Wakefield Council, UK
Policy Alert: Corona – update 14th September 2021

Onward think tank: Turnaround: How to regenerate Britain's less prosperous communities by helping them take back control. https://www.ukonward.com/wp-content/uploads/2021/09/Turnaround-Publication-3.pdf

- Every government of every stripe in the last fifty years has attempted to turn left behind lagging places around through regeneration schemes.
- For all that activity there has been remarkably little policy focus in Whitehall on understanding what works best in improving outcomes in the most challenging communities in the UK - and how successful approaches can be scaled more broadly to communities everywhere.
- Lessons:
    - Communities must have a stake in regeneration, not merely be consulted, if improvement is likely to be sustained beyond the funding period.
    - Some communities require greater capacity to be involved in the design and financial control of initiatives.
    - The best schemes take both an asset-based approach and introduce new forms of civic governance to oversee the change, building long term institutional strength in the process.
    - It is vital that regeneration happens at the appropriate geographic level, which for many activities will be the neighbourhood level, and that it combines social as well as economic interventions over the long term.
    - "left behind places" face a twin problem. They are less likely to enjoy exogenous improvement - as they are less attractive for outsiders to invest, work, buy a house, or bring up a child - but need support to leverage the endogenous assets and networks that they do have because they often lack local capacity to deliver enduring change as a result of long-term decline.
- The New Deal for Communities (NDC) programme, which ran between 1998 and 2007-08 at a total cost of £2.29 billion, before being extended to 2011. Analysis of NDC shows:
    - Of the 39 local areas that were part of NDC, 30 (77%) saw levels of deprivation fall relative to the national average between 2004 and 2019, and 20 (51%) saw deprivation fall faster than the surrounding local authority.
    - However, this progress would have been higher had the pace of improvement not dropped off after the scheme ended: more than half of areas (54%) that improved relative to the local authority subsequently fell back after 2010.
    - Improvements in an area's Indices of Material Deprivation (IMD) score were largely driven by improvements in the living environment.
    - The average NDC area reduced their deprivation rank on this measure by 18 percentage points relative to the local authority.
    - NDC areas were held back by barriers to housing and services, where they fell back relative to the surrounding area by 4 percentage points.
    - The NDC areas that have delivered the most significant sustained improvements are those with the strongest base of civic assets and most engaged communities.
    - This suggests that the government should pay much more attention to nurturing the social fabric of a place alongside economic interventions.

Recommendations:

- Introduce a programme of Community Deals to sit alongside and complement Town Deals.
    - Local neighbourhoods should be able to form a Community Deal Board, with input from any existing town or parish council, the designated neighbourhood planning forum, and local community groups, charities and businesses. This board would be responsible for putting forward a long term Community Investment Plan for their local area.
    - Community Deal Boards should be encouraged to establish Community Trusts to regenerate and maintain assets on behalf of the community

- Develop a comprehensive set of indicators for community strength, with estimates for every Lower Super Output Area *(note - these average around 650 households)* in the UK. This should include a variety of indicators, including:
    - The number of open civic assets, including pubs, libraries, post offices, community halls
    - Levels of volunteering, group membership and group participation
    - The number of community owned buildings, public services and businesses
    - The area of green space available for community use, including for sporting activity
    - Patterns of philanthropic giving, both individual and institutional.
- Set aside funding for capacity building in the communities least able to exploit national funding.
    - Government should ring-fence a small amount of revenue funding from each of its funding streams related to local area improvement - including the Levelling Up Fund, Community Renewal Fund, Shared Prosperity Fund and Towns Fund - explicitly for capacity building in the most hard-pressed communities.
    - These should be used to either support an existing local organisation with a strong network and level of expertise to provide intermediary support and capacity building to local communities, or to support residents to establish a new association or organisation. Communities might be mentored by a network of community -led regeneration or community development experts.

ONS: Weekly household spending fell by more than £100 on average during the coronavirus pandemic
https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/expenditure/articles/weeklyhouseholdspendingfellbymorethan100onaverageduringthecoronaviruspandemic/2021-09-13

- UK households reduced their spending during the pandemic by an average of £109.10 (or 19%) a week.
- Higher income households, who tended to spend more on travel pre-pandemic, and whose workers were more likely to be able to work from home, saw a larger drop in spending than low income households.
- While both spending and income fell for many UK households, people are on average finding it easier to make ends meet, with the proportion of people reporting difficulty in making ends meet falling by six percentage points from 34% in the year to March 2020 to 28% in the year ending March 2021.
- Reduced spending on restaurants and hotels, recreation and culture and transport contributed most to the decline in overall spending for all income groups.
- The highest income households, whose working members were more likely to work in jobs that could be carried out from home, saw spending on housing, fuel, and power rise during the pandemic, while the poorest households saw spending in this area fall.
- Increased spending on food and non-alcoholic drinks had a larger impact on expenditure in the poorest households. Lower income households spent proportionally more in this area pre-pandemic, with spending in this area making up around 15% of total expenditure for the poorest 20% of households, compared with 8% for the richest fifth in FYE 2020.
- In FYE 2021 this increased to 18% for the lowest income households, and to 12% for those on the highest incomes.
- Falling demand for transport on the other hand contributed more to drops in spending among the richest fifth of households, with spending on international flights and personal vehicles both seeing large falls.
- Workers on lower incomes were more likely to report decreases in income in the year, with 42% of those on the lowest income reporting a decrease, compared with 31% for those on the highest incomes.
- In all income groups, the proportion of households whose weekly spending exceeded weekly income fell in the last financial year compared with FYE 2020.
- However, among the poorest households,40% still spent more than they had in disposable income (money available after income tax and national insurance contributions).

- From Summer 2020, those with an annual income under £20,000 were one-and-a-half times as likely to be using their savings than those on higher incomes.
- Self-employed workers were also more than twice as likely as employees to report borrowing money during the pandemic. In the week to 1 August 2021, more than 7% of self-employed workers were using savings, compared with less than 3% of employees.
- Those of Black ethnicity were the most likely to report falling behind with many bills (3%), and to find keeping up with bills a heavy burden (20%) – a higher proportion than in the whole population.

IFS: Pressure on the NHS: https://ifs.org.uk/publications/15606

- The NHS was showing clear signs of strain even before the pandemic began. The waiting list for elective treatment had grown by 50% since 2015; just 83% of A&E patients were seen within four hours in February 2020 (down from 92% in February 2015); and the estimated cost of eradicating the 'high-risk' maintenance backlog had quadrupled since 2010.
- Between 2009−10 and 2019−20 UK government health spending grew at an average real-terms rate of 1.6% per year – lower than any previous decade in NHS history. The NHS entered the pandemic with 39,000 nursing vacancies in England, and fewer doctors, hospital beds and CT scanners per person than in many similar countries.
- DHSC spent £63 billion on COVID-19 support in 2020−21 and is planning to spend £34 billion in 2021−22. This includes an estimated £29 billion in additional NHS England funding (across both years), £28 billion for NHS Test and Trace and £15 billion on PPE.
- The English NHS will need £9 billion in 2022−23 (an increase of 6.4% relative to pre-pandemic plans), £6 billion in 2023−24 (4.1% on pre-existing plans) and £5 billion in 2024−25 to deal with pandemic-related pressures.
- The new health and social care settlement provides an additional £11.2 billion for the Department of Health and Social Care in 2022−23 and £9.0 billion in 2023−24. Of that, around £1.8 billion each year is earmarked for social care (assuming that the £5.4 billion over three years is spread evenly).
- That leaves around £9 billion of additional funding in 2022−23 and £7 billion in 2023−24, to deal with health-related COVID pressures.
- This new funding is far less likely to be sufficient in the medium term. The extra funding provided will result in spending growing at 3.9% a year between 2018−19 and 2024−25, exactly the same rate of growth as was planned between 2018−19 and 2023−24.
- This suggests that these new plans allow for little or no long-term additional costs as a result of the pandemic, whereas virus-related pressures could amount to £5 billion in 2024−25. Meeting those ongoing pressures would likely require additional funding, or less spending elsewhere in the NHS.
- Direct COVID pressures include the costs of treating patients with COVID-19 and 'long COVID', Test and Trace, vaccinations, PPE and other infection control measures. We estimate that the combined cost of meeting these direct pressures could be around £5.2 billion in 2022−23, falling to £2.0 billion in 2023−24 and £0.9 billion in 2024−25.
- Millions of people missed out on NHS care during the pandemic. Much of this care will need to be delivered eventually and waiting lists are likely to rise rapidly as these 'missing' patients come forward. The NHS could need £2.5 billion per year between 2022−23 and 2024−25 if it is to catch up on missed activity.
- Increased demand for mental health services could cost the NHS an additional £1 billion per year.
- An annual 3% pay rise for NHS staff, if continued over this period, would cost approximately £0.8 billion in 2022−23, £1.3 billion in 2023−24 and £1.8 billion in 2024−25 relative to the 2.1% annual increases assumed in the NHS's long-term plan.
- The pandemic is also likely to save the NHS money in some areas. The move to remote outpatient appointments, combined with reduced demand as a result of COVID-19 deaths, could save the NHS at least £0.7 billion per year between 2022−23 and 2024−25.
- More broadly, the NHS has had to experiment hugely during the pandemic, and there are potential 'upsides' and gains from the resultant organisational learning.

- The median balance on individual current accounts, savings and ISAs was more than six times higher for people aged 65 years and over compared to that of those aged 25 to 34 years in the ten months to February 2021, suggesting older age groups were better insulated from some of the financial hits of lockdown.

House Of Commons Library: Public spending: a brief introduction
https://researchbriefings.files.parliament.uk/documents/CBP-8046/CBP-8046.pdf

- The UK Government spent £1,094 billion in 2020/21, the most it has ever spent either in cash terms or real terms.
- Total spending has increased in cash terms every year since 1948/49. Prior to the Covid-19 pandemic, it had been forecast to continue to do so until at least 2024/25.
- The pandemic resulted in spending increasing to 52% of GDP, higher than at any point since the Second World War; however, forecasts now suggest that spending will return to about 42% of GDP by 2022/23.
- When adjusted for inflation, total spending fell slightly in the years immediately following the 2008 financial crisis but started increasing again after that.
- In 2020/21, social protection accounted for £302 billion of total spending, health £223 billion, economic affairs £192 billion, and education £98 billion.
- MHCLG Spending on local government is around £17.5bn.
- 68% of all public spending in 2019/20 was in England, with Scotland, Wales and Northern Ireland seeing 8%, 4% and 3% respectively. 13% could not be identified with any particular region, and 4% was spent outside the UK.
- Some money has typically gone to the EU – the UK's net contribution in 2020/21 was £8.2 billion, although this will change now that the UK has left the EU – and some is spent abroad as part of the international development budget.
- In per-person terms, UK public spending in 2019 was similar to that of Canada and New Zealand.

Health Foundation think tank: Universal Credit cut will hit areas with the worst health hardest https://www.health.org.uk/news-and-comment/news/universal-credit-cut-will-hit-areas-with-the-worst-health-hardest

- The end of the £20 uplift to Universal Credit and Working Tax Credit in October 2021 has the potential to further widen health inequalities and leave some areas further behind the average for living standards.
- Areas with a higher proportion of the population receiving Universal Credit or Working Tax Credit also tend to have lower healthy life expectancy.
- The average loss to income for working age families in the 10% of local authorities with the worst health will be almost the twice the loss to those in the 10% of areas with the best health (£207 per year in the 10% of areas with the worst health compared to £105 per year in areas with the best health).
- People living in the 10% of areas with the highest share of Universal Credit recipients can on average expect to live 7.8 fewer years in good health (59.8 years vs 67.6 years than those living in the 10% of areas with the lowest share of Universal Credit recipients).
- The proportion of the working age population receiving Universal Credit has doubled during the pandemic, rising from 7% in February 2020 to 14% by May 2021. The increases have particularly been seen in outer London and other cities, mostly poorer areas that already had the highest levels of Universal Credit recipiency before the pandemic.
- *Note - latest DWP online universal credit data for Wakefield district show 31,471 people (in 20,154 households) claiming universal credit. Of those people claiming UC, 12,926 people are in some form of employment.*

Institute for Government: Parliamentary Monitor 2021
https://www.instituteforgovernment.org.uk/sites/default/files/publications/parliamentary-monitor-2021.pdf

- The Commons spent over a fifth of its time on the pandemic, though Covid restrictions meant that some forms of parliamentary business, including debates initiated by backbenchers, were limited at certain times.
- Key Covid legislation was often introduced without proper scrutiny: more than one in 10 Covid-related statutory instruments came into force before MPs even saw them.
- The government limited scrutiny of other business, restricting the time available for MPs and peers to examine its Brexit trade deal and attempting to deny MPs a vote on its cuts to overseas aid.
- The expansion of proxy voting in the Commons, rather than the continued use of remote voting, saw party whips exert greater control over their MPs: during the period of expanded proxy voting, 95% of all proxies were cast by whips.
- Ministers prioritised making major announcements in press conferences rather than in parliament – The Prime Minister spent more time in Downing Street press conferences than giving Commons statements. While understandable early on in the crisis, this continued throughout the session, unnecessarily limiting opportunities for Common's scrutiny.
- Coronavirus dominated the work of select committees in the 2019–21 session, with almost one in five Commons committee inquiries directly focusing on an aspect of the pandemic.
- The government's attitude to scrutiny frustrated increasingly restive backbench MPs, with almost one-third of all Conservative MPs rebelling at least once during the session.
- Between the 2019 and 2021, 32,532 e-petitions were 'attempted'. Of these, nearly 26,000 were rejected on grounds including duplication of existing petitions, failure to set out what action they wanted the government to take, or because they dealt with an issue for which neither the government nor parliament is responsible. This left 6,676 petitions to be officially 'opened' for signatures. Between them, these petitions attracted 36.8 million signatures
- The top 10 petitions over the period each received an average of 638,000 signatures, with the most-signed petition, relating to child hunger, receiving more than 1.1m. Of the 10, six related directly to the pandemic.
- Covid increased parliament's day-to-day running costs by £20 million.