed 21 Oct. 2018].

COMMUNITY SERVICES TO PROMOTE INTEGRATION

Cuts to community sport

One of the most damaging victims of the Government's cuts to local authorities has been to community sport provision. As sport is a discretionary and 'non-essential' provision of councils, it is particularly vulnerable to spending cuts.

There has been a 46% reduction in recreation and sport provision by councils since 2010.[85] Sport is an excellent vehicle to build better and more integrated communities. Think tank, the Local Government Information Unit (LGIU), explains that community sport helps "build better networks, achieve stronger more resilient communities and develop an array of opportunities that support children, women, older people, disabled people and BME communities access wider community assets and networks"[86].

More than £42 million has been axed from councils' sports and leisure budgets since 2010.[87] Continuing a common trend, local authorities, which saw the most significant cuts, were those with the most pressing integrational challenges. For example, the North-West (which includes Blackburn, Bradford and Lancashire council areas) faced over £12 million cuts in 2010 -15.[88] Similarly, London has faced just under £9 million of cuts since 2010.[89]

Policy recommendations

Sponsorship and partnership for community sport

 In a time of fiscal limitations, councils could make better use of sponsorship and partnership opportunities to fund new local sport provision.

Numerous small businesses and multinationals have sponsorship opportunities as part of their corporate social responsibility programmes. For example, over the next four years McDonald's Fun Football campaign is teaming up with the UK Football

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85   National Audit Office (2018). Financial Stability of Local Authorities.
86   LGIU: Local Government Information Unit. (n.d.). Councils and community sport. [online] Available at: https://www.lgiu.org.uk/project/councils-and-community-sport/ [Accessed 21 Oct. 2018].
87   BBC News. (2015). Council sports budgets cut by £42m. [online] Available at: https://www.bbc.co.uk/news/uk-england-31624412 [Accessed 21 Oct. 2018].
88   Ibid
89   Ibid

Associations to provide 500,000 children aged 5 - 11 with the opportunity to play football.[90] Within local communities, they will also be hosting a number of local initiatives such as a 'Community Football Day'.

Councils must take greater advantage of these sponsorship opportunities, just as many independent local sports teams do. For example, Stoke Hammond FC uses sponsorship from both larger corporations and small local businesses to assist with team kits, training equipment and pitch maintenance.[91]

Cuts to Library Services

Libraries have been a victim of cuts to local authorities. Libraries facilitate integration on both a direct and indirect level. As the trade union UNISON describes libraries play a crucial role in improving "literature, entertainment and information; education, literacy, and lifelong learning; social inclusion, by helping to bridge the 'digital divide'; and by providing a local link with the community for the council."[92]. Migrant and BAME individuals are disproportionate users of library services. For example, just under 50% of Black and Asian citizens used a library in 2015/16, compared to only 32% of White citizens.[93] Libraries are often the only communal space where citizens can get free access to the internet. The internet is essential to assist with the integration of new migrants. For example, accessing state benefits like Universal Credit or finding out information about public services.

Since 2010, more than 478 libraries have closed in the United Kingdom.[94] Library budgets have been cut by 33% in real terms since 2010, which has led to a 10.3% fall in the number of library services.[95] Library services continue to be cut, including in areas with pressing integrational challenges such as Bradford, where £950,000 has been cut from library services.[96]

90   Mcdonalds.com. (2018). Grassroots Football UK | McDonald's UK. [online] Available at: https://www.mcdonalds.com/gb/en-gb/football.html [Accessed 22 Oct. 2018].

91   Stokehammond FC I Community football team. (2018). Club Sponsors - Stokehammond FC I Community football team. [online] Available at: http://www.stokehammondfc.co.uk/club-sponsors/ [Accessed 22 Oct. 2018].

92   Unison (2013). The public library service under attack: how cuts are putting individuals and communities at risk and damaging local businesses and economies. p.23.

93   Flood, A. (2015). Library use in England fell dramatically over last decade, figures show. [online] the Guardian. Available at: https://www.theguardian.com/books/2016/aug/16/library-use-in-england-fell-dramatically-over-last-decade-figures-show [Accessed 22 Oct. 2018].

94   Thebookseller.com. (2016). 'Staggering' £25m fall in libraries spending revealed | The Bookseller. [online] Available at: https://www.thebookseller.com/news/cipfa-library-figures-446101 [Accessed 22 Oct. 2018].

95   National Audit Office (2018). Financial Stability of Local Authorities.

96   Yorkshirepost.co.uk. (2017). Bradford Council could axe 153 jobs as £30m budget cuts proposed. [online] Available at: https://www.yorkshirepost.co.uk/news/bradford-council-could-axe-153-jobs-as-30m-budget-cuts-proposed-1-8880498 [Accessed 22 Oct. 2018].

Policy recommendation

As well as recommendations set out earlier in this report to increase local government funding, we also echo the 2017 Labour Manifesto commitment:

> **"**Libraries are vital social assets, valued by communities across the country. We will ensure libraries are preserved for future generations and updated with wi-fi and computers to meet modern needs. We will reintroduce library standards so that government can assess and guide councils in delivering the best possible service".[97]

97   Labour Party (2017). The Labour Party Manifesto 2017 [online]. Available at https://labour.org.uk/manifesto/ [Accessed 20/10/2018]

CHAPTER 2

INTERGENERATIONAL INEQUALITY

FOREWORD

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Researcher, Resolution Foundation

When the Intergenerational Commission published its final report in May 2018, it did so with the intention to bring intergenerational issues to the foreground of political debate. Its findings underscored the need for a concerted effort to redress the balance of intergenerational fairness. A large majority of people across all age groups in Britain believe both that the success of a society is measured by how we provide for older generations and that each successive generation should have a better life than the one before. But the principle of intergenerational progress has come to a halt. Millennials in their late 20s are earning no more than generation X did 15 years earlier, own half as many homes as the baby boomers by the age of 30, and shoulder far greater levels of risk than previous generations did.

This decline of intergenerational progress has placed the intergenerational contract at risk of fraying. As such, a new policy agenda which foregrounds the needs of younger generations is needed. It must address the housing crisis, stimulate income growth, and ensure that pensions continue to deliver for later generations. But intergenerational fairness is not just about young people. The ageing of Britain's population means that public spending on health, care and social security is set to rise by £24 billion by 2030 and by £63 billion by 2040. Additional funds need to be raised, but this cannot be achieved solely by raising taxes for working age adults who are already experiencing a significant living standards squeeze. Meeting these costs is a challenge that must be met in a way that is fair both within

and across generations. As such, this new policy agenda must also ensure that Britain's welfare state continues to deliver for young and old alike.

In light of this, the inclusion of this chapter on intergenerational fairness is a welcome addition to the Nation Divided pamphlet. Its call for policies to repair the intergenerational contract echoes that of the Intergenerational commission, placing an important emphasis on young people's living standards both now and in the future.

INTRODUCTION

Tom Knight, Anjali Mukhi & Imogen Tyreman

Recent election results highlight the gulf between generations. Whereas 71% of 18-24 year olds voted to stay in the EU, 64% of those aged 65 and above voted to leave. In 2017, 64% of 18-24 year olds voted for Labour, whilst 69% of those aged 70+ voted for the Conservatives. There is a fundamental ideological split between generations, and for Labour to win the next election, it must find a message that unites the two.

This chapter will consider how different worldviews are reflected and caused by intergenerational inequality. The fears and desires of Britain's young people are different to the fears and desires of older generations simply because they face different pressures. It is understandable why a young professional who is looking to work abroad would vote for Remain. Equally, it is understandable why a pensioner who fears the strain on local infrastructure would vote for Brexit. The key to political success is to recognise both views as valid.

We will consider intergenerational inequality through three themes: housing, pensions, and welfare. We look at the different experiences of the various generations, and have chosen to define these generations as born between the following years:

Generation Z: 2001-2015
Millennials: 1981-2000

Generation X: 1966-1980

Baby Boomers: 1946-1965

The housing section will consider ways in which to help non-homeowners, as well as recognising the needs of current homeowners. The section will suggest that squaring divergent interests involves reforming demand, not supply, thereby taking heat out of the market and allowing prices to rebalance.

The second section will consider the issue of pensions in the more general context of income. It will discuss the impact of moving from a Defined Benefit scheme to Defined Contribution, and how alternative schemes could help bridge intergenerational inequality. It will also look at the Pensions Dashboard and the triple lock. Finally, the section will discuss the importance of financial education in helping all generations plan for the future.

The final section will consider the impact public spending decisions have had on intergenerational divisions. It will look at reasons behind these decisions including shifting needs and sizes of generations through time as well as the voting weight of each generation, offering solutions to these issues.

Throughout this chapter, we will understand that intergenerational inequality is a part of a larger story. We will recognise the interface between age inequality and other inequalities, including gender, ethnicity and class. The proposed policies are therefore not intended to be silver bullets that will eliminate intergenerational inequality altogether. Instead, the ideas should be taken as a part of a more holistic approach in diagnosing and working towards a fairer, more united Britain.

HOUSING INEQUALITY

Homeownership reflects and causes intergenerational division. For the young, the housing market can often seem systematically biased against their interests. Soaring prices, exploitative landlords and unreasonable mortgage rates contribute to an overwhelming pessimism about ever owning their own home. The property-owning class, who seem to be reaping the rewards without lifting a finger, become figures of resentment as young professionals' wages are swallowed up by rent.

Meanwhile, older homeowners fear an overcrowded Britain. They fear the loss of green spaces and see new housing as a strain on local infrastructure. Across the country, communities are being warped by developments that turn villages into towns and towns into cities, and for many, new houses are seen as the thin end of a wedge that will change their local communities beyond recognition. An instinctive 'Not In My Back Yard' attitude sets in, and intergenerational division hardens.

Sitting in the middle of this mutual resentment is an obvious inequality. A recent report by the Resolution Foundation[1] paints a stark picture of a housing market that is becoming increasingly stratified. The report claims that Millennials, classed as those born between 1981 and 2000, are half as likely to own a home at the age of 30 as baby boomers were at the same age. It also argues that it took a typical 1980s household in their late 20s around three years to save for an average-sized deposit. Today it would take 19 years. It is no coincidence that three quarters of housing wealth is held by the over-50s (£2.8 trillion), whilst over-65s own 43 per cent (£1.6 trillion)[2].

Something has gone very wrong. There is a gaping division between the housing interests of the young and the old, but both agree that the current system is failing. A 2017 survey by Halifax Bank[3] found that confidence in the UK housing market has fallen to a 5-year low. This cynicism is reflected, and caused, by a fear of rising interest rates, unfeasible deposits and a fall in real wages. Everyone seems to agree that there is a housing crisis; no-one is hopeful for the future.

What's more, there is a strong political consensus that the housing market is in need of drastic reform. This was made clear in last year's general election manifestos, with Labour arguing that the current market represented "a crisis of supply and a crisis of affordability", whilst the Conservatives declared it "dysfunctional". Elsewhere, the Lib Dems avowed a "housing emergency" and UKIP called for a solution to the "dire shortage" of affordable homes.

Given this consensus amongst political parties and the public, you'd expect there to be some consensus over a solution. Indeed, the answer might appear obvious: solving the housing problem is simply a matter of matching supply with demand

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1   Lindsay Judge, Daniel Tomlinson. (2018). Home Improvements: actions to address the housing challenges faced by young people. Intergenerational Commision. London: The Resolution Foundation.

2   Over 50s hold 75% of housing wealth (2018). [Blog] Savills News. Available at: https://www.savills.co.uk/insight-and-opinion/savills-news/239639-0/over-50s-hold-75--of-housing-wealth--a-total-of-%C2%A32.8-trillion-(%C2%A32-800-000-000) [Accessed 26 Jun. 2018].

3   Partington, R. (2017). Confidence in UK housing market falls to five-year low. the Guardian

– joining the dots between those who are willing to spend money on housing and those willing to provide housing supply. Yet all UK parties have struggled to translate this basic principle into concrete policy.

The reason why is as much political as it is practical. Any meaningful solution to the housing crisis will involve reducing, or at least freezing, current house prices – a fact that makes housing reform unpopular with most of Britain's property-owning class. This has led to successive governments sitting back and watching house prices soar, instead of initiating substantive market reform to redress the spiralling inequality.

As a matter of political expediency, therefore, it is important to recognise that successful housing policy must cater for both homeowners and non-homeowners. For each policy that assists first time buyers, we must have a counter policy that mitigates the damage done to property owners. This is not just a political calculation. Many of Britain's current homeowners rely on their properties as a safety net or pension plan, meaning we must take the issue of falling prices seriously, and understand that housing reforms can have myriad implications.

Diagnosing the problem

Putting the political element to one side, there is a simple diagnosis of the housing crisis: more people want houses than there are houses. This basic mismatch between supply and demand has led many to think the solution to our housing problems simply lies in increasing supply. Again, this logic can be found in the 2017 manifestos: Labour promises "to build over a million new homes" alongside introducing other policies that will give more planning power to local authorities. Similarly, the Conservatives have committed to building 250,000 homes a year, as well as compulsory purchase reform for local councils.

However, building homes is a tricky business. Mass housing projects, like those promised in the 2017 manifestos, not only require substantial and sustained investment, but also an intricate balancing act between all of the stakeholders. Unlike other government building projects, for a housing project to work it must satisfy the interests of the developers, the market, party interests, the local community and the local council. This nexus of private and public, local and national, ideological and practical more often leads to a standstill rather than actual home development.

What's more, as the director of consulting at Oxford Economics[4] argues, increasing supply does not always mean demand is satisfied. Within the housing market itself there are different types of needs with their own order of priority, such that increasing supply might do little to make housing more accessible to those who need it most. This is perhaps most clear in Ireland where more than 90,000 homes were built in 2006, and yet prices continued to rise by 11%[5].

For these two reasons, it is surprising that we hear so much about increasing housing supply, and so little about regulating housing demand. Despite receiving little attention from Britain's political class, this approach has been proposed for years by a host of economists[6] and is used throughout Europe. The principle is simple: the reason why house prices are so high is because there is too much money in the housing market, take some of that money out and house prices will drop.

Happily, it seems that Labour are coming around to the importance of regulating demand. In the 2017 manifesto, a crucial line read "the Department for Housing to focus on tackling the crisis and to ensure housing is about homes for the many, not investment opportunities for the few". In the rest of this section, we want to explore how we can translate this promise into specific policy proposals.

Why housing demand is so high

To fully understand why housing demand is the problem, it is worth considering why housing demand is so high. We can break it down into three main factors.

First, banks like mortgages. Compared to other capital ventures, mortgages are low-risk and the bank can repossess a home when faced with non-payment. This fact, coupled with the advancements in financial technology that have seen banks start to offer lucrative securitisation schemes, has caused a huge increase in the amount of credit available to potential buyers. This has been particularly true in recent years, with the number of UK mortgages reaching the highest level since the 2008 financial crash[7]. The availability of more credit has allowed more people to bid for homes, and the more people there are able to bid for homes, the more money there is floating about in the housing market. The more money floating about, the higher house prices have become.

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4   Mulheirn, I. (2017). Part 1: Is there *really* a housing shortage? Medium.
5   Pettifor, A. (2018). Irish house prices sky-high due to finance not scarcity. The Irish Time.
6   Including Ann Pettifor, whose work we have heavily drawn upon in this section. For her detailed analysis, see https://www.annpettifor.com/2018/02/the-financialisation-of-the-housing-market/
7   Haslett, E. (2017). UK mortgage lending is (almost) at its highest level since April 2008. City AM.

Second, the government continues to support first-time buyers. From the reduction in stamp duty announced by George Osbourne to the equity loan of up to 20% of the cost of a newly built home, this government has been committed to helping those making their first step onto the property ladder. In addition, Labour have promised a "new deal for first time buyers" that involves a 2 year pause on stamp duty and a 10-year guarantee on help-to-buy funding. In isolation this is no bad thing, but as with the increased availability of mortgages, the net result is to flood the housing market with money.

Third, in the same way as banks like mortgages, private individuals see houses as a lucrative, risk-free investment. The lack of regulation surrounding 'golden brick' properties in London has funnelled up to £100 billion into UK property over the last six years[8]. Furthermore, a recent government report[9] found that roughly 85% of new-build properties in central London are estimated to have been purchased by overseas, speculative buyers. The effect: potential homeowners must compete in the same market as the global financial elite, and prices inevitably inflate.

This is not just a problem with rich overseas investors – many Brits are using housing to invest their money. The Resolution Foundation have claimed that close to one-third (32 per cent) of the total housing stock is owned by someone who could be described as 'over-housed'[10], either because they significantly under-occupy their home or because they own multiple properties. Those seeking second-homes and buy-to-rent properties are therefore also saturating the market with surplus money, and with this increased demand, house prices inevitably rise out of reach of those seeking a home to live in.

The availability of mortgages, government aid and speculative investment are all flooding the housing market with surplus money. To make houses more affordable we must limit some of this cash flow, but we do not want to make it harder for first time buyers that are looking for a home. For that reason, we should be wary of introducing restrictions on mortgages or on government first-time-buyer schemes. Instead, our focus should be on stemming speculative investment.

This approach is justified on two levels. First, as a matter of scale, these are the buyers who are having the most distortive effect on the housing market globally,

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8   Crerar, P. (2015). Revealed: How foreign buyers have bought £100bn of London property in six years. The Evening Standard.

9   House of Commons Library (2017). Foreign Investment in UK Residential Property. London.

10   Judge, L. and Corlett, A. (2017). Home Affront: Housing Across the Generations. Intergenerational Commission. [online] London: Resolution Foundation

so much so that in 2015, the amount of investment finance in the housing market surpassed that of owner-occupiers in Australia[11]. Second, these are the buyers who have next to no social value since the sole aim of speculative finance is to generate further profit. Housing policy must be engineered to provide people with homes to live in; a market that caters for non-resident buyers over owner-occupiers is broken.

Our task thus becomes to find a policy that safely drains the housing market of some of this surplus investment, without having an adverse effect on the groups we want to protect. As outlined above, this process must not only reduce the cost of housing but also mitigate the potential effect on those who use housing as a pension plan or safety net. Here we will propose a two-stage policy plan.

Policy 1: Property Speculation Tax (PST)

The government already implements some policies to reduce speculative investment in the housing market. Investors who are looking to buy a second home are hit with 3% extra stamp duty on top of the standard rate, whilst Capital Gains Tax on houses is set at 18%-20% instead of the standard 10%-18%. The intention is to cause as much friction as possible for speculative investors by hurting them on the way in (when they buy) and hurting them on the way out (when they sell).

Since the announcement of these policies in 2015, the growth of the housing market has slowed down[12] as investors look for more lucrative opportunities elsewhere. The policies affect a virtuous circle, since the less speculative investment funnelled into housing, the lower house prices will be; the lower house prices are, the less sense it makes to invest in housing. After a number of years, the tax should eliminate a substantial proportion of current speculative investment, returning house prices to a more natural level based on local wages.

However, the current measures are not strong enough to dissuade some investors. Whereas 3% extra stamp duty might deter small-time savers from the housing market, the international financial elite can operate at margins high enough to accommodate the tax. This fact is reflected in current market trends: a recent government report[13] found that roughly 85% of new-build properties in central London have been purchased by overseas, speculative buyers. The UK's tallest residential

11   Jerihico, G. (2016). Don't get too excited about the cooling housing market – the cost of loans is skyrocketing. The Guardian

12   Nationwide (2018). Housing Price Index. [online] London: Nationwide. Available at: https://www.nationwide.co.uk/-/media/MainSite/documents/about/house-price-index/2018/Jun_Q2_2018.pdf [Accessed 13 Jul. 2018].

13   House of Commons Library (2017). Foreign Investment in UK Residential Property. London.

skyscraper, which offers flats ranging from £500k to £51 million, is 60% foreign owned and significantly under occupied[14]. These investors are undeterred by the increased stamp duty and capital gains tax (CGT), and are leaving homes unoccupied across the country.

For this reason, we require a tax that specifically targets these high-end investors. A Property Speculation Tax (PST) is used in many different countries, most notably in Germany and most recently in Canada. Targeting high-end speculative investment, and not those looking for an actual home, the tax is levied at the point of purchase for overseas buyers who will not be living in their property. It operates like a transfer tax and must be set at a rate high enough to discourage speculative behaviour, but not so high as to cause rapid disinvestment and a major curtailment in new housing supply. This balancing act must be worked out with careful analysis and impact modelling, but somewhere around 5% of the property's value would probably be suitable.

The rate can be altered over time to match the market and can also be tapered to suit local demand. In areas where there are high rates of speculative investment – London, for example – the tax might be increased to ensure it has a prohibitive effect. In areas not negatively affected by speculative investment, the basic rate may suffice.

There have been a number of studies that consider the short-term effects of PST. One study from the 1990s[15] found that prices of properties in Philadelphia decreased in value immediately after the implementation of higher transaction tax rates. A more recent study of the impact of Toronto's transfer tax, which was imposed on single-family home sales in 2008[16], estimates that a 1.1% tax led to a 15% decline in the number of house sales.

More significantly, a 2017 study demonstrated the long-term benefits of PST[17]. By comparing the housing market in German states that employ a PST with German states that do not, the report reaches a dual conclusion. First, it claims that "many market participants accelerate their planned transactions to take advantage of

14   Booth, R. (2016). Sadiq Khan condemns foreign investors' use of London homes as 'gold bricks'. The Guardian. [online]
15   Benjamin, J. D., Coulson, N. E. and S. X. Yang (1993), Real Estate Transfer Taxes and Property Value: The Philadelphia Story, Journal of Real Estate Finance and Economics 7: 151 -157.
16   Dachis, B., Duranton, G. and M. Turner (2012), The Effects of Land Transfer Taxes on Real Estate Markets: Evidence from a Natural Experiment in Toronto, Journal of Economic Geography 12: 328-354
17   Fritzsche, C. and Vandrei, L. (2016). The German Real Estate Transfer Tax: Evidence for Single-Family Home Transactions. [online] Munich: Leibiniz Institute for Economic Research. Available at: https://www.cesifo-group.de/DocDL/wp-2016-232-vandrei-fritzsche-german-real-estate-transfer-tax.pdf [Accessed 26 Jun. 2018].

the lower tax rate" before the PST is implemented. And second, "a drastic drop in transactions can be observed after the tax increase". Over a long-term period, the report concludes, "a one percentage point higher tax rate is accompanied by 6% fewer transactions."

It is therefore clear that a PST does reduce the amount of speculative investment in a housing market, even if it has mixed short term effects. By taxing those who do not intend to live in their purchased houses, Toronto and Germany have reduced the amount of house transactions. This fall in demand will slowly rebalance the market so that prices reflect local wages rather than the resources of the global financial elite. There is no reason to believe that a similar effect wouldn't be achieved by implementing a PST in the British housing market.

A Property Speculation Tax is an easy sell for younger generations that do not own their own housing assets: they are the ones who will benefit directly from the fall in house prices and will not have to pay the tax. However, as outlined before, a successful housing policy must cater for current homeowners as well as non-homeowners.

For this reason, we must think about what the money raised by the tax is spent on. Although raising revenue is not the explicit aim of the policy, the PST will mean that the government has an extra cash spend on helping those who are adversely affected by the housing reform. This could involve wide scale infrastructure projects, including schools, roads, hospitals and green spaces that help communities adapt to new housing development.

However, our solution is not complete: we must also protect the financial interests of those who have already invested in housing by offering them a viable savings alternative. Even if the PST manages to offset some of the negative effects of new housing, older generations will still have to accommodate a dramatic drop in the price of their houses, and therefore reconsider their long term financial plans. Our next policy will address this group directly, whilst also helping rebalance the current housing inequality.

Policy 2: Long-term, Low-risk Government Bonds[18]

The government already offers investment opportunities through the National Savings & Investment (NS&I) - the UK's state-owned savers bank. These include premium bonds, guaranteed income bonds and direct saver bonds. We are proposing a bond that generates enough cash for the government to build new social housing, as well as offering potential investors an attractive alternative to purchasing property directly.

The process starts with the government tendering long-term, low-risk bonds with a promised yield and redemption. This bond can be offered for bigger or smaller amounts of money, for longer and shorter periods of time, such that it caters for all types of investor. These investors, who may have previously bought a house with their money, instead purchase one of these bonds and receive a certificate in return that promises a certain monthly yield alongside a redemption rate. These promises should be set at a level that matches the current housing market, such that the yield reflects corresponding rent levels, and the redemption rate is linked to the most recent housing index. This way, the investor should have the exact same experience as investing in a property (monthly rent and a large remuneration), without actually buying a house.

With the money generated from these bonds, the government will build social housing to meet the needs of local communities, not the housing market. Some of this social housing will be let out at an affordable monthly rate and some of it will be put on the housing market to sell off, such that the government will start to collect a substantial pot of money generated from the new properties. Only the government can build housing on such a grand scale, meaning they can build housing more cheaply and efficiently than the private sector. For this reason, the government can hope that the pot of money generated from rent and sales builds up just as quickly as it is spent. This new pot of money is then used to pay the yield and redemption rate of the initial government bonds.

But how does this government bond mitigate intergenerational inequality? First, just like PST, the bond sucks speculative investment out of the market to reduce house prices. Whereas the tax acts like a stick for international investors, the bond acts like a carrot for smaller-time investors who are just looking for a safe place to put their money. This way, speculative money is funnelled into building new housing,

18   With thanks to Andy Dixon at Aspect Consultants for helping develop this idea.

rather than buying up current housing stock. The bond scheme therefore does not only decrease demand for housing, but also increases supply, and more specifically, the supply of socially useful housing. The policy therefore takes a double action to make housing more accessible for the young.

The older, asset rich generations also benefit from the bond since it offers a favourable alternative to speculating in the housing market themselves. Individual investors are attracted to the housing market because it offers security and a steady income from rent. The government bond ticks both boxes by offering more security, given that it is underwritten by the government and not the market, as well as the same prospect of regular payment. What's more, the government bond would not be affected by the 3% extra stamp duty or the increased CGT rate, making the whole investment a more frictionless prospect for investors.

The housing linked government bond therefore gives older generations an investment opportunity safer than buying a house, whilst still providing the financial benefits. Furthermore, their investment actively improves the housing situation for the young by increasing the supply of housing and not exhausting current housing stock. The bond is a win-win for all stakeholders.

Conclusion

Our two-stage policy solution sucks speculative money out of current housing stock and funnels it into building new housing stock. A PST would render housing an unattractive investment for those overseas buyers looking for 'golden brick' properties, thereby reducing the cost for the young. Meanwhile, the government can spend the money generated from the tax on mitigating the effect of new housing development. The government bond helps younger generations access housing by decreasing demand and increasing supply, whilst also providing older generations with a safe, long-term and lucrative investment.

Too often housing policy appears to be a zero-sum issue whereby helping one group will inevitably harm another. In this chapter, we have identified a group that we do not mind harming, namely the global financial elite, and target their money through a specific tax. We have also recognised the long term financial interests of older generations and used their financial clout to increase housing supply through government bonds. By acknowledging and accommodating the desires and fears of all generations, it is possible to effect substantive housing reform that works for everyone.

Of course, this chapter rests on an oversimplification about generations and housing. We have assumed that younger generations do not have any housing assets, and that older generations have too many housing assets. Of course, this isn't always true, but it is a useful generalisation that allows us to sketch the current housing problem and a possible solution.

PENSIONS AND INCOME

The recent publication of no-deal Brexit technical notices has put pensions in the limelight again; as its raises uncertainty as to whether British people will be able to access their pensions from the EU. However, another pertinent question the UK must deal with is the impact pension policies have on intergenerational inequality.

The last few decades have seen pensioner poverty significantly drop, with a pensioner household now £20 better off a week than a working age household.[19] Conversely, those born in the 1980s are the first post-war generation not to start their working lives with a higher income than the previous generation, reversing a past trend.[20] Generations X and Y also face both lower incomes and smaller pension pots.

Previous governments have sought to mitigate against the impact of changes to pension structures on young people with cross-party policies, such as auto-enrolment. We must note though that discrepancies in pension outcomes cannot just be viewed through an intergenerational lens, as carers, people with ill health or disabilities, the self-employed, Black, Asian and minority ethnic (BAME) people, and women are less likely to have high private pension savings.[21] However, this part of the chapter will focus on the differences between the younger and older generations and their retirement outcomes.

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19   House of Lords Library Research Briefing, Intergenerational Fairness and Government Policy, 20 October 2017, p.1
20   Social Mobility Commission, Time For Change: An Assessment of Government Policies on Social Mobility 1997–2017, 28 June 2017, p 5
21   Department for Work and Pensions, Independent Review of the State Pension age: smoothing the transition, 23 March 2017, pp.12-13

Pension differences

A 'decent retirement' is the second biggest concern for young people's prospects, after housing.[22] And yet, changes to pensions mean that young people are not saving enough. One reason could be the shift from the more generous Defined Benefit (DB) occupational pension schemes to Defined Contribution (DC) schemes - 50 per cent of Baby Boomers were put onto DB schemes in their early thirties, but this has dropped to 30 per cent for Millenials.[23] This has led to a transfer of risk from employers to employees, which is important because a major issue of intergenerational inequality in pensions is the question of who bears risk. Moreover, where DB employees receive an average of £7,389 from their company, DC workers only receive £1,071.[24] In fact, 80 per cent of employers with DB pensions schemes believe the cost of schemes is adversely affecting intergenerational equity, as the cost of contributing to these schemes reduces the amount of resources that could go towards the wages of current workers, according to a September 2017 survey by the Association of Consulting Actuaries.[25]

This section does not intend to pit one generation against the other though. Generation X, for example, is widely predicted to have the lowest private pension outcomes, as they are too young to have benefited to the same extent from DB pension schemes, but conversely do not have as many working years left to benefit from auto-enrolment[26]. Nevertheless, this section will focus on the differences between younger and older generations.

Auto-enrolment

We cannot talk about pensions in the UK without looking at auto-enrolment. This 'cross-party success story'[27], as Pensions Minister Guy Opperman has put it, has seen 9 million workers automatically enrolled on their employer's pension scheme, many of whom have been previously excluded from workplace pensions.[28]

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22   Resolution Foundation, Millennials on course to defy pessimism and enjoy similar retirement living standards to pensioners today, 27 November 2017

23   Pensions Policy Institute, Intergenerational comparison of pension outcomes, 10 September 2018, p.7

24   André Spicer, The death of retirement is looming - and the fallout will be disastrous, The Guardian, 16 March 2018 Available at: https://www.theguardian.com/commentisfree/2018/mar/16/death-retirement-striking-lecturers-pensions [Last accessed on 9 September 2018]

25   Association of Consulting Actuaries, ACA 2017 Survey - DB costs' adverse impact on pay and equity, 15 September 2017

26   Pensions and Lifetime Savings Association, Retirement Income Adequacy - Generation by Generation, 24 November 2016, p.27

27   Work and Pensions Committee, Oral Evidence Session on Collective defined contribution pension schemes, HC 580, 14 March 2018, pp.31-32

28   Department for Work and Pensions, Automatic enrolment review 2017: Maintaining the momentum, 18 December 2017, p.3

This is not the time for complacency though, as the current levels of savings are too low. Even the Government has acknowledged that the total minimum contributions of 8 per cent, to be reached by April 2019, 'are unlikely to give all individuals the retirement to which they aspire',[29] and that an estimated 12 million people, or 38 per cent of the working age population, will be 'undersaving'.[30]

Nevertheless, merely raising the contribution rates is not the answer. There is a strong link between pay levels and pension contributions, and it is feared that planned contribution increases could negate projected pay rises and increase the risk of higher opt-outs.[31] Contribution rates definitely need to be raised again to ensure that workers are saving enough, but a balance needs to be struck to make these rate increases affordable for workers.

The contribution rates of employers, which are now lower than those of their employees, need to be reassessed. NOW: Pensions and the Pensions Policy Institute (PPI) revealed that the pensions contributions of UK employers are less generous at 37.5 per cent than employers in Italy (84.7 per cent) and Japan (80 per cent). They found that 24 per cent of auto-enrolled savers 'definitely will' or 'might' opt out when their total minimum contributions hit 8 per cent in April 2019. In contrast, 74 per cent 'definitely' or 'probably' would continue saving into their pensions pot if the contributions rates were reversed between employers and employees.[32] Although low opt-out increases were reported following the April 2018 rate rise, these survey findings are still a cause for concern, as the lack of reported change could perhaps be more down to the annual boost to tax thresholds, annual pay rises and an increase in the living wage,[33] than mere inertia. If there are no accompanying income and tax policies to a similar scale, it could be hard to predict that there will not be an increase in opt-outs following the April 2019 changes.

Mandating that employers must contribute as much or more than their employees could be difficult to push through legislatively, but this should be encouraged. Moreover, a recent survey found that 88 per cent of organisations are concerned about the financial issues of their employees, yet nearly half do not have a financial

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29   Ibid., p.3
30   Ibid., p.9
31   Resolution Foundation, A new generational contract: The final report of the Intergenerational Commission, 8 May 2018, p.78
32   NOW: Pensions, UK Employers "not pulling their weight" on pension contributions shows international comparison', 17 October 2017
33   Patrick Collinson, Pension opt-outs have not jumped since auto-enrolment rate rise, The Guardian, 24 August 2018 Available at https://www.theguardian.com/money/2018/aug/24/pension-opt-outs-have-not-jumped-since-auto-enrolment-rate-rise [Last accessed on 24 August 2018]

wellbeing strategy in place, while 6 out of 10 do not provide any financial educa-tion or guidance.[34] As roughly a third of auto-enrolled employees are not aware about their pensions schemes[35], employers should be incentivised to improve their financial guidance for employees.

Notably, 16 to 24 year olds are the most likely to report not contributing to a pension due to low income, not working or still being in education.[36] The Department for Work and Pensions (DWP) has rightly pledged to lower the automatic threshold age from 22 to 18, to bring another 910,000 people under the cover of auto-enrolment. However, these changes will only take effect from the mid-2020s,[37] which is not timely enough. Auto-enrolment also currently only applies to the employed earn-ing £10,000 and above. The self-employed, especially younger non-graduates, are more likely to retire without an occupational pension. Only 31 per cent of the self-employed are saving into a private pension, leading to a potential 'ticking time bomb'. Yet, a recent survey by the Association of Independent Professionals and the Self-Employed (IPSE) found that 25 per cent of the self-employed would opt-out of auto-enrolment, while 38 per cent were unsure what they would do.[38] The lack of silver bullets for the self-employed is concerning, especially since 16 to 24 year-olds are one of the fastest growing self-employed groups,[39] and will face more financial decisions than previous generations.

After the 2019 auto-enrolment rates have had time to embed, this policy needs to be reviewed in order to make higher contribution rates more equitable and affordable for employees and employers alike. As part of our research, we spoke with Former Shadow Pensions Minister, Alex Cunningham, who suggested that the question should be how to incentivise employers to drive up wages so that employees could contribute a higher percentage of their income into their retirement savings. Young people, employees earning less than the £10,000 threshold and the self-employed need to be seriously considered in a review as well.

34   Barnett Waddingham, Beyond pensions: pension and the provision of wider financial wellbeing, 22 August 2018

35   Office for National Statistics, Early indicator estimates from the Wealth and Assets Survey: attitudes towards saving for retirement, automatic enrolment into workplace pensions and financial situation, July 2016 to December 2017, 1 August 2018

36   Ibid.

37   Department for Work and Pensions, Automatic enrolment review 2017, p.35

38   The Association of Independent Professionals and the Self-Employed, How to solve the self-employed crisis, 26 June 2018, p.5

39   The Association of Independent Professionals and the Self-Employed, How to solve the self-employed crisis, p.19

Collective defined contribution

In order to reduce the intergenerational gap for employees, Labour should advocate the Collective Defined Contribution (CDC) scheme as an alternative. Alex Cunningham has already shown interest in the model, currently being trialled by the Royal Mail and the Communications Workers Union (CWU). Combining contribution pots into larger portfolios would reduce investment costs and enable a longer-term perspective[40], allowing savers to keep more of their returns. Collective investments could potentially do better than individual investments, and the CDC scheme has been estimated to increase the pensions of people in a DC scheme by 30 per cent.[41]

The issue still remains that employees would hold the brunt of the risk, and so guidance from The Pensions Regulator (TPR) and training for the trustees would also be necessary.[42] The Government's recent announcement of a formal consultation on this scheme is welcome,[43] and Labour should monitor this carefully and ensure it becomes a viable option.

Triple Lock

The triple lock was introduced by the Coalition Government in 2012, and it annually uprates the State Pension by whichever is highest out of price inflation, annual earnings growth or 2.5 per cent.[44] This policy is widely seen as a success in reducing pension poverty. In 2013, the PPI modelled scenarios and found that a low earner with a triple locked single-tier State Pension, following a typical investment path, would be likely to achieve 63 per cent of their target replacement income, while this would fall to 36 per cent for an earnings-linked pension.[45]

Nevertheless, the Intergenerational Commission has argued that the triple lock 'has helped put pressure on welfare spending for working-age adults'. It forecasts that partly because of the triple lock, benefit spending in real terms for working-age adults and children will be 15 per cent lower in 2022/23 than in 2010/11, while

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40   Work and Pensions Committee, Oral Evidence Session on Collective defined contribution pension schemes, p.5
41   Ibid, p.13.
42   Ibid., p.15
43   House of Commons, Written Statement by Guy Opperman, Pensions Update, 4 September 2018
44   Work and Pensions Committee, Intergenerational Fairness, November 2016, p.3
45   Pensions Policy Institute, Automatic Enrolment Report 1: What level of pension contribution is needed to obtain an adequate retirement income?, 22 October 2013, pp.3-4

it will rise for pensioners.[46] The House of Commons Work and Pensions Committee also argued that this policy was 'unsustainable' at a time when 'public finances are still fragile', as it would lead to 'state pension expenditure accounting for an ever greater share of national income'.[47] John Cridland's final report on the Independent Review of the State Pension Age also urged the Government to withdraw the triple lock in the next Parliament.[48]

The Committee called on the Government to replace the triple lock with a 'smoothed earning links' in 2020, which was the expected end-date for the last Parliament. Under this policy, an above-earnings increase could be temporarily applied if earnings fall behind price inflation, and thus protect the purchasing power of pensioners,[49] as recommended by the Institute for Fiscal Studies (IFS).[50] The temporary price in-dexation would be applied 'for as long as the value of the state pension remained above the original fixed minimum proportion of average earnings'.

Conversely, Age UK, the Centre for Ageing Better and the Trades Union Congress have warned against abolishing the triple lock, as this could increase the number of older people facing poverty in the future. In contrast to figures presented earlier on the average pensioner income, they stress that the average state pension is about £7,000 a year, which is less than half the annual salary of a full time working adult earning the minimum wage of £7.50 an hour.[51] Chris Curry, the Director of PPI, argues that although ending the triple lock could reduce the amount of tax and National Insurance workers will have to pay today, it could mean that their state pension will be lower in the future, and so they would have to either put more into their private pension pot or work longer.[52]

If the Labour Party is serious about resolving intergenerational inequalities, it does need to revisit its 2017 manifesto pledge to retain the triple lock. This policy has to be carefully considered to avoid inadvertently bringing back pensioner poverty. Labour could work closely with the Work and Pensions Committee to explore the feasibility of campaigning for a smoothed earnings link.

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46   Resolution Foundation, A new generational contract, p.86

47   Work and Pensions Committee, Intergenerational Fairness, November 2016, p.3

48   Department for Work and Pensions, Independent Review of the State Pension age: smoothing the transition, 23 March 2017, p.16

49   Work and Pensions Committee, Intergenerational Fairness, November 2016, pp.3-4

50   Institute for Fiscal Studies, A 'double lock' on the state pension would still be a bad idea, 27 April 2017

51   Age UK, 7,000 more pensioners in poverty if triple lock is scrapped - report warns', 21 March 2018

52   Chris Curry, Do today's pensioners really have an unfair advantage over the young?, Money Marketing, 6 October 2017 Available at: https://www.moneymarketing.co.uk/issues/5-october-2017/261374-2/ [Last accessed on 29 June 2018]

Perception of Pensions

Although Labour might be worried that scrapping the triple lock could harm them electorally, it should persist in finding a balance between protecting pensioners and giving younger workers a boost. The latest British Attitudes Survey (BSA) found that for the first time in over 30 years, pensions are not the public's highest priority for extra spending on benefits. The percentage of people choosing pensions as among their top two priorities for extra welfare expenditure has dropped to the lowest it has ever been, from 72 per cent in 2014 to 60 per cent. The BSA suggests that pensions now 'may be an area where people are beginning to feel increased spending is no longer needed',[53] perhaps because 41 per cent of respondents believe that the Government has succeeded in 'providing a decent standard of living for the old', compared to only 27 per cent who believed this in 2006.[54]This is not a generational shift though, as only 53 per cent of those aged 65 and over favour spending on pensions, down from 85 per cent in 1996.[55] Labour could take comfort and courage from this polling, as we would not want to put pensioners at a disadvantage in our bid to reduce intergenerational inequality.

Pensions Dashboard

Another area Labour could distinguish itself is in the role of the state. Following media reports that the Secretary of State for Work & Pensions, Esther McVey, was looking to scrap former Chancellor George Osborne's proposed online Pensions Dashboard, as she does not believe the state should provide such a service,[56] the Government announced that it should be an 'industry-led' initiative.[57] This Dashboard, which would help people keep track of their pensions and protect them from fraudsters, has the support from both industry and charities, and would not impose a costly burden on the taxpayer.[58] The industry itself is calling for Government support. As Shadow Pensions Minister, Jack Dromey,[59] - and bodies like the Pensions and Lifetime Savings Association[60] and the Federation of Small Businesses[61] - have already noted, it would be easier to ensure compliance from the private sector if the Government leads on this. Labour needs to stress the importance of not leaving

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53   Natcen Social Research, British Social Attitudes 34, p.4
54   Ibid., p.79
55   Ibid., p.79
56   Francis Elliot, Esther McVey 'wants to kill off' online pension tracker, The Times, 17 July 2018 Available at: https://www.thetimes.co.uk/article/esther-mcvey-wants-to-kill-off-online-pension-tracker-06385nbws [Last accessed on 30 August 2018]
57   House of Commons, Written Statement by Guy Opperman, Pensions Update
58   Francis Elliot, Esther McVey 'wants to kill off' online pension tracker
59   Labour Party, Jack Dromey responds to Written Statement on the Pensions Dashboard, 4 September 2018
60   Pensions and Lifetime Savings Association, PLSA Comments on Dashboard Announcement, 5 September 2018
61   Federation of Small Businesses, Government breaks promise to self-employed on pensions, 4 September 2018

retirement planning in the hands of industry and consumers. As the criticisms over TPR's handling of the Carillion collapse should have indicated, strong Government or regulatory oversight is necessary.

Labour market

The issue of pensions cannot be looked at in isolation, as lower pay growth leads to a lower private pension income.[62] Young people are the largest group of workers in many types of precarious employment, with the 16-24 cohort most likely to be on a zero-hours contract, in agency or casual work, although a majority of both groups are over 25.[63] Young people were also the hardest hit financially by the recession.[64] Moreover, about 40 per cent of young people who do an internship do not get paid for their work.[65]

The Resolution Foundation has suggested that one reason why Millennials are seeing stalling remuneration progress is due to the decline in young people moving jobs. Only one in 25 people born in the mid-1980s changed jobs from year-to-year in their mid-20s, which is half the rate of those born 10 years before them. The Foundation highlights this as a problem as an average pay rise for moving jobs for someone at that age is about 15 per cent.[66] Laura Gardiner, a Senior Policy Analyst at the Foundation, suggested that 'making the most' of this skilled generation 'will hold the key to getting Britain's long-standing social contract that each generation outperforms the last back on track'.[67]

One way to improve labour outcomes could be through encouraging further trade union membership, something that is also addressed in the socio-economic divides chapter. Only 15 per cent of workers aged 35 and under have joined a trade union. Yet, the Intergenerational Commission found that 24 per cent of 17 to 36 year-olds would be encouraged to join a union if they could be recruited in their workplace, while 23 per cent would be encouraged 'if it was cheaper to join

62   Resolution Foundation, A new generational contract, p.78

63   Trades Union Congress, Talkin' 'bout my generation: TUC briefing on intergenerational issues', February 201, p.2

64   The Guardian, The Guardian view on generational inequality: a country fit for all ages, 23 April 2017 Available at: https://www.theguardian.com/commentisfree/2017/apr/23/the-guardian-view-on-generational-inequality-a-country-fit-for-all-ages [Last accessed on 30 June 2018]

65   Sutton Trust, Unpaid interns in London now face £1,019 living costs bill, 30 January 2018

66   Resolution Foundation, More young people are sticking with their employer - and missing out on big pay rises as a result, 23 February 2017

67   Ibid.

one'.[68] Moreover, unlike older generations, only 8 per cent of Millennials would refuse to join a union on principle.[69]

CWU has been working 'hand in glove' with the Royal Mail to launch a workable CDC scheme,[70] which shows how beneficial trade unions could be for people's retirement savings. Unions should therefore be given better access to the workplace. The Commission rightly suggests cheaper rates for younger workers or lower introductory fees for new members,[71] but the recommendations such as free membership and a form of auto-enrolment for younger workers proposed in the socio-economic divides chapter could also be explored.

Cridland's review stressed that 'disparities in pension savings are often a reflection of employment prospects rather than a pension-specific issue'.[72] It hoped that 'an increase in employment rates and improvement in labour market outcomes would lead to a corresponding improvement in pension outcomes'.[73] Therefore, it stands to reason that improving labour outcomes for younger people could guarantee them better pension pots in the future.

Need for financial education

One way Labour can ensure that future generations are better equipped to navigate the complexities of pensions is through expanding its campaign on Physical, Social, Health, and Economic (PSHE) education to include thorough financial education. The Financial Conduct Authority (FCA) has found that 18-24 year olds are both the least confident about financial management and the least satisfied with their financial circumstances.[74] In fact, they have the lowest level of financial resilience, while 25-34 year olds also have a lower than average financial resilience and are the most over-indebted.[75] Conversely, the 65s and over have the highest level of financial resilience.[76] The FCA suggests that 'age is an important driver of people's product holdings and how they interact with financial services'.[77] In

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68   Resolution Foundation, A new generational contract, p.134

69   Ibid., p.135
70   Work and Pensions Committee, Oral Evidence Session on Collective defined contribution pension schemes, HC 580, 14 March 2018, p.35

71   Ibid, p.136
72   Department for Work and Pensions, Independent Review of the State Pension age, p.68
73   Ibid, p.68
74   Financial Conduct Authority - Understanding the financial lives of UK adults: Findings from the FCA's Financial Lives Survey 2017, October 2017, p.17

75   Ibid., p.18
76   Ibid., p.22
77   Ibid., p.16

the world of pension freedoms, an understanding of the various savings options is essential, for both employees and the self-employed. Educating people from a young age is therefore key.

Nevertheless, the picture is not entirely rosy for older generations, as only half of the 55-64 age group have given much consideration to 'how they will manage in retirement', while half of them have also underpredicted how long they will live.[78] A future Labour Government can help both the young and old by teaching children and young people how to be financially resilient, whilst improving and better regulating professional financial advice. As suggested earlier, organisations should also be encouraged to provide better financial guidance to their employees.

Impact assessments

Former Pensions Minister, Ros Altmann, was seen to be successful in promoting the interests of pensioners, and is credited as being 'unrelenting in defending [the] interests' of pensioners.[79] Perhaps, what is needed is a 'champion for younger workers'[80], who would ensure that they are not disproportionately disadvantaged by spending cuts and policy changes. Although Labour has created the position of Minister of Voting Engagement and Youth Affairs, perhaps a dedicated spokesperson for young people of university and working age could prove effective. Young people face specific issues today in terms of the labour market, the housing market and pensions, and so would be better served by a specific minister.

Moreover, Welsh Labour can act as inspiration here, with its pioneering Future Generations Act, which requires public bodies to consider the long-term impacts of policies.[81] Although the Government currently considers the intergenerational impact of pensions policies for example,[82] this assessment should be a requirement across Government for all relevant policies. A UK-wide version does not necessarily need to follow the Welsh model, although a Future Generations Commissioner could provide the Government with the encouragement needed. Labour could also explore a more specific 'intergenerational impact assessment', which would analyse the cash flow or tax burden consequences on future generations of pro-

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78   Ibid., p.79

79   Patrick Collinson, If only the young had a Ros Altmann, The Guardian, 16 May 2015 Available at https://www.theguardian.com/money/blog/2015/may/16/ros-altmann-champion-youth [Last accessed on 26 May 2018]

80   Ibid.

81   Welsh Government, Well-being of Future Generations (Wales) Act

82   House of Lords Intergenerational Fairness and Provision Committee, Oral Evidence Session on Intergenerational Fairness and Provision, 11 September 2018

posed policies, as recommended by Michael Johnson, a Research Fellow at the Centre for Policy Studies.[83]

Conclusion

As highlighted above, young people seem to be at a disadvantage, both today in terms of their income, and tomorrow in terms of their future savings. The shift from DB pensions towards DC schemes has transferred much of the risk onto employees. While CDC schemes still will not rebalance the distribution of risk, it could increase returns, and so the development of the model trialled by Royal Mail and the CWU should be monitored carefully.

Perhaps more importantly, after the 2019 auto-enrolment contribution rates are given time to embed in, the future of the scheme has to be seriously reviewed. It is imperative that employees are able to take advantage of this scheme to put aside enough for a decent retirement, while having enough disposable income in the present. Employers should also be encouraged to pay in higher contributions.

Moreover, as the UK moves towards greater pension freedoms, future generations should be equipped to make sound financial decisions. The Pensions Dashboard would be more effective if it was led by the Government, while children and young people should also be taught about the retirement savings options on offer.

We also recommend improving pay through better access to trade unions, and establishing intergenerational impact assessments and a specific ministerial role to champion the welfare of young workers. If the UK wants to reduce intergenerational inequality, it needs to improve the pensions options for its workers.

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83   Work and Pensions Committee, Oral evidence: Intergenerational Fairness, p.21

THE WELFARE STATE AND THE INTERGENERATIONAL CONTRACT

The final aspect of intergenerational inequality, which this chapter will consider, is the functioning of the welfare state.

Introduced by Clement Attlee's post-war Labour government, the 'cradle to grave' welfare state relies upon people of working age paying into the state, and the state distributing their contributions to care for the elderly and the young. In general, this is a satisfactory model, with those paying in knowing that they benefited from others' contributions when young, and will again when they reach retirement.

This tacit understanding that underpins the functioning of the welfare state is known as the intergenerational contract. However, it is slowly beginning to unravel as younger generations, who are disproportionately affected by cuts, who are bearing the brunt of the financial crisis, and who face the housing and income challenges described previously, begin to lose faith in the ability of the welfare state to deliver for them.

A large factor in this disillusionment is the failure of successive governments to adapt the welfare state to meet the needs of an evolving society. Initially, the welfare state existed to support men who were out of work provide for their family, a focus far from what it has today. However, there has been little consideration of how this initial concept still shapes the way policy-makers think about the welfare state, or of the impact of changing generation sizes.

Therefore, this section aims to analyse the impact of cuts to the welfare state on intergenerational relations through a comparison of the difference in spending of generations today, and what was available for each generation at similar life stages. Moreover, it will consider the means by which political parties can remedy the situation.

Giving and Receiving

The respective sizes of each of the current generations, combined with spending decisions of successive governments, have amplified intergenerational divisions within the welfare state.

The number of people in retirement relying on state support and services is growing every day as baby boomers reach pension age. The last few governments have chosen to cope with the increasing demand on the welfare state by cutting support for younger, smaller generations.

The 2010 coalition chose to begin these cuts not at working age, but rather in education with the scrapping of Educational Maintenance Allowance (EMA). At the time, it was estimated that some 620,000 young people were dependent on EMA, with 65% stating they would not have been able to stay in Further Education without it[84]. The 16-19 bursaries that replaced it were described as 'laughable' by the vice-president of the National Union of Students[85].

Moreover, during the past 8 years governments have seemingly targeted other services for young people of school age, removing ring-fenced protection for youth services, and reducing the Department for Education non-schools budget by 12%[86]. Youth organisations have warned that hundreds of thousands of young people will now find it harder to stay in education, live independently, and access vital support services[87].

The next stage of young people's lives that came under the knife was Higher Education; anyone starting university in 2012 or any subsequent year has been faced with tuition fees of up to and over £9000 a year. Going further to inhibit participation from low-income families, later governments removed the maintenance grant and replaced it with a loan, saddling graduates who take a loan with debt as high as £57,000 when they leave university[88].

As they begin their working lives, young people have remained a target of austerity, with welfare cuts introduced since 2010 indisputably playing a role in exacerbating the feelings of inequality between young and old.

Some of the more severe cuts announced over the past 10 years include restricting the sure start maternity grant to the first child only, abolishing the health in pregnancy

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84   P. Butler, S. Malik, 'All in it together? Young people and the cuts' The Guardian, 8 December 2010 https://www. theguardian.com/society/patrick-butler-cuts-blog/2010/dec/08/young-people-unfairly-hit-by-cuts [Accessed 1 June 2018]

85   ibid.
86   ibid.
87   ibid.
88   C. Belfield et al 'The 2012 tuition fee reforms made the poorest graduates £1,500 better off, but reforms since have more than wiped out this gain' Institute for Fiscal studies 5 July 2017 https://www.ifs.org.uk/publications/9335 [Accessed 1 June 2018]

grant, and cutting housing benefit by 10% for those out of work for a year[89]. The recent introduction of Universal Credit has not improved the situation for those of working age; research from the Trussell Trust revealed that in areas where Universal Credit has been fully rolled out, foodbank use is 30% higher than elsewhere[90].

Meanwhile, it seems policies that benefit the elderly have been prioritised. While the youth were handed a tripling of tuition fees, pensioners got a triple lock, which has secured their incomes in the top 40% of all family incomes across the UK[91]. On top of this, those over 60 don't have to worry about the cost of bus travel, eye tests, or prescriptions, while those over 65 receive a winter fuel allowance and anyone over 75 a free TV license.

Of course, the biggest expense linked to an expanding older generation is the mammoth task of funding our NHS to cope with increased demand. Rather than find new ways to fund the NHS - and there are many options - the government has chosen to do so primarily at the expense of other areas of the welfare state. In total, spending by the state on healthcare and services for the elderly is predicted to increase by a total of 8 percentage points whereas spending on education and the economy, which younger generations benefit from, will decrease 3 percentage points over this same period[92].

Looking at the big picture, planned tax reductions and welfare cuts have resulted in a net takeaway from those in their 30s, and a net giveaway for those 45 and over[93]. Although cuts to youth services are not the fault of baby boomers, it is hard to imagine how this would result in anything but a discontent group of Millennials and Generation Z, thus putting a strain on the intergenerational contract.

To solve this, it is pertinent to address the reasons behind the spending decisions of each government, and how they can be persuaded to look at new ways of supporting a growing elderly population without taking too much from younger generations.

89   'Budget 2010' HM Treasury June 2010 https://assets.publishing.service.gov.uk/government/uploads/system/up-loads/attachment_data/file/248096/0061.pdf [Accessed 5 May 2018]

90   Foodbank demand soars across the UK' Trussell Trust 7 November 2017 https://www.trusselltrust.org/2017/11/07/foodbank-demand-soars-across-uk/ [Accessed 20 June 2018]

91   C. Giles, S. O'Connor 'No country for young men – UK generation gap widens' Financial Times 23 February 2015 https://www.ft.com/content/60d77d08-b20e-11e4-b380-00144feab7de [Accessed 5 May 2018]

92   L. Gardiner 'Stagnation Generation' Resolution Foundation 18 June 2016 p.46

93   ibid.

Social Mobility

The impact of spending decisions on intergenerational inequalities goes far beyond who gets the most out of the welfare state, and in order to complete an assessment of intergenerational divisions one must consider the impact policy decisions have had on both inter- and intra-generational social mobility.

Looking at social and technological progress, one would expect Millennials to be enjoying a significantly better quality of life than generations before them. Women, people who identify as LGBTI+ and Black and Minority Ethnicity groups benefit from civil rights fought for by previous generations. Most young people own a smartphone, a technology that had not even been invented when baby boomers were in their 20s. And the unemployment rate of Millennials is 25% lower than that of Baby Boomers when they were a similar age[94].

Despite all of this, Millennials are the first generation not to meet or exceed the living standards of the generation before[95]. This is because of the impact government spending decisions have had on drivers of social mobility in the welfare state, which has led to a deepening of divisions along class lines both within and between generations.

Yet again, tuition fees are a key example of the effect of cuts on intergenerational inequality. Millennials are incredibly lucky as the first full generation to be benefitting from the expansion of higher education, but at the same time as having more opportunities open to them, young people have had the means by which they can seize these opportunities taken away.

With tuition fees tripled and maintenance grants scrapped, the link between family income and degree attainment has grown, with resources available through the 'bank of mum and dad' playing a larger role in the choice to pursue higher education than for previous generations[96].

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94   'A New Generational Contract'. Resolution Foundation 8 May 2018 p.10
95   L. Gardiner, 'Votey McVoteFace' Resolution Foundation 23 September 2016 p.3
96   F. Rahman, 'Widening inequalities between generations are impeding social mobility' Resolution Foundation blog 8 May 2018 https://www.resolutionfoundation.org/media/blog/widening-inequalities-between-generations-is-imped-ing-social-mobility [Accessed 9 May 2018]

Those who rely on the student loan system to be able to attend university end up entering the world of work with a debt of £27,000 from the cost of their tuition for a three year course; a maintenance loan adds up to £33,000[97].

Whether they earn enough to pay back their loan or not, within the first few years of graduating, it is unlikely that they will be able to save for the future or secure a place on the housing ladder, two prospects traditionally associated with social mobility. If they earn too little to pay back their loan, a graduate in London will only have around £163 a week for living costs, including transport and food, while if they earn enough to pay back their loan, they face a higher tax rate, and the same difficulties[98]. In either situation, they will not be able to move up the social ladder any time soon after graduating.

Compare this to graduates from affluent backgrounds. Leaving university with no debt, they are able to rely on familial connections to go straight from university into a well-paid job, allowing them to save and spend[99]. Later in life, this group will receive inheritance likely to be at least 4 times as much as those from working-class backgrounds. Both these factors deepen the intra-generational divide of the current working age generations[100].

Conversely, although intra-generational divisions still existed, Baby Boomers were able to attend university on full grants, allowing those from low- and middle-income backgrounds to attain their aspirations without sky-high levels of debt[101]. This is a time many young people look upon with envy - incidentally the Labour Party appealed to the youth vote through promising free university education in its 2017 General Election manifesto. Although the feasibility of such a policy certainly needs further discussion, it would certainly improve prospects of social mobility within generations, as well as reducing any notion of unfairness between generations.

One must also consider prospects of social mobility for people who chose not to attend university. The impact of educational upgrading, whereby university degrees have become increasingly important for a well-paid job, restricts those who did not attend university from moving up the social ladder[102]. It is significantly worse

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97   Student Finance https://www.gov.uk/student-finance/new-fulltime-students [Accessed 20 May 2018]
98   A. Hanton 'Are universities even trying to create social mobility?' Intergenerational Foundation 1 December 2017 http://www.if.org.uk/2017/12/01/universities-even-trying-create-social-mobility/ [Accessed 20 June 2018]
99   ibid.
100   'A New Generational Contract' Resolution Foundation 8 May 2018 p.13
101   R.J. Murphy et al 'Lessons from the end of free college in England' Brookings. 27 April 2017 https://www.brookings.edu/research/lessons-from-the-end-of-free-college-in-england/ [Accessed 20 June 2018]
102   It also restricts those who did go, but could not afford to pursue a Master's degree.

for women, too, with a fall of 40% in the social mobility of women compared with a 21% fall for men[103].

Furthermore, unemployment among low-skilled workers is currently two times as high as the generation before them[104]. Despite the government introducing vocational training and apprenticeship support programmes, the intergenerational support that used to exist, providing career and life-based knowledge transfers and a stronger intergenerational relationship, is lost[105].

For as long as each generation continues to be faced with a 'class ceiling' when it comes to social mobility - particularly when this is worse than the generation before them - divisions will continue to grow. The only way to narrow divides is by political parties taking more time to think about the intergenerational impact of their policies.

BREXIT AND INTERGENERATIONAL DIVISIONS

It would be remiss to conclude a review of intergenerational divisions without addressing the impact of Brexit. Despite not having left the European Union yet, one can see the generational divide that Brexit has created; 64% of those aged 65 and over voted for Brexit, whereas 71% of 18-24 year olds voted to Remain[106]. This figure has increased since the referendum as more young people reach voting age, with polls suggesting around 82% of young people would vote to stay in the European Union[107].

As Brexit nears, it becomes clear that young people will bear the burden of the decision to leave the EU. Those of working age face job losses as companies move outside the UK to retain market access to the rest of Europe. If they are forced to turn to state benefits, they will feel the effect of Brexit once more, with the fall in the pound, combined with whatever trade deal we get post-Brexit contributing to

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103   D. Willetts The Pinch: How the Baby Boomers Took Their Children's Future -- And Why They Should Give It Back, Atlantic Books, September 2010, p.207

104   F. Rahman, 'Widening inequalities between generations are impeding social mobility'

105   D. Willetts, The Pinch p.210

106   P. Moore, 'How Britain Voted', YouGov https://yougov.co.uk/news/2016/06/27/how-britain-voted/ 27 June 2016 [Accessed 1 June 2018]

107   J. Curtice 'How young and old would vote on Brexit now' BBC News 10 August 2018 https://www.bbc.com/news/uk-politics-45098550 [Accessed 11 August 2018]

a real value fall of between £1 billion and £3.2 billion in working-age benefit payments. Combined with the four year working age benefit freeze already in place, saving £3.3 billion, this could equate to up to £6.5 billion[108]. This is not to mention any impact of further austerity from the government as it tries to deal with the economic impact of Brexit.

Age has been identified as a factor contributing to voters' decisions in the EU Referendum. The consequences of the Leave vote will be felt most by younger generations in the long term. Given the generational trends associated with the referendum result, this has the potential of deepening intergenerational divisions. The extent to which this happens will depend on the UK's post-Brexit trade deal; both young and old will feel a similar impact from an EEA relationship, yet Millennials will feel the financial impact of leaving much more if we change to trading on World Trade Organisation terms[109].

At best, Baby Boomers who voted for Brexit failed to consider the effect it would have on the lives of young people. At worst, they did, and they still voted for Brexit. Either way, this in itself has frayed the intergenerational contract, perhaps even more than the eight years of disproportionate spending decisions outlined previously.

It is not too late to rectify this. Since the referendum, it has been revealed that the promise of extra funding for the NHS that appealed to so many elderly voters was a lie[110]. Furthermore, Facebook revealed adverts on Facebook by the Leave campaign specifically made to target elderly voters[111]. Should it be concluded that voters were misled, and a call was made for another referendum to address these issues, this could significantly strengthen relations between the generations.

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108   L. Gardiner 'Stagnation Generation' p.44
109   ibid.
110   J. Stone 'Nigel Farage backtracks on Leave campaign's '£350m for NHS pledge hours after result' Independent 24 June 2016 https://www.independent.co.uk/news/uk/politics/eu-referendum-result-nigel-farage-nhs-pledge-disowns-350-million-pounds-a7099906.html [Accessed 5 May 2018]
111   https://www.parliament.uk/documents/commons-committees/culture-media-and-sport/Fake_news_evidence/Vote-Leave-50-million-spreadsheet.pdf [Accessed 27 July 2018]

HOW CAN IT BE FIXED?

The obvious answer to many of these problems is to introduce measures to remedy financial inequality. Recent suggestions from the Resolution Foundation following their Intergenerational Commission include an NHS Levy, which would use National Insurance contributions from pensioners to raise an extra £2.3 billion for the NHS[112], and a Lifetime Receipts Tax to fund a Citizens' Inheritance for all 25 year olds[113]. Meanwhile, others have floated the idea of raising the pension age in order to increase tax revenues. This is not unprecedented; as early as 1954 the Phillips Committee proposed raising the pension age to 68 for men and 65 for women[114].

Yet, these solutions can only be introduced when those in power are willing to propose them, and those in power will only propose them if they will get them elected. This points to the root cause of intergenerational inequality and the welfare state; the voting weight of each generation.

A reason for the recent imbalance in voting weight is the sheer size of the Baby Boomer generation, which has given them a political dominance outstripping others age groups. Not only is their voting weight a contributing factor behind leaving the European Union, but it is the reason the Conservatives felt it so necessary to hold a referendum in the first place[115], as well as attempting to appeal to them in many other areas, including the welfare state. This in turn has led to the age divide outstripping that of class in the last two national polls.

One way to rectify this imbalance is to introduce votes at 16 across the whole of the UK. A bigger youth base would necessitate political parties to consider the impact of their policies on younger people as well as the elderly, and find solutions where nobody is left behind.

Of course, one may worry that this could lead to politicians playing generations against each other, depending on their relative size. Therefore, in introducing votes at 16, one must also encourage intergenerational dialogues, which have slowly decreased in the last decade or so. Initiatives such as investment in youth services and encouraging younger generations to participate in community projects would

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112   'A New Generational Contract', p.18
113   ibid. p.212
114   D Willetts, The Pinch p.37
115   G. Eaton, 'Boomers vs Millennials: the defining schism in UK politics', The New Statesman, 8 January 2018 https://www.newstatesman.com/politics/uk/2018/01/boomers-vs-millennials-defining-schism-uk-politics [Accessed 1 May 2018]

instantly bring about stronger relationships between young and old, as would expanding shared spaces, such as child- and elderly-care facilities, and increasing attractiveness and availability of apprenticeships where different generations interact and impart knowledge and experience. The stronger we can make these vertical ties, the stronger our society will become.

Another issue is that Millennials are less politically engaged than previous generations, and if we are to introduce votes at 16, this must be addressed.

In 1974, only 9% of 21-35 year olds did not identify with a political party, whereas in 2010 only 23% did[116]. A survey of Millennials carried out by Foundation for European Progressive Studies (FEPS) in 2015 showed that young people do not see politics as important, and 46% agree that their generation is less engaged than their parents or grandparents[117].

The lack of engagement is worse for those without a degree, and has deepened with time; baby boomers in their 20s without a degree were 15% less likely to vote than those with degrees, whereas millennials without degrees are 40% less likely to vote than their degree holding counterparts[118].

Although one may argue this is due to the apathy of young people when it comes to politics, this is not their fault, and more must be done to remedy this. Indeed, the FEPS survey found that 60% of young people in the UK felt politicians were more concerned with older voters than younger. Moreover, they felt disengaged after seeing politicians make empty promises to them; with the case of the Liberal Democrats promise to abolish tuition fees cited as an example[119].

Young people also stated that they would be encouraged to vote if there were more places where they could do so, and if the voting period was open for a longer time. Sweden, where 66% of young people voted in the last European elections, is an

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116   L. Gardiner, 'Votey McVoteFace' p.17
117   'The Millennial Dialogue Report' Foundation for European Progressive Studies https://www.millennialdialogue.com/media/1065/millennial-dialogue-uk-report-v22.pdf [Accessed 30 July 2018]
118   L Gardiner, 'Votey McVoteFace' p.14
119   'The Millennial Dialogue Report' https://www.millennialdialogue.com/media/1065/millennial-dialogue-uk-report-v22.pdf [Accessed 30 July 2018]

excellent example of this; there are around 3000 spots around the country where one can cast one's vote, and early voting is open 30 days prior to election day[120].

On top of replicating such initiatives, the UK should adapt the school curriculum to include more political education and engagement, such as learning the history of suffrage, and how to gauge the impact of policies on different areas of their lives. As well as this, with a voting age of 16, schools would be able to ensure students are registered to vote and are confident of the process for the future.

It is only through expanding the right to vote and ensuring young people are encouraged to exercise it that political parties might begin to consider adopting policies that do not further intergenerational divisions or threaten the intergenerational contract. If these initiatives are introduced, and strengthened through intergenerational dialogues and political education, then perhaps one could expect policies, such as the Citizens' Inheritance, to be introduced and supported, and generations to continue to lend each other a helping hand through life.

CONCLUSION

As Britain tries to navigate its planned departure from the EU, it still needs to reconcile the differences the Referendum vote laid bare. It is not enough for the Government to just focus on Brexit; rather it needs to address the underlying issues that led to a desire to 'take back control'.

This chapter has sought to demonstrate that the differences between generations in the UK at the moment are not just over political affiliation or the way one voted in the Referendum. Rather, the various generations are experiencing a different life and a different Britain altogether, whether it be in the housing market, their expected retirement outcomes or even their experience with the welfare state.

Brexit did not just expose divisions, but it will also deepen them, as the ensuing economic shock will lead to fewer jobs available and more cuts to working age

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120   Working Report and nine policy recommendations by the PES working group on fighting voter abstention' Party of European Socialists https://www.pes.eu/export/sites/default/.galleries/Documents-gallery/Adopted-PES-Working-Group-voter-abtention.pdf_2063069299.pdf [Accessed 30 July 2018]

benefits. Moreover, the National Health Service (NHS), on which older genera-tions rely more heavily, will also be affected.

The Government has the mammoth task ahead of both negotiating the UK's future relationship with the EU, and alleviating the stark divisions manifesting themselves in the UK. The Referendum vote showed a difference in outlook and concerns between the various generations, and if the Labour Party wants to reconcile these differences, it would need to offer robust policy options to all generations. Reducing intergenerational inequalities in the field of housing, pensions and income and the welfare state would be a good start.

CHAPTER 3

SOCIO-ECONOMIC DIVIDES

FOREWORD

Sarah Longlands
Director, IPPR North

In this chapter on socio-economic divides, the Young Fabians argue that we can no longer afford to tolerate social and economic inequality in our society. Its recommendations are based on an analysis of socio-economic divides across education, health and de-industrialisation and regeneration. Its findings are crucially important. The socio-economic divides of the UK represent one of the most serious failings of our society today.

Sometimes, socio-economic divide is characterised as a 'North-South' gap but as the report highlights, the reality is much more complex. Indeed, the comparison often made between productivity in the North and London is somewhat erroneous as London effectively operates as an economy with some of the highest levels of productivity in the UK. However, alongside this economic success, London has also some of the widest inequalities, for example 37% of children in London live in poverty, that's a staggering 700,000 children. Indeed, London has the highest rate of child poverty of any English region and twice as many as in all of Scotland and Wales.

But beyond the rhetoric of London, it is the smaller towns and places which are fast in the ascendancy of UK politics. Overlooked for decades as marginal to the 'powerhouse' cities, small and medium towns and cities are now beginning to make their voice heard. This is a topic IPPR North have championed for some time. Our

report[1] in 2016 called for a more nuanced approach to urban development which recognised the vital and complementary roles that smaller towns and cities can play.

The importance of smaller towns and cities illustrates the need for policy solutions which are informed and supported by a strong understanding of the place and people. As IPPR North have argued, a centralisation of UK policy at Westminster by successive governments has tended to adopt solutions which are place-blind; a 'one size fits all' approach. This has done little to ensure that policy is tailored to meet the challenges and opportunities of different places. In some cases, as IPPR North have shown, the emphasis placed on the importance of London at the expense of other areas, has actively contributed to a widening of the gap between regions.

Ultimately, this report challenges readers to consider what type of society we want to build in the future? All over the UK, how can we create a society which restores human dignity to people and place? The report's solution is based on a restoration of policy focus upon the individual. At IPPR North, we call this a 'people-based' approach where people's welfare is the explicit, rather than implicit emphasis of policy making. All too often, the policy making process operates in the abstract. The technical jargon of productivity rates and economic output is far removed from the everyday experience of people within their local economy. We make assumptions about the benefits of physical change based on a relatively narrow view of economics. In addition, the opportunities for people to contribute to the debates on economic and social divides is limited by the narrow parameters of our democratic 'first past the post' process.

As Martha Nussbaum argues in her seminal work on human freedom, tackling social divide is about 'taking each person as an end' and asking about what the opportunities are available to each person. This is an approach which gives people a sense of control over their own ability to shape their life. If we are to make progress on tackling the socio-economic divisions within the UK, our approach must be underpinned by a willingness to work towards giving people back a sense of control over their own lives. The recommendations of this chapter, help provide some of the stepping stones required to help realise this ambition.

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1   https://www.ippr.org/publications/city-systems

INTRODUCTION

Jesse Coleman, Uther Naysmith & Robert Williams

In this chapter, we have attempted to take a holistic approach to human welfare and fulfillment in examining the socio-economic divides of modern Britain; believing that fundamental human dignity and happiness can only be ensured in a society which respects and empowers the individual. Furthermore, that this can only be brought about through education that empowers and equalises access to opportunity; healthcare that protects and strengthens the individual and ensures safe and secure living standards; and an economy and political machine that provides opportunity to be heard, participate in the community, and pursue our individual interests and talents. As articulated in Article 22 of the Universal Declaration of Human Rights (1948):

> **"**Everyone, as a member of society, has the right to social security and is entitled to realisation, through national effort and international co-operation and in accordance with the organisation and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality."

Thus, in this chapter, we will be examining the three separate strands of socioeconomics necessary to realise our full human potential through the lens of contemporary Britain:

- Economic and health inequalities
- Education and training
- Deindustrialisation and regeneration

ECONOMIC AND HEALTH INEQUALITIES

The widening gap?

Today, reducing inequality and the pursuit of a more inclusive, broad based economic model is seen as a priority across the political spectrum[2], with the International Monetary Fund (IMF) stating "Tackling inequality is not only a moral imperative. It is critical for sustaining growth"[3]. Research from the OECD estimates that the UK's GDP growth rate between 1990 and 2010 was around 9% lower than it would have been had inequality not changed between 1985 and 2005[4]. However, how do we measure inequality?

The Gini coefficient is one of the most widely used summary measures of inequalities. It measures the distribution of household income, where 0 is complete equality and 1 is complete inequality[5]. According to figures from the ONS the Gini coefficient score for 2016/17 was the lowest score since 1987[6]. According to the Institute for Fiscal Studies (IFS), in 1968 the UK's Gini coefficient was 0.250, and by 2016-17 had increased to 0.337 (before housing costs). The rise in inequality has not been constant. The Gini coefficient remained fairly flat in the 1960s and 70s, before rapidly accelerating in the 1980s and then once levelling off in the 1990s, with a slight decline post financial crash[7].

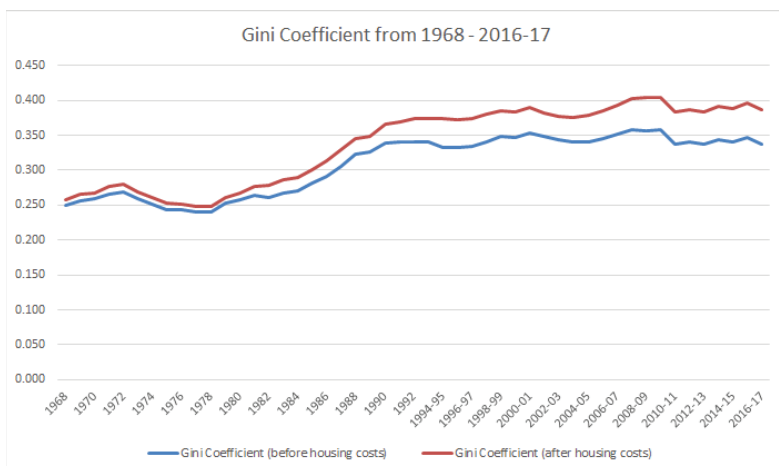2   OECD, The Framework for Policy Action on Inclusive Growth, May 2018
3   IMF Blog, 5 Things You Need to Know About Inequality, 23 January 2018,

4   OECD, Focus on Inequality and Growth, December 2014
5   Office for National Statistics, Methodology: The Gini coefficient, 05 February 2016
6   Office for National Statistics, Statistical bulletin: Effects of taxes and benefits on UK household income: financial year ending 2017, 20 June 2018.

7   Institute for Fiscal Studies, Living Standards, Inequality and Poverty Spreadsheet 19 July 2017
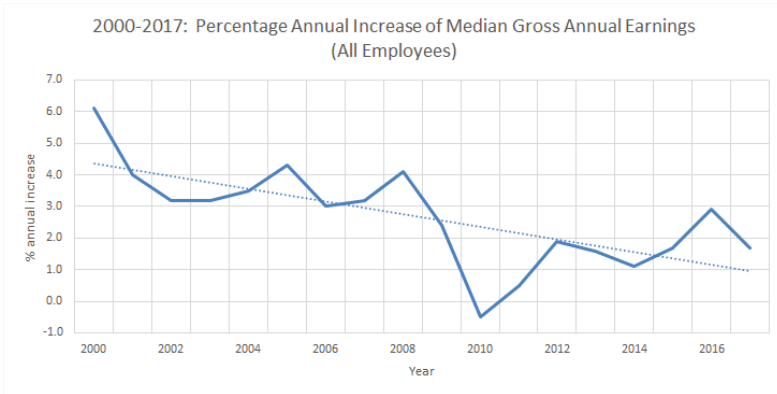
Graph 1: Gini Coefficient 1968-2016/17, before and after housing costs from IFS

However, if inequality has remained relatively flat since the 1990s why is it only two decades later that wider society is starting to worry about it? Academics have postulated that during the pre-crash period wage growth was strong and wide enough that the growth in inequality could be grudgingly tolerated[8].

But, post-crash with wage growth remaining sluggish those levels of inequality are no longer palatable. Between 2000-2008, the annual percentage increase for earnings was above 3%, but since 2009 annual wage growth has only exceeded 2% once. This pay squeeze is having the greatest impact on young people, with a typical millennial earning £8,000 less in their twenties than those in the previous generation[9].

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8   Damian Grimshaw, Anthony Rafferty and Matt Whittaker, Inequality and Inclusive Growth in Rich Countries, Chapter 11: The Case of the United Kingdom, p 296-298, Oxford University Press, 2018

9   18 June 2016, Stagnation Generation: the case for renewing the intergenerational contract, Intergenerational Commission, Resolution Foundation

2000-2017: Percentage Annual Increase of Median Gross Annual Earnings (All Employees)

[10] Graph 2: Annual Survey of Hours and Earnings, Median Gross Annual Earnings Percentage Increase, 2000-17, from ONS

Urgent action is required to tackle sluggish pay, although there are no easy solutions. The rise of automation and the gig economy will only make this challenge harder. Additionally, improving Britain's poor productivity is vital. However, promoting trade union principles could be a way to tackle sluggish wage growth. Across the OECD those countries with higher rates of collective bargaining also have lower levels of relative poverty. To improve levels of collective bargaining the Trade Union Act 2016 must be repealed and sectoral collective bargaining agreements introduced.
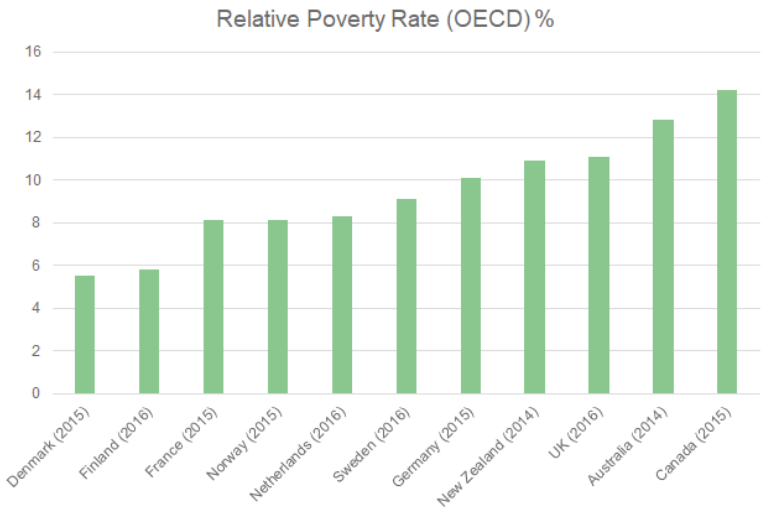
Additionally, the introduction of elected union delegates in workplaces to represent all employees should be considered. In France these delegates are found in all workplaces with more than 49 employees[11]. However, this policy needs to be carefully considered, especially given the major reforms underway in France.

There is also a great need to increase trade union membership in addition to expanding collective bargaining. In the UK, membership has declined from a high of 13.2 million in 1981 to 6.87 million in 2015-16[12].
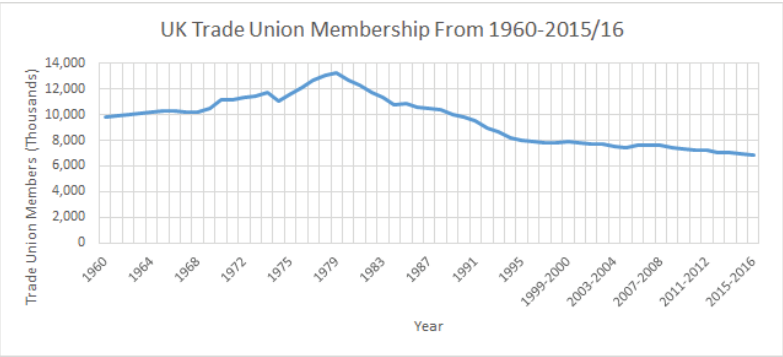
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10   26 October 2017, Office for National Statistics, Dataset: ASHE 1997 to 2017 selected estimates. Access via: https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/ashe-1997to2015selectedestimates

11   17 March 2014, The Economist, Why French trade unions are so strong

12   31 May 2018, National Statistics: Trade union statistics 2017: Dataset Department for Business, Energy & Industrial Strategy

Graph 3: Relative Poverty Rate from selected OECD countries, data from OECD

Graph 5: UK trade union membership from 1960-2015/16 by thousands of members. Data from Department for Business, Energy & Industrial Strategy

Further, there is a need to encourage a more diverse trade union membership. Membership is highly concentrated in the public sector with trade union density at 51.8% in the public sector, compared to 13.5% in the private sector (2017)[13]. Additionally, trade union members are disproportionately older with the over 50s making up 39.8% of members in 2017, despite making up only 28.8% of employees. Union members are also more likely to work in professional occupations than the UK population, 37.9% trade union members working in professional jobs compared to 20.8% of the workforce.

To widen trade union membership the Government should fund free membership for workers aged 25 and under. This could operate as an auto-enrolment scheme where the young person joins the trade union representing their specific industry (including an opt-out system). This could be financed with a form of Trade Union subsidy paid by the Government based on the number of under 25 members a trade union has. The subsidy could not be used for political funds. This should be adopted along with IPPR's recommendation for trialing auto-enrolment for those working in the gig economy[14]. This could help increase trade union penetration in the low-pay sector and help deliver greater protection for workers.

Reducing wealth inequality is vital, aggregate total net wealth of all households in Great Britain was £12.8 trillion in July 2014 to June 2016[15], with the top 20% wealthiest households owning 63% of wealth in Great Britain[16]. In comparison the top 20% of households by final income make up 37% of total household income, 2016/17[17]. With property wealth making up 42% of total net wealth, the need to urgently tackle the housing crisis is only reinforced.

Graph 1 shows the significant impact that housing costs have on widening inequality after deducting the net cost of housing from each household's disposable income[18]. With the UK suffering an unprecedented housing crisis, housing remains one of the most important issues, especially for young people[19]. This pamphlet's intergenerational inequality chapter explores how homeownership could be boosted. Falls in

13   National Statistics: Trade union statistics 2017: Statistical Bulletin Department for Business, Energy & Industrial Strategy, 31 May 2018

14   Joe Dromey, Power to the People: How stronger unions can deliver economic justice. IPPR Commission on Economic Justice, May 2018

15   Office for National Statistics, Statistical bulletin: Wealth in Great Britain Wave 5: 2014 to 2016. 01 February 2018

16   Office for National Statistics, Data set: Wealth in Great Britain. 01 February 2018

17   Office for National Statistics, Data set: Effects of taxes and benefits on household income, 20 June 2018

18   Damian Grimshaw, Anthony Rafferty and Matt Whittaker, Inequality and Inclusive Growth in Rich Countries, Chapter 11: The Case of the United Kingdom, p 296-298, Oxford University Press, 2018

19   Lindsay Judge & Dan Tomlinson, Home Improvements: Action to address the housing challenges faced by young people, Resolution Foundation. April 2018

homeownership have been sharpest amongst young adults. For those born in the late 1980s, by 27 years of age the homeownership rate is 25%, compared with 43% for those born in the late 1970s.

If we are to tackle inequality in the UK we must address the housing crisis boldly. The Resolution Foundation (RF) have recommended a citizen's inheritance of £10,000 from the age of 25 to be used for either housing, pensions, education or business as part of renewing the "intergenerational contract"[20]. This inheritance would cost approximately £7 billion a year and would be paid for by abolishing inheritance taxes and replacing with a lifetime receipts tax. This is a controversial policy and a more viable, cheaper alternative would be the reintroduction of Child Trust Funds.

Launched in 2005 the Child Trust Fund gave every child - born from 2002 - £250, with children from low-income households receiving an additional £250 from the government. Parents, families and friends could then contribute up to £1,200 a year tax free. When the child turned 18 they could then access this fund. A total of £2.5 billion is expected to be inherited by 2020[21]. This policy was subsequently scrapped in 2010, but should be reintroduced. Financially the Child Trust Fund is much more viable than the citizens inheritance, costing £520 million in 2011/12, while giving young people a stake in society.

The decline of homeownership in young adults, has coincided with the rise of the private rented sector. The number of households privately renting rose from 2.3 million to 5.4 million between 2001 and 2014, with another 1.8 million households projected to become private renters by 2025[22]. By 2025 it is predicted that more than half the 20-39 age group will be private renters. The rise of a 'Generation Rent' has caused serious concerns over intergenerational inequality and wealth distribution.

Germany, where 40% of households live in the privately rented sector, offers a number of policies that could be adopted in the UK. Private tenants in Germany are less overburdened with housing costs than in the UK (23% Germany vs 33% UK) and the average tenancy length in Germany is 11 years compared to 2.5 years in England[23]. Germany has achieved this by introducing policies such as

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20   Resolution Foundation, A New Generation Contract, April 2018

21   Institute of Education University of London, Case study on the impact of IOE research that underpinned the Child Trust Fund scheme, November 2011

22   PwC, UK housing market outlook: the continuing rise of Generation Rent. July 2015

23   Bill Davies, Charlotte Snelling, Ed Turner, Susanne Marquardt, Lessons from Germany: Tenant power in the rental market, IPPR. 16 January 2017,

encouraging a greater diversity in house building to encourage a greater supply of rental properties, rent controls and brakes to prevent significant hikes in rents and stronger rights for tenants[24]. These policies should be adopted for a UK context - in addition to promoting the creation of renters unions and co-operatives and giving local authorities greater financial freedom to borrow money for house building.

Private pensions make up 36% of wealth in the UK, but only 49% of individuals aged between 16 to 64 had some form of active private pension they were contributing to[25]. Currently, the minimum contribution level for workplace pensions are not sufficient to have a decent retirement income. Therefore, there is a need to be much more ambitious in raising pension contributions[26]. However, where this burden should lie - employee or employer - is an area of debate.

The Federation of Small Businesses and the Self-employed (FSB) worry further steep increases to the employer contribution could discourage employment[27]. Under current plans by April 2019 employees are expected to make a higher minimum contribution than the employer towards workplace pension contributions (5% for the employee and 3% for the employer)[28]. A report by the Pensions Policy Institute shows that the UK in comparison to other countries has very low employer contributions with Italy requiring 6.9% of gross earnings, Sweden 4.5% and on average 10% in Denmark[29]. Therefore, there must be the ambition that there is parity in minimum contributions between the employer and employee, with support for small businesses to adapt to the changes.

Pursuing an inclusive growth model requires an inclusive taxation system. Currently, those in the bottom 20% of household income pay, as a proportion of their income, more in tax than any other group. The current taxation system needs radical changes, especially for indirect taxes which accounts for 26% of gross income for the bottom quintile, but only 11.2% for the top[30].

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24   Office for National Statistics, Statistical bulletin: Wealth in Great Britain Wave 5: 2014 to 2016, 01 February 2018,
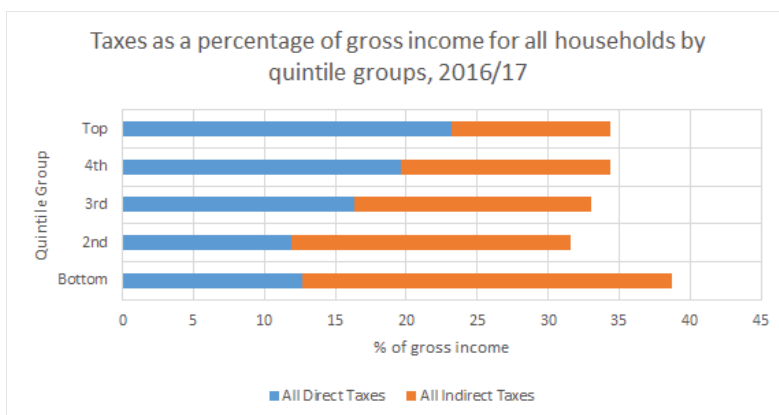
25   Ibid, 143

26   Andrew Harrop and Ryan Shorthouse, Consensus Continued? The Fabian Society, 21 August 2018

27   FSB, FSB response to 'Review of Automatic Enrolment', March 2017

28   UK Government, Workplace Pensions, 2018

29   Pensions Policy Institute, Who pays the piper? An international comparison of employer and employee contributions to DC pensions, October 2017

30   Office for National Statistics, Effects of taxes and benefits on household income, 20 June 2018

Taxes as a percentage of gross income for all households by quintile groups, 2016/17

Graph 6: Taxes as a percentage of gross income for all households by quintile groups 2016/17.

According to the ONS, while direct taxation (e.g. income) reduces income inequality, indirect taxation increased inequality in the UK by 3.5% points in the Gini coefficient in 2013/14[31]. VAT is the largest indirect tax and the third largest tax receipt for the Government, making up 18% of the UK's tax receipts in 2017/18[32]. VAT is charged on most goods and services. In January 2011, the Coalition Government increased the standard VAT rate from 17.5% to 20%. This rise hit those on the lowest incomes, making goods more expensive and weakening the purchasing power of those on the lowest incomes. By returning VAT rates back to 2010 levels it could help boost the purchasing power of those on the lowest incomes and have positive impacts on consumer spending.

Income tax is the largest source of direct tax in the UK. The personal tax-free allowance has been increased from £6,475 in 2010 to £11,850 in 2018. The Conservative's champion this policy and claim that by 2015-16 four million people were no longer paying any income tax[33]. However, it is a deeply unequal policy. The policy is vastly expensive and by 2014/15 was estimated to have cost around

31   The Office for National Statistics, Statistical bulletin: The effects of taxes and benefits on income inequality: 1977 to financial year ending 2015, 08 April 2016

32   Helen Miller and Barra Roantree, Tax revenues: where does the money come from and what are the next government's challenges? Institute for Fiscal Studies and Economic & Social Research Council, 01 May 2017

33   Asked by Justin Tomlinson, Answered by Jane Ellison, Income Tax: Written question - 67913. 22 March 2017

£10.7 billion a year[34]. Yet, only £1 in every £6 spent on this policy goes to the bottom half of the income distribution[35]. While at the same time welfare spending has been decimated, from 2010-11 to 2015-16 there were cuts of £16.7 billion to the benefit system[36][37].

A more progressive way to increase people's income on lowest incomes would be to reduce the tax-free allowance to £10,000. Reducing the tax-free allowance would save billions, which could then be spent directly on the lowest earners by uprating benefits. These savings should also be used to end the benefit cap. The savings from the cap are minimal at around £65 million in 2016/17[38], but cause households to lose on average around £2,000 a year[39].

Council tax is another area that requires major overhaul. Those in the bottom quintile of households by gross income pay 3.2 more as a proportion of their income than the top 20%[40]. RF have produced several alternatives to make the system fairer, including scrapping council tax and replacing it with a tax of 0.5% of the homes up-to-date value. RF estimate this would raise £1.6 billion more than the current council tax system and would help tackle wealth inequalities[41]. It is estimated 17 million households would gain from these changes, saving on average £322; while 9.2 million households would lose out, losing on average £788 a year. A progressive property tax would be an extremely difficult policy to implement. However it should be actively pursued to reform the broken and unfair council tax system. Property taxes are not uncommon and can be found in Ireland, the Netherlands, Denmark, Singapore and New York City.

The distribution of wealth across the UK is not equal either. London and the South East make up 41% of total net wealth in the English regions[42], despite making up only 32% of the population[43]. The differences in gross domestic household incomes are

34   Antony Seely, Briefing Paper (Number 06569) Income tax: increases in the personal allowance, House of Commons Library, 7 June 2015

35   The Joseph Rowntree Foundation, Briefing for November 2017 Budget: Incomes not keeping up with prices, October 2017

36   Andrew Hood and David Phillips, Substantial cuts made, but biggest changes to the benefit system yet to come, Institute for Fiscal Studies, 28 January 2015

37   Andrew Hood, David Phillips, Election 2015: Briefing Note 3, Benefit Spending and Reforms: The Coalition Government's Record, Nuffield Foundation and Institute for Fiscal Studies, January 2015

38   Department for Work and Pensions, Welfare Reform and Work Act: Impact Assessment for the benefit cap, August 2016,

39   Andrew Hood and Robert Joyce, A tighter benefit cap, Institute for Fiscal Studies, 06 November 2016

40   Office for National Statistics, Effects of taxes and benefits on household income, 20 June 2018

41   Adam Corlett and Laura Gardiner, Home Affairs, Options for reforming property taxation, March 2018
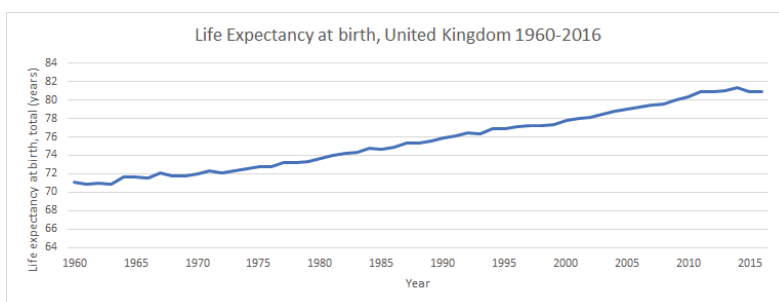
42   Office for National Statistics, Data set: Wealth in Great Britain, 01 February 2018

43   Statista, Mid year population estimate of England in 2017, by region, June 2018,

stark, with London having a 1.6 times greater Gross Domestic Household Income than the poorest region, Northern Ireland[44]. There will be no easy way to address these historically entrenched regional inequalities, but solutions are explored in greater depth in the following sections.

Health Inequalities

Over the last 50 years, life expectancies have risen steadily across the UK. In 1968, life expectancy at birth was 74.9 years for females and 68.7 for males. Today, a baby born between 2014-16 would be expected to live for 82.9 years for a female and 79.2 years for a male[45] . However, gains in life expectancy are now grinding to a halt and for women in Wales and Northern Ireland age standardised mortality rates increased between 2011-16 compared to 2006-11, by 2.1% and 0.3% respectively[46].

[47]Graph 7: Showing life expectancy in the UK 1960-2016 Data from: World Bank

The improvements to our health over the last 50 years have not just been defined by our access to health care. Under the Dahlgren and Whitehead model of health determinants, we understand that there are a wide range of social and economic factors that affect health such as housing, education and work. This is commonly known as the 'social determinants of health' .

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44   Andrew Aitken, Monique Ebell and Lea Samek, Regional Inequality in Household Incomes in the UK: A Closer Look. NIESR General Election 2017 - Briefing 6. 31 May 2017

45   27 September 2017, Office for National Statistics, Statistical bulletin: National life tables, UK: 2014 to 2016

46   07 August 2018, Office for National Statistics, Article: Changing trends in mortality: a cross-UK comparison, 1981 to 2016

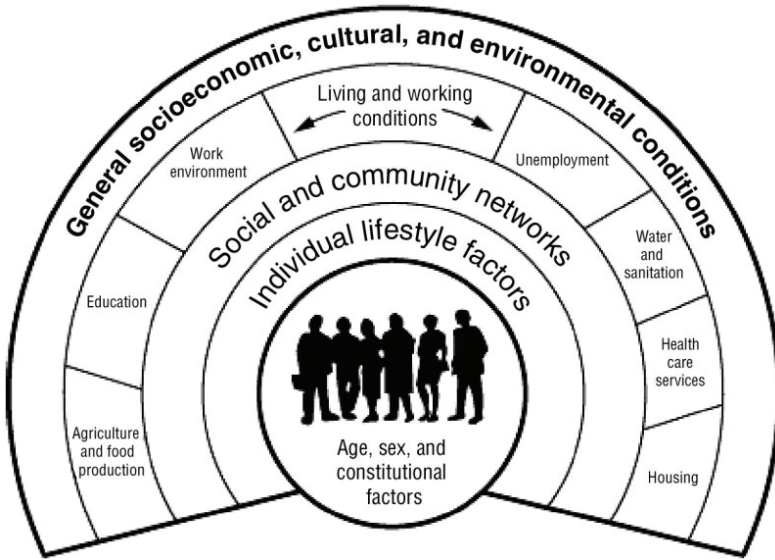47   2018, World Bank, Life Expectancy Data. Accessed from: https://data.worldbank.org/indicator/SP.DYN.LE00.IN

Figure 1: The Dahlgren-Whitehead model[48]

These social determinants of health have a significant impact on population health. Across the UK, there is a 'health gap' between those who live in the least and most deprived groups and areas[49]. In England, if you were a boy born between 2014-16 and were lucky enough to be in the least deprived group you could expect to live 9.3 years longer than another boy born into the most deprived group. While, for girls this gap is 7.4 years. As shown in table 1, the gap for how many years lived in good health is even wider.

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48   Dahlgren and Whitehead. Policies to Promote Social Equity in Health. Stockholm, Sweden Institute for Futures Studies, 1991
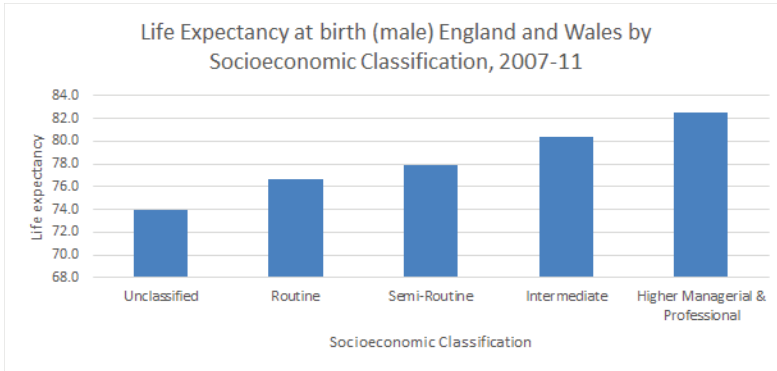
49   Michael Marmot, The Health Gap: The Challenge of an Unequal World, London, Bloomsbury, 2015

Country	Life Expectancy Gap Years (by deprivation) 2014-16		Healthy Life Expectancy Gap (by deprivation) 2014-16	
	Male	Female	Male	Female
England	9.3	7.4	19.1	19.1
Wales	8.9	7.3	17.6	17.9
Scotland	10.5	7.8	26.0	22.2
Northern Ireland	6.6	4.5	13.7	13.0

Table 1: Showing Life Expectancy and Health Life Expectancy differences Across the UK by Deprivation in 2014-16. Data from ONS, National Records of Scotland and Northern Ireland Department of Health

The life expectancy gap is also evident between class, with the Higher Managerial and Professional group living on average 8.5 years longer than those who are in the Unclassified group[50].

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50   21 October 2015, Office for National Statistics, Statistical bulletin: Trend in life expectancy at birth and age 65 by socio-economic position based on the National Statistics Socio-economic Classification, England and Wales: 1982-1986 to 2007-2011

Graph 8 showing: Life expectancy at birth (male) England and Wales by socioeconomic classification, 2007-11. Data from ONS Longitudinal Study

This gap in outcomes persist despite universal access to healthcare. The gap in life expectancies is not shrinking either, but becoming larger. Between 2001 and 2015 the gap in life expectancy for those born in the top and bottom quintile neighbourhoods of England increased by 1.4 years in boys and 0.8 years in girls[51].

Tackling the health inequalities divide will not be easy. It will require comprehensive and extensive policy reforms across:

- Housing - in England 26.8% of privately rented properties are non-decent homes[52];

- Environment - 40,000 deaths are attributable to outdoor air pollution each year and deprived communities live in environments that experience higher levels of air pollution[53];

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51   February 2018, Longevity Science Panel, Life expectancy: Is the socio-economic gap narrowing?

52   25 January 2018, Ministry of Housing, Communities & Local Government, English Housing Survey 2016 to 2017: headline report

53   Feburary 2016, Royal College of Physicians and Royal College of Paediatrics and Child Health, Everry breath take: The lifelong impact of air pollution, Report of a working party

- Work - a study from Manchester University has shown that those who are re-employed in poor-quality work have worse health outcomes than those who remain unemployed[54];

- Social protection - benefit sanctions are having a disportionately negative impact on those with disabilities and mental health conditions[55];

- Community building - social isolation has negative impacts on our health and currently 20% of people in the UK often or always feel lonely[56];

- Transport - funding for supported bus services has been reduced by 25% between 2010 and 2016, disproportionately affecting those on lower incomes and affecting opportunities to see friends and get to school or work[57];

- Education - where those with the highest levels of education in the UK are expected to live around four years longer than those with the lowest levels of education[58].

NHS England has recently been granted a £20.5 billion per year increase to its funding by 2023/24, which is not sufficient to improve services[59], the case for public health in England is more bleak. Public health returned to local government with the 2012 Health and Social Care Act and has not been protected from cuts the same way the NHS has. For example, between 2014/15 and 2018/19 the public health grant will have fallen by 17% in spend per head[60]. This has had a profound impact on public health services, especially on sexual health where over a third of local authorities have reduced or plan to reduce the number of sites commissioned to deliver contraceptive services since 2015[61]. Public health should remain in local government, but it must be given the increased financial support that is required to re-open and improve services.

54   Tarani Chandola and Nan Zhang, Re-employment, job quality, health and allostatic load biomarkers: prospective evidence from the UK Household Longitudinal Study, International Journal of Epidemiology, Volume 47, Issue 1, Pages, 10 August 2017

55   Professor Peter Dwyer, Dr Lisa Scullion and Dr Sharon Wright, Work & Pensions Committee inquiry: benefit sanctions, Written Evidence, Welfare Conditionality, May 2018

56   Kantar Public, Trapped in a bubble: An investigation into triggers for loneliness in the UK. Co-op and Red Cross, December 2016

57   Campaign for Better Transport, Buses in Crisis: A report on bus funding across England and Wales 2010-2016, 2015

58   Murtin, F, et al. (2017) "Inequalities in longevity by education in OECD countries: Insights from new OECD estimates", OECD Statistics Working Papers, 2017/02, OECD Publishing, Paris

59   Anita Charlesworth, Health Foundation response to government announcement of additional NHS funding, The Health Foundation 16 June 2018

60   David Finch, Health investment needs long-term thinking, The Health Foundation, 10 July 2018

61   Advisory Group on Contraception, Cuts, Closures and Contraception, November 2017

Smoking remains one of the largest drivers of disease and health inequalities in the UK. Those on lower incomes are more likely to smoke and smoke more cigarettes on average than someone in a higher income band[6263]. .

Graph 9: Proportion of those who smoke cigarettes and average daily cigarette consumption in Great Britain, 2017 data from: ONS

The Science and Technology Committee have recently launched their recommendations on E-cigarettes, which saw their value in reducing the health risk to smokers[64]. The principle of this report should be followed as E-cigarettes are vital in reducing tobacco smoking, although e-cigarettes should not be allowed in public places due to the infringement this will have on non-smokers.

To reduce the health gap there must be a new Health Inequalities Strategy. The previous strategy took a holistic approach to health, focusing on four key themes: supporting families; engaging communities in tackling deprivation; improving prevention, treatment, and care; and tackling the underlying social determinants of health. The policies introduced as part of this strategy included Sure Start,

62   Office for National Statistics, Dataset: Adult smoking habits in Great Britain, 03 July 2018
63   Action on Smoking and Health, Health Inequalities and Smoking, June 2016
64   House of Commons Science and Technology Committee, E-cigarettes Seventh Report of Session 2017-19, 16 July 2018

the national minimum wage, child tax credit and a greater focus on prevention. Developing a new strategy and integrating it at the heart of all decisions should be a priority. However, the new strategy's focus must be broader and consider economic strategy too. Only by implementing a radical reform agenda that puts tackling health inequalities at the heart of its strategy will we see real change. We believe this pamphlet sets out to do this.

EDUCATION AND TRAINING

Aspirations & opportunities from birth

"Education is the most powerful weapon you can use to change the world."
- Nelson Mandela (2003)

In addressing inequalities relating to aspiration and opportunity from birth, education is the most powerful weapon we have. It gives individuals the power to shape their life story. It is important however to begin by making clear it is not a silver bullet. Indeed a key criticism of the last Labour government is that education policy, as the main lever to offset the inequality generated from aspects of globalisation, was limited.[65] That is why other key policies, such as Sure Start Centres, are so vital for supporting individuals and families to begin to take action; to transform their lives with the tools and skills education gives them.

Ultimately, schooling can be the one stable aspect of a child's life. Especially in a chaotic family setting, a stable school life becomes so vitally important because in some cases it can be the one constant in the child's life. It is therefore imperative that government builds upon this stable aspect by giving children the tools to transcend their circumstances and do so in a way that is sustainable for the entire country.

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65   Hwalisz, W. and Diamond P. (2015). "Predistribution: A new governing prospectus for the centre left", Policy Network. Available at: http://www.policy-network.net/pno_detail.aspx?ID=5015

Policy Recommendation 1: Introduce Oracy education into the national curriculum

Why Oracy Education?

Oracy Education focuses on the ability to speak and listen effectively. From this flows the ability to share ideas, persuade others, and ultimately authentically express oneself as accurately as one can. These skills are vital for success in most jobs, and will become increasingly valuable as the workforce begins to cope with the future and changing nature of work. Introducing Oracy Education into the national curriculum would be a huge step forward in tackling the disparity between children's ability to communicate. A disparity that is largely affected by a child's socio-economic background. It would give today's children the tools to effectively navigate their social and economic future.

The Fourth Industrial Revolution delivers both challenges and opportunities. Technological progress can augment the talents and productivity of medium and high skilled workers, but it will likely automate away most jobs of low and unskilled labour.[66] It is therefore imperative that we prioritise the upskilling of individuals so that they can succeed as a part of our nation's future workforce. If we are to do this, then we must start training at a young age. Oracy must be a key part of this.

Oracy underpins many non-cognitive skills, and these skills can rival IQ in terms of predicting educational attainment and labour market success.[67] It is already estimated that by 2020 over half a million UK workers will be held back by a soft skills deficit, including communication and interpersonal skills.[68] It is clear that we need to address this as a country if we are to generate wealth as a country, and give individuals from all backgrounds the means to flourish in their personal and professional lives. Currently, there is a disparity in the UK between children from different backgrounds in terms of speech, language and communication skills: with approximately 50% of pupils from areas of socio-economic deprivation entering school with language skills below those expected for their age.[69]

66   Hawksworth, J., Berriman, R., and Goel, S. (2018). Will robots really steal our jobs? Available at: https://www.pwc.co.uk/economic-services/assets/international-impact-of-automation-feb-2018.pdf

67   Big Change (2017). Oracy: Emerging Narrative 2017. Available at: https://www.big-change.org/wp-content/uploads/Oracy-Emerging-Narrative-.pdf

68   Big Change (2017). Oracy: Emerging Narrative 2017. Available at: https://www.big-change.org/wp-content/uploads/Oracy-Emerging-Narrative-.pdf

69   ICAN. (2006). The cost to the nation of children's poor communication. Available at: http://licensing.ican.org.uk/sites/licensing.ican.org.uk/files/Evidence/2_The_Cost_to_the_Nation_of_Childrens_Poor_Communication.pdf

Bolstering Oracy's place in the National Curriculum could help equalise the attainment gap between children of different socio-economic backgrounds. Speaking & listening skills are already a part of the National Curriculum and are woven into the learning criteria for various subjects. This policy would see Oracy's place expanded, and teacher's given the time and resources necessary to teach it. Time in the school day is critical for this to be done right, as this policy is only as good as how it is implemented in practice.

Evidence-based policy

We can already see the success of charities and NGOs working in this space. Debate Mate, Voice 21, the English Speaking Union, and the Oracy Network are organisations whose raison d'etre is to improve the communication skills of children.[70] They show the range of approaches that can be taken. The expertise on how to teach this already exists, as does the expertise on the complexities of how this could work in practice.

Speech & Language Therapists specialise in improving speech, language, and communication skills. They would be able to provide an insight into development of spoken communication, for example increasing MLU (mean length of utterance) in younger children; improving vocabulary skills; complex sentence development; and social interaction skills (pragmatics).[71] When formulating the implementation of this policy, it would therefore be vital work with these professionals – as well as teachers, academics, and industry leaders who might not yet be involved or aware of this mission.

Debate Mate is a useful case in point to illustrate how Oracy is closely linked to issues around aspiration. Debate Mate brings students from university debating societies to facilitate after-school debating workshops for primary and secondary school children. By bringing in university students, it may increase aspiration of children from all backgrounds to aim for university. This does not mean that becoming a graduate should necessarily be viewed as a higher aspiration than an apprenticeship or other forms of work, but aspiration is about the capacity to see what future paths are possible.

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70   See:
      Debate Mate https://debatemate.org/about-us/
      Voice 21 https://www.voice21.org/our-aims
      ESU https://www.esu.org/about
      The Oracy Network https://www.esu.org/our-network/oracy-iframe
71   See: The Royal College of Speech & Language Therapists https://www.rcslt.org/about/introduction

Despite the courageous effort of these trailblazing organisations, their work is not yet widespread. Schools are not currently equipped to teach oracy. When surveyed, 57% of teachers say they have not received any training in oracy in the last three years and 53% would not know where to look for more information if they wanted it.[72] Voice 21's work looked at the barriers that teachers identified to sustaining a consistent and comprehensive oracy approach in their schools:[73]

- A lack of time;
- Anxiety that shy and under-confident pupils might struggle, or that pupils' behaviour will get worse;
- Priority being given to other tasks (in particular, pupils' writing);
- A lack of confidence and expertise, exacerbated by a paucity of training;
- Perceptions that oracy is only occasionally relevant when teaching, or relevant only in certain subjects such as English; and
- A lack of active support from school leadership.

A systematic implementation of this policy, with guidance from the groups previously mentioned, can overcome many of these. However, the toughest practical issue remains the lack of time in the school day. Ultimately the toughest challenge is to remember how much of a child's life is spent outside of school. Improving a child's oratory skills vastly improves their long-term prospects, but it does little to address their immediate material challenges. The 12-year old Firdows Hashim won the best floor speech at a Debate Mate competition, at an event attended by Bill Gates and presenter Jon Snow, but tragically died in the Grenfell fire alongside five of her family members.[74] This policy is immensely valuable for the reasons laid out so far, but it is important to recognise that it should sit in a wider policy framework that does not allow the issues faced by the poorest in our society to remain unaddressed.

Addressing future challenges

Communication is a meta-skill, in that it helps one acquire further skills. Given the unpredictability of the changing nature of work this ability to learn & adapt

72   Millard, W. and Menzies, L. (2016). The State of Speaking in Our Schools, (London: Voice 21). Available at: https://www.esu.org/__data/assets/pdf_file/0026/13796/Oracy-State-of-speaking-report-v2.pdf

73   Voice 21 (2016) New research and leading educationalists call for schools to take speaking seriously. Available at: https://www.voice21.org/single-post/2016/11/08/New-research-and-leading-educationalists-call-for-schools-to-take-speaking-seriously

74   Snow, Jon (2017). "Grenfell proved it: the British media are part of a disconnected elite", The Guardian. Available at: https://www.theguardian.com/commentisfree/2017/aug/23/grenfell-british-media-divide

to change is crucially important. The future economy may require us to re-train often as adults, and it is therefore important for us to have a strong foundation in communication – one that gives children & their future adult selves the ability to question disarmingly, express themselves enthusiastically, and connect with others authentically.

Policy Recommendation 2:
Expansion of Apprenticeships
Why do we need to expand apprenticeships?

That the UK has a skills shortage is close to becoming a cliché, if it is not already one. Arguments for greater emphasis on further education and apprenticeships have entered the mainstream, and governments across the Western world, including this current Conservative Government, have put forward policy to expand apprentice-ships. The UK's apprenticeships levy has yielded mixed results.[75] These skills short-ages - and the emphasis on apprenticeships - needs to be seen through another more long-term lens: the rise of automation, the digital age, and the future of work.

There is a clear strategic need for an expansion of apprenticeships in many different areas, particularly healthcare, but here we will focus on STEM apprenticeships. Ultimately we have to think of our economy as a whole, and how apprenticeships are well-positioned to help drive competitive advantage of UK plc. STEM skills are in demand and this trend is set to grow.[76] To reiterate the expansion of STEM apprenticeships does not address the issue of training and retraining for everyone in society. In this section we are arguing that strengthening the UK's skill base in STEM will help tackle inequality in the medium to long term.

The potential for STEM apprenticeships to tackle inequality is why implementing policy around this is vital now, rather than just being a smart investment the state & businesses could make. Employees increasingly find themselves in an hourglass-shaped economy with a minority of highly-skilled workers enjoying high-bargaining power, and the majority of low & unskilled labour facing fierce competition as the traditional middle-tier jobs (e.g. admin, manual) are automated & replaced.[77]

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75   The Open University (2018). The apprenticeship levy: one year on. Available at: http://www.open.ac.uk/business/sites/www.open.ac.uk.business/files/files/apprenticeship-levy-one-year-on.pdf

76   Social Market Foundation (2016). Jobs of the future. Available at: https://www.edfenergy.com/sites/default/files/jobs- of-the-future.pdf

77   UK Commission for Employment & Skills (2014). The Future of Work: Jobs and Skills in 2030. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/303335/the_future_of_work_key_findings_edit.pdf

Individuals in these low & unskilled jobs risk being stuck either in insecure work, or work that has little scope for development or progression. One of the key messages that came from the Taylor report was not only that all work in the UK should be "fair and decent" but that it should also include "realistic scope for development".[78]

Realistic scope for development is crucial for two reasons. First, for young people beginning an apprenticeship and entering the world of work for the first time, a career trajectory fulfils a sense of aspiration. The sense that they can carve out a path for themselves ahead of themselves, and that their life chances were not determined from birth. Second, the ability to progress in your work & develop your skill-set gives individuals the ability to go for higher salaried positions more prominent positions in an organisation if they so desire.

In a raw economic sense, being in a job with scope for development gives you the capacity to become more economically valuable over time and therefore increases your bargaining power. Stagnant wages cause inequality to develop, and increasing bargaining power by increasing economic value can ensure an individual's wages rise.

Additionally, whilst the flexibility of this work is a positive for some, it reinforces unfair insecurity in others' lives. Not knowing when they will have shifts and - under the conditions of abusive employers - an insecure worker can end up being at the beck and call of an unscrupulous boss. Trade Unions are finding innovative ways of addressing these power imbalances in the areas of service work. However ultimately the rise of automation threatens to push too much of the UK's workforce into this position, which would make competition between jobs too fierce for even the most effective Trade Unions to tackle. We, therefore as a country, need to be aiming to get as much of our workforce as possible into the higher-skilled, higher-waged areas of the economy.

The emphasis on STEM subjects should be reinforced through primary and secondary education. Naturally this need not and should not come at the expense of non-STEM subjects. The point here is not to fall into the clichéd battle over STEM vs. non-STEM subjects. However, it is necessary to be straightforward with students of all ages that having a strong grasp of STEM subjects will in many cases put them in a stronger position to take up opportunities in the new economy. If STEM is not

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78   Taylor, M. Marsh, G., Nicol, D., and Broadbent, P. (2017). Good Work: The Taylor Review of Modern Working Practices. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/627671/good-work-taylor-review-modern-working-practices-rg.pdf

actively pushed by school staff, it can be easily overlooked as something "that child X is just not a very maths-y person". Especially when considering children from lower socio-economic backgrounds, parents may perpetuate their own inadequacies in the vain of "I was never good at maths/science myself." Overcoming these hurdles is key for instilling the child with confidence in their own aspirations.

Note, the future as an increasingly digital economy and the impetus on government to prepare our workforce as much as possible, puts greater emphasis on the need for a grasp of STEM subjects. Labour MP, Rachel Reeves, has recently looked at this "Everyday Economy" in-depth.[79] Nevertheless, we should be ambitious as a country in promoting STEM as a major way into higher-skilled, higher-waged work with scope for further development that will, in turn, develop our country's international competitiveness.

The recent introduction of T-levels is a step in the right direction from the current government. Proper funding will, of course, be a concern to ensure these are educative experiences of quality. However, a major concern is whether there will be enough buy-in from employers. It is not yet clear whether T-levels' potential success as a policy could be stunted by a lack of work placements.[80]

There is strong sentiment amongst employers for technical education, and around two in five (38%) of firms say that technical education should be the government's main education priority.[81] However, the Resolution Foundation has said that as things stand businesses are "largely unaware of what T levels are, and too few are ready to play a role in making them work."[82] There is a risk that if T-levels are not given the proper funding, organisation, and consideration that they deserve, then the T Levels policy will come to be seen as a failure - and this could ultimately affect how T-levels are viewed for some time into the future.

Further education currently does not have the same status as higher education, and this inequality in status is something to be tackled. Countries such as Germany have much more robust and respected forms of further education.[83] The success

79   Reeves, Rachel (2018). The Everyday Economy. Available at: https://www.rachelreevesmp.co.uk/the_everyday_ economy2018

80   Evans, Stephen (2017). "Will T-levels falter through a lack of work placements?", FE Week. Available at: https:// feweek.co.uk/2017/11/10/will-t-levels-falter-through-a-lack-of-work-placements/

81   Resolution Foundation (2018). £1 billion funding boost and a "hearts and minds" business engagement drive needed to make a success of T levels. Available at: https://www.resolutionfoundation.org/media/press-releases/1-billion-funding-boost-and-a-hearts-and-minds-business-engagement-drive-needed-to-make-a-success-of-t-levels/

82   Ibid.

83   Jacobs, Rose (2017) "Germany's apprenticeship scheme success may be hard to replicate", Financial Times. Available at: https://www.ft.com/content/1a82e8e0-04cf-11e7-aa5b-6bb07f5c8e12

or failure of T-levels nationally will have repercussions on how employers view these qualifications, with implications for the young people who are set to take up these new qualifications.

The future for this policy

Now we may transition to a world that Keynes or Marx (or even those in Silicon Valley) have envisioned. Where the vast majority of a citizen's time is free from work, and humanity's toughest problem is how to best spend leisure time. Whether this is supported by a Universal Basic Income, Universal Basic Services, or improving productivity is an interesting discussion but is not yet relevant for policy-makers. The technological unemployment the world is experiencing now – a trend that looks set to increase – is a major issue. The challenge is not what the future holds per se, it is how we transition to that future.

Education is the most powerful weapon. The ideal of life-long learning would enable a majority of the population to transition from jobs that have been automated away or become irrelevant next to higher-skilled, higher-waged work. Yet it is not clear how society can support those whose job or profession has been automated away and for whom retraining is unrealistic. This is one of the most pessimistic possibilities regarding the future of work, but it is important we consider this, prepare for this, and figure out how we can support this section of society that cannot retrain for reasons beyond their control. Indeed, as a society we need figure out how we value work beyond what the market is most willing to pay for. That is an issue that goes beyond the scope of this section.

Policy Recommendation 3: Mindfulness meditation in schools to support mental health

The concept of 'mindfulness' has entered the mainstream in the last few years, and alongside a host of media commentators, public intellectuals, and industry leaders extolling its anecdotal benefits, it is now increasingly backed by a rich body of research.[84] This comes at a time when the stigma surrounding mental health is slowly being broken, and there is an increasing focus on the identification and

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84   Rubio Rodriguez, Laura & Maldonado Fernandez, Miguel & López Fernández, Jaime. (2016). "Evidence Based Mindfulness. An overview of Cochrane systematic reviews", European Congress of Psychiatry, DOI:10.13140/RG.2.1.1601.7048. Available at: https://www.researchgate.net/publication/299127127_Evidence_Based_Mindfulness_An_overview_of_Cochrane_systematic_reviews

support for people suffering with mental health disorders. Severe mental health disorders seem to be on the rise and young people are particularly susceptible.[85]

Adding the practice of mindfulness to the school day is definitely not an alternative to properly funded mental health services, nor does it tackle the material aspects that affect a person's overall well-being, but it does develop skills that strengthen someone's ability to deal with the internal & external forces that affect one's life.[86]

Broadly, mindfulness meditation is being aware and present in each moment; achieving this through increasing awareness around the sensation of breathing.[87] In reality, this policy would seek to provide a ten minute guided session in a silent classroom while playing a recording that helps participants improve their self-awareness, potentially at the start of the day. Ten minutes is chosen here because it seems very achievable amount to add to the school day that would still benefit the individuals meditating.[88]

Carving out ten minutes of mindfulness meditation in schools has the potential to support the healthy development of a child's mental wellbeing. There is growing evidence from the academic literature that teaching mindfulness to young people is popular with both staff and students, and it has been shown to be capable of "improving mental health and well-being, mood, self-esteem, self-regulation, positive behaviour and academic learning."[89] Humans are creatures of habit, and developing this habit early on increases the chances they will continue to practice it throughout their lives.

The potential mindfulness meditation has to not only improve wellbeing in the short term, but also in the long term by developing mental resilience. We know that most mental health disorders begin during youth (12-24 years old).[90] Promoting the

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85   Brown, D. and Triggle, N. (2017) "Mental health: 10 charts on the scale of the problem", BBC News. Available at: https://www.bbc.co.uk/news/health-41125009

86   Cochrane UK (2015). Effectiveness & cost-effectiveness of mindfulness-based cognitive therapy. Available at: https://uk.cochrane.org/news/effectiveness-cost-effectiveness-mindfulness-based-cognitive-therapy

87   Cancer Research UK (2015). Meditation. Available at: https://www.cancerresearchuk.org/about-cancer/cancer-in-general/treatment/complementary-alternative-therapies/individual-therapies/meditation

88   Bhasin MK, Dusek JA, Chang BH, Joseph MG, Denninger JW, et al. (2017) Correction: Relaxation Response Induces Temporal Transcriptome Changes in Energy Metabolism, Insulin Secretion and Inflammatory Pathways PLOS ONE 12(2): e0172873. Available at: https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0062817

89   Weare, Katherine (2013). "Developing mindfulness with children and young people: a review of the evidence and policy context", Journal of Children's Services, Vol. 8 Issue: 2, pp.141-153. Available at: https://www.emeraldinsight.com/doi/abs/10.1108/JCS-12-2012-0014

90   Patel, V., Flisher, A., Hetrick, S., and McGorry P. (2007) "Mental health of young people: a global public-health challenge", The Lancet 369, no. 9569 (2007): 1302-1313. Available at: http://www.sangath.in/wp-content/uploads/2015/08/Mental-health-of-young-people....pdf

mental wellbeing of our country's young people requires a preventative approach across health and education policy, and schools already play a vital role in this. Ten Mindful Minutes at the start of the school day would be another tool - however small - that this country has to foster well-being.

DE-INDUSTRIALISATION AND REGENERATION

Since the 1970s the story of British industry, and Britain's industrial communities, has been one of slow, pacing decline. The steel industry, which in 1971 employed 323,000 people, employed only 34,500 people in 2014[91]. In coal mining - so rooted to the identity of the British working class and the makeup of the labour movement for well over a century - the 980 collieries and 718,400 strong workforce active in 1947, dropped to just 9 coal-producing deep mines, 21 opencast sites, and a workforce of 4,000 by 2013[92]. The story is the same across manufacturing, where employment in Britain, the 'workshop of the world', fell from 8.9 million in 1966 to a mere 2.9 million in 2016.

Industries forming the lifeblood of entire communities from Clyde shipbuilding to South Wales mining, providing a sense of economic identity, purpose and national contribution,[93] have been decimated. All too often these community industries have had no replacement leading to a rise in low-paid and agency work and long-term economic inactivity that "has fuelled spending on welfare benefits which in turn has compounded the budgetary problems of successive governments"[94]. In short, "the new postindustrial economy has proved no substitute for advanced manufacturing"[95].

This industrial decline of entire areas of the UK, exacerbated by the laissez-faire economics and post-industrial ideology of the Thatcher consensus, has had a devastating effect on social cohesion. Whilst certain societal sectors thrive in the Thatcherite services economy, and now too the 21st century knowledge economy,

91   Office for National Statistics, The British steel industry since the 1970s, 18 January 2016.
92   Department for Business, Energy & Industrial Strategy, Historical coal data: coal production, availability and consumption, 22 January 2013.
93   S. High, 'Capital and Community Reconsidered: The Politics and Meaning of Deindustrialization', Le Travail, vol 55, p.194 para.2, Spring 2005.
94   C. Beatty and S. Fothergill, 'The Long Shadow of Industrial Britain's Demise', Regions Magazine, 308(4) pp.5-8, 2017.
95   Eamonn Fingleton, 'As the UK has discovered, there is no postindustrial promised land', The Guardian, 18 May 2015

those former industrial areas breed within them a sense of resentment and political disenfranchisement.

Case study: North West Nottinghamshire and North East Derbyshire coal belt

Mansfield Constituency

Alongside the loss of local coalfields through the 1990s and early 2000s, Mansfield suffered further deindustrialisation with the closure of the Mansfield Brewery in 2002 and the AG Barr factory in 2011. The development of new retail parks failed to lift Mansfield out of decline, with gross weekly wage of full time workers at £447.50 - £105.20 below the national average. The working-age client group of benefits claimants (as of November 2016) was 4.6% higher than the national average.

The share of Standard Occupational Classification [SOC] 2010 major group 1-3 workers (managers, directors, senior officials, professional occupations etc.) in Mansfield is 21.3%, against a national average of 45.8%. In contrast, Mansfield has almost double the number (30.2% against 16.9% nationally) of SOC 2010 groups 8 and 9 (process plant & machine operatives and elementary occupations).

Educationally, Mansfield lags far behind the national average in terms of those achieving NVQ Level 4+ (17.5% in Mansfield against 38.5% nationally). Furthermore, the number of those with "other" or no qualifications stands at 24.3% in Mansfield, against 14.6% nationally.

Mansfield is a left behind town, whose place in the post-industrial and knowledge economy has been lost. Its lack of empowerment or major contribution nationally is reflected in the clear patterns of political disenfranchisement. Despite being a traditional Labour seat since 1922, since de-industrialisation the seat has seen a rise in the interruption of traditional voting patterns.

The strongest challenge is the Mansfield Independent Forum. The Forum has held the directly elected Mayoralty of Mansfield from its creation in 2002. From 2003 - 2011, the Forum also controlled the Mansfield District Council, taking 63% of the Council's seats in 2007. In 2015, the Forum again took control of the District Council and currently governs as a minority. In Parliamentary terms, this has seen them poll 17% in the 2005 election and 9% in the 2010 election. In 2015, the UKIP vote surged from 6.2% in 2010 to 25.1% - 3.1% behind the Conservatives. In 2017

this vote largely went to the Conservative Party, who took the seat with 46.6% of the vote, for the first time in its history.

Ashfield Constituency

Ashfield, another former mining area, is transitioning into a commuter belt for Nottingham.[96] Like Mansfield, it struggles to adjust to the new economy. Educational attainment is lower than Mansfield and its benefit claimant count similarly above the national average. Ashfield also has an equally under-average level of SOC 2010 group 1-3 workers.

Ashfield, historically a safe Labour seat, also experienced a mixed pattern of voter dissatisfaction. First with the pro-European, centre-left Liberal Democrats, who came within 200 votes of taking the seat in 2010, then the anti-EU, right-wing UKIP polling 21.4% in 2015 (1% behind the Conservatives). In 2017, the UKIP vote defected en masse to the Conservatives, with a new prime minister, who crystallised in that electoral moment for the people of Ashfield, a belief that the elected government represented a break with its own status quo. As a result, the Conservatives came within 0.9% of taking the seat. As with Mansfield, this may well be a continuing expression of discontentment in the face of deindustrialisation; directed through whichever electoral vehicle represents a populist opposition to the status quo that is felt to be holding people back.

Bolsover Constituency

In a more rural former mining area, Bolsover, the largest employer is the East Midlands Designer Outlet[97]. Historically, Bolsover voted in large numbers for Labour with few signs of electoral splintering prior to 2010, when the BNP polled 6%. In 2015, UKIP polled 21%, shifting mostly to the Conservatives in 2017 - halving Labour's majority. Arguably this swing to the right-wing, anti-EU vote is not of itself a signal of newfound support for the right, but rather is illustrative of the same phenomenon that occurs in Mansfield and Ashfield. It could be argued that the high-profile anti-establishmentism of incumbent Labour MP, Dennis Skinner, stabilised the traditional voting pattern for longer than might otherwise have been the case, with discontented constituents tying their search for a new approach to the radical incumbent.

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96   UK Polling Report, Ashfield constituency [web blog].
97   Ibid, Bolsover constituency.

North East Derbyshire Constituency

Much has been made of North East Derbyshire's relatively successful regenera-tion as compared to the Nottinghamshire coalfield areas. North East Derbyshire has 43.2% of workers in SOC 2010 social major groups 1-3, against a national average of 45.8%. Further, full time gross weekly earnings are marginally above national average. Statistically, North East Derbyshire stands noticeably above the Mansfield and Ashfield areas. However, this is in part due to new housing develop-ments in Gosforth Valley and Dronfield, making North East Derbyshire an attractive area for home-owning commuters to Sheffield and Chesterfield[98]. This does not however introduce new jobs to the area for those who still remain affected by the pit closures. Rather, it could be argued that these new housing developments have merely imported better statistics to the area.

This once Labour bastion is now a marginal. In 2015 UKIP polled 16%, and in 2017 the Conservatives took the seat, gaining votes almost equal to the UKIP collapse.

The common thread binding these seats is that the Conservative surge in 2017, far from representing unity around a particular political model, might be better viewed as an electoral expression of political and social division, voiced through people voting for whichever political vehicle appears to represent a challenge to the status quo that has failed them.

A new vision for regeneration

If the socio-economic tensions present in modern Britain are to be eased, it is important to redefine regeneration, framing it against a clear purpose: to create a sustainable, integrated national economy which provides inclusive prosperity for all communities, affording them a sense of purpose, unity and security.

But, what is a model for successful regeneration?

Models for regeneration

In the 1970s, government policy primarily focused on halting decline through a regional policy based on investment subsidies to aid modernisation, ease growth pressures, and create a redistributive balance between regions of faster and slower

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98   Ibid, North East Derbyshire constituency.

economic growth[99]. The 1977 white paper, Policy for the Inner Cities marked a change by seeking to create "active relationships [...] between local authorities and industry"[100], asserting that the underlying causes for inner-city decline were weak local economies alongside social issues such as unemployment and housing. The policy of involving private enterprise, resting on a belief that government could not provide all the resources necessary for regeneration[101], became a key plank of Thatcherite regeneration policy in the 1980s and 1990s, which focused on urban regeneration. This 'enterprise culture' regeneration served as the basis for the creation of the powerful Urban Development Corporations [UDCs] throughout the 1980s, and later the Single Regeneration Budget [SRB] in 1993. Yet, whilst 1980s policy adopted the commercial regeneration principle based on a desire to limit state involvement, the UDCs, with planning and compulsory purchase powers, were often used as a mechanism to sidestep local authorities, destroying the principle of active relationships between local government and the private sector. Even when in the 1990s, as policy shifted back towards a partnership model, it was nonetheless based on a highly competitive funding formula which created forced partnerships[102], criticised for being divisive and disadvantaging inexperienced, community-based groups.

Despite criticisms of the top-down nature of the enterprise culture regeneration model there was much success in regeneration of certain urban areas, notably Cardiff Bay and Liverpool's Albert Dock, which was transformed from "[r]otting, derelict, toxic, 600 acres written off"[103] in 1979 to a modern, vibrant addition to the Liverpool waterfront.

However, in 2012 the Church Urban Fund released figures showing 45% of Liverpool parishes were in the most deprived 10% of parishes in England[104]. Evidently, the Albert Dock regeneration in Liverpool failed to create long lasting regeneration across the city. Further, Cardiff Bay redevelopment was heavily criticised for superimposing an alien urban masterplan onto the existing fabric of the area. Adrian Jones, the award-winning planner, accused Cardiff Bay regeneration in 2012 of "turning its back on the community", and ghettoising the area of Butetown[105]. Despite creat-

99   A. McCarthy, A. Pike, and J. Tomaney, 'The governance of economic development in England', Town & Country Planning, March 2012.

100   Secretary of State for the Environment, Mr. Peter Shore, HC Deb 6 April 1977 vol 929 cols 1226-46.

101   S. Tsenkova and C. Beswick, University of Calgary, Canada, Overview of Urban regeneration policies in Urban Regeneration: Learning from the British experience, 2002, p.12.

102   Ibid, p.13.

103   M. Parkinson and A. Lord, Albert Dock: What Part in Liverpool's Continuing Renaissance?, University of Liverpool, April 2017, p.2.

104   Church Urban Fund, Poverty in Numbers [website], May 2012

105   Adrian Jones, 'New Cardiff, the wrong sort of aspiration', Bevan Foundation Review, pp.30-32, Winter 2012.

ing 16,750 jobs from 1987 - 2000, as well as 4,800 new flats and houses, and reclaiming 327 hectares of land[106], the Cardiff Bay regeneration failed to properly regenerate the city. Due to its lack of a coherent structure[107] and its overemphasis on 'prestige projects', it created a divided city and a divided community.

This prestige project model of urban regeneration, based on the enterprise culture assumption that developing flagship areas would regenerate cities through attracting private enterprise, was flawed in that it pinned its entire hopes for regeneration on the beautification of certain city areas to attract private capital. The large-scale flagships were prone to fail on the whims of market forces, and the schemes failed to alleviate the social problems in cities that Policy for the Inner Cities set out to address.

New Labour's regeneration model, which included regeneration of non-urban areas was based around the programme New Deal for Communities [NDC], establishing thirty-nine partnerships between government and local government to stimulate community-based programmes. Sheffield Hallam University analysed this approach, finding it a success in terms of "physical regeneration such as public-realm works and improving the quality of the built environment, job creation, and capacity-building of local people involved in the management and decision-making processes"[108]. Yet, similarly to the prestige project regeneration, NDC regeneration failed to integrate into and unify the local community, with research identifying "distrust in [...] the NDC itself as [a reason] for residents' reluctance to participate"[109].

Many NDC areas, such as Hull, continue to suffer from a deep feeling of political and social disenfranchisement and a mistrust of authority[110] caused by the decline of communities and economic prospects - or, in short, the failure of regeneration. In 2017, Hull was Britain's third most deprived local authority[111]. They have been dismissed as "the regrettable but inevitable consequence of Thatcherite economics"[112]. Their political disenfranchisement against a perceived elite unable to help the city back on its feet manifested itself in Hull's overwhelming 68% vote to leave the EU, against the received wisdom of local businesses and elected officials.

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106   Natalie Crockett, 'Cardiff Bay: What has 30 years of development achieved?', BBC News [website], 13 August 2017

107   Supra note 17.

108   J. Carpenter, Regeneration and the Legacy of Thatcherism, Metro Politics [website], 15 October 2015.

109   D. Aitken, 'Trust and participation in urban regeneration', People, Place & Policy, 6(3), pp.133-147, 2012, p.138.

110   L. Dargan, 'Participation and Local Urban Regeneration: The Case of the New Deal for Communities (NDC) in the UK', Regional Studies, 43(2) pp.305-317, March 2009, p.33 para 1

111   David Conn, 'Hull after Brexit - will the City of Culture regret voting out?', The Guardian, 2 April 2017.

112   Stephen Bush, 'Divided Britain: how the EU referendum exposed Britain's new culture war', New Statesman, 23 June 2016.

In 2000, the Joseph Rowntree Foundation (JRF) reported that many former coalfields "remain blighted by severe socio-economic problems"[113]. Whilst noting success in clearing mining dereliction and creating new jobs, the JRF noted new jobs tended to be low paid. Whilst the government and EU did provide some funding, the competitive funding model of both New Labour and the EU at the time failed to provide a coherent national regeneration structure. The government must ensure that after Brexit, EU funding to declined areas is at a minimum matched, as part of a wider regeneration structure.

British regeneration policy can be examined against initiatives in the main hard-coal area of Germany, North-Rhine Westfalen, subject to long term decline in mining production and employment. Regeneration strategy from 1992 was based around a limited company involving city and district councils, chambers of commerce, trade associations, and active local firms. Universities and polytechnics were established, alongside startup firms, industrial parks, and technology centres. Coordination and dialogue were key. The effect was to "insulate North-Rhine Westfalen from the worst excesses of de-industrialisation"[114]. The success of this model provides a clear potential starting point for reinvigorating communities in the UK.

Creating a new model for regeneration

To redefine regeneration, we must first have a clear picture of what our national economy should look like; what we are regenerating towards. Much has been floated of the idea of a knowledge economy, driven by cities acting as hubs of information and the knowledge sector. The Centre for Cities stated that the cities that adapted best to the modern economy are those that created jobs in knowledge-focused industries to offset job losses in traditional industries, and that policy needs to "stop obsessing about returning to the past and look to the future by focusing on improving the attractiveness of these cities to knowledge-focused businesses".[115]

Many advocates of the post-industrial knowledge economy cite Switzerland, which relies on strong financial services and tourism sectors. In 2016 Switzerland had twice the per-capita income of the UK[116]. Yet in reality Switzerland is the most industrialised country in the world if measured in terms of manufacturing output

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113   K. Bennett, H. Beynon, and R. Hudson, Coalfields regeneration: Dealing with the consequences of industrial decline, Joseph Rowntree Foundation, 2000.

114   D. Waddington et al, Out of the Ashes? The Social Impact of Industrial Contraction and Regeneration on Britain's Mining Communities, The Stationary Office in association with the Regional Studies Association, 2001, p.199.

115   P. Swinney and E. Thomas, A century of cities: Urban economic change since 1911, Centre for Cities, March 2015, p.1 & p.2.

116   Ha-Joon Chang, 'Making things matters. This is what Britain forgot', The Guardian, 18 May 2016.

per head - nearly three times in 2013 than that of the UK (which lags between 20th and 25th by this metric)[117].

The fact of the matter is that there will always be a need for manufacturing in a world where things are needed. Whilst nobody disputes that the old style manufacturing economy is gone, there is no escaping the fact that we still fundamentally live in an economy where, to quote John Major, "making things matters"[118]. Not everybody in the labour market can or wants to be an IT techie, software engineer, architect, or academic.

Advanced manufacturing - such as the high-tech aerospace engineering of Rolls Royce or Bombardier - holds three key advantages over post-industrial service industries which makes it beneficial for former industrial areas facing decline: "jobs, exports, and wages"[119]. Manufacturing jobs tend to be higher paid, and do not necessarily require high educational attainment. Further, high-end exports need little modification for foreign markets, making them easier to export than computer software, for instance.

Thus it is important to design a model for the national economy based on an integrated link between the three sectors that bind the knowledge economy to the manufacturing economy:

Knowledge

Researchers and academics, universities and centres of learning and research, innovating and developing knowledge and ideas such as green technology or robotics, etc;

Know-how

The sector of the workforce who administrate and work out how to apply knowledge to societal needs; white collar workers such as software designers, engineers, draughtsmen, accountants and economists, civil servants, managers, lawyers etc;

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117   Ibid.
118   Speech to the Conservative Central Council, Harrogate, 6 March 1993, quoted UKPOL Political Speech Archive [website], May 24 2018, para.58.
119   Supra note 94.

Application

The sector of workers who apply innovation in manufacturing, producing, and implementing things across the economy; factory workers, construction workers, agricultural labourers, service and leisure industry workers, systems installers, craftsmen, equipment suppliers, etc.

Only through an integrated tripartite skills web based on these three workforce sectors, underpinned by cradle-to-grave education and retraining opportunities for all, can we create a unified national economy which can begin to heal our national divides. An example of an integrated tripartite project is the rejected Swansea Bay tidal lagoon, mixing green technology (knowledge) with technical engineering (know-how) and physical installation of the project (application). Such projects benefit the local area immediately (via employment) and permanently (via cheap, clean electricity), but also - with government support - allow that area to become a national and global leader in the design, manufacture and installation of that technology.

In contrast, an economic strategy based on a vision of a post-industrial knowledge economy is bound to fail because it is inherently divisive, creating a new geo-economic underclass in former industrial areas. A study into gentrification and industrial displacement in Williamsburg, Brooklyn offers a stark warning:

> 66 Through buy-outs, lease refusals, zoning changes and increasing rents, small manufacturers are being actively displaced, endangering the diversity of the economy and the employment outcomes of unskilled and immigrant workers" [120].

People vs profit

Currently, regeneration projects are carried out by a mixture of central and local government initiatives, community organisations and private sector groups - often in partnership. One such example is Siglion, the Sunderland regeneration partnership set to run from 2015 - 2035, ran by Sunderland City Council, Igloo Regeneration and Carillion. Whilst healthy partnership is important, such a web of different stakeholders risks a lack of coherence. Equally, over-reliance on large private companies such as Carillion to do the administrational heavy lifting risks

120   W. Curran, ''From the Frying Pan to the Oven': Gentrification and the Experience of Industrial Displacement in Williamsburg, Brooklyn', Urban Studies, 44(8) pp.1427-1440, 2007.

damaging regeneration efforts and sowing community mistrust. Indeed, in 2018, redevelopment of the Vaux site, Sunderland's new business district, ground to a halt when Carillion went into liquidation.

A May 2018 publication by the House of Commons Work and Pensions Select Committee described Carillion's business model as a "relentless dash for cash"[121]. This model jeopardises regeneration projects directly, and further undermines the very local economy which regeneration aims to improve, through the exploitation of local businesses and suppliers[122].

Effective regeneration requires a balance between community involvement and centralised planning. The study of Vázquez and del Rosal (1995) into decline and regeneration in the Asturias coal region of Spain identified four key deficiencies in regeneration agencies[123]:

- Fragmentation, lack of coordination, overlapping jurisdiction, and inability to establish a 'critical mass' of activity;
- Primarily based on government involvement, with insufficient local business involvement; not integrated into local economy;
- Excessively bureaucratic, lacking flexibility or clear targets;
- Lacking long term goals; short term goals subject to political interference.

British regeneration strategy must be based around a network that is coordinated, proactive, purposeful, integrated, flexible, and working towards precise short and long-term objectives.

It is vital that national economic objectives are achieved in a way which roots economic activity firmly within communities. New models for regeneration must be transparent, democratic and responsive, enabling communities to find a valued place within the national economy.

The Post-Brexit Consensus

Regardless of our relationship with Europe, healing our national divides demands a new economic mission, welding together the knowledge economy and the

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121   Work and Pensions Select Committee, 2nd Joint Report - Carillion, (HC749 16 May 2018, para 1).
122   Jon Stone, 'Corbyn woos small businesses with plan for crackdown on late payments', The Independent, 11 April 2017.
123   Supra note 113, p.202.

advanced manufacturing economy through a balance between the tripartite skills web, alongside community-led regeneration towards national economic revival. This calls for nothing less than a new political consensus, no less radical or committed than those forged from 1945 and 1979.

CONCLUSION

Serious social and economic divides exist within our nation. The evidence is clear and it is growing: the rise of food banks; increasing job insecurity; zero hours' contracts; and dignity at work threatened by giants like Amazon & SportsDirect that can afford to do better. There is a distinct lack of social mobility and social justice.

We must use the economic tools we have our disposal to heal the rift between socio-economic classes, between wealthy and poverty-stricken areas, and between cities, towns and the countryside. New, cutting-edge industries alongside modern, innovative businesses can & must provide meaningful employment - with scope for future development.

REGIONAL DIVISIONS

FOREWORD

Mayor **Dan Jarvis** MBE MP

Two years have passed since the EU referendum. And in that time, millions of hours and column inches have been spent debating both its causes and its consequences.

For the first year, it seemed that not a week went by without some commentator or academic offering their unifying theory as to what exactly happened, and why. Whilst for the last year the debate has been characterised more by concerns over the government's handling of it and conspiracies relating to illegitimate influences.

The truth is that in June 2016, 17.4 million people voted to Leave the EU, and each of them did so for a combination of reasons and conditions unique to them. Any desire to find a single common answer will always result in either frustration or oversimplification.

That said, I do believe that one phrase had particular significance, that of "taking back control". This phrase didn't just resonate with the millions who voted Leave, it also resonated with millions of people who voted Remain. The reason it did, was less to do with our membership of the EU, than it was the resentment people feel towards the economic and political status quo.

When I look at my home county of Yorkshire, it's easy to understand why: Government spending is nearly £300 per person lower than the national average; transport infrastructure investment is one tenth of that in the capital; income is only 80% of the national average; and, like everywhere else in the UK outside of London and the south-east, real earning power has not risen in a decade.

But the disillusionment that contributed to the 'Leave' vote isn't just about the centralisation of income and wealth in London; it is about how people believe they are represented. Across the UK only 27% think our system of government is working well and only a similarly small number feel that either parliament represents "people like them" or that ordinary people "have a big say in decision making".

These concerns cannot be addressed just by redistributing income, or even wealth; they can only be addressed by redistributing power. The government needs to empower communities by devolving decision-making closer to the places it will affect. Together with investment, this will lead to both better public services and the reengagement of people around a common sense of community purpose.

Devolution offers us the opportunity to do this. Whether it's a mayoral model or an assembly model, when we get devolution right it offers a fairer and more democratic means of governing and delivering. One where working people have a greater say in the choices that affect their lives, and a greater stake in the services they rely upon. We can only achieve radical transformative change to communities if the communities control their own destinies.

But for this to happen we must enable the right level of devolution and abandon an economic and political model that's only hope is for wealth to trickle down and prosperity to ripple out. We must replace it with a fully empowered three-tier system of government – local, regional, national. Giving each tier the powers and resources they need to make a difference in the communities for which they are responsible. And we must give those leaders a clear voice in Westminster.

Only if we do this correctly will we be putting the right people at the heart of decision making; end the status quo with which so many people have become disenfranchised; and allow regional communities to overcome the challenges they face. Only if we get devolution right, will we allow the regions to make the most of its opportunities and turn people's new sense of aspiration and expectation into a reality.

This debate has never been more urgent, nor the solutions so desperately needed. This chapter offers some important contributions to that debate.

INTRODUCTION

Daniel Davies, Nicky Stubbs & Mark Whittaker

As all of the contributions to this pamphlet explore, the rifts between people living in Britain are not limited to one realm of our society. Permeating the entire debate on the nature of divisions in British society is a real sense that we are divided by the prosperity attained by some and the poverty that burdens others; by the values that underpin the distinct religious, ethnic and cultural groups that constitute our nation; and yes, divided within the communities, towns and regions in which we live. But the notion of dividedness can be applied perhaps more so than any other to the difference in outlook, identity, experience and opportunity that are held by people living in different parts of modern Britain.

This chapter focuses on the nature of those regional divisions in modern Britain along three key contours. It begins from the vantage point that Britain's economy is far too dependent on London. For the avoidance of doubt, London is one of the most unequal capital cities across the whole of Europe and is home to residents living in communities that are as economically dispossessed as any community that can be found across the United Kingdom. Two of London's boroughs – Hackney and Tower Hamlets – are among the ten most deprived boroughs in England.[1] Further to this, analysis published earlier this year by the End Child Poverty coalition of charities, reports that children growing up in the London parliamentary constituencies of Bethnal Green & Bow and Poplar & Limehouse are more likely than not to grow up in poverty.[2]

But the consolidation and centralisation of political and economic power in London has resulted in vast parts of our country – as well as vast parts of the capital – being 'left behind'; under-resourced and ill-equipped to meet the challenges of the 21st century. This, we argue, plays out onto the socio-economic map of Britain; driving deep inequalities that continue to haunt policymakers in terms of access to a decent education, adequate healthcare and employment earning opportunities dependent on where one lives. Finally, we argue that the vast differences that exist between regions of the United Kingdom is exacerbating tendencies that fuel

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1   D. Dorling, The New Statesman, 2014, https://www.newstatesman.com/2014/08/london-problem, (accessed 14 September 2018)

2   L. Valadez-Martinez and D. Hirsch, End Child Poverty, 2018, http://www.endchildpoverty.org.uk/poverty-in-your-area-2018/ , (accessed 14 september 2018)

attachment to place, which, whilst in itself is virtuous, can in some cases lead to parochialism and further entrench divisions between different parts of the country.

But with devolution high up on the political agenda, the debate around how we empower communities through place-based policy approaches is vital. We can only give people a sense of buy-in to their community and to Britain by giving them control over their own lives, communities and workplaces; putting local communities at the heart of decision-making and celebrating the virtues of local communities.

THE IMPORTANCE OF PLACE

We start from the premise that place is important to people. Places offer us a physical space in which we can anchor our lives. It is a geographical location that we share with others as we go about our daily lives, both in work and in pleasure. It is the space within which the places we work are situated; providing us with the means by which we can aspire to attain a better life for ourselves and our children; and provide us with the strong support networks that help us to raise a family. Places shape us and are shaped by us. They give us out accents, our football teams, our political outlook and more. Britain has a history of dividing politics spatially; from the Whig and Tory divisions of the 19th century to the North-South divide, discourses and policies have been shaped by and continue to shape the places in which we live. At its very best, place lends us the spaces that we can call home – and this is why we want the places in which we live to thrive and succeed.

But many of the places in which people live are very different from that aspiration. Britain is home to steep geographical differences in living standards and economic conditions, which are exacerbated by an increasing tendency for people of different ages and socio-economic classes to live in separate places. The great delusion of the West's crumbling free-market consensus is that an individual's life outcomes are a direct result of their level of effort and talent. But when an individual's birth place and local area play such an important role in determining the educational and economic opportunities available to them – and even shaping how long they are likely to live – it is time to put this delusion to bed once and for all.

DE-INDUSTRIALISATION AND GLOBALISATION: FROM THE LOCAL TO THE GLOBAL

Over the last thirty years, Britain's spatial and geographical configurations have been transformed on an unprecedented scale. The Labour Party has rightly been a champion of globalisation, a process that has torn down economic, social and cultural barriers between different groups of people living in different parts of the world. But globalisation is not perfect – far from it. The version of globalisation we see today has, as Bhabha wrote in 1992, moved 'swiftly and selectively from one island of prosperity to another... paying conspicuously less attention to the persistent inequality and immersion produced by such unequal and uneven development'.[3] Whilst some regions of the United Kingdom have been able to take full advantage of the form of globalisation offered by the opening up of the local to the world economy, others have been exposed to its harsher, less talked about face. The extent to which globalisation has transformed our lives, either for better or worse, depends largely on where we live and the extent to which the powerful forces of globalisation have penetrated the social and physical landscapes that surround us.

David Goodhart in The Road to Somewhere classified people as either 'Somewheres', the people that are rooted within a locality, or 'Anywheres', those that tend to 'value autonomy and openness'.[4] Whilst Jennings and Stoker, in their paper The Bifurcation of Politics: Two Englands, described the regional divide as one between 'Cosmopolitan' and 'Backwater' place.[5] However, we, and the original authors, do readily acknowledge that these nouns are problematic. People from places such as de-industrialised Doncaster, the home of the Flying Scotsman, the Labour Party and four Polar Bears, would not describe their home as a 'Backwater' place. Instead, places that have strong, proud histories in productive work that have been cast aside by an economy that prioritises the global over the local and are now less resourced and undervalued than the 'Anywheres' of the world.

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3   H.K Bhabha, The Location of Culture, Routledge, 1994, Preface, p. 14.

4   D. Goodhart, The Road to Somewhere, Penguin, Introduction, p. 7.

5   W. Jennings and G. Stoker. 'The bifurcation of politics: Two Englands.' Political Quarterly 87 (3): 372–382, 2016, p. 7. Available from Wiley Online Library. (accessed 14 September 2018)

LONDON VERSUS THE REST: THE UNDER-DEVELOPMENT OF BRITAIN

Whatever synonym is used, the underlying message holds true: there is a widening spatial divide in British politics and it is caused by the unequal economic development that global market forces project onto local landscapes. Underlying Britain's regional malaise is a simple but extremely powerful truth: our country is far too dominated by the City of London and its hinterland in the South East. The spatial reconfiguration of the British economy over the last three to four decades has resulted in the balance of economic power being shifted decisively away from the post-war economic infrastructure and the social systems that surrounded it to London-rooted financial markets. The consolidation of political and economic power in London saw the capital become a 'global' city, whilst regions such as Yorkshire and the Humber, the Midlands, Wales, the North East, the North West and parts of Scotland lost industries that once supported strong and cohesive communities organised around workplaces such as mills, mines and factories.

The consolidation of the shareholder driven model, perpetually seeking short-term gains, has driven a transformation of the patterns of investment: from investments in production in Britain's infrastructure to speculative investments in the City of London. Henderson and Ying Ho[6] argue that financialisation and de-industrialisation are not two separate, incidental processes, but two sides of the same coin. Without strong economic infrastructure to invest in, the likelihood of financial returns are diminished, and without capital investments, infrastructure is at greater risk of decline. The process becomes self-reinforcing – almost a deadly symbiosis.

This has spatial implications. It has meant that there has been a significant overinvestment in London and its hinterland, whilst areas outside the capital continue to suffer the legacies of their economic decline. Many often struggle, largely in part to a mixture of poor skills, weak or outdated infrastructure and poor transport links, to attract forms of investment that might provide decent, secure and well remunerated employment opportunities. Henderson and Yong Ho compare London's relationship with the rest of Britain's regions as that of the Indonesian Upas Tree, a plant whose toxic sap kills anything that attempts to grow beneath it.

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6   J. Henderson and S. Ying Ho, 'The Upas Tree: the over-development of London and the under-development of Britain.' Renewal 22, 2014, p. 3/4. (accessed 14 September 2018)

This peculiar relationship between London and the rest of the United Kingdom even comes to dominate the political discourses and narratives. It was particularly telling when Boris Johnson, in his bid for re-election to the London Mayoralty in 2012, suggested that 'a pound spent in Croydon is of far more value to the country than a pound spent in Strathclyde[7]'. His suggestion that, when it comes to public spending, London should be given priority over other areas of Britain was later echoed by his deputy for business Kit Malthouse, who said that it would be beneficial for Northern Ireland, Scotland and Wales to spend tourism budgets promoting London than in their own nations.

Figure 1. Total public sector expenditure for financial year ending 2017, by UK country and region and function category.

Total expenditure (£ million)	North East	North West	Yorkshire and The Humber	East Midlands	West Midlands	East of England	London	South East	South West	England	Wales	Scotland	Northern Ireland
1. General public services	2,445	6,606	4,956	4,398	5,357	5,801	8,389	8,948	5,197	52,098	3,113	5,604	1,906
1. of which: public and common services	439	1,108	827	798	931	1,135	1,713	2,074	996	10,022	745	1,493	489
1. of which: international services	394	1,081	812	708	870	917	1,312	1,351	826	8,271	466	808	279
1. of which: public sector debt interest	1,611	4,417	3,317	2,893	3,556	3,749	5,364	5,522	3,376	33,805	1,903	3,304	1,139
2. Defence	1,484	4,072	3,056	2,667	3,277	3,456	4,943	5,090	3,110	31,154	1,754	3,044	1,048
3. Public order and safety	1,355	3,433	2,374	1,953	2,486	2,315	5,553	3,235	2,028	24,731	1,343	2,729	1,270
4. Economic affairs	1,525	4,301	3,177	2,312	3,194	3,532	10,248	5,806	3,250	37,345	2,371	6,044	1,620
4. of which: enterprise and economic development	215	550	368	410	439	400	826	1,138	414	4,761	415	990	352
4. of which: science and technology	153	380	277	276	298	431	573	604	349	3,340	159	395	77
4. of which: employment policies	166	276	264	166	272	153	354	204	125	1,979	136	243	100
4. of which: agriculture, fisheries and forestry	205	370	411	386	318	455	84	438	636	3,303	467	1,020	507
4. of which: transport	786	2,725	1,857	1,075	1,867	2,092	8,411	3,422	1,726	23,962	1,194	3,396	584
5. Environment protection	336	2,325	677	515	676	893	1,153	1,276	1,008	8,859	640	1,376	267
6. Housing and community amenities	484	790	753	601	811	678	1,791	868	430	7,206	715	1,767	766
7. Health	6,257	16,837	11,541	9,211	12,835	11,562	23,596	17,539	11,123	120,499	6,988	12,666	4,192
8. Recreation, culture and religion	465	1,179	914	715	865	856	1,829	1,373	799	8,995	674	1,392	587
9. Education (includes training)	3,355	9,216	6,943	5,879	7,462	7,761	14,104	10,879	6,564	72,163	4,186	8,173	2,717
10. Social protection	12,034	30,876	22,089	18,446	23,657	22,955	32,048	32,662	22,483	217,249	14,560	23,415	9,167
EU transactions	87	547	239	156	369	351	2,227	1,009	115	5,100	-127	-32	-218
Accounting Adjustments[1]	2,722	5,202	4,626	4,616	4,631	5,212	6,959	9,309	6,352	49,629	3,117	5,430	2,693
Total	32,548	85,384	61,344	51,470	65,617	65,371	112,842	97,993	62,459	635,028	39,334	71,609	26,015

Source: Office for National Statistics (ONS)

Such is the disturbing mentality among a political elite in Britain's capital that is symptomatic of the gross overdevelopment of London and the South East and the underdevelopment of many parts of the rest of Britain. The reality is that when it comes to public spending, London takes the lion's share of taxpayers' cash. Figure 1 shows that public spending in almost all function categories is higher in London and the South East than in any other part of the United Kingdom. It reveals a systematic overinvestment in economic focal points in London and the South East in relation to an underinvestment in the rest of Britain.

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7   C. Wimpress, The Huffington Post, 2012 https://www.huffingtonpost.co.uk/2012/04/26/job-creation-london-mayor-huffpost-linkedin_n_1456092.html (accessed 14 September 2018)

This has drastic consequences for the divisions that exist between different regions in terms of economic output. Chief amongst Britain's economic woes are the issues of productivity, which has gained greater attention from commentators in recent years, and stalling growth outside of the South Eastern region. The Centre for Cities, a think-tank dedicated to promoting inclusive growth and investment in Britain's cities outside of the capital, argues that much less thought has been dedicated to how productivity plays out across different regions. Research they conducted shows that the country's national productivity problems are a result of the underperformance of many cities outside London and the South East. The North-South divide is particularly pronounced in their analysis: whilst London and Reading rank among the most productive cities in Europe, other cities such as Leicester and Sheffield perform below the average for European cities.[8]

According to figures from the ONS, Greater London has a much higher level of economic output per head than any other region in the United Kingdom. Taking Gross Value Added (GVA) – the contribution of a particular unit to the UK economy as a whole – as a measure of productivity per head in a given combined authority shows that workers in London contribute twice as much to the UK's economic output as do workers in the West Midlands, Greater Manchester, West Yorkshire, the North East, Liverpool City Region, Sheffield City Region and Tees Valley.

8   The state of urban Britain in 2018, Centre for Cities, 2018, http://www.centreforcities.org/reader/cities-outlook-2018/state-urban-britain-2018/#why-economic-divides-exist-across-the-country , (accessed 14 September 2018)

Figure 2. Total Gross Value Added (GVA) per head by combined authority.

Name of combined authority	Population[3]	Total GVA (£ million)[4]	Annual growth in total GVA (%)[4]	Annual growth in 'real' GVA (%)[5,6]	GVA per head (£)[1]	Annual growth in GVA per head (%)[1]
Greater London	8,787,892	408,479	5.1	3.0	46,482	3.7
West Midlands	2,864,925	61,012	3.6	1.3	21,296	2.4
Greater Manchester	2,782,141	63,673	4.2	2.3	22,886	3.2
West Yorkshire	2,299,673	50,766	2.3	0.2	22,075	1.5
North East	1,966,902	37,871	1.5	n/a	19,254	1.0
Liverpool City Region	1,533,350	30,858	1.6	-0.5	20,125	1.0
Sheffield City Region	1,384,969	24,775	1.9	-0.1	17,888	1.1
West of England	919,587	28,390	5.5	n/a	30,872	4.3
Cambridgeshire and Peterborough	849,035	23,743	4.1	n/a	27,965	3.2
Tees Valley	669,946	12,803	0.1	n/a	19,111	-0.2

Source: Office for National Statistics

From this analysis, we could arrive at a number of conclusions. We could take the view that the reason for this disparity is that workers in those regions that perform less well are lazier than those working in London. Alternatively, we could conclude that in the context of significant underinvestment in those regions, Britain's economy is significantly imbalanced in favour of London and the South East, while the rest of Britain struggles to establish and maintain strong infrastructural networks.

DIFFERENCES IN LIVING STANDARDS

A quick analysis of Britain's economic and social geography demonstrates that our lives are shaped by deep structural forces – and that there are things that policymakers should do to diagnose and start to heal these divisions. As the Industrial Communities Alliance argued, "Regional policy is not about handouts for poorer areas", or about trying to turn back the clock to re-create the conditions

of a bygone age.[9] At its best, it can be about re-creating Britain, to ensure better living conditions, and opportunities for prosperity, across all parts of our nation.

Figure 3: A map of Britain by NUTS1 region. In this part of our chapter, 'regions' refers to the NUTS1 statistical regions of the United Kingdom, which include each of the devolved nations, London, and eight further English regions. 'Intra-regional' or 'sub-regional' usually refers to smaller NUTS3 statistical sub-regions, which are nested within larger NUTS1 regions. These are useful scales of analysis, particularly for ease of international comparisons (because other EU countries also use the NUTS system).

9   Post-Brexit Regional Policy: Proposals from the Industrial Communities Alliance, Industrial Communities Alliance, 2018.
      http://www.industrialcommunitiesalliance.org/uploads/2/6/2/0/2620193/post-brexit_regional_policy__2018_.
      pdf (accessed 14 September 2018)

IN SICKNESS AND IN HEALTH: BRITAIN'S HEALTH AND SCHOOLING DIVIDES

Eighty years ago, an energised public health movement adopted a powerful slogan: "the Health of the People is the Highest Law."[10] Today, that law applies quite differently depending on where you live.

In 2015, a landmark study into years of life lost to 25 leading causes of ill-health showed a clear divide between southern England on the one hand, and northern England and the devolved nations on the other.[11] [12] Their data shows that Southeast England enjoys the lowest rate of years of life lost in the entire European Union, and that the other regions in southern England all have lower rates than the UK average. By comparison, northern England and the devolved regions all have higher rates of years of life lost than the UK average. Northwest England and Northern Ireland have worse outcomes than Greece, a country with less than half of Britain's GDP per capita.

Furthermore, rises in national life expectancy have not closed gaps in regional life expectancy, meaning that boys and girls born in every region of northern England can still be expected to live several years less than those born in southern England.[13] Health inequalities are also extreme within regions, to the extent that life expectancy at birth drops by 8 years on the 8-minute London Underground journey from suburban Upminster to the less prosperous estates surrounding Dagenham East.[14]

10   Municipal Dreams, https://municipaldreams.wordpress.com/2013/10/01/the-walworth-clinic-southwark-the-health-of-the-people-is-the-highest-law/, 2013, (accessed 24 June 2016)

11   J. N Newton et al., 'Changes in Health in England, with analysis by English regions and areas of deprivation, 1990–2013: a systematic analysis for the Global Burden of Disease Study 2013', The Lancet, 386, No. 10010 (2015), p2257–2274

12   This is the authors' definition. 'Northern England' comprises the NUTS 1 statistical regions of Northeast England, Northwest England, Yorkshire & Humberside, the East Midlands and the West Midlands; and 'southern England' comprising London, Southeast England, the East of England and Southwest England. The 'devolved nations' refers collectively to Scotland, Wales and Northern Ireland.

13   Office for National Statistics, Statistical Bulletin: Life Expectancy at Birth and at Age 65 by Local Areas in the United Kingdom: 2006-08 to 2010-12, (London: ONS, 2012)

14   Oliver O'Brien, Lives on the Line, 2018 <http://tubecreature.com/#/livesontheline/current/same/U/*/TFTF/12/0.1377/51.5599/> [last accessed 24 June 2016]

As Thomas & Dorling so vividly put it, "In general more of the dead are younger in poorer areas," and this trend is not decreasing.[15] [16] [17]

The quality of schooling for children from lower-income backgrounds also varies strongly across Britain, although the disparity here is lower between the 'north' and 'south' than between London and its hinterland on the one hand, and everywhere else on the other.[18] As the Social Mobility Commission points out, "51 per cent of London children on free school meals achieve A* to C in English and maths GCSE, compared with an average of 36 per cent in all other English regions", whilst a lower quality of schooling is contributing to the concentration of 'social mobility cold-spots' in deprived areas within smaller cities in northern England.[19]

Differences in Government funding do play a limited role here. London currently benefits from significantly higher levels of expenditure per person on health and schooling services than any other region - at levels of difference which are somewhat higher than might be expected just to cover differences in staff and land costs.[20] School funding per person is lower now in every region of northern England than it was in 2012, whereas it has risen in every region of southern England over the same period.[21] The new National Funding Formula for schools may go some way to reducing this trend, as its practical short-term effect will be to freeze funding for London's most deprived schools whilst increasing it for schools in deprived northern local authorities such as Knowsley and Blackpool.[22] However, ideologically-driven, demand-led experiments in education policy have been pulling in the opposite direction since at least 2010. It has been found that 76 of the 111 new free schools approved by HM Government in 2017 are to be based in southern England,[23] with just 12 based in the most deprived local authority areas.[24] This is perhaps due to the higher concentration in London and wealthier areas of well-connected parents'

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15   Bethan Thomas and Daniel Dorling, Inequalities in premature mortality in Britain: observational study from 1921 to 2007, British Medical Journal, 341, c3639 (London: BMJ, 2010)

16   Ibid

17   John N Newton et al., 'Changes in Health in England, with analysis by English regions and areas of deprivation, 1990–2013: a systematic analysis for the Global Burden of Disease Study 2013'

18   Usually measured by eligibility for free school meals.

19   Social Mobility Commission, State of the Nation 2017: Social Mobility in Great Britain (London: Social Mobility Commission, 2017)

20   Chris Belfield and Luke Sibieta, The short- and long-run impact of the national funding formula for schools in England, Institute for Fiscal Studies Briefing Notes BN 195 (London: IFS, 2017)

21   Office for National Statistics, National Statistics: Country and Regional Analysis 2017 (London: ONS, 2017)

22   Chris Belfield and Luke Sibieta, The short- and long-run impact of the national funding formula for schools in England

23   Department for Education, 2017, More than 130 new free schools to create more good places < https://www.gov.uk/government/news/more-than-130-new-free-schools-to-create-more-good-places> [last accessed 24 June 2018]

24   Toby Helms and Richard Adams, Revealed: how free schools boom helps England's richest regions, The Observer, 15 April 2017

groups and higher education institutions that are likely to create the demand for a new free school or academy.[25]

Whilst a higher and more regionally-balanced approach to funding public services would be welcome (particularly in transport infrastructure), differences in living standards cannot be fully explained by different levels of funding for schooling and health services. Scotland and Wales have levels of per-capita health services expenditure that are substantially higher than the British average, thanks in part to the relative generosity of the Barnett Formula and other devolution funding settlements which are not yet available to England's regions.[26] Yet Wales has significantly worse health outcomes than Southeast England-[27] despite receiving around £300 per capita more in health service funding per year.[28] Similarly, even though Northeast and Northwest England receive more medical service funding per capita than the East of England,[29] they experience worse life expectancy and years of life lost outcomes than the East.[30]

There are two important points to make here. The first is that economic deprivation is strongly associated with the presence of multiple health risks at a personal level,[31] and a lower quality of schooling outcomes at a local authority level.[32] London has many pockets of deprivation but has punched above its per capita weight in securing public service funding. London aside, northern England and Wales simply have a greater proportion of seriously deprived local areas than southern England[33] - this is very visible on the Index of Multiple Deprivation for England map, below.[34]

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25   Social Mobility Commission, State of the Nation 2017: Social Mobility in Great Britain

26   Aaron Cheung, Treasury should show its workings on funding devolved governments, Institute for Government, 2017 < https://www.instituteforgovernment.org.uk/blog/treasury-should-show-its-workings-funding-devolved-governments> [last accessed 24 June 2018]

27   John N Newton et al., 'Changes in Health in England, with analysis by English regions and areas of deprivation, 1990–2013: a systematic analysis for the Global Burden of Disease Study 2013'

28   Office for National Statistics, National Statistics: Country and Regional Analysis 2017

29   Ibid

30   John N Newton et al., 'Changes in Health in England, with analysis by English regions and areas of deprivation, 1990–2013: a systematic analysis for the Global Burden of Disease Study 2013'

31   Ibid

32   Nick Clegg et al., Commission on Inequality in Education, (London: Social Market Foundation, 2017)

33   Andrew Carter and Paul Swinney, 2018, 'The UK Towns and Cities with the Highest and Lowest Wages', BBC News, < https://www.bbc.co.uk/news/business-43729508>, [last accessed 24 June 2018]

34   Office for National Statistics, Annual Survey of Hours & Earnings: 2017, (London: ONS, 2017)
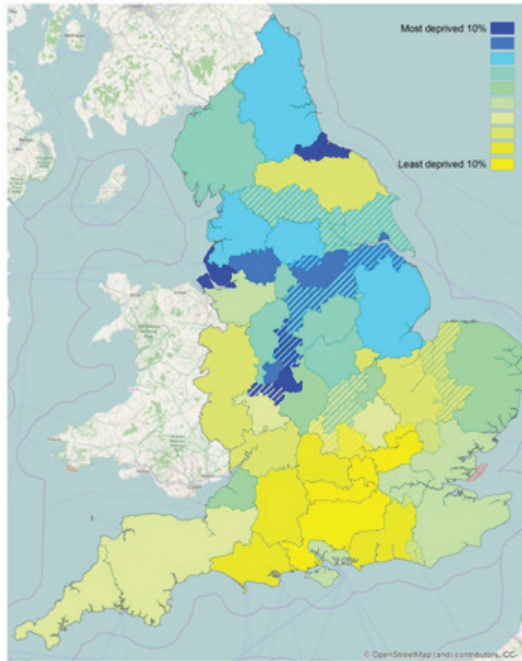
Figure 2: England's Index of Multiple Deprivation 2015, mapped onto Local Enterprise Partnership areas. This is based on the proportion of neighbour-hoods within each LEP that are in the most deprived decile of neighbourhoods across the whole of England. The deprivation measures here are income, employment, education, health, crime, living environment and barriers to housing.

The second point is that local authorities are responsible for social care and increasingly for public health services.[35] This trend in devolution risks increasing regional living standards divisions further because local authorities have been disproportionately affected by austerity;[36] redistributive measures between local authorities (such as the Revenue Support Grant, and Business Rates redistribution)

35   Sarah Heath, Local authorities' public health responsibilities (England), SN06844, (London: House of Commons Library, 2014)

36   Carl Emmerson and Thomas Pope, Autumn 2017 Budget: Options for Easing the Squeeze, Institute for Fiscal Studies Briefing Notes BN 135 (London: IFS, 2017)

are being weakened; and local authorities' Business Rate tax bases vary widely.[37] For example, average Business Rates revenue per person is 2.7 times higher in London than in Wales.[38] On top of this, the sorting effects of socio-economic class and age, due to intranational migration, mean that those with the greatest needs are increasingly living in the local authority areas that are least able to support them.[39] Given that 55% of care home residents are self-funding in the wealthier Southeast, whereas just 24% of care home residents are self-funding in the Northeast,[40] it does not take much imagination to see where the burden of reduced local authority support would hit hardest.

These points demonstrate that if we are to understand Britain's regional divisions in living standards, we need to understand Britain's economic divisions.

HARMING US ALL: THE SCALE AND EFFECTS OF BRITAIN'S REGIONAL ECONOMIC DIVISIONS

The economic inequalities within London, and between southern England and the rest of the UK, offer a stark picture of a nation divided. As the graph below shows, London's economic output per person (measured by GVA) is more than twice as high as that of any region in northern England, Northern Ireland or Wales. Britain's second most 'productive' region per person is the Southeast of England, with Wales coming last on this measure.[41] Yet the gap in productivity between London and Southeast England is actually larger than the gap in productivity between Southeast England and Wales. London's outlier status skews the UK regional productivity average, meaning that only London and Southeast England beat the national average for productivity. This leaves a 'long tail' of relatively low productivity outside of London and Southeast England.

37   Industrial Communities Alliance, The Devolution of Business Rates: A Briefing Paper, (Barnsley: ICA, 2015)
38   Author's analysis using ESPRESSO - Tax and Expenditure Analysis Tool, published by New Economy using data sourced from HMRC http://www.neweconomymanchester.com/publications/espresso-tax-and-expenditure-analysis-tool, 2016 [last accessed 24 June 2018]
39   Ian Warren, The Coming Crisis: Access to Health in our Towns, (Centre for Towns, 2018)
40   Richard Humphries, Paying for Social Care: Beyond Dilnot, (London: The King's Fund, 2013)
41   Author's graph, using data from Office for National Statistics, Regional Gross Value Added (Income Approach), UK: 1997 to 2015 (London: ONS, 2016)

Gross economic output (GVA) per person by Region (NUTS1)

Despite this, economic inequality within London is literally off the scale when compared with inequality within any other region. Whilst 32 of Britain's 50 neighbourhoods with the highest child deprivation rates are in northern England and the devolved nations, the other 18 are in London.[42] Furthermore, when comparing sub-regional[43] differences in GVA/person in 2016, the ONS had to exclude London from their charts, explaining that due to the enormity of its internal inequalities, "London is shown separately on a different scale".[44] This phrase neatly captures London's exceptionality across so many measures of regional economic well-being. London's poorest NUTS 3 sub-region, Redbridge & Waltham Forest, has a GVA/person of £13,000, whereas Camden & the City of London's GVA/person is £275,802.[45]

No other region comes close to this level of internal inequality – the next most unequal region, Southeast England, has a range from £18,000 (East Kent) to £41,000 (Milton Keynes, Britain's most productive sub-region per capita outside of London). Not only are parts of London struggling economically, but London's inequalities make it extraordinarily difficult to live on a low income – particularly

42   Philip McCann, The UK Regional-National Economic Problem, (London: Routledge, 2016)
43   i.e. Differences between smaller NUTS3 regions within their larger NUTS1 regions
44   Office for National Statistics, Regional Gross Value Added (Income Approach), UK: 1997 to 2015, (London: ONS, 2016)
45   Ibid

due to the high housing costs arising from the city's sky-high land prices. This situation may be weakening social mobility in London despite the capital's strong schools, and is certainly driving an exodus of lower-income households from the capital. However, many of these internal migrants still need to commute into London for work,[46] due to the continued weakening of wages and economic activity in nearby local economies such as Southend,[47] as financial sector corporations have consolidated their operations since the financial crash.[48] Thus, Britain's regional divisions are resulting in lower living conditions even in regions that are 'doing best' under the current situation. They are also creating a situation where people of different socio-economic classes live in different places – London has very low levels of skilled working class (C2) employment and very high levels of high-paid professional (AB) employment across most of its local authority areas, whereas Northern English and Welsh local authority areas dominate the list of places with the lowest proportions of AB employment.[49]

Present-day snapshots do not capture the full abnormality of Britain's divided economic geography. Once we start to look at historical data, and to compare Britain's regional inequalities with those of other developed countries, we begin to see that a better and less divided economy is possible. Not only is Britain one of the more centralised of the world's major democracies in terms of deciding how to spend state funds,[50] but it has stark relative inequalities in economic output.[51] Using several measures of regional and sub-regional inequality in GDP and GVA, Britain consistently emerges as one of the two most geographically unequal countries in the EU-15[52] (alongside the Republic of Ireland).[53] [54]

As McCann points out, an optimal economy would achieve high levels of national income/capita alongside low levels of regional inequality.[55] Britain is falling

46   Robert Booth, Bloated London Property Prices Fuelling Exodus from the Capital, The Guardian, 2017 <https://www.theguardian.com/uk-news/2017/jul/24/bloated-london-property-prices-fuelling-exodus-from-capital> [Last accessed 2 July 2018]

47   Andrew Carter and Paul Swinney, The UK towns and cities with the highest and lowest wages, Centre for Cities, (London: Centre for Cities, 2018)

48   Since the financial crash, major service sector employers in Southend such as Insureandgo, HSBC and Lloyds have moved hundreds of jobs to consolidated sites in Britain's Core Cities.

49   Author's own analysis of ONS, 2011 Census: Approximated Social Grade, Local Authorities in England and Wales, (London: ONS, 2013).

50   Philip Blond and Mark Morrin, Restoring Britain's City-States: Devolution, Public Service Reform and Local Economic Growth, (ResPublica/Core Cities Network: London, 2015)

51   Grace Blakeley, Paying for Our Progress, (IPPR North: Manchester, 2017)

52   Ibid

53   Philip McCann, The UK Regional-National Economic Problem

54   The Republic of Ireland is another economy that has a large dependency on tradable financial services and corporate head office operations, based around a disproportionately large and productive 'global city' and relatively low levels of progressive taxation (Dublin).

55   Philip McCann, The UK Regional-National Economic Problem

behind its Western European neighbours on both counts, with Germany and France displaying higher GDP/worker and productivity growth as well as smaller regional and sub-regional inequalities.[56] Britain is even falling behind parts of the famously unequal United States of America in absolute terms. Wales, Northern Ireland, and England's Northeast and East Midlands now "display GDP/capita and GVA/worker scores of typically between 5% and 30% lower than the US states widely seen as facing intractable long-term development problems, namely West Virginia and Mississippi." [57] This is contributing to a higher poverty rate in these regions than is to be found in southern England,[58] as there are fewer stable, well-paid jobs to go around.[59]

Britain's regional inequalities are far from inevitable. This has not always been such a divided country. In the 1960s to the mid-1970s regional GDP/capita in Great Britain varied by around 40%, with Wales operating at around 85% of the UK average, and London operating at around 125% the UK average.[60] In the 1980s to 2000s, however, a resurgent 'north-south divide' emerged as the free-market revolution upended the old economic order, achieving steady levels of national economic growth alongside widening socio-economic and geographic inequalities. By the eve of the financial crash, London was operating at up to 174% the UK average GDP/capita and the Southeast and East of England had also increased their share of GDP/capita, while Wales, the Midlands and northern England had experienced substantial falls in their share of GDP/capita (relative to the UK average).[61] [62] This coincided with smaller but substantial trends in regional inequalities for disposable household income.[63]

While devolution of political powers is welcome, these trends do not coincide with increasing centralisation of the British state's decision-making powers; instead they

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56 Germany and France are also home to NUTS1 regions and NUTS3 sub-regions which have suffered from relative economic deprivation (including much of the former East Germany), along with others which have much higher economic output (such as Paris). Even so, OECD data shows that both countries have lower Gini coefficient scores than Britain on GDP and GVA inequality between NUTS3 sub-regions, as well as smaller ranges between the most productive and least productive EU-TL2 sub-regions (54% in France and 58% in Germany, vs. 95% in Britain)

57 Philip McCann, The UK Regional-National Economic Problem

58 Ibid

59 Unlike Britain's other regions, neither the Southeast nor the East of England contains a Core City; instead, their economies are closely intertwined with that of London due to large commuter populations and supply chains centred on providing goods and services into the capital.

60 Northern Ireland had a slightly lower GDP/capita than Wales, partly attributable to economic difficulties associated with the ongoing conflict there up until the 1990s.

61 Scotland achieved a modest overall rise in GDP/capita over this period, attributable at least in part to the rapid growth in the oil industry off the coast of Scotland in the 1980s and 90s along with associated onshore refinery and export operations. Northern Ireland's position also strengthened slightly from a lower base, thanks in part to the achievement of a peace settlement in Northern Ireland from the late 1990s onwards.

62 Philip McCann, The UK Regional-National Economic Problem

63 Ibid

coincide with the centralisation of Britain's economic activities into fewer sectors and places.[64] Therefore, if we want to address regional divisions, we must not only reform Britain's governance structures – we must understand how our economic model needs to change.

HOW WE GOT HERE: BRITAIN'S CHANGING ECONOMY

Since the 1980s, Britain's manufacturing industry has entered a period of sharp absolute and relative decline,[65] and our agricultural industry has experienced a worsening in its terms of trade for farmers along with a concentration of land and operations in fewer hands.[66] Both industries were distributed widely across Britain's regions, and manufacturing made a huge contribution to our 'traded goods and services' sector. This is important because the traded sector helps the national and regional balances of trade, and is usually much higher in productivity than the non-traded sector.[67] Thus, it facilitates the creation of higher-paid, higher-skilled jobs in larger numbers than the non-traded sector.[68] Before the 1970s and 80s, Britain's traded sector was based in places across our regions, drawn in and sustained by fixed local assets such as the availability of key minerals, clean water sources, and deep coastal waters suitable for launching newly-built ships.

As manufacturing's share of the traded economy shrank, its place was taken by high-end financial and related commercial services,[69] and, to a lesser extent, the oil industry that is overwhelmingly focused on Scotland's east coast.[70] Unlike the industries they replaced, these new services are not tied to area-based assets, relying instead upon dense metropolitan professional networks. As a result of this, London – Britain's 'global city' – came to dominate these sectors, accounting for

64   Ibid

65   Chris Rhodes, Manufacturing: International Comparisons, House of Commons Library Briefing Paper BN05809 (London: House of Commons, 2017)

66   Campaign to Protect Rural England, Uncertain Harvest: Does the Loss of Farms Matter?, (London: CPRE, 2016)

67   Rui C. Mano and Marola Castillo. The Level of Productivity in Traded and Non-Traded Sectors for a Large Panel of Countries, International Monetary Fund Working Paper WP/15/48 (Washington, DC: IMF, 2015)

68   The effects of this can be seen very clearly when looking at wage levels across different occupations. According to Trades Union Congress analysis of ONS employment data in 2015, all of the top 10 lowest-paid occupations in Britain are in the non-traded sector (including working on the frontline of customer service in bars, restaurants, kitchens and shops).

69   Julie Froud et al. Rebalancing the Economy (or Buyer's Remorse), Centre for Research on Socio-Cultural Change (CRESC) Working Paper No. 87, (Milton Keynes: The Open University, 2011)

70   Philip McCann, The UK Regional-National Economic Problem

more than 40% of Britain's financial sector GVA at the time of the financial crash, versus 2% in Wales.[71] This dominance was shared by London's 'hinterland' regions of Southeast England and the East of England,[72] including high-wage, high productivity cities with dense networks of multinational corporate head offices within a short commute of London and its airports – such as Milton Keynes, Reading and Slough.[73] [74] Together, these three regions account for more than 60% of Britain's 1.1 million financial sector jobs;[75] a much higher level of regional concentration in productivity and employment than manufacturing or construction.[76] A strong traded economy tends to drive up wages in the local non-traded economy, meaning that workers in 'elementary' non-traded occupations (such as cleaners or security guards) are paid around twice as much in Slough or Reading than in Warrington, northwest England.[77] This is also true in professional services, where a solicitor or manager working in the multinational traded sector in London will typically earn hundreds of pounds a month more than their peers working in locally-traded services outside the capital.[78]

The commodification of land and house prices as a dominant form of investment, wealth generation and retirement security compounded this trend, as these prices tended to rise fastest near where the new jobs were being created. However, this often came at the expense of members of the local community,[79] particularly in London or in rural parts of Southwest England where housing markets are being uprooted by large quantities of commuter or retirement homes.[80] [81] This helps to explain why Southeast England and East of England have better working-age wealth and living standards than both London (where land prices are extremely high) and northern England.[82]

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71   Julie Froud et al. Rebalancing the Economy (or Buyer's Remorse)

72   These regions are sometimes called part of London's hinterland because of their interdependence with London's jobs market, and because they are the only two regions of Great Britain which do not have a Core City of their own (London largely fulfils this role instead).

73   Ed Cox & Sarah Longlands, City Systems: the Role of Small and Medium-Sized Towns and Cities in Growing the Northern Powerhouse, (Manchester: IPPR North, 2016)

74   Robert Booth, Bloated London property prices fuelling exodus from capital

75   Author's own analysis of 'employment type by region' data available through Casweb. Last accessed 6 June 2018.

76   According to Froud et al., London has Britain's smallest share of manufacturing GVA at less than 10%, whereas Northwest England has the highest share at 13%. This makes for a far smaller regional range than for financial services. And according to the author's own analysis of Casweb 'employment type by region' data, the top three manufacturing regions by employment (Northwest England, the West Midlands and Southeast England) account for 43% Britain's manufacturing jobs.

77   Andrew Carter and Paul Swinney, The UK towns and cities with the highest and lowest wages

78   Ibid

79   Robert Booth, Bloated London property prices fuelling exodus from capital

80   National Housing Federation, Rural Housing: Countryside in Crisis (London: NHF, 2014)

81   Country Land & Business Association, Strong Foundations: Meeting Rural Housing Needs (London: CLA, 2017)

82   Social Mobility Commission, State of the Nation 2017

These structural economic trends have shaped Britain's steep regional divides. While it's true that Northern English Core Cities are punching below their weight on economic productivity in contrast with comparable European cities and compared with their economic performance of the earlier 20th Century,[83] the weakest economic conditions and living standards are to be found in former smaller northern industrial cities and towns.[84] These towns dominate the bottom end of the table on pay and disposable household income,[85] and the top of the table on population decline since the 1980s.[86] They are also home to disproportionately aging populations.[87] This is ominous for the future given that social care is the responsibility of local councils, which have very different local tax bases and have received crippling cuts in redistributive Government funding since 2010.[88]

Under New Labour Governments, regional divisions were partially mitigated by higher investment in state services across our regions, and by a spate of regeneration schemes which were planned around retail and hospitality.[89] However, retail and hospitality are part of the non-traded sector and do not deliver sufficient high-wage jobs or productivity growth; and austerity has revealed Britain's regional divisions in ways that cannot be ignored. Since 2009, "austerity has affected cities with low employment rates most" according to the Joseph Rowntree Foundation.[90] Northeast England lost 21% of its public-sector jobs by 2016, as opposed to 12% in London.[91]

83   Tom Forth, The Most Important Graph in British Economics, CityMetric, <https://www.citymetric.com/business/most-important-graph-british-economics-3918>, [last accessed 06 July 2018]

84   Joseph Rowntree Foundation, Joseph Rowntree Foundation Response to Industrial Strategy Consultation, 2017, <https://www.jrf.org.uk/press/industrial-strategy-must-improve-prospects-poorest-places-post-brexit>, [last accessed 06 July 2018]

85   ONS, Regional gross disposable household income, UK: 1997 to 2016, (London: ONS, 2017)

86   Andy Pike et al., Uneven Growth: Tackling Declining Cities, (York: JRF, 2016)
87   Ian Warren, The Ageing of Our Towns, (Manchester: Centre for Towns, 2017)
88   Neil Amin Smith, David Phillips and Polly Simpson, Adult Social Care Funding: A Local or National Responsibility?, (London: Institute for Fiscal Studies, 2018)
89   Andy Pike et al., Uneven Growth: Tackling Declining Cities
90   Ibid
91   David Ottewell, Public Sector Job Losses Set to Hit 1 Million Since the Conservatives Came to Power, Daily Mirror, <https://www.mirror.co.uk/news/uk-news/public-sector-job-losses-set-7566903>, [last accessed 06 July 2018]

THE LOCAL ENTREPRENEURIAL STATE

It is clear that if we want to tackle our regional divides, then local and national policymakers need to create a new economic model that boosts economic productivity in (post-)industrial towns and cities, particularly in northern England, Wales and Northern Ireland. This would create decent jobs and opportunities in the places that most need it, contribute to a narrowing of regional health and schooling divides, create stronger local funding bases for public services, and take some of the demand pressure off London's out-of-control land prices (thereby helping to reduce its inequalities and rates of deprivation).

The next part of this chapter, and our policy recommendations, will dig deeper into how to achieve these changes. For now, it's worth mentioning that although many of them face real needs, northern towns and cities deserve better than bleak 'left-behind' narratives.[92] Cox & Longlands' inventory of cities' economic assets lists Derby and Sunderland as hubs for advanced manufacturing[93], and it's no coincidence that they are among the few UK cities to have seen net wage growth since 2007 thanks in part to the expansion of traded manufacturing operations there by the likes of Bombardier and Nissan.[94] National policymakers must recognise the strategic importance of manufacturing, research and development, and renewable energy production to rebalancing Britain's regional economy as well as its balance of trade - and prioritise these sectors.[95] Germany shows that it is possible for a developed country to have a much larger manufacturing sector and more balanced regional economy than the UK does.[96] An industrial strategy implies a need for prioritisation; and that means rather than focusing on non-sector-specific measures like cutting Corporation Tax, policymakers should help create the right incentives, trade deals, operating environments and local asset bases for these sectors.

Determined local leaders have successfully used 'entrepreneurial state' approaches to drive such improvements. For example, when GEC Alstom (now part of Siemens) signalled that they were about to move their manufacturing operations away from

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92   Jonn Elledge and Lisa Nandy, Our Town, Skylines: CityMetric podcast, (London: New Statesman, 2018)

93   Ed Cox & Sarah Longlands, City Systems: the Role of Small and Medium-Sized Towns and Cities in Growing the Northern Powerhouse, (Manchester: IPPR North, 2016)

94   Jonn Elledge, These Charts Show Quite How Few British Cities have Seen Wages Rise Over the Last Decade

95   Renewable energy production has particular potential for British coastal towns which have seen declines in jobs, as the New Economics Foundation's Blue New Deal project examines. The National Grid's transmission lines to Ireland and continental Europe also present Britain with an opportunity to improve its terms of trade by increasing generation of energy.

96   Chris Rhodes, Manufacturing: International Comparisons

Lincoln in the 1990s due to the lack of an adequate local skills base, Lincoln City Council persuaded Humberside University to establish an engineering campus in their city, and provided some of the initial investment. The campus was co-designed with Siemens, and flourished into the University of Lincoln. It has been instrumental in keeping Siemens in Lincoln as well as creating thousands of new jobs and £250 million worth of economic activity in the city.[97] The local entrepreneurial state has also played an important role in boosting economic growth and improvements in social mobility in Liverpool.[98] Liverpool City Council worked with the European Union and the Government to successfully reposition itself as a centre for tradable professional services (particularly for media and the arts), and used part of the proceeds of growth to create a funding scheme for advanced manufacturing and research in Liverpool.

DEVOLUTION AND REGENERATION

While local leaders are not powerless to stimulate local change, Britain desperately needs an overhaul of its economic and political structures if it is to address regional imbalances, and give those leaders the ability and funds to do so - as this pamphlet also addresses in our discussion of Britain's socio-economic divisions. One of the fundamental flaws of regeneration is that it has been far too prescriptive and far too restrictive. At the same time, there has been very little democratic oversight – and local engagement – as to how money should be spent supporting local communities through regeneration efforts. To be sure, the European Union has been a key driving force when it comes to supporting the local economies that have been significantly affected by the transformation of Britain's economy. But regeneration, by and large, has been something that has been done to local communities, rather than something that has been done with them. Any opportunity to engage local communities in decision making should be taken, and devolution offers an opportunity to do this. At a time when Britain is preparing to leave the European Union, any future British Government is presented with an immense opportunity to overhaul both the way that resources allocated for the purposes of regeneration are prescribed and distributed.

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97   Andy Pike et al., Uneven Growth: Tackling Declining Cities
98   Friedman, Sam and Lindsey Macmillan, Is London really the Engine-Room? Migration Opportunity Hoarding and Regional Social Mobility, National Institute Economic Review, 240 (1). R58-R72.

In a recent report on British regional policy, the Industrial Communities Alliance – an organisation that campaigns on behalf of local authorities 'Old Industrial Britain' – welcomed the Conservative Government's commitment to introduce a UK Shared Prosperity Fund that would give areas the assurance of continued crucial support.[99] The report highlights, however, that it still remains unclear how much funding will be available, how it will be allocated and which activities will be eligible for funding. The report also argues that, whilst the European Union has been a key ally in delivering support, structural funds were too bureaucratic and restrictive, meaning that there was little room to adequately address long-term needs at the local level. Clearly, the devil will be in the detail when the Government releases further detailed proposals on the size, management and deployment of resources from the UK Shared Prosperity Fund, and whether it will empower local communities and stakeholders with the tools required to address local needs. With devolution high up on the political agenda, it is likely that the democratic processes will already exist – in one form or another – in specific regions.

Decision making by local leaders – rather than by politicians and civil servants in Westminster and Whitehall – offers an immense opportunity to engage local stakeholders at every level in the decisions that will affect their communities. Such stakeholders should include residents' groups, community organisations, the private and public sectors and trade unions. Sheffield City Region recently became the first devolved power to approve trade union representation on its Local Enterprise Partnership Board (LEP), signalling a commitment by the newly elected Mayor Dan Jarvis to ensure that workers' organisations, which have been significantly weakened and bypassed in recent decades, have a contributory voice in how resources are spent on local matters, and will hopefully set an example for other devolved models across the United Kingdom.

Ultimately, the decisions that are taken are best taken at a local level, by people within regions and in communities that have an intimate understanding of local matters and are best placed to provide solutions. But those taking the decisions have to be adequately resourced – the devolution of powers and decision making should never be an excuse for the devolution of cuts. Such a situation would result in local areas only being able to deliver the services that local populations can afford, not the services that they need – the State must ensure that it exercises its legislative powers for the purposes of taxation and redistribution in order to deploy resources where they are needed the most. As such, an Industrial Strategy should not be seen in isolation from regeneration, but should be seen as an integral part of it.

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99   Post-Brexit Regional Policy: Proposals from the Industrial Communities Alliance, Industrial Communities Alliance, 2018.

REGIONAL IDENTITY

A key condition of all devolution deals must be that it reflects existing identities as even without globalisation, there is a deep rooted attachment between people and place, whether they have lived there a lifetime or a month. The economy may be indifferent to tradition, 'moving swiftly and selectively between islands of prosperity,' but the people are not. Regional identity in the UK is something that should be understood by those in the Labour party and wider politics because it is about understanding who we, and the people we ask to represent us, are. Identity is also an important answer to the question of what we will become and can be used as a development tool. In the past, Labour has tried to solve the problem of regional divisions by imposing a top-down form of devolution that paid only fleeting respect to current identities and institutions, collectively grouping the needs of people with places they do not associate with. By first explaining regional identity, and then showing how it can be used by politicians at all levels to make a difference in our lives, we believe the harnessing of the power of an individual's place should be at the forefront of Labour's politics and policies.

At its most foundational level, regional identity provides an answer to the question: "Where am I from?". [100] Paasi defined regional identity as either the 'supposed distinctive natural and cultural qualities of a region, the identification of people with such a region, or both at the same time.' [101] It can be constructed at an individual level, or collectively, and coexist without problems.[102] This means that, depending on a whole host of factors such a social class, age, race, religion, ethnicity and more, within this definition there are a plethora of interpretations as to what regional identity is - but like all identities it is always contested.

Politically, regional identity is expressed through either the process of regionalisation or the act of political regionalism.[103] The former occurs when the central state reorganises and delivers some, or all, of its policies on a regional basis; the latter, political regionalism, is 'general mechanisms of representation and policy making which have a functional remit but are based on communities of identity and principles of autonomy and self-governance.'[104] This typology distinguishes the main actor in each process. Whilst regionalisation is top down, elite led, political regionalism is seen as a bottom up process, empowering actors in a specific locality.

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100   Paasi, A. (2003) Region and place: regional identity in question.Pg.479
101   Paasi, A. (2012). Regional identities.Pg.1.
102   Deacon, B. (2009).Cornishness and Englishness: Nested Identities or Incompatible Ideologies?Pg.2.
103   Giovannini, A. (2016)Towards a 'new English regionalism' in the North? The case of Yorkshire First.Pg.591.
104   Ibid

The Labour party has a mixed record on devolution and harnessing regional identity, but one it should, on the whole, be proud of. When in opposition during the 1980's and early 90's, the Party made several significant commitments to the regions which became actions on the parties victory in 1997. Regional development agencies were established in 1998 alongside voluntary chambers, but directly elected assemblies only became a political commitment in 2002 after their second election victory when the government published the White paper, Your Region, Your Choice. Three regions, the North East, North West and the Yorkshire & Humber were selected as test sites for these directly elected assemblies with the first referendum happening on the 4th of November 2004 in the North East. The case for devolution suffered an emphatic defeat losing 78% to 22% on a 47.8% turnout. [105] As a result further regionalisation plans were scrapped by the Labour government, much to the annoyance of the Cornish who had reached the 10% threshold necessary for a devolution referendum. The election of the coalition government in 2010 modified the size of devolution, with city regions such as Manchester the preferred modus operandi. Whilst this may seem like a significant change, the process through which a locality was politicised remained the same - bargaining between central and local elites, the only thing that changed between governments was the size of territory.[106]

Cornwall and the North - Strong Expressions of Regional Identity

Every region and place in Britain has a regional identity, but several places, notably Cornwall and the 'North', have identities that are more pronounced. In contrast to large parts of the rest of England, Cornwall or Kernow, is a little bit different regarding the expression of its identity - very different in fact. It is the only part of England with 'legitimate claims to be a people, a nation with their own language,' and a strong Celtic history.[107] For some, there is a binary opposition between the English and the Cornish, Celtic rather Saxon, Methodist rather than Anglican, a Liberal stronghold rather than a place where the Conservative-Labour divide is the political norm.[108]

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105   BBC News. North East votes 'no' to assembly.http://news.bbc.co.uk/1/hi/uk_politics/3984387.stm (accessed 31/08/18)

106   Giovannini, A. (2016) Pg.592.

107   Deacon, B. (2009).Cornishness and Englishness: Nested Identities or Incompatible Ideologies?Pg.3

108   Willett, J. (2013) National identity and regional development: Cornwall and the campaign for Objective 1 funding. Pg.301

Cornwall was a sometimes forgotten leader of the industrial revolution; its mining, fishing and agricultural industries being of particular importance for not only its economic growth but also the development of its identity.[109] Cornwall was also one of the first regions to de-industrialise, leading to the dilution and weakening of Cornish identity.

The decline of the Cornish identity and necessary rebalancing of the economy in the mid-20th century means today Cornwall is the ultimate paradox. The tourists' view of Cornwall as idyll - arguably something necessary to sustain its tourist industry - masks the deprivation and challenges facing the communities on the peninsular; ignoring its industrial past and economic present, making the outside view of Cornwall 'incomplete at best and inauthentic at worst.'[110]

But this contestation of Cornish identity, has led to its revival. Data from the 2001 census showed 6.8% of the Cornish population identified their nationality as Cornish. In 2011, this increased to 9.9%, with a further 20,000 people stating their national identity as Cornish alongside some other form of identity.[111] There has also been a more vigorous expression of Cornish identity through the revival of the Cornish language, supported by funding from central government, which was cut in the emergency budget of 2016 - a move criticised by the European council. [112] In addition to a re-emergence of the use of Saint Piran's Flag, the increasing presence of St Piran's day celebrations especially within schools, promoted by the Cornish Cultural association and a general revival of the Cornish conscience, all of which contributed to the awarding of minority status to the Cornish people in 2014.[113]

Their identity is not something the Labour Party can ignore. In the election manifestos of 2010, 2015 and 2017, Cornwall nor any other county is mentioned once. Instead the party has focused on city development, wrongly tying the destinies of smaller communities to their closest big city; or broad notions of regional economic inequality without specifics. The Fabians and Labour Party should not shy away from the politics of identity. Engaging with Cornish identity is a continuation of ideals past held and it could have electoral benefits also, something noted in

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109   Cornwall Heritage Trust. Industry in Cornwall.http://www.cornwallheritagetrust.org/discover/industry-in-cornwall/ Last accessed 31/08/18

110   Hale, A. (2001) Representing the Cornish: Contesting heritage interpretation in Cornwall.Pg.188

111   2011 Census,An overview of the headline figures for Cornwall.https://www.cornwall.gov.uk/media/3631356/Census_HeadlineFigures.pdf Last accessed 31/08/18.

112   The Guardian. British government accused of neglecting Cornish culture. https://www.theguardian.com/uk-news/2017/mar/10/council-of-europe-criticises-uk-for-cornish-language-funding-cuts. Last accessed 31/08/18

113   BBC News. Cornish people granted minority status within UK.https://www.bbc.co.uk/news/uk-england-cornwall-27132035. Last accessed 31/08/18

the Fabian's recent report entitled Labour country which stated despite the rural origins of Labour movement it is the Conservatives who are seen as the natural party of the countryside.

The North, which we will use as a broad term does not capture everyone, and can be localised further; but essentially it does capture the North's difference to 'that there London.' Northern identity is consistently reinforced by northerners themselves, bonding over the different code of rugby, a superior brew, wetter weather, nicer accents and much more. Despite this, the North and Northern identity is not homogenous and its strength and feeling differs from place to place. Data collected by the Centre for Towns in collaboration with YouGov and the BBC shows that whilst on the whole identification with a person's region is stronger in the North than South, with around 50% of people identifying with their region in places like Rotherham, Brighouse and Washington, it drops to around 10% in larger Northern spaces like Leeds, Manchester and Hull.[114] The North was also home to the first regionalist parties in the UK with the Yorkshire Party being founded in 2014 on an inclusive and progressive regionalist platform, unique in the English political context as it founded on the basis of the centre periphery cleavage rather than a traditional class one.[115] Every region has a history and a set of institutions which can reinforce its identity. Regional identity also provides economic and social capital which can be used to brand a place, such as the Tour de Yorkshire. The Fabians should play an active role in supporting and developing regional identity at its inclusive and democratic best.

Case Study - North: Fashioning Identity

The North: Fashioning Identity exhibition, debuted in Liverpool before moving to Somerset House in London in the winter of 2017. Created by Lou Stoppard and Adam Murray the exhibition branded itself as a place to explore the 'truth, myth and spaces in between,' that make up the Northern Identity we conceptualise today.[116] The exhibition featured works from Northern artists, such as Doncaster's Alasdair McLellan and Salford's Shirley Baker, to international creatives, such as Louis Vuitton's artistic director Virgil Abloh who took inspiration from the legendary Manchester music venue the Hacienda when creating his 2017 instillation Ruin. The exhibition visualised the northern experience, showing work featuring prominent towns and cities across the region, including Sheffield, Blackpool, Doncaster,

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114   Centre for Towns. Identity, power and influence in the towns of England: part one. https://gm.carto.com/builder/7957596b-182e-4d46-bdc8-4e203507b344/embed.Last accessed 31/08/18

115   Giovannini, A. (2016) Pg.593

116   NORTH: FASHIONING IDENTITY.https://www.somersethouse.org.uk/whats-on/north. Last accessed 31/08/18

Berwick-Upon-Tweed, Preston and more. It is difficult to precisely define what Northern identity actually is, something the exhibition's curators acknowledged; as within the region there are other localities which people choose to identify with alongside the North. Despite this, The North: Fashioning Identity exhibition managed to capture an essence of what Northern Identity means to the people of the region, and explored the role of culture in the making of that identity.

Ultimately regional identity is 'a popular idea without an easy definition.'[117] This essay cannot speak for everyone- my idea of Yorkshire, particularly South Yorkshire, is different to anyone else's idea of what the county means or doesn't mean to them. At its worse, regional identity can be a horrible, reactionary tool used to other groups of people both within and outside a region, but at its best, regional identities can be an empowering vehicle of progressive politics used by local people to improve their place.

IDENTITY AS A DEVELOPMENT TOOL

The politics of place can also help decide who we will become. Regional identity has manifested itself in economic, social and cultural policy making and can be used as a development tool. The most well-known contemporary example is the Preston model, which was born out of the economic necessity to survive in the wake of crippling austerity. The purpose of the model is to encourage local procurement with anchor institutions such as the university and hospital taking the lead. The success of the scheme is evident. In 2012-13 £750m was spent by anchor institutions of which 5% was spent in Preston and 39% in Lancashire. In 2016-17 the amount of money spent by anchor institutions was less at just £620m, but of that 19% was spent in Preston and 81% in Lancashire.[118] Thinking beyond the economic merits of local procurement, as Julian Manley put it, 'it is not shameful or retrograde to want to belong to a community.'[119] Models like the Preston model allow for local identities to be strengthened and a sense of community and hope to develop. The switching of procurement to the local provides opportunity for job expansion and retention, as a sense of community is developed which can be missing in other models of development, and it can help prevent things such as brain drain.

117   Paasi, A. (2012). Pg.4.
118   Manley, J. Local democracy with attitude: the Preston model and how it can reduce inequality.
        http://blogs.lse.ac.uk/politicsandpolicy/local-democracy-with-attitude-the-preston-model/Last accessed 31/08/18
119   Manley, J. Local democracy with attitude: the Preston model and how it can reduce inequality.
        http://blogs.lse.ac.uk/politicsandpolicy/local-democracy-with-attitude-the-preston-model/Last accessed 31/08/18

The concept of brain drain is usually associated with the migration of skilled workers from a less economically developed country, to a wealthier one, in the hope that the more developed country provides more opportunities for employment and a better quality of life for the migrant. This happens within the UK regions as well. A region's economic growth is intrinsically linked to the quality and skill of its labour force and recently some regions have lost significant numbers of skilled migrants to core cities such as Manchester and London. Data compiled by WPI strategy and reported in the Guardian showed that in 2016 more than 100,000 of that year's graduates had left the region they studied in to work elsewhere with just under a third ending up in London.[120] There are a number of solutions to this, one of the newest being the Great Grimsby Town deal which focuses on the towns 'place offer.'[121] Aiming to reverse trends like brain drain which affect towns like Grimsby, the deal hopes to give the people of the town 21st century skills, strengthen the higher education offer and raise aspirations of Grimbarian's, in turn stimulating demand for higher skilled jobs.[122] The deal is significant for a number of reasons, the most being that it is one of the first town deals in the UK. City deals have been a recurring feature of devolution in the past few decades - but what happens when a region doesn't have a city, such as Northumberland, or when residents of a place do not identify with city government structures being proposed? The Great Grimsby town deal reflects these considerations, acknowledging Grimsby's unique location, history and potential. We argue that any localised governance structures must reflect a places sense of identity and take into account existing institutions, as this enables development, economic and other, to be responsive to local needs and conditions.

It is impossible to have an entirely local approach to development. Many of the changes affecting our regions are exogenous, reflecting the world as is. But 'we, as Socialists, much cherish local government, and aim always at its expansion, not its contraction.'[123] It is therefore vital that a proper localised plan is put forward considering existing institutions and a shared sense of place.[124] The places we live in have hundreds of years of history which the people are connected to. Using regional identity as an inclusive development tool is one of the best ways to achieve a more equal country.

120   The Guardian. Brain drain of graduates to London leaves cities facing skills shortage.https://www.theguardian.com/money/2018/mar/18/regions-london-brain-drain-graduates-metro-mayors. Last accessed 31/08/18

121   Greater Grimsby Town Deal Prospectus 2018-2028: Submission Draft. Pg. 5

122   Greater Grimsby Town Deal Prospectus 2018-2028: Submission Draft. Pg. 13

123   Open Democracy. The 'Preston Model' and the modern politics of municipal socialism. Last accessed 31/08/18

124   IPPR North. (2017) Taking Back Control in the North. Pg. 25

POLICY RECOMMENDATIONS

Establish a network of regional investment banks

Such banks could fulfil a role similar to Germany's Sparkassen. These banks could be based on NUTS1 regions, be run at an arms-length from the state (similar to the British Business Banks), and have boards drawn from local government finance officials, local businesspeople, and trade unionists. Their boards and managers would be obligated to write long-term strategies, and pursue socially and economically useful investment in their regions. The main methods for this would be via loans to medium- and small-sized businesses, and leveraging private investment for larger companies who want to expand their operations within the region. The regional investment banks could be capitalised through increases in asset taxes (to reflect differences in wealth and land prices across Britain's regions) including expanding the inheritance tax base,[125] and through Government windfalls such as spectrum sales and sales of shares in the part-nationalised banks.[126] In order to ensure that the money sourced from taxpayers is well spent, the banks could be subject to regulatory oversight from the National Audit Office and HM Treasury;

Recognise the strategic importance of manufacturing

Recognising the strategic importance of manufacturing to addressing regional economic imbalances, the Government should prioritise access to the European Single Market and the Customs Union

As leading voices from the industry have recommended,[127] the Government must work towards a more ambitious settlement than the 'customs partnership' that they currently favour. In particular, they should establish preferential rules of origin for British goods in the EU and vice versa, and arrange a zero tariff rate between the UK and the European Customs Union. Please see our chapter on socio-economic inequalities for more policy ideas to boost Britain's manufacturing sector.

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125   Richard Humphries, Paying for Social Care: Beyond Dilnot, (London: King's Fund, 2013)

126   Mathew Laurence and Nigel Mason, Capital Gains: Broadening Company Ownership in the UK Economy, (London: IPPR, 2016)

127   EEF, UK Trade with the EU: A New Order for the Manufacturing Industry (2018)

Scrap 'free school' and academisation policies

Focus and funding should instead be re-directed to increasing school places and quality in the places that need them most, not the places with the highest levels of political demand.

Re-think current plans to reform local government funding

In particular this should include re-thinking plans to scrap the Revenue Support Grant to local authorities and replace it with 100% Business Rates Retention. Policymakers should be looking to increase the autonomy of local government. However, this set of reforms would increase inequality in public service funding between local authority areas and between Britain's regions, ensuring that the areas with the highest social need and the lowest existing economic bases would be hit the hardest. At a minimum, the 50% Business Rates Retention level should be retained, with the remaining half of Business Rates helping to fund the Revenue Support Grant.

COMMUNITY COHESION

FOREWORD

Claire McCarthy
General Secretary, the Co-operative Party

This chapter rightly recognises that community cohesion is a goal that as a society we should be aiming for; and that it is an ambition that requires concerted and consistent action by government.

Particularly since the EU referendum of 2016, there has been a great deal of discussion and debate about the extent to which we are a nation of shared values and a shared sense of identity. Divisions amongst millennials and baby boomers; the urban and the sub-urban; the university educated and blue-collar workers, have been analysed and debated; and many hands have been wrung. This paper moves beyond that, albeit important and legitimate debate, to asking what do we mean by community; what does cohesion look like and what practical steps should be taken to foster it?

This is the kind of discussion that can quickly lead to despair in our modern discourse, but rightly the authors paint a picture of a glass that is half full. They recognise the stop-start nature of too much previous government intervention on cohesion; that welcome initiatives like the Social Value Act have not been given enough teeth; and that austerity has made the goal of cohesion harder.

However, you don't have to look far for examples of communities that are pulling together to take control and build a better future. These are ordinary people, who won't take no for an answer, who are saving community pubs and libraries, building genuinely affordable housing, or providing a people powered alternative to the

privatisation of land and other local assets – very often using co-operative models. Whilst amorphous concepts of cohesion may not be an effective rallying cry, in the face of a tangible (often local) threat or need, the natural human inclination to co-operate is very powerful.

What these communities need and deserve is a legal framework that rebalances the playing field in their favour, in what is often a very unfair fight against private developers or unresponsive and risk averse government. The strengthening of existing community rights and the Social Value Act proposed are a crucial first step; and an extension to of community asset legislation to services (including bus services) and not just bricks and mortar is a cause long advocated by the Co-operative Party.

Experience shows that in addition to rights, communities need institutional support in the form of advice and resources in order to be able to make those rights a reality – to learn the tools of effective co-operation. Organisations like the Plunkett Foundation play a critical role in supporting community groups to come together to secure a future for their local post office or woodland but are too often precariously funded.

There feels to be a growing recognition of the potential economic benefits of a larger co-operative sector in the UK. A point underlined by Labour's manifesto commitment in the 2017 General Election to work towards doubling it in size. The 'Co-operatives Unleashed' report published by the New Economics Foundation sets out not just the how (to achieve it) but compelling sets out some the reasons why it is a goal worth fighting for. But maybe we haven't talked enough about the social benefits of more co-operation.

Coming together in the spirit of mutual self-interest in pursuit of a common cause, is unsurprisingly something that people want to do, given the opportunity. Building a new sense of shared narrative and purpose. It must be a goal of government to make this happen and this chapter sets a clear vision of the way ahead.

INTRODUCTION

Matthew Clarke, Alexander Naile, Anna Rehfisch, Tristan Grove, Ben West & Ria Bernard

A sense of belonging to one's community is something that is often overlooked in modern society and tends to receive reactionary policy implementation rather than investing in longer term preventative legislation. Yet cohesiveness between individuals within a community, however big, is a concept as old as time. Human beings have never been lone wolves, we have traditionally sought out company; with cultures through the ages based on a shared set of common values. When we think of community, we often consider the relationship between neighbours; initiatives that promote protecting all within that communal space; and pulling together in the face of adversary.

The social history of Britain illustrates how inter-connected communities had a role not only in bringing people together but in pursuing collective action for the benefit of all those living within it. In the 19th Century, Britain led the way in building the Co-operative movement in response to the inequality within Britain. It was through the sense of injustice within the community that mill workers, for example, turned to cooperative models to provide food for their families and to face down the exploitative systems within mills. The Rochdale Pioneers, a group of 28 working people, opened the first consumer co-operative on 21st December 1844, which sold fairly priced food to local people[1]. Similarly, the roots of our trade union movement lie in the collective voice of the exploited and oppressed who came together as one community to change their working conditions and opportunities.

The issues and challenges faced within society change with time – and the reactions to this change have implications for the nature, make-up and cohesiveness of our communities. The rise of globalisation in the latter part of the 20th Century brought with it a host of advantages to many in our society – especially to our national economy. However, failure to prepare for the impact of globalisation, including ensuring our population had the skills to compete globally, has left many behind. Equally, changes in the nature of work, such as deindustrialisation, technological advancement and the rise of automation has had implications for organised trade unionism that protects and promotes workers' rights.

1   https://www.rochdalepioneersmuseum.coop/

Throughout this chapter, we seek to explore the extent to which the rise in globalisation and individualism – as well as changes in labour and housing markets – have impacted the levels of cohesiveness within our communities. The chapter aims to illustrate the implications of the deep-rooted divisions, discussed in previous chapters of this pamphlet, on our communities and individuals' sense of belonging. We will be looking at what is meant by a 'community', how communities have changed over time and the factors leading to this. Finally, we will make some practical recommendations to tackle the issues around cohesion within our communities and how we bring people back together for the benefit of the individual and our society.

WHAT IS COMMUNITY COHESION?

'Community' in our discussion will be defined as a relatively self-contained social network of people, and the cohesion of that community is the shared trust, connectedness and unity of that group. Locality often plays a part in that a community in Britain is traditionally understood to be located in a particular space. It is the housing, public buildings, and shared spaces (from the local park to the high street) that shape what it is to live there. Beyond that it is the landscape of the area: its rural or urban setting, and its peculiarities, at least in this more traditional understanding.

In this sense, communities are as much a means of breaking down society into units as they are an accurate descriptive term of the similarities or cultural cohesion of its members. This creates a challenge as a single geographically bounded area can encompass multiple, distinct ethnic, religious or cultural groups.

Communities are fundamentally groups of people with a shared bond. They are the foundation not only of our social and caring connections with others, but also of our identities. They are where we feel 'at home'. Therefore, to assess what is and is not a community, we will start with Seamon's definition[2] of a space where people feel 'at home':

- Rootedness: an intimate physical knowledge of the place, arising from the re-occurring cycle of departure and return.

- Appropriation: a taken-for-granted right to be present, and to determine who else 'belongs' and who does not.

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2   D. Seamon, A Geography of the Lifeworld: Movement, Rest and Encounter, London, Croom Helm, 1979

- Regeneration: a place of restoration, refreshment, and psychological recuperation.
- At-easeness: an ability to express vulnerability as well as joy, and personalising the place to make it one's own.
- Warmth: companionship, emotional support, and care and concern.

Communities come together and are maintained in shared 'third' spaces - areas away from home that act as a hub for the people of the community to come together.

Community is then a network of interlinked members and places, either physical or virtual. Austerity has been a problem, as places like libraries, parks and youth centres are classic third places and particularly important nodes of the community.

GEOGRAPHICAL & VIRTUAL COMMUNITIES

Over the course of this chapter, we will refer to both geographical and virtual communities and therefore it is important to begin by defining our meaning of both.

Given it is the type of community most commonly alluded to, geographically bounded communities will be examined first. Historically, in the UK, there has been a strong sense of pride in place: in the street, village, neighbourhood, county, or town. Members of a community often wish to have a say over how its assets are used, engage with other members and engage in community life. These communities are useful both in the sense that they break down society into administrative units but also in that they have historically been characterised by distinctive regional cultural practices. Although globalisation has resulted in a homogenisation of culture, and migration has complicated geographic ties, many people still retain a sense of attachment to the area which they are from.

An example of how people want to engage with and preserve their local community can be seen in the village of Hudswell, a small village perched on top of the wooded valley of Swaledale, North Yorkshire. It is home to 200 people and is a steep walk or drive from the nearest town with greater access to services. In 2008 one of its few third places, the George & Dragon pub, closed as its owners faced

bankruptcy. However, the villagers came together and raised £240,000 in capital through a co-operative for community benefit. Having secured a further £90,000 through grants, Hudswell Community Pub Limited was able to buy the George & Dragon. Because it was of such local significance community members were willing to come together and purchase the Pub and in many ways it was a space that was symbolic of the community itself. Co-operative models are particularly powerful forces for community, as they give voice and economic stability to the community.

The success of the plan to save the pub also shows how powerful local communities can be. They appointed a landlord to manage the pub who transformed it into CAMRA's National Pub of the Year 2016. This collective action then brought further economic gains to the village as the pub's success attracted tourists from the nearby Coast to Coast walk route. Owning the pub also allowed the village control over its usage meaning it could be turned into a multi-purpose communal space. Through agreement with the county council's library service, it began providing a micro-library and a village shop. Although the latter was run separately from the pub and staffed by volunteers, it saved residents a long drive for a pint of milk. Similarly, traditional quoits pitches and allotments have been opened in the pub garden for the use of villagers or members of the co-operative. We can therefore see that being based in the same area is still a highly significant form of community as residents share the same vested interest in local facilities and services, such as the pub in this example.

Returning to the original question of definitions, community does not have to be defined geographically. Increasingly people are forming communities based not on location but on common interests, beliefs or occupations. The main catalyst for this change has undoubtedly been the rise of the internet. The internet has provided a platform for people who have never actually met in person to come together based on common interests. Physical distance is no longer limiting when forming connections with like-minded individuals.

Today, communities – the spaces where people feel 'at home' – broadly fall into two categories: virtual and geographical. As geographical communities have fragmented, with increasingly mobile populations and the decline of third spaces, there is a perception that new 'virtual communities' have risen to replace them. From WhatsApp and Facebook groups to Reddit threads and Xbox Live clubs, virtual communities have arisen across countless media. They connect people based on shared interests and select aspects of their identity.

The question has to be: is this perception correct? Are virtual communities really an effective replacement for declining geographical community cohesion?

Broadly speaking, because virtual communities are self-selecting, they are less likely to be diverse and tolerant than geographical communities. The question of the 'appropriation' criterion of the Seamon definition of community is particularly relevant because internet communities are often noted for their intolerance of outside views and tendency to move to more extreme, exclusive views.

They are also more likely to be fluid and fluctuating, with less pressure for members to take responsibility for others, meaning the 'warmth', 'at easeness' and 'regeneration' criteria are often not met. Because they are self-selecting, and entry into a new virtual community is a far simpler matter than entry into a geographical community, there is much less of a sense of responsibility to the other members of the community. Essentially, because the level of entry criteria for virtual communities is so much lower, so too is the degree of support and warmth they can practically offer.

Virtual communities can be seen as offering some positives – particularly as an outlet for people who may be marginalised in more heterogeneous geographical communities. They allow them to connect with similar individuals from other heterogeneous geographical communities. They also allow individuals to explore various aspects of their identities by connecting with a range of people who share these different qualities. They should not, however, be seen as an effective replacement for the responsibility and belonging of geographical communities.

HOW COHESIVE ARE OUR COMMUNITIES?

Following the tragedy of the 7/7 bombings in London in July 2005, the Government set up the Integration & Cohesion Commission. Their report, Our Shared Future (2007), assessed the level of perceived cohesion in communities across the country; analysing the challenges to cohesion and integration in our communities and put forward practical proposals to tackle these issues at the local level[3]. While it was published over ten years ago, this report provides a basis upon which to explore

3   http://image.guardian.co.uk/sys-files/Education/documents/2007/06/14/oursharedfuture.pdf

more recent survey findings and trends in cohesion, and set out a vision for how we could improve community cohesion by 2020.

The report quotes findings from the Best Value Performance Indicators (BVPI) survey for England, which asked the question "to what extent do you agree or disagree that this local area (within 15/20 minutes walking distance) is a place where people from different backgrounds get on well together?" The reported cohesion rates across England ranged from 38% to 90%, with 10 of the 387 areas indicating a cohesion rating under 60%.

While these statistics provide some insight into the extent to which cohesion exits within our communities, deeper analysis provides greater understanding of where we stand currently. The Communities and Local Government (CLG) analysis of the Citizenship Survey (2005) identified several factors that affect how individuals perceive the sense of cohesion within their community[4]:

- An individual's personal characteristics (such as age, qualifications or occupation);
- An individual's attitudes (such as satisfaction with local services, feeling of being able to influence local decisions, and fear of racist attacks).
- The effect of personal characteristics and attitudes varies according to ethnic group
- Deprivation is a key influencer of one's sense of community cohesion. Deprived areas and those with high crime rates were negative influences in particular. Key positive factors included living in areas that have a broad mix of different ethnic groups.

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4   Ibid Our Shared Future

THE STATE OF COMMUNITY COHESION TODAY

The decline in community cohesion in Britain is often associated with Prime Minister Margaret Thatcher's Government, with many on the Left quoting the much-used interview response, "They are casting their problems at society. And, you know, there's no such thing as society..." However, when looked at in its entirety, this is not the most significant part of the interview with Women's Own in 1987. In fact, more poignantly, Thatcher went on to say "There are individual men and women and there are families. And no government can do anything except through people, and people must look after themselves first. It is our duty to look after ourselves and then, also, to look after our neighbours." Putting the individual first – above and ahead of one's neighbours – shifts the focus from shared responsibility and collectivism to individualism.

Today, families are often dispersed across the country as younger generations move to urban areas in search of work, which has consequences for the role of the extended family in terms of childcare and pastoral support; neighbours are no longer familiar with neighbours; and local initiatives are starved of the necessary funding to tackle challenges within their own communities.

The high turnover within our communities as a consequence of changes in the labour and housing market has had a substantial impact on our sense of belong-ing. While there is no dispute that housing conditions were less than desirable in post-war Britain, the replacement of terrace houses with tall high-rises segregated people into their own individual self-contained compartments. Equally, the issues around supply and demand of housing stock, the inflated housing market and the regional inequality in access to housing has forced many to move away from their home communities.

The shift away from manual jobs, such as mining, that often passed down the generations has undermined the fabric of mining communities. Equally, it cannot be ignored that failing to invest in local infrastructure has resulted in the decline of regional economies. Consequently, families have been forced to move away and to break up.

Following tragedies within our communities over the last two decades there has been some recognition of the need to refocus efforts on social integration within

communities. Following disturbances in Bradford, Oldham and Burnley in 2001, which saw clashes between local people and police and the destruction of property, the Community Cohesion Review Team, led by Ted Cantle, was set up. The independent report that came out of this review explores the views of local residents in the areas affected by these disturbances to determine the issues that needed to be addressed in order to create social cohesion. Significantly, it was concluded that people were leading 'parallel lives'[5].

The Jo Cox Foundation, set up in 2016, is a recent example of the refocus on community issues. Their work has aimed to strengthen communities, for example through the Great Get Together, and tackle loneliness through their Loneliness Commission – an issue explored later in relation to factors undermining community cohesion. The Great Get Together was set in the context of increasing isolationism and intolerance within our society – aiming to bring people together to celebrate and share what unites the inhabitants of our communities[6].

GENERATIONAL & SOCIO-ECONOMIC TRENDS

The previous section discussed the perception of community cohesion within Britain, but there has also been a focus on the interacting factors behind these perceptions – many of which echo the divisions discussed earlier in this pamphlet. After all, it is the divisions within our society that have undermined our societal unity. This section will attempt to explore the generational and socio-economic trends underlying an individual's sense of belonging within communities.

The Department of Education's Young People & Community Cohesion Report (2010) identified socio-economic group as a significant factor in community cohesion, with deprivation identified as a factor that consistently undermines local cohesion among young people[7]. Again we see how class interacts with other factors to undermine the sense of cohesiveness within our United Kingdom.

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5   http://dera.ioe.ac.uk/14146/1/communitycohesionreport.pdf
6   https://www.greatgettogether.org/
7   https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/181542/DFE-RR033.pdf

The concept of community spirit and sense of belonging are often topics raised by older generations, who speak of it as a characteristic of a past time; a forgotten age. A report by the Joseph Rowntree Foundation (JRF) found older inhabitants reported a loss of the 'close-knit communities' of the past[8]. The report acknowledged that this prominent feeling amongst older generations was not simply idealisation of the past but also a reflection of the high population turnover as a consequence of 'labour and housing market changes'.

Furthermore, the Communities and Local Government Citizenship survey found that while 88% of 65 to 74 year olds and 87% of the 75+ group felt they belonged strongly to their neighbourhood, a smaller proportion (70%) of 16 – 24 year olds[9] felt the same way. In fact the ONS's National Well-Being Survey (2018) goes further finding that older people (aged 75+) were more likely to feel as though they 'belong to their neighbourhood' compared to younger people (16-24 year olds) who reported a 'lack of sense of belonging to their neighbourhood'[10]

This generational difference in people's sense of community belonging could not be more firmly emphasised than in the Community Life Survey, which offers an annual analysis of social cohesion, community engagement and social action. This survey found that while 73% of people report talking to their neighbour – a statistic which has remained steady across 2016/17 and 2017/18 – there is a stark generational contrast; with 86% of older people speaking to their neighbours compared to just 49% of 16-24 year olds[11].

One reason for this generational contrast could be related to the prevalence of social media, which has played its role in creating virtual realities and virtual identities, in which young people engage much more than older generations. Through social media platforms, such as Facebook, Twitter and Instagram, young people may be 'communicating' with each other but this is typically through the filter of what they choose to share. The communication channels tend to depend on using written language via messenger, tracking the responses to their communications which they make to the platform rather than to individual people (for example Facebook posts shared on their profile) which are then tracked for the number of 'likes' or

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8   https://www.jrf.org.uk/report/social-cohesion-diverse-communities
9   http://webarchive.nationalarchives.gov.uk/20120919214103/http://www.communities.gov.uk/documents/statis-tics/pdf/1473353.pdf
10   https://www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/articles/measuringnationalwellbeing/quali-tyoflifeintheuk2018
11   https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/734726/Community_Life_Survey_2017-18_statistical_bulletin.pdf

comments they receive. Social media has replaced face-to-face communication, which brings people physically together to share ideas, humour and interaction.

A further intergenerational trend related to our sense of social cohesion appears to have a role within loneliness. There has been increasing rhetoric around tackling loneliness amongst older people in society and the failure of initiatives that enable communities to support isolated older people. However, loneliness is an issue that crosses the intergenerational divide; a characteristic of the old and young due to the increasing isolation of generations. The young through the move towards social media and virtual identities. On the other end of the scale, older people face the isolationism of retirement and marginalisation from society; their achievements and identities forgotten by time.

Interestingly, loneliness is often attributed to older people, however the Community Life Survey 2017-18 found that while 3% of 75+ year olds felt 'lonely', the percentage was higher amongst the 16-24 and 25-34 year olds at 8%[12].

These generational differences in sense of belonging would indicate a need to address the divisions within our society – regional, socio-economic and cultural – that are contributing to young people feeling disconnected from their local communities.

In the following sections, we will consider the factors that have contributed to this decline in community cohesion and our recommendations for how we strengthen the sense of belonging within local communities.

Bridging the divide: reactive rather than preventative policy-making

Community cohesion tends to be a minor concern to political parties. It is not glamorous and does not touch directly on hot topics such as crime, immigration or health. Government approaches to community cohesion tend, therefore, to be reactive; a response to a series of incidents and tragedies. This typically means that policy is formed in response to a crisis, then slipping off the agenda again before it is fully implemented.

This can be seen in the beginning of a move towards community policing after the 1981 Brixton riots; in the Ritchie and Cantle Reports following the 2001 Oldham

12   https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/734619/
Loneliness_factsheet_July_2018.pdf

riots[13][14]; and the response to the 2011 summer riots. Enquiries have repeatedly found the same contributing factors: economic powerlessness, dissatisfaction with policing, a lack of a coherent strategy to improve coordination between different government agencies, charities and community groups, and a lack of opportunities for various groups in a community to meet over shared aims. Some major recommendations are implemented, then the crisis is over and the cameras and journalists leave, and further work is shelved.

Even where politicians make a stand on community engagement, talk is often more readily offered than actions. This may be more of a problem in the future, following David Cameron's much ridiculed 'Big Society'. The Big Society for all of its grandstanding, suffered from the same problems as much policy on community has. It looked for quick gains, in an area where relationships formed from mutual trust necessarily take time to build. It hoped for something out of nothing, providing little tangible support.

The Social Value Act, for example, which the Coalition Government introduced to allow consideration of community impact to play a role in public procurement came with little practical guidance to procurers or providers. It also lacked any real enforceable impact; two years' after it became law, a reported mere 13% of Clinical Commissioning Groups had procedures in place to consider social value[15]. Successful policy moves on community must be wide-ranging across government departments and must be recognised as long-term with few immediate gains. The time and effort it takes to build strong communities means that politicians from across parties must work together to establish a consensus that can survive changes of government, particularly at a local level.

The reactive nature of much community policy also means that it tends to begin as a consequence of negative events: divides are emphasised and it is then advised how to paint over the cracks. However, research for the Joseph Rowntree Foundation (JRF)[16] has defined a community as a group of individuals without a personal connection, but with an identity. A community is held together by neighbourliness or a '"background hum" of sociability'. Creating this is difficult, but the range of

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13   Ted Cantle, 2001, Community Cohesion: A Report of the Independent Review Team <http://tedcantle.co.uk/pdf/communitycohesion%20cantlereport.pdf> accessed 2nd July 2018

14   David Ritchie, 2001, The Oldham Independent Review <https://web.archive.org/web/20071007165542/http://www.oldhamir.org.uk/OIR%20Report.pdf> accessed 2nd July 2018

15   J. Butler & D. Redding (Social Enterprise UK & National Voices) Health Commissioning: How the Social Value Act is being used by Clinical Commissioning Groups, 2017

16   M. Allen, H. Spandler, Y. Prendergast & L. Frogett (University of Central Lancashire and the Joseph Rowntree Foundation) 'Landscapes of Helping: Kindling in Neighbourhoods and Communities', 2015

factors identified in the JRF research can be broken into three overall groupings: location, shared outlooks and shared stories.

Recent research in England by YouGov (2018) on behalf of the BBC backs up the importance of these factors[17]. In identifying with a particular place, respondents from across all backgrounds found landscape, shared outlooks and values, and a shared local history to be the most important.

In the sections that follow, we will delve deeper into what has changed within our communities and the factors that have contributed to this erosion of social cohesion in the UK.

WHAT HAS CHANGED?

In this section, we explore some of the ways in which local community services have changed over time and the impact this has had on social cohesion – notably policing, community initiatives and local business models.

Policing

Community policing has been a bedrock of British policing strategy since heavy criticism of policing tactics in certain communities in the 1970s and 1980s[18]. Research suggests that by itself community policing does not have a major impact on crime rates; it does however increase trust in the police and affects perceptions of crime. Community policing is expensive, and from its heyday under the last Labour government it has been slashed by austerity politics. The heart of community policing is the local bobby. Not only do they go on the beat, which visibly demonstrates an active criminal justice system, but they also engage with local people. The decline in police officers under the 2010-2015 Coalition and current Conservative governments is almost certain to have contributed to increasingly poor perceptions of law enforcement. Without more money for police officers, this trend of decreased trust and perceived decline in security is likely to continue.

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17   BBC/YouGov (2018) YouGov / BBC Survey Results <https://d25d2506sfb94s.cloudfront.net/cumulus_uploads/ document/re4ybugrnl/BBC_EnglishIdentity_March18_Results_for_website.pdf> accessed 2nd July 2018

18   A. Longstaff, J. Willer, J. Chapman, S. Czarnomski & J. Graham (The Police Federation) Neighbourhood policing: Past, present and future. A review of the literature, 2015

This has had ramifications in other areas; a lack of confidence in local crime prevention has knock-on effects on a community's 'collective efficacy'. This is 'the degree to which neighbours know and trust one another and are willing to intervene, collectively or individually, to protect their neighbourhood from crime and related problems'[19]. A community with high collective efficacy also discourages criminals from engaging in activity there. Unfortunately, little research exists into how collective efficacy can be improved. It would seem clear though that a positive relationship with the police – only possible through community policing – is a necessary starting point.

Local business

The George & Dragon example, referenced earlier in the chapter, demonstrates the role that places and businesses play as a hub for communities around them. It is also an example of one area, recognising pubs as a community asset, where strong grassroots support and wide-ranging campaigning have been successful in changing policy to help strengthen communities. Similarly, the Bevy Pub in Brighton has reinvigorated a local estate that helped to unite local inhabitants in the face of growing crime, as the first community-owned estate pub in the UK[20]. Lobbying from the Campaign for Real Ale (CAMRA) among others has helped to extend the planning protection around pubs.

The Localism Act 2011 means that more than 2,000 pubs are listed as assets of community value, but this only gives a community the right to bid not to buy the asset and still leaves the final decision in the hands of the property's owner[21]. In Scotland, meanwhile such designation helps guarantee the community a right to buy. Co-operatives are particularly good for this, as they give local people a voice and a stake in their workplaces and are by their very nature ingrained locally.

Local institutions

As explored earlier, a common understanding of what makes a place is important in forming a sense of what it is. Many elements come into play in this: local museums, local cultural institutions, the local press and schools. All of these have suffered under austerity and current government policy. It is indisputable that funding strains have affected Britain's broader cultural scene.

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19   Ibid Police Federation
20   http://www.thebevy.co.uk/
21   CAMRA 'Number of Asset of Community Value pubs soars' (CAMRA, 2016) <http://www.camra.org.uk/home/-/
       asset_publisher/UzG2SEmQMtPf/content/number-of-asset-of-community-value-pubs-soars> accessed 2nd July 2018

Joint research from the National Local Government Network and the Arts Council shows that between 2010 and 2016 Local Authority funding declined by almost a fifth; an amount the Arts Council's grants will not be able to replace[22]. The Theatres Trust (2018) reported that 35 UK theatres could close forever[23]. The funding constraints hamper a concerted effort by the sector and by local government to recognise culture's role in the economic and social success of an area. Even measures such as the Local Government Association's recent appointment of its first theatre champion are unlikely to mitigate the consequences of budget cuts. Declines in local arts funding and provision come as schools and charities report an increasing reluctance by schools to carry out school trips, particularly to large cities, because of safety concerns[24].

Local history does form part of the primary national curriculum, but declining local resources and opportunities to access them may leave one questioning how useful such a focus is. Finding out what is happening in your local area is also becoming increasingly difficult, as the decline in the local press deprives local areas of a collective voice with which to raise issues with councils, MPs and the national press.

The National Union of Journalists reports that since 2005 more than 200 local papers have closed. This leaves 58% of the country without a local news source[25]. In February 2018 the government announced a review of the sustainability of the UK press, but this will focus chiefly on business models and not on how to overcome the loss of community voices. Creating a local story is proving increasingly difficult with reduced funding.

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22   Adrian Harvey (New Local Government Network & Arts Council England) Funding Arts and Culture in a Time of Austerity, 2016

23   The Theatres Trust, 'Theatres at Risk Register 2018: Assessment of Risk' (The Theatres Trust, 2018) <http://www. theatrestrust.org.uk/assets/000/000/799/2018_TheatresTrust_Theatresatrisk_assessment_register_and_map_web_ original.pdf?1516114610> accessed 2nd July 2018

24   H. McNish & K. Glaser '"We felt we had no option": school trips halted over terror fears' The Guardian (London: 1 August 2017)

25   Gordon Neil Ramsay (The Centre for the Study of Journalism, Culture and Community, Bournemouth University) Mapping changes in local news 2015-2017: More bad news for democracy? 2017

WHAT HAS LED TO THE DECLINE OF SOCIAL COHESION?

The cohesion of geographical communities across the UK has deteriorated for a number of reasons. First, the vast majority of geographical communities in the UK are based on regional industries - from mining and manufacturing to agriculture. Over centuries, they grew out of industries for processing and exploiting the natural resources in an area – whether metal ores in the earth or fertile, agriculture-friendly soil.

Communities were formed among the people who worked in these industries: people who lived and worked in the same area all their lives. Working together obviously automatically reinforced these communities, but they were also reinforced by organically developed third spaces: pubs, social clubs, sports grounds and churches. In a society before trains and other major transport innovations, the population was much more sedentary, with the majority of people never leaving their geographical communities.

As works such as Noah Yuval Hariri's Sapiens have shown, small, largely unchanging geographical communities have, in fact, been the status quo for human relations for the overwhelming majority of history and pre-history. For the millions of years of human history before agriculture and settlement – when our inherited mental processes were being developed – our ancestors lived in hunter gatherer communities of generally no more than 150 people.

The status quo for almost all of human history, in other words, has been people living in largely unchanging relatively small communities for all their lives. For the vast majority of our ancestors, these were communities of hunter-gatherers roving and foraging resources in large wild areas. With the rise of agriculture – around 12,000 years ago – this began to shift to stable settlements, and people living in fixed geographical communities. Again, however, for the overwhelming majority of those 12,000 years, most people lived in the same stable, relatively small communities all their lives.

This has only begun to shift – in the UK and many Western countries at least – in very recent years. Because, although the first Industrial Revolution, it is true, certainly caused massive social upheaval and drove many people out of their rural communities and into cities, the communities formed in cities were still broadly stable. There was still not the means for mass mobility and travel. The Industrial

Revolution shook up the rural communities of the British Isles until they coalesced around regional industries across the country. And it was generally these groupings that developed into the towns of today.

Rotting from the inside: the decline of industry

The story of the last half-century is the story of the decline of British industry, and thus of the foundation of many of the UK's communities. In the 1980s, this process was accelerated by Margaret Thatcher's Hayekian drive away from manufacturing and towards deregulated financial markets as the mainstay of the British economy. As mentioned earlier in the chapter, this was underpinned by an ideological belief in the primacy of the individual over the community.

As industry and manufacturing rapidly deteriorated – unsupported and undercut by international competition – so the engines of many of the UK's communities fell apart. In many areas, people had been united by the work they did together side by side every day. But when this disappeared, so their communities began to rot from the inside out. Not only were many forced to move and look elsewhere for other forms of work; for those who remained in Britain's left-behind, post-industrial towns, the unifying shared experience of working together was largely gone.

As the UK's economy shifted away from localised manufacturing and industry and towards centralised financial services and other much more globally connected industries, so people – especially the young – were pulled out of their local communities and towards urban centres. Nothing, perhaps, reflects this more clearly than the spiralling housing crisis in London – where a hugely disproportionate amount of these jobs are based.

Added to the shift to centralised industries was a profound educational shift. Especially in the Blair era, university education was vastly promoted ahead of apprenticeships and other more localised forms of education. In fact, since 1992 the number of university students has almost doubled, with 49% of young people in the UK now going on to higher education. And what this means in practice is that at the age of 18, almost half of young people are leaving their home towns and geographical communities – generally for cities and large towns. Most seem not to be returning, but instead forming a deracinated graduate class in London and other cities. The result, in effect, is a huge number of young people leaving their geographical communities instead of developing and reinforcing them.

The decline of local government

Another major change in the Thatcher era was a widespread move away from local government and towards central bureaucracy. It was the beginning of a now drastic decline in local government, and thus of people's capacity to come together and have a say in their politics and the local issues that affect them. In the same way as pubs, social clubs and churches, local politics – town meetings for example – had been a vital way of bringing all parts of a community together. In the austerity-era, 47% cuts to local government funding have drastically accelerated the decline of local politics. (So too has the hollowing out of the local newspaper industry.)

The decline of local government has led to a rapid decline in the opportunities for people to engage in local politics then. But the associated cuts to funding for local government have also essentially meant direct cuts to funding for local municipal third spaces like libraries and youth centres. In many areas, the collapse in funding for municipal third spaces has accelerated the decline of social cohesion begun by the fall of industry in the UK.

The decline of religious third spaces

Funding cuts have contributed to the decline of municipal third spaces, then. For the decline of the UK's vitally important religious third spaces, however, the reasons are significantly more complex. As an officially Protestant country, churches – Church of England, Scottish Presbyterian and others – traditionally formed the moral heart of communities across the UK. Physical churches provided vital third spaces that drew all elements of the community together.

In the last half-century, however, religious affiliation has rapidly accelerated. One 2017 study by St Mary's University, Twickenham, found that today not only do just under 50% of the population have no religious affiliation; today, for every person raised in a non-religious household who adopts a faith, 26 people raised as Christians give up their faith. The British Attitudes Survey from the same year found that three out of four 18-24-year-olds have no faith.

Set against this is the contrast between faith levels in different ethnic and cultural groups. The 2017 St Mary's University study found that the most religious area of the UK at present is central London – because of its large Muslim and migrant population. Meanwhile, the least religious parts of the UK were also among the most homogeneous: Scotland, Wales and South-East England. As a result, whereas

communally-shared religious third spaces could once be said to be a vital force for unity and community cohesion in the UK, today the contrasts between different faith centres could even be said to be reinforcing divisions.

Technology and the rise of the individual

Perhaps the broadest and most elemental factor eroding social cohesion and community in the UK and beyond is technological innovation in the fields of communication, entertainment, shopping and general convenience. Because local social third spaces like sports clubs and youth clubs have been undercut not only by a loss of funding, but also by a loss of interest.

Technological advances in galloping individual-focused entertainment industries from television to gaming have increasingly driven people – especially young people – away from local communal activities. The increased use of social media – again, especially among young people – has also played a part in eroding local communal activities and engagement. There is strong evidence that the increased use of social media erodes community engagement and increases loneliness. One study by the University of Pittsburgh found that people who visit sites like Facebook, Instagram, Snapchat and Reddit 58 times or more a week are three times more likely to feel lonely than people who visit them fewer than nine times a week. The rapid advance of both entertainment and communications technology is increasingly pushing people out of their communities, into their homes and – very often – to the isolation of their own rooms.

Just as funding cuts have hollowed out local municipal third spaces, the internet and the rise of online shopping are destroying private third spaces like the high street. As a study by architecture firm We Made That found, the high street plays a major part in community engagement and cohesion. Surveying London shoppers, it found that for three quarters of them, the "best thing" about high streets was the opportunity they afforded them to interact with the community. The study concluded that especially for the most marginalised and isolated groups in society – like the elderly, young people, newly arrived migrants and jobseekers – the high street gave them a vital opportunity to engage with other people and their community.

The rise of online shopping is, however, rapidly destabilising high streets across the UK. A recent report by the Financial Times on the north London suburb of Burnt Oak noted that: "Burnt Oak's high street once boasted a market, several banks, a school uniform shop, a book shop and shoe shop. Today, it is made up of hair

salons, betting shops and fried chicken shops." This phenomenon is far from unique. Last year alone, 1,772 shops closed on the UK's high streets, while almost 20p of every pound spent by British shoppers was an online transaction.

Immigration: the accelerating effect

Added to all this, with the shared spaces that held up communities disappearing, you also have immigration into deprived areas where community cohesion is declining. Without the shared spaces that facilitate integration, immigration often exacerbates the decline of community cohesion, with immigrants and indigenous populations alike alienated.

The cohesion of migrant communities compared to the areas they move into often also prompts hostility and accusations of insularity. In fact, when existing populations lamenting the loss of community cohesion see exactly this cohesion in migrant communities, they often consider it insularity and a refusal to engage with them, prompting hostility. The fundamental problem in many areas, however, is not a refusal to engage. It is the loss of the third spaces – for the reasons outlined above – that should facilitate integration and unity. In short, the result of immigration combined with declining community cohesion is an alienation and segregation that harms all involved.

CONCLUSION

As this pamphlet has set out so far, Britain is a nation divided into groups whose interests overlap, compete and sometimes conflict. But in this chapter, we have set out to show the extent to which we are also a nation divided as individuals. Rapid economic and cultural change have seen individuals separated from one another and from the social and family networks and institutions through which they once derived collective strength. The decline of community cohesion leaves a nation of individuals increasingly separated from one another, left to adapt and accommodate further economic change, with few means to articulate a voice or assert control.

Before we can address the profound social cleavages examined in other Chapters, we must begin by rebuilding collective solidarity at the most local level of all – between neighbours and down our streets, and by rebuilding the shared physical spaces in which we interact and find common cause.

In this final section, we will set out some steps that could be taken by national policymakers, at the local level, and by individuals in their communities themselves, to reverse the decline in community cohesion identified in this chapter.

Needless to say, the only truly effective response to the social and economic impoverishment of our communities is a funding settlement which returns the assets which have been stripped from them over the past three decades. As David Cameron discovered, policy initiatives attempt to foster a 'Big Society' of community groups, empowered local volunteers and proactive social enterprise will amount to very little if a community – and the people in it – are at the same time being deprived of the physical infrastructure, funding and individual economic security which are all necessary prerequisites to participation.

Secondly, it is critical that as financial capital flows back, communities are able to ensure it is spent in a way that maximises and multiplies its benefits locally. As we have examined, the Social Value Act, intended for this purpose, currently lacks the force and clarity needed to make a meaningful impact on local purchaser's decision-making. Attention should be given to encouraging procurement via employee and co-operatively-owned enterprises, given that the surplus such firms generate is reinvested or distributed within the local community rather than to shareholders beyond it. The Social Value Act should therefore be amended to give contracting authorities the right to reserve particular contracts for co-operatively-owned enterprises.

Next, communities must be given powers to retain control over the assets they currently own, and, where opportunities arise, to assert collective control over other assets considered integral to it or of significant social value. Where local authorities dispose of or transfer land, buildings or property, the Government should legislate to require that these assets remain in the public interest, and accountable to the community that they serve. This should include legal structures – such as co-operatives and community benefit societies - that guarantee accountable and democratic ownership, and which are asset-locked, preventing dissolution and ensuring resources remain in the public realm. This should be accompanied by extensions to the Localism Act, and powers equivalent to the Land Reform Act in Scotland, giving community groups a first right of refusal to purchase listed assets and land.

However, securing control of physical assets alone is clearly not enough. Indeed, without measures to facilitate inclusion and engagement of the whole community, such powers risk being only of use to the most engaged and already active seg-

ments of society, further empowering those who already enjoy high levels of social and economic capital.

Though too often seen through the prism of transport policy alone, the decline over the past decade in local transport provision has significant implications for community cohesion. With thousands of miles of bus routes cut and miles lost, physical isolation and disconnection from economic and social opportunity is a reality for tens of thousands of people, and disproportionately among those already experiencing social exclusion and disadvantage.

Whether we decry the hollowing out of high streets, the epidemic of loneliness or a crisis in social care, all can be considered symptoms of communities in which elderly and disenfranchised groups lack the means to independently go about their daily lives. With private transport operators currently free to 'pick and choose' the most financially profitable routes, with no accompanying obligation to service those of greatest social value, the answer must lie in a greater role for the community and not-for-profit transport sector, including services such as 'Dial a Ride'. The government should re-think licensing changes which will disproportionately impact community transport services run by volunteers, as well as taking steps to ensure that as bus franchising becomes widespread, local procurement processes give not-for-profit operators equal access.

Finally, alongside steps to enable the growth of local civil society and facilitating participation in it, local authorities should prioritise opening up statutory services to greater community participation, as well as providing mechanisms for direct local democratic accountability.

NATIONAL IDENTITY

FOREWORD

Sunder Katwala
Director, British Future

National identity matters. Arguments about British identity are central to most of the big political questions: our multi-ethnic and multi-faith society, the future of a multi-national UK, and Britain's role in the world, its relationship with Europe, and now Brexit.

Every party needs to grapple with these issues. A Labour Party or movement which had little or nothing to say about them could not be a credible contender for government in this era in which identity can dominate politics. So this Young Fabian project is valuable and timely – not just in recognising that the challenge matters, but in its clear understanding that the national identities that we will experience depend on the political and public choices that we make about what we want them to mean.

National identities can change. British identity certainly broadened considerably in my lifetime.

Ethnic minorities arrived in this country in the Windrush era onwards with a strong sense of their stake to British identity, even if it took two generations to have that properly acknowledged. The near-impossibility of being black and British had been Enoch Powell's central assertion in his infamous Rivers of Blood speech in 1968. If that remained a central question of the 1970s and 1980s – but the question had been so decisively answered by the end of the 1990s that it largely ceased to be asked. Clearly, immigration and integration remain contested, controversial

issues – but that foundational shift in who counts as "us" goes too deep, especially across the generations, to be reversed.

The United Kingdom, perhaps now somewhat dis-united, is now a much more consciously multi-national polity than it was a quarter of a century ago. Indeed, as the future of the United Kingdom has become more contested, the rules of being British have become much clearer. It is demonstrably and practically now a union of consent, as the terms of the Good Friday Agreement and the fact of the 2014 Scottish referendum have demonstrated. There is no barrier to the dissolution of the United Kingdom beyond the sustained majority consent of any of its constituent nations to leave it.

If the Scottish and Welsh had long understood that being British was the civic identity of a multi-national state: the English too came to understand that English and British identities were not identical. National identities are increasingly primary, while the shared civic, citizenship identity has become a more formal one, associated with shared institutions – especially the Monarchy, the NHS and traditions of Remembrance, which have not faded, as some had anticipated.

But it may prove difficult to sustain a shared sense of British identity across the UK as our national media and political debates become more disaggregated: there was no British General Election in 2015 and 2017, but rather the aggregate result of four different national electoral contests.

If these are central issues of the age, Labour can struggle to find its voice on issues of identity and integration. That seems curious, when Labour's history has been as a party of integration in profoundly important ways.

Its founding mission – to give political voice to labour – was an integration project. It succeeded in ways that shaped Britain's twentieth century: British democracy adapted to universal suffrage and accepted Labour's claim to govern; that helped to unite the country against the existential threat of Nazism, and to deliver the new citizenship offer of the NHS and the post-war welfare state.

In the 1960s and 1970s, Labour helped to give new citizens from the Commonwealth the confidence and standing to stake their citizenship claim to having a voice in society and politics. Labour took pride in passing pioneering anti-discrimination legislation (though the parliament's which did so were entirely white). Labour became the primary vehicle for ethnic minority aspiration to play a full role in our

public life. If progress was very gradual in the 1980s and 1990s, by this decade, all British political parties accept that they need to emulate this. Ethnic diversity has become a new norm in British national politics to an extent unmatched in Europe.

So now Labour should be a party of integration in the twenty-first century too. The EU referendum illuminated pre-existing divides – across regions and social classes, across the generations, perhaps above all between those with degrees and those without them. It is important to insist that parties which want to govern the country to show that they can bridge the polarisation between the towns and cities.

The key challenge of our age for the major western democracies can be put simply: we are going to be living in multi-ethnic and multi-faith societies. The question is whether and how they will make a success of it. It is not just electoral calculation, but social democratic values too, depend on rejecting the idea that political parties must choose whether to articulate minority or majority interests.

If the left understood that identity mattered to minorities – but has struggled to understand that it will matter to majorities too.

The best answer to the backlash politics of mutual grievances – embodied by the United States Polariser-in-Chief Donald Trump – is to underpin an equal and common citizenship by forging shared identities, which transcend a sense of 'them and us' between incomers and the societies they join.

Crucially, the Young Fabian pamphlet recognises that forging confident and inclusive civic identities, shared across the societies that we have become, will require public engagement and ownership. How to strike the balance of shared identity in a liberal society is not straightforward: it will take sustained democratic dialogue of the type this pamphlet seeks to spark.

A successful left in this age of identity needs to understand the importance of common citizenship and shared identity in helping to build the solidarity that makes social justice possible.

INTRODUCTION

Tristan Grove, Ollie Lund & Ben West

Britain stands at a moment of national crisis. It is faced by the single biggest constitutional shift in recent British history - with countless implications for everything from living standards to social cohesion: Brexit. And as it faces this seismic and potentially shattering event, just when it needs to be united, it is actually more divided than ever.

For too long now, on both left and right, there has been a libertarian-inflected focus on markets and economics as a panacea for all ills in society. In the 1980s, Hayek and Friedman-influenced libertarian economics swept to dominance in the West, with its emphasis on the wants and desires of the individual consumer. Meanwhile on the left, economic redistribution was replaced by identity politics as the driving force of the movement, again focusing on individuals and celebrating individual difference instead of shared identities and community.

Faced with a slowing economy and the abandonment of shared identity and values at both ends of the political spectrum, it is little wonder the UK is so marred by division. The country is now more divided than at any time in recent history - in everything from age and geography to ethnicity and education.

In this environment, it is not to markets and the economy that we must turn, but to society and values. To revive and rebut the slogan of someone who helped truly embed the neoliberal prioritisation of the individual over the community, it is not just the economy, stupid.

To heal the rifts in our society and reassert shared identity across the growing and gaping divides, it is best to begin with the most elemental and widely shared identity of the country (beyond universal human identity), national identity.

This chapter will consider the nature and origins of national identity, how it was formed in the UK (for the purposes of this chapter, the phrase 'British national identity' will be used to refer to the shared national identity of all the peoples of the United Kingdom), and how and why it has changed in recent years. Summarising analysis and research, it will also make the case for how a progressive and inclusive,

173

values-based British identity - cut loose from the baggage of imperial Britain - can unite the country and guide it into the future and the world.

WHAT IS 'NATIONAL IDENTITY' AND WHY DOES IT MATTER?

The heightened relevance of national identity

National identity remains a dominant force in 2018. There are those who write national identity off as obsolete. They root its demise in globalisation and the Thatcherite economics of the 1980s that empowered finance over state, as global financial markets acquired power to shift hundreds of billions of dollars transnationally on a daily basis. Yet, whilst they are right that this has reduced the power and sovereignty of nations, national identity continues to be one of the most important group identities in the Global North[1]. A 2015 YouGov poll showed that seventy-seven percent of Americans, sixty-seven percent of Britons and sixty-five percent of Australians are patriotic about their nation[2]. Furthermore, as economically developed nations like Britain have become more diverse - economically, socially, and culturally - the common ground for shared experience among Britons has declined, putting greater pressure on the idea of 'Britishness' to retain a shared purpose and identity.[3]

Despite this, there are commentators who celebrate the perceived decline of Britishness, in the hope that Britons can adopt a more enlightened form of collective identity[4]. This viewpoint is strong among the progressive elite, stemming from a long tradition. Seventy years ago George Orwell wrote of how the English left disparaged British patriotism, remarking that 'almost any English intellectual would be more ashamed of being caught standing to attention during God Save The King than of stealing from a poor box'[5]. And it is not difficult to see why some commentators

1   D. McCrone, 'Unmasking Britannia: The Rise and Fall of British National Identity', *Nations and Nationalism* 3.4 (1997), 581.

2   L. Dore. 'These are the most patriotic countries in the world', *Independent* https://www.indy100.com/article/these-are-the-most-patriotic-countries-in-the-world--WyeummzgQx (last accessed 18 July 2018).

3   R. Kelly and L. Byrne, *A Common Place* (London, 2007), p. 4.

4   For example; P. Mason, 'I do not want to be English – and any attempt to create an English identity will fail', *The Guardian* 10 May 2015, https://www.theguardian.com/commentisfree/2015/may/10/snp-english-national-identity-class-cultural-divide (last accessed 18 July 2018).

5   S. Katwala, 'Why national identity matters', *British Future* 3 December 2014, http://www.britishfuture.org/articles/is-there-a-progressive-case-for-national-identity/ (last accessed 19 July 2018).

are sceptical of Britishness. They find it difficult to see how multicultural Britain can incorporate its destructive imperial past into a coherent national story, and, what is more, see the notion of a national story itself as outdated. They are also fearful of a version of Britishness that celebrates ethnic homogeneity[6]. National identity can, it is certainly true, have a dark underbelly of exclusion and discrimination. As the strongest extant group identity, however, national identity remains vital for the political organisation of societies. And this is why it is essential that the left circumvents exclusionary forms of national identity to create and promote a progressive, inclusive form of Britishness.[7]

Without a progressive idea of Britain, the Right's vision will triumph

In recent years it has been those on the right of British politics who have been left to define Britishness, and as a result, there is a general perception that it has become more exclusionary and ethnically driven. By playing a role in framing British identity, Labour can help build a Britishness that is more inclusive and forward-thinking. As Alison McGovern MP has written, British identity can move away from empire and the dusty establishment and towards a "modern-day union jack, emblazoned on the running vest of Mo Farah, painted on the side of the HMS Enterprise as it rescues people drowning in the Mediterranean waters, and stamped on the UK aid packages."[8] If realised, this vision can help revitalise the common understanding and respect between Britons, and help reunite a divided nation. By creating an atmosphere of trust, collective responsibility and social cohesion, it can help deliver results fundamental to achieving progressive ideals – making people more likely to fulfil civic duties and pay taxes, whilst also inspiring them to live up to certain ideals and virtues, perceived as central to Britishness.

The origins of national identity and the way forward

To understand how to achieve these changes, first we must appreciate the origins and make-up of national identity. The term itself came to prominence during the 1950s in debates about the nation state, when it replaced other phrases like 'national

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6   E. Asari, D. Halikiopoulou and S. Mock. 'British National Identity and the Dilemmas of Multiculturalism', *Nationalism and Ethnic Politics* 14.1 (2008), 1.

7   B. Parekh, 'Defining British National Identity', The Political Quarterly 71.1 (2000), 7.

8   McGovern 'Labour needs to reclaim patriotism from the narrow nationalists' *Labour List* 20 March 2017 https://labourlist.org/2017/03/mcgovern-labour-needs-to-reclaim-patriotism-from-the-narrow-nationalists/ (last accessed 3 August 2018).

character', 'national soul' or 'national genius'.[9] A term that encompasses a nation's history, culture, values, institutions and laws, it has been an essential signifier of group identity since the nation rose to become the most important structure in the organisation of global politics - following the French revolution. Understanding the evolving origins and essence of a nation's identity is challenging because it is constantly evolving, but it remains a vital tool for understanding the attitudes and sentiments of the modern world.[10]

The term national identity itself refers to the identity of a national community and its central values and commitments - its organising principles and the ideals that drive its collective affairs.[11] It is a representation of a national population's tendencies and values, encompassing a nation's history, culture, laws, territory, language and institutions. It is an essential part of a nation's fabric and is complex, constantly evolving and often means different things to various parts of the populace.[12] In many cases it is difficult to precisely define, and it is also difficult for politicians to grasp because it cannot easily be boiled down to a series of simplistic talking points. Yet national identity is vital to politicians because it links citizens to their shared national community, through nurturing bonds of trust with the people around them. And by emphasizing common self-understanding within the community and stressing each person's stake in the community's future it helps them make sense of the world around them.[13]

Its power stems from the origins of the nation. Some academics have argued that the nation state is 'primordial' – that is to say that they are derived from ancient, fundamental roots and national sentiment is not a construct but rather, has a 'real, tangible mass base'.[14] Whilst there is truth to this, modern nations are often linked to 'older, long-lived ethnies', which provide many national myths and cultures, so to view nations solely as primordial is reductive.[15] We believe that the nation state has been cultivated over the past two centuries by ruling elites, putting emphasis upon the shared symbols, traditions and myths valued by the population - to create a cohesive community, where a shared identity holds diverse, disparate groups of people together. This has allowed governments to fight wars and collect taxes. This view is supported most famously by Benedict Anderson, who theorised that the

9   Parekh, 'Defining British National Identity', 4.
10   A. Smith 'The origins of nations', *Ethnic and Racial Studies* 12.3 (1989), 340.

11   Parekh, 'Defining British National Identity', 6.
12   Smith 'The origins of nations', 342; Parekh, 'Defining British National Identity', 6
13   D. Miller, 'Reflections on British National Identity', *Journal of Ethnic and Migration Studies* 21.2 (1995), 157-8.
14   Smith 'The origins of nations', 361.
15   Ibid.

nation was an 'imagined community' and saw national identity not as something entirely natural but rather fomented by government to unite people. This imagined community links people throughout the nation and is vital to its continued coherence and success. Later in the chapter we go on to discuss how the origins of British identity fit within this debate, but the implication is vital: that the essence of Britishness is malleable and can be reshaped.

Ethnic and civic national identity

Much of the debate surrounding a nation's character can be boiled down to a dichotomy between two forms of national allegiance – ethnic and civic. Ethnic nationalism promotes the importance of biological ancestry, national history and ethnic homogeneity linked to historic customs and traditions.[16] Germany is an example of a nation where ethnic nationalism is favoured: greater priority for citizenship is given to 'ethnic' Germans and there can be hostility towards non-ethnic Germans.[17] Civic nationalism is more universal and stresses national belonging on the basis of shared values, allowing anyone to become part of the nation so long as they share its key values - for example democracy or tolerance - and perform civic duties, like paying taxes.[18] This system is more similar to that adopted by France or Canada, and in our view is what a progressive Britishness should look like.

Much of the debate surrounding Britishness, continuous since the days of William Gladstone in the nineteenth century, has formed around these two nodes of ethnic and civic national identity.[19] Labour Lord Bhikhu Parekh splits these into 'new right' and 'New Labour' British identity.[20] The former was first articulated by Enoch Powell and is made up of the four interrelated components: parliamentary sovereignty, individualism, the ethnic and pre-political unity of the British people and a geography and history that unites them.[21] It is by its nature exclusive, because the essence of being British is isolationist and tied up in shared history, valuing sovereignty over equal relationships with other nations. In contrast, the New Labour approach to Britishness was characterised by a celebration of parliamentary democracy, tolerance, European roots, a global outlook and cultural plurality.[22] It is more open and inclusive, yet the Labour Lord Parekh argues it too is imperfect;

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16   J. Rutter, *Moving Up and Getting On: Migration, Integration and Social Cohesion in the UK* (Bristol, 2015), p. 73.
17   H. Kearney, 'The Importance of Being British', *Political Quarterly* 71.1 (2002), 15.
18   Rutter, *Moving Up and Getting On*, p. 73.
19   Kearney, 'The Importance of Being British', 20
20   Parekh, 'Defining British National Identity', 9.
21   Ibid.
22   Ibid., 13.

lacking historical depth and taking only a cursory look at Britain's weaknesses.[23] The happily cosmopolitan and global Britain it theorised can seem a long way from the divided nation of 2018, with growing splits between big cities and towns, between the university educated and school leavers and those strongly connected to global growth and those left behind by it. Overall, however, many of the 'New Labour' principles should be emphasized in the search for a progressive, civic British national identity.

Challenges for the task ahead

This new British identity will have to cope not only with the challenges facing the nation state generally, but also with the more specific ones facing Britain and Britishness. As we mentioned earlier, the birth of a truly global economy has resulted in influence being transferred from national governments to multinational corporations, transnational regulatory institutions - including the International Monetary Fund - and supranational institutions like the EU. Each of these have eroded national sovereignty and potency.[24] As early as the 1990s, Eric Hobsbawm was arguing that the story of nations was no longer the most compelling strand of the global narrative, but rather served as a catalyst or complicating factor.[25] Yet during this time of flux, Britishness is perhaps more important than ever as a constant for people to grip to at a time of rapid change to their national and global surroundings. Indeed, as illustrated by the rise of populist nationalistic leaders throughout the West over the past decade, national identity has drastically gained in importance among sections of the population.

A British identity for the many not just the few

Yet, while national identity has been pulled closer by some parts of the population, others have disavowed it. David Goodhart made this point effectively in The Road to Somewhere, splitting the British population into two – the 'somewheres', typically the geographically rooted, working class people who have pulled national identity closer for its security and familiarity, and the 'anywheres', mobile metropoles who tend to value autonomy and openness, are often highly educated, and feel far less connected to Britain.[26] Britain's vote to leave the EU did not open up this rift but rather revealed that it had emerged: two nations within one. The challenge for rebuilding Britishness is to find an identity that re-engages those who no longer

23   Ibid.
24   R. Holton, *Globalization and the nation-state* (Basingstoke, 1998), p. 80.
25   E. Hobsbawm, *Nations and Nationalism Since 1780: Programme, Myth, Reality* (Cambridge, 1991), p. 191.
26   D. Goodhart, *The Road to Somewhere: The Populist Revolt and the Future of Politics* (London, 2017), p. 106.

feel connected to Britain, whilst not alienating the 'somewheres' who feel alienated by multicultural, global Britain. Goodhart gives some insight as to how this may be achieved. Most Britons still attach great importance to national symbols like the NHS, as well as values like fair play, and these need to be placed at the heart of a unifying national identity.

The other significant challenge facing Britishness is how to incorporate the local identities of Scotland, Wales, Northern Ireland and England - particularly since their central purpose of running the British Empire has dissolved. As discussed in more depth later, Britishness is a relatively youthful national identity – first advocated by the British government during the eighteenth century to help bring the nations of the Union together into a cohesive national structure. While it was successful for much of the following three centuries, over the past thirty years, cracks in broader British identity have widened. Following devolution in the 1990s, both Scotland and Wales have achieved greater national autonomy, and in 2014 the Scotland independence referendum came close to ending the three hundred-year-old union of Great Britain. Following the vote to leave the EU in 2016, the Union is under greater threat than ever because of the risk of a hard border in Northern Ireland - as well as the prospect of Scotland being taken out of the EU against its will. To maintain the unity of the UK, British identity must resonate in each of its component countries, while also allowing them to celebrate their individual identities. Important to this is accommodating British and English identity, the latter of which needs to be valued and supported without being allowed to dominate the identity as a whole, as it has often tended to. It is a difficult balancing act but one vital to the success of Britishness.

Our preferred definition

Having considered all of this, what is our preferred definition and framework for a unifying Britishness? First of all, national identity is most effective when it grows out of a vigorous democratic debate and reflects the views and aspirations of the citizens, rather than being imposed by the ruling or academic elite.[27] As a result, national identity must be bottom-up rather than top-down, both in the sense that it must come from the population as a whole instead of it being imposed, and it must come from local communities – stressing the link between the local and the national.[28] This should lead to an identity that is inclusive and widely held; that respects the various ethnicities, religions and cultures that are now found among

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27   Parekh, 'Defining British National Identity', 9.
28   Kelly, *A Common Place*, p. 4.

the people of the UK. It should also encourage differing understandings of what the nation is.[29] A national identity is far more likely to fail if it is biased towards one group's idea of it, thus alienating other groups.[30]

 Therefore, to develop a progressive national identity, a Labour government should lead an inclusive national conversation – conducted by the British people. A Labour government would still have an important role to play, however. For much of its recent history Britain has taken a laissez-faire approach to its identity and this must change, with government providing a framework for this national conversation. There are methods for facilitating this - detailed in our recommendations.[31] While it is important government does not dictate the substance of Britishness, it is equally important that they guide a national conversation on the subject towards a more inclusive, civic (as opposed to ethnic) form of national identity, so as not to alienate Britain's large and valued migrant and ethnic minority populations. Beyond this however, it will be for Britons to define their own collective identity.

NATIONAL IDENTITY MADE AND RE-MADE

As the previous section has identified, the people who inhabit these islands find themselves in the throes of a profound identity crisis. Until now, ours has been a society which took a laissez-faire attitude towards such matters. We took pride in a relaxed, even cool, attitude towards questions of identity.

Ours was a breezy cosmopolitanism, willing to co-opt and borrow from the world, secure in the self-confident assumption that such exchanges posed no challenge to Britain's long-held cultural or economic superiority. Implicit in much of the commentary and rhetoric of policymakers in the 1990s is the assumption that we had nothing to fear from globalisation, because globalisation was something that the UK did to other countries—not something done to us.

Ironically, it is this relaxed—ambivalent, even— approach to questions of our own values and identity which may prove to be the most significant barrier to Britain

29   Parekh, 'Defining British National Identity', 8.
30   Ibid.
31   Kelly, *A Common Place*, p. 3.

holding its own in a world in which our own state's economic and cultural domi-
nance is no longer a given. If the phenomenon of 21st century globalisation means
anything, it means coming to terms with a world in which the UK can no longer
assume a privileged position at the top table, but rather must earn its place, whether
through co-operation or competition. In such circumstances, it seems reasonable to
assume that it will be those nation states who approach this challenge with internal
coherence, social solidarity, confidence and sense of common purpose who will
be in the strongest position to adapt to and benefit from rapid change.

In this world of dramatically intensified economic competition, in which the capac-
ity of states to shield individual citizens from the effects of global market forces is
diminished, and in which emerging security challenges make it harder for states
to guarantee security through physical borders, intangible bonds of solidarity
between individual actors become more, not less, important. Benedict Anderson
referred to this as a "horizontal comradeship", arguing that "the members of even
the smallest nation will never know most of their members ...yet in the minds of each
lives the image of their communion".[32] Others, including Smith and Jarkko have
subsequently built on Anderson's model, describing national identity as 'social
glue' that holds society together[33].

Such a view is currently unfashionable among the radical economic liberals in
ascendancy in the Conservative Party, as it is among many in the Labour Party,
who continue to associate the language of collective social obligation with a
pre-1960s socially illiberal order. This stands in contrast to the position of former
UK Prime Minister, Tony Blair, who argued that in a globalised world, collective
solidarity remains the most reliable means through which the economic freedom
of the individual can be attained. He told the 2005 Labour Party Conference,
"social solidarity remains the only way to secure the future of a country like Britain.
However, today its purpose is not to resist the force of globalisation but to prepare
for it, and to garner its vast potential benefits."[34]

Therefore finding and, where necessary, re-creating a common sense of identity
and shared purpose amongst the inhabitants of the UK is not the self-indulgent act
of introspection liberals of the Left or Right might present it to be. To the contrary.
There is no goal of greater importance to all our prosperity, unity and long-term
prospects than reaching greater public consensus about who we are, where we

32   Anderson, Benedict *Imagined Communities,* Verso 1983. pp7
33   Jarkko, Lars & Smith, Tom, *National Pride: A Cross-national Analysis* 1998, pp 12
34   Blair, Tony *Labour Party Conference Speech 2005*
      (https://www.theguardian.com/uk/2005/sep/27/labourconference.speeches) Retrieved 12 November 2018

have come from and what we, as a nation of people living together under a common government on these islands, wish to achieve together.

Taking charge of our history

The collective reluctance of the UK's inhabitants to have such a conversation about ourselves and to define our values and identity means that rather than being created by a collective, consensual process, our identities have too often been imposed by elites, or been built on myths that bear little resemblance to how we see ourselves.

Chief among these, perhaps, is the myth of the historical and constitutional continuity of the UK. Ours is a country which promotes itself to foreign visitors as a land of ancient customs and unchanged symbols. It is a myth which, since Burke, has seduced Whig historians and provided justification for conservative politics. It is the myth of a single line of cultural and historical development which can be traced all the way back to the Anglo-Saxons, by way of the Magna Carta. It is the myth of a country whose ethnic and religious character lay largely unchanged until the arrival of the HMT Empire Windrush in 1948.

The danger of such a myth, of course, is that it implies that what national identity we do have is the result of an organic, inevitable process, and a singular line of evolution and historic development which is interfered with at our peril. Such a view dismisses competing interpretations as attempts to 'rewrite history' and assumes the role of referee in judging what is or is not authentically British, while being remarkably flexible in how it applies such standards to itself. It is, fundamentally, a view of our national identity which is policed and defined at the convenience of an economic and cultural elite, its goalposts shifted at their own convenience. No wonder so many—particularly newcomers—regard conversations about national identity with dread or resignation that they 'can't win'. At present, 'Being British' seems to them a game whose rules are known only to those who know them already.

It ought to be possible for us to recognise the value of the historic achievements which have taken place on these islands - as well as the long-standing traditions which still bring benefit and belonging - while acknowledging their discontinuities and accepting that not all may be as old or as authentic as they seem. By embracing the possibility that portions of our own national identity may be synthetic or less hallowed than we thought, it becomes conceivable that we ourselves might be able to begin the process of constructing a common identity that enjoys wider consensus and legitimacy.

Towards a new understanding

There is an alternative historiography. Far from the United Kingdom of Great Britain and Northern Ireland enjoying a long and unbroken history, it is but the latest in what historian Norman Davies has counted to be over a dozen different sovereign states to have been established on these islands over the past 2,000 years[35]

From the Statute of Rhuddlan in 1284, which annexed the Principality of Wales into the Kingdom of England, to the Belfast Agreement in 1998, with two Acts of Union, a military-backed republic and a personal union with India (via Queen Victoria) along the way, the constitutional arrangements of the British Isles are a story not of continuity, but of regular change. While there have been people on these islands since before records began, they have been governed by many states. That state is currently the United Kingdom of Great Britain and Northern Ireland, but we should not assume that it will always be so.

Seen in these terms, our nation-state is not old, but young, and the notion of identity on these islands not a fixed yardstick against which newcomers should be judged, but an ongoing dialogue which has continually adapted as our constitutional arrangements have adapted and will continue to do so. If we accept Smith and Jarkko's argument[36] that national identity legitimises state institutions, with nation and state benefitting from a symbiotic relationship, we allow the two to come out of sync at our peril.

Inventing Britishness

As we have discussed, it seems clear that existing perceptions of national identity in the UK have become too narrowly held and too widely contested for them to be successful in maintaining social solidarity or legitimising our political institutions. But building a durable and legitimate alternative first means understanding how our existing identity came about, the forces which held it in place, and the changes which have caused it to be weakened. It is to that task that we now turn.

Much of the scholarship on the formation of 'Britishness' closely aligns with the instrumentalist conception of nationality outlined earlier. If we are to understand nationality through the lens of Benedict Anderson's 'imagined communities', then it is pertinent that the first recorded reference to 'Britons' as a collective group dates

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35   Davies, Norman *The Isles: A History* 1999 pp
36   Ibid

to 1682, a mere 25 years before the 1707 Act of Union established the Kingdom of Great Britain as the state with sovereignty over most of the British Isles. This suggests that while 'Britain' as a geographical concept pre-dated the Union, it was the foundation of the state that brought into being the possibility of a common identity shared by all within its new borders.

Beyond these facts, however, there is some debate about to what extent British nationality was formed organically in the eighteenth, nineteenth and twentieth centuries - as a result of extraneous factors - and to what extent it was the result of conscious decisions taken by cultural and political elites. Linda Colley's account identifies Protestantism, distinctive democratic traditions and the shared experience of the British Empire as factors that distinguished Britain from its continental neighbours[37]. They also, in her account, united the previously disparate interests of the English, Welsh, Scots and Irish around a shared view of themselves. Robert Collis echoes this perspective, presenting the process as a gradual "edging together of state and nation over a long history of political compromise"[38], with collective military success also playing a significant role.

On the other hand, contemporary evidence shows us the extent to which - successfully or not - political elites sought to engage in the formation of a collective British national identity. The histories of Scotland, Ireland and Wales for much of the eighteenth and nineteenth centuries are the stories of repeated attempts to impose greater cultural and religious uniformity across Great Britain. The 1746 Dress Act, for instance, sought to reduce the chances of further Jacobite uprising by proscribing Highland dress - including traditional kilts - in an attempt to assimilate highlanders into the British project. The 1737 Administration of Justice Act, which mandated the use of English in Irish Courts played a similar role, while in Wales the Welsh language lost its official status in the Act of Union in 1536, and did not regain it until 1993.

It is on this basis that contemporary Scottish, Welsh and Irish nationalists justify their view of 'Britishness' as little more than an exercise in English linguistic, cultural and political domination. Nonetheless, while there is more than a little truth in this, it would be an oversimplification to present Britishness and Englishness as one and the same. In the Seventeenth and Eighteenth Centuries, we can see attempts by contemporary elites to define and exemplify a distinct and altogether new British identity in their fashions, manners and tastes. This was a particularly urgent task

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37   Colley, Linda, *Britons: Forging the Nation 1707-1837* pp 55.
38   Collis, Robert, 'British National Identity' *History Today* Volume 62 Issue 8 Aug 2012 *(https://www.historyto-day.com/robert-colls/british-national-identity)*

for the Hanoverian monarchs, for whom falling back on Englishness as a proxy for Britishness was not even an option, with neither George I or II speaking the language. For them, as with all immigrants, their British credentials would have to be created from scratch.

It was in this period that many of the cultural markers assumed to be quintessentially British emerged, and they did so hand-in-hand with the development of Empire. While tea had first been sold in London in 1657 as a medicinal drink, it would be more than 60 years before tea drinking developed into a national pastime, its spread across social classes driven in no small part by falling costs and expanded Imperial trade. Between 1720 and 1750 the amount of tea imported to Britain through the British East India Company more than quadrupled[39] While the red cross of St George and the Saltire of St Andrews had been combined since James I's reign ("For the avoiding of all contentions" at sea), it was in the 1707 Act of Union that the flag of the union was given official status. The tune of *God Save the Queen* dates from 1744.

Simultaneously, and with royal patronage, figures such as Wren, Reynolds, and a German immigrant to George I's court, George Frideric Handel, consciously sought to create artistic, musical and architectural styles that combined continental and classical influences with the rationalism of the era into something distinctively British. Handel "managed to transform himself from a prestigious agent of foreign taste to a paragon of British values", writes Chrissochoidis[40]. The foundation of cultural and scientific institutions including the British Museum (1753), Royal Society of Arts (1754) and Royal Academy of Art (1768) during this period demonstrate not only the influence of Enlightenment ideas, but also the desire of the elites of the time to endow the new state with institutions that would embody these ideals and help to define its character.

To its Whig proponents, the project of equipping a British nation to underpin the newly formed British state was not a backwards-looking, nostalgic endeavour, but rather synonymous with progress and modernity itself. They viewed theirs as a rational patriotism, based on allegiance to a rational, legal and commercial British state embodied in its sovereign Parliament, set to supplant the ancient traditions and superstitious habits of pre-Enlightenment identities - whether in the Scottish Highlands or in the Southern Pacific. The first voyage of Captain James Cook embodies this

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39   Walvin, James Fruits of Empire: exotic produce and British taste, 1660-1800 Macmillan, 1998. pp 130
40   Ilias Chrissochoidis. Music and Letters, Volume 90, Issue 4, 1 November 2009, pp599,
      https://doi.org/10.1093/ml/gcp0

ethos, an expedition commissioned by the King and organised jointly by the Royal Navy and Royal Society, combining scientific, military and commercial objectives.

Understood in these terms, British identity is, at its core, an Imperial identity, supplanting or supplementing pre-existing national identities. In the 290 years that elapsed between the Act of Union in 1707 and British withdrawal from Hong Kong, millions across the world considered themselves British, many without themselves ever setting foot in the British Isles or being able to trace English, Welsh, Irish or Scottish ancestry. Indeed, from 1948 until 1971, the British Nationality Act explicitly recognised those born within the Commonwealth as sharing a common citizenship.

A positive reading of this would be to understand 'Britishness' as the world's first transnational identity, based on adherence to common civic values over ethnic, religious or linguistic difference. On the other hand, to millions descended from those who suffered under the repression, discrimination, racism and violence that too often marked the reality of Imperial rule, any notion of Britishness that cannot be distinguished from its Imperial past will forever be tainted. It is hard to expect someone to enthusiastically wave a flag that their ancestors toiled under as slaves. Any true reckoning with the history of British national identity must start from an acknowledgement that, for the overwhelming majority of its subjects, Britishness was not an identity formed or adopted through popular means, but defined and imposed by elites.

Lessons from the British Experience

There are a number of lessons we can take from this brief overview of the formation of British national identity over the past 300 years. The first is that the development and subsequent weakening of British national identity is inseparable from the development and dissolution of the British Empire itself. The historian Linda Colley, points out that just as the distinguishing features of Protestantism, parliamentary democracy and shared imperial enterprise have ceased to define us, so has a British identity built on these ideas declined in salience. In its place, pre-existing English, Scottish, Welsh and Irish identities, more strongly rooted in ethnic, rather than civic, notions of identity, have re-asserted themselves. For the English, whose identity became most conflated with British identity, this has manifested itself in attempts to redefine Britishness as white, Christian and English-speaking.

The second lesson we should draw is that constitutional arrangements and the salience of national identities are inseparable. We should contemplate the possibility

that British nationality is in decline, because, in truth, the political and constitutional order it was developed around no longer exists. The United Kingdom of Great Britain and Northern Ireland, with its post-1997 devolution settlement, is no longer the Imperial, unitary state it was before the two World Wars.

If the decline of British national identity has mirrored the decline of the British Imperial State, then it is worth noting that the aspects of common identity which have remained the most resilient are not the symbols imposed by elites, but those created from the bottom-up [evidence]. This is the third lesson: that while political elites can attempt to facilitate the process by giving official status to symbols, creating moments in which national sentiment can be expressed (The 2012 Olympic Opening Ceremony being a contemporary example) and through promoting social cohesion, such articulations of national identity only hold meaning and significance if they are in tune with enough citizens' views of themselves. The pitfalls of this are obvious - "When the Millennium Dome was erected its organisers didn't know what to put in it", Collis points out, drawing unflattering comparisons with the 1851 Great Exhibition and Festival of Britain in 1948[41]. In the final analysis, the most enduring, legitimate and widely-held national identities are ones which come from the bottom up.

THE STATE WE'RE IN

How strong is British national identity today, and what has changed?

So, how strong and widely held is a sense of national identity – specifically Britishness – today? To answer, let us briefly recap our terms.

Benedict Anderson, mentioned earlier in this chapter, talks of national identity as "a deep, horizontal comradeship", defined by a shared bond and sense of unity and by an "other". Expanding on this, Anthony Heath and James Tilley explain how, "in contrast to the nation, and helping to define it, are the 'others', the non-members to whom horizontal citizenship does not extend."

41   Ibid.

As has been discussed in Linda Colley's Britons: Forging the 1707-1837, she shows how the otherness of Catholic France was a crucial factor in the formation of a unified British national identity. Times have, in countless ways, changed. And, if Catholic France once helped to define the common bonds of Britishness, what are the points of commonality that define British identity now, and what is the new "other" where that commonality ends?

We have outlined previously the two main conceptions of national identity: ethnic and civic. Heath and Tilley note that: "Ethnic conceptions of the nation tend to place greater emphasis on bloodlines, ancestry and cultural assimilation." In contrast, they state that: "civic conceptions place greater importance on aspects such as respect for political institutions, possessing national citizenship and speaking the national language."

In an increasingly multi-ethnic state, it is clear that a purely ethnic definition of national identity will be at least somewhat exclusionary and cause division. There has been limited research on the relative weight British people give to civic and ethnic considerations as part of national identity. A 2006 British Social Attitudes Survey, however, found that just three per cent of people focus solely or predominantly on ethnic considerations. By contrast, 36 per cent of people focus solely or predominantly on civic considerations. The majority – 52 per cent – give significant weight to both ethnic and civic considerations.

The overwhelming majority of the UK then, it seems, gives significant weight to the idea of a civic national identity. Although more than 50 per cent also consider an ethnic definition of national identity important, as the UK becomes more and more ethnically diverse, it is clear the majority will need to move more towards a civic definition. If a strong sense of national identity helps to build unity and dilute division, it is a civic form of national identity that will need to be promoted in the UK. And it will be those elsewhere who do not share the progressive values of this civic identity who will have to form the "other" that Tilley and Heath refer to.

It is for these reasons that, when assessing the extent to which there is a strongly and widely held sense of national identity in the UK today, we use a civic not an ethnic conception of national identity.

Pillars of state: the UK's institutions

To assess the extent to which there is a strongly and widely held sense of civic national identity in the UK today, we will need to consider the factors that go to make up civic identity. Heath and Tilley point towards "respect for political institutions", and we can also consider the values and ideals that underpin those institutions. To the extent that there is a widespread, intuitive understanding of national identity, it may also be useful to examine how strongly people feel themselves to be British and how much pride they take in it.

In terms of the institutions of the country, it seems that respect for them remains strong. In 2016, IPSOS Mori conducted a survey of the things that made people most proud to be British. Of the top ten answers, five were national institutions: the NHS (50%), the Royal Family (31%), our system of democracy (26%), the British Army (24%) and the BBC (11%).

While the UK's overall political system – its 'system of democracy' – is cited as one of the greatest sources of pride for British people, respect for certain political institutions is very low and falling. According to the Edelman Trust Barometer, in 2018 just 36 per cent of people generally trust the UK government. Meanwhile, 2015 IPSOS Mori research found that while 55 per cent of people trust civil servants to tell the truth, just 19 per cent trust government ministers and only 16 per cent trust politicians more generally.

In terms of the UK's institutions, then, a largely mixed picture emerges. When we move on to values, however, things start to look a little clearer.

A community of values?

In the last 30 years, there have been numerous government-led attempts (mostly under New Labour) to define and promote a coherent British national identity. Also working on the civic conception of national identity, these generally focused on the essential values most widely shared across the UK.

Perhaps the most concrete and lasting iteration of this actually came after the New Labour era, under the Coalition Government. As part of its 'Prevent' programme, it outlined four 'fundamental British values': democracy, the rule of law, individual liberty, and mutual respect and tolerance of those with different faiths and beliefs.

In 2014, the Coalition Government also extended this programme, directing schools across the UK to instil these values in children. As Lord Nash, the Parliamentary Under Secretary of State for Schools, said at the time, the aim was to ensure "young people understand the importance of respect and leave school fully prepared for life in modern Britain".

When attempting to assess the extent to which British values are strongly and widely held across the UK, these four defined values will be a good place to start.

First, the majority of people in the UK today clearly believe there is such a thing as a set of British values – and indeed that they should be taught in schools. A YouGov survey from 2014 found that 77 per cent of people agree or strongly agree with the statement "It is the role of all British schools to instil 'British values' in their students".

How widely and strongly shared are these four values though? The majority of people in the UK seem to believe in the importance of democracy. The British Social Attitudes Survey (2012) asked respondents to rate how important they think it is to live in a democracy. 84 per cent of respondents rated it as six or above, giving a mean rating of 8.4 out of 10. Although this is fairly definitive, it must be noted that when looking at comparative ratings across Europe, 8.4 is in the lower half of the table. Top was Cyprus on 9.5, while at the bottom was Russia on 6.6. Belief in democracy is, therefore, a widely shared British value, but it is not, as widely shared as in some European countries.

Measuring belief in the rule of law is a little more difficult, but some useful data can be found in a ComRes survey of British values from 2015. For this, respondents were asked to list the values they felt to be most fundamentally British. The second highest-rated value was, in fact, 'Respect for the rule of law', with 33 per cent of respondents listing it as one of their most important British values. The only value ranked above this was 'Freedom of speech' (46%).

For many, then, respect for the rule of law seems to be an important British value, although there may be a need for further research on this. The top-ranked value from the ComRes survey also leads on to the third 'fundamental British value': individual liberty. Clearly, many British people believe in the importance of the abstract idea of 'freedom of speech'. When questioned on the specifics of individual liberty, however, a more mixed picture emerges.

The 2016 British Social Attitudes Survey asked participants a range of questions about civil liberties, and the report notes that: "Public attitudes to civil liberties remain comparatively illiberal. Less than half of the public express a liberal view in relation to almost all of the issues asked about. However, attitudes have not changed in a consistent way over the past two decades." For example, according to the survey, 53 per cent of people now believe the government should have the right to detain people indefinitely without a trial after a terror attack – down from 64 per cent in 2006. By contrast, 77 per cent now believe the government should have the right to tap phones – up from 73 per cent. A mixed picture indeed, but one that overall points towards broadly liberal views on the abstract idea of individual liberty, but more illiberal views when it comes to specific issues.

Finally, then, what about "respect and tolerance of those with different faiths and beliefs". This was actually ranked quite low in the ComRes 2015 British Values Survey - third from last - with 13 per cent. On the other hand, it may also be indicative that a 2018 Pew survey found that 60 per cent of British people believe the institutions of state and government should be clearly separated. This may suggest a broad belief that one religion should not be intervening in the affairs of people in a multi-faith society.

The picture on religious freedom is further clouded by a YouGov study from 2017, which found that while 12 per cent of people in the UK believe the country should have greater religious freedom, 38 per cent believe there should be 'More control over religions'. Of the remainder, 39 per cent wanted 'No change – as it is now', while 11 per cent opted for 'Other/Don't know'.

Overall, while the four 'fundamental British values' outlined for the Coalition Government Prevent strategy seem to be reasonably widely shared in the UK, they are far from universal. These are, however, merely four arbitrary values. Indeed, there seems to be significant disagreement about what exactly British values are. The ComRes British Values Survey found that, as well as these four, British people also believe a range of other values to be connected with their identity, including 'a sense of humour', 'politeness', 'responsibility' and 'fairness'. With such disagreement and uncertainty over British values, therefore, it may be necessary to use blunter, broader measures to assess the extent to which there is a shared national identity in the UK today.

Pride and patriotism

If the data on shared values was comparatively limited, the data on the much broader question of patriotism and national pride is far more extensive. And, as Heath and Tilley note, "there is a strong association between our typology of national identities and the new measure of patriotism" (their ISSP-based "patriotism scale"). Patriotism and national pride may also be more practical measures of the strength of national identity because they rely not on arbitrary external definitions of "Britishness" and "British values", but on each individual's own idea of their nation and Britishness.

How widespread, then, is national pride and patriotism in the UK today? On the face of it, patriotism and national pride remain strong in Britain. An IPSOS Mori survey from 2016 found that approximately six in ten British people "would rather be a citizen of Britain than of any other country on earth". Another YouGov survey from 2015 found that a total of 67 per cent of British people feel "very" or "slightly" patriotic. An even more recent study commissioned by Casumo also found that 79 per cent of British people feel patriotic and approximately nine out of ten feel proud of their place of birth.

Scratch the surface of these statistics, however, and the picture becomes far more complex. Speaking of the 2015 survey, YouGov's Will Dahlgreen wrote: "British people may become more patriotic as they grow older, but 18-24 year-olds are so much less likely than over-60s to be 'very' patriotic (15% compared to 49%) that even if a significant proportion of the younger generation turn proud in their old age, this cohort will still be considerably less patriotic than today's older generation." Patriotism, therefore, although still apparently widespread overall, is declining quite significantly.

There was a similar story in the Casumo research, which found that while 40 per cent of those aged over 55 describe themselves as "very patriotic", just 18 per cent of 18-24 year-olds would say the same. It also found that 72 per cent of all UK citizens think the country as a whole is now less patriotic.

At the same time as a sense of national identity seems to be declining – especially among younger people – there seems to be another trend emerging among those who do still have a strong sense of patriotism and national identity: a hardening of attitudes. Brexit – supported far more by the older generations who are also more

likely to feel a sense of national pride – may be seen as one example of this. There is also more direct research on this subject.

The British Social Attitudes Survey 2016 found that, in its words, "there is a growing selectiveness from the public about immigration". The percentage of people who believe it is important for immigrants to be "committed to the way of life in Britain" rose from 78 per cent in 2002 to 84 per cent in 2014. The number who believe they should be able to speak English also rose from 77 per cent in 2002 to 87 per cent in 2014. The number who believe that immigrants to the UK undermine the cultural life of the country also rose from 32 per cent to 38 per cent.

The survey does not break down the age groups for the above statistics. However, it does examine different age groups' perspectives on other matters. While 48 per cent of 18-29 year-olds said immigration is good for the economy, only 29 per cent of people aged 70+ said the same. Similarly, 48 per cent of the younger group also said immigration enriches cultural life, while just 17 per cent of the older group said the same. From this, it may be possible to infer that it is the same more patriotic older group that is driving this hardening of attitudes.

Similarly, in 2014 the British Social Attitudes Survey asked what attributes respondents felt people needed to have to be considered "truly British". The results also showed a hardening of attitudes. 78 per cent said that they should "feel British", compared to 74 per cent in 2003; 85 per cent said they should "respect British institutions/laws", up from 82 per cent; 74 per cent said they should have been born in Britain, up from 70 per cent, and finally, 95 per cent said they should be able to speak English, up from 86 per cent.

Another related statistic comes from the Casumo survey. This found that while 79 per cent of people still feel patriotic, just 17 per cent would feel comfortable flying a national flag in their garden. 22 per cent also said they feared they would be made to feel ashamed of their patriotism if it was made public.

From these statistics, a picture emerges of declining national identity in certain younger sections of society, combined with something of a siege mentality – rising anxiety and hardening attitudes – emerging in the older sections of society that still have a strong sense of national identity.

A nation divided

To explore how these two divergent trends have emerged, it may be best to further examine the basis of the growing divide. While age is clearly a strong indicator of the strength of national identity, it is by no means the only indicator.

One other key indicator is geography. A 2018 BBC survey found that the extent to which people identify with their region rises steadily the further you move away from London. In North Yorkshire and Cornwall, the number of people identifying strongly with their county is over 60 per cent, while in London the figure is below 30 per cent. This is likely to correspond with similar levels of national identity. As David Goodhart notes in The Road to Somewhere, "most people with strong identification with a local community also have correspondingly strong national identities."

A third and connected indicator is money and class. Living in London, by far the wealthiest part of the UK, seems to be a significant indicator of a limited sense of national pride. There is also more direct research on this; YouGov's 2015 survey of British levels of patriotism found that the number of people saying they were "very" or "slightly" patriotic was slightly higher among C2DE people than among ABC1s: 68 per cent compared to 66 per cent. 29 per cent of ABC1s also said they were "not very" or "not at all" patriotic, compared to 26 per cent of C2DEs. Not major distinctions, but combined with London statistics, enough to be indicative.

A growing divide seems to be emerging then - much like that over Brexit - between younger, quite often better-off metropolitans and older, often worse-off people outside of cities. In terms of the age divide, many have attempted to explain it merely by saying that older, more patriotic people are simply 'of another generation'. What, though, has changed between the generations?

As well as the Brexit divide, the groupings outlined above also correspond quite closely to what David Goodhart, in Road to Somewhere, defined as 'Anywheres' and 'Somewheres'. If this is the case, the mechanism he outlines, which turns potential 'Somewheres' into 'Anywheres', may also help explain the decreasing levels of patriotism and strongly held national identity among younger people. To the question 'what has changed between the generations', Goodhart's answer is simple: university.

The policy of pressing as many younger people as possible towards university - especially since Blair in the late 90s - has had several important effects. First,

universities are giving more young people access to cosmopolitan environments and exposure to different cultures outside their own. They can explore different cultures, national identities and ideas in a way that previous, less university-oriented generations were never able to. And, as discussed earlier in this chapter, considering the imperial baggage so closely intertwined with the modern concept of British national identity, it is unsurprising that when exposed to other identities and ideas, they move to distance themselves from it.

Second, with most universities based in or near cities, more young people than ever before are being taken out of the communities they were born into and most, it seems, are not returning to them. If, as discussed earlier in the chapter, the strongest aspects of national identity are those that are not imposed from the 'top', but emerge organically from the base - from people's engagement with and pride in their local community - the removal of much of an entire generation of young people from their communities cannot help but have a major impact on national pride and identity across the UK.

If national identity and pride in nation remains strong across many regions and sections of society, it may be inferred that where it is declining - specifically among younger people and those in metropolitan areas like London - their displacement from their communities and move towards more multicultural, multinational environments is a major factor underpinning this.

CONCLUSION AND RECOMMENDATIONS

British national identity as we know it today emerged not as the result of a continuous historical and constitutional process, but rather as a largely top-down affair in the last 300 years. It was, above all, an imperial identity - with all the baggage that it now carries - imposed over the top of more organically developed English, Welsh, Scottish and Irish identities.

In the wake of empire, and in the face of economic and social change, this identity is beginning to fragment - especially among younger, educated people - and particularly those who have moved away from their home communities. The English, Scottish, Welsh, Irish and regional identities on which British identity is founded

have also begun to reassert themselves. As discussed earlier in the chapter, however, having a strong and shared national identity is vital for a functioning polity because it links its citizens to each other, the institutions of state and political leaders. While this remains a united polity, therefore, the decline of a shared national identity poses problems.

The question, then, is what can be done to promote a shared British national identity and what this should look like. Earlier in this chapter, we considered the two broad conceptions of national identity: ethnic and civic. If the original imperial British identity - shared across the British Empire - was essentially civic, after the age of empire people in these islands seemed to quickly move towards more of an ethnic conception of their identity. This is indeed still widely reckoned to be an important part of British national identity. As a 2006 British Social Attitudes Survey found, 52 per cent of people now give significant weight to both ethnic and civic considerations. As the UK becomes more ethnically diverse, however, a focus on the ethnic conception of national identity is clearly unfeasible and likely to provoke division and discord. The extent to which those who still maintain a strong sense of British national identity and who are focusing on the ethnic aspects of this may, indeed, be a contributing factor in the general hardening of views on immigration and the growing divide in British society.

For a truly unifying and progressive British national identity - which can bridge the growing divide in British society and bring this polity together - we therefore recommend a focus on the civic conception of national identity. On the institutions British people share, as well as the values that underpin them.

At the same time, of course, we have seen how the British identity that is now fragmenting was, to a large extent, imposed from the top down on existing organic community- and region-based identities. To create a lasting and truly shared national identity, therefore, this civic conception of ourselves as a nation will need to emerge from the British people themselves. Below, then, are a number of recommendations for creating a framework in which British people themselves can develop a shared civic national identity, and also for including people as fully as possible in this shared identity:

CONCLUSION

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This pamphlet illustrates the stark divisions that exist within our United Kingdom; the ways in which intergenerational, socio-economic, regional and cultural issues increasingly undermine our sense of community cohesion. However, it is clear from the issues raised in each chapter that these factors neither exist, nor act, in isolation. Instead, the divisions identified interact with one another, giving rise to a more complex picture of the extent to which our nation is divided.

As we look ahead, it will be fundamental to our future as a United Kingdom, that politicians and policy-makers turn their attention to the enormous task of tackling and healing these inequalities. Yet, it seems there is increasing disillusionment with the political establishment to listen, hear and address the divides that undermine our sense of unity locally and nationally.

During the period of researching and writing this publication, there has been an increased recognition from politicians that there needs to be a focus on the deep-rooted divisions that existed and had been deepening in the run-up to the European Referendum.

This pamphlet has made a variety of recommendations to promote unity and tackle disillusionment and fragmentation. We hope that the arguments put forward serve to begin the conversation on how we redress the balance in our communities between different cultures and ages, and nationally between regions and socio-economic backgrounds.

In our final chapter, we advocate for rebuilding a sense of national identity that is shared by every individual within Britain; an identity that addresses the divisions by reinstating our sense of belonging and collectivism as a nation.

It is time that we refocus our attention on where we have gone wrong and how we implement policies that will unify our communities and re-unite our Kingdom.