Appendix 1: The role of local government in supporting economic inclusion: Unlocking talent to level-up

**LGA guiding principles underpinning equality, diversity and economic inclusion in employment and skills**

1. **Purpose of the paper**

**To set out the guiding principles to support equality, diversity and economic inclusion in employment and skills provision in local areas.**

Based on our analysis and discussions with local government (councils and combined authorities) through a series of roundtable events, this paper sets out below six guiding principles to realise economic inclusion (equality in access and outcomes) to employment and skills opportunities, and the key role we would like to see local government play.

This piece of work aims to share learning across councils and combined authorities to help them build on both national and devolved employment and skills provision to progress this agenda further.

1. **The current picture of equality, diversity and economic inclusion in employment and skills: an overview**

To understand the current state of economic inclusion in local areas and in England as a whole, it is important to look at a range of indicators and measures that can provide an insight into the extent to which everyone in the community is able to participate in the economy and benefit from economic growth. These include for example, the unemployment rate, employment rate, economic inactivity rate, skills levels, and participation in education and skills.

Some useful data and the latest developments below paint a concerning picture of the national and regional disparities that exist, showing stark regional variations in both people and places. Some of these disparities exist within regions including London and also local areas. Despite councils' concerted efforts to reduce these inequalities, many of them still persist.

The [Cities Outlook 2023](https://www.centreforcities.org/publication/cities-outlook-2023/?utm_source=Centre+for+Cities+Newsletter&utm_campaign=d13d70b8db-EMAIL_CAMPAIGN_5_6_2022_14_47_COPY_01&utm_medium=email&utm_term=0_2a9c9d5ef9-d13d70b8db-45022801&mc_cid=d13d70b8db&mc_eid=d2e64c5049) shows the employment rate, jobs, qualifications, and unemployment in cities in England. It also ranks cities with highest and lowest rates according to these metrics. These statistics reveal that significant gaps continue to persist in some measures, for example – the employment gap between disabled and non-disabled people remains wider than it was before the pandemic, and disabled people are still two-and-a-half times more likely to be out of work than their non-disabled peers.

A [new report](https://www.aldridgefoundation.com/news-item/the-forgotten-generation-city-v-countryside-divide-revealed/) found that significantly fewer rural young people apply for undergraduate degrees – 19 per cent compared to 39 per cent from urban areas. The gap widens even further at a postgraduate level with 11 per cent of students coming from inner cities compared to just 2 per cent from the countryside. Consequently, many young people from rural and coastal areas face being trapped in ‘social mobility cold spots’ which leaves many UK businesses without a truly diverse workforce.

The Department for Education (DfE) [post 16 education and labour market activities, pathways and outcomes (LEO) research report](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1122775/Research_report_-_Post_16_education_and_labour_market_activities_pathways_and_outcomes_LEO.pdf) shows that education and labour market pathways are incredibly diverse. It reveals that post-16 education outcomes differ according to individual characteristics and regions as well. For example, individuals from London were more likely to move through further and higher education than individuals from North East and East Midlands after leaving school.

[Recent research](https://learningandwork.org.uk/what-we-do/lifelong-learning/adult-participation-in-learning-survey/) by the Learning and Work Institute confirms the gap between the highest and lowest performing regions of adult education participation is continuing to widen risking the success of the levelling up agenda.

The [Youth Futures Foundations evidence review](https://youthfuturesfoundation.org/wp-content/uploads/2022/11/Youth-Futures-Foundation-Narrowing-the-gap-tackling-ethnic-disparities.pdf) shows that young people from ethnic minority backgrounds are more likely than their white peers to be in low-paid or insecure employment, to be on a zero-hours contract, or to have more than one job.

**A good transport system is fundamental to connecting people, businesses, and support services. It enables individuals to access education, training, or job opportunities and helps businesses to meet their workforce needs; however, the current** inadequate transport connectivity is costing regions, for example, [poor public transport connections in cities in the North of England result in a loss of productivity worth more than £16 billion a year](https://www.newcivilengineer.com/latest/poor-transport-connectivity-costs-the-north-16bn-a-year-in-productivity-losses-23-03-2022/).

These disparities are often the result of a range of factors, such as, discrimination, lack of access to education and training, and limited job opportunities in certain regions. So, in response to some of these challenges, there has been a range of policies and initiatives developed at both a national and local level to promote economic inclusion and level up areas, however, more needs to be done.

The Government’s Levelling Up White Paper states that [‘not everyone shares equally in the UK’s success. While talent is spread equally across our country, opportunity is not.’](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1052708/Levelling_up_the_UK_white_paper.pdf). The Levelling Up agenda provides an opportunity to tackle some of the most entrenched inequalities in our communities. To achieve economic inclusion for local communities, we need to focus on two of the twelve levelling up missions: Mission 1, to raising pay, employment, and productivity to close the gap between areas, and Mission 2 to increase high-quality skills in the lowest skilled areas.

1. **How local government is engaged in supporting equality, diversity and economic inclusion in employment and skills**

Economic inclusion is essential for building strong and resilient communities, reducing inequality and poverty, and promoting economic growth. Local government as leaders of place can play a key leadership role in supporting economic inclusion both as employers and enablers of economic growth. This important role includes:

* supporting everyone regardless of their age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation, caring responsibilities, or offending background is equipped to achieve their full potential in education and employment;
* promoting equal access to sustainable employment or skills opportunities;
* creating job opportunities for all to benefit from;
* ensuring its workforce better reflects its local communities;
* assisting businesses to provide training/skills opportunities for everyone; and
* promoting policies that can create a more inclusive and equitable local economy.

# Councils have statutory responsibilities to ensure that all young people up to the age of 18 (25 for those with special educational needs and disabilities (SEND) or an Education, Health and Care (EHC) plan) have access to opportunities that allow them to participate in education, employment and training and thus contribute to the economy. Councils also have

# Corporate Parent responsibilities for children who are looked after and care leavers. This includes supporting initiatives and programmes that can help these children and young people overcome barriers to economic inclusion.

# Many councils run adult and community learning (ACL) provision in devolved and non-devolved areas [supporting around 600,000 adults every year](https://www.local.gov.uk/learning-life-role-adult-community-education-developing-thriving-local-communities) to develop skills for work and life. Mayoral Combined Authorities (MCAs) and the Greater London Authority (GLA) continue to shape their adult skills offer locally and bring the further education sector together through a devolved Adult Education Budget (AEB).

Despite having these wide-ranging responsibilities that demand close working with local providers, partners and employers, councils have very few formal levers over commissioning or co-ordination of national provision to ensure their statutory duties for young people are met, and even less in areas where there are no statutory requirements for services. This also makes it challenging for local government to coordinate, plan, target and join-up provision, or build in the right wider support for those with complex or additional needs. As a consequence, national and regional disparities exist showing stark variations in both people and places. Many of these inequalities exist in employment and skills across many areas – age, disability, ethnicity, gender – and in combinations (intersectionality).

Notwithstanding these challenges, local government continue to lead from the front in terms of supporting participation in education, employment and training through commissioning devolved and local discretionary provision, and by joining-up and adding value to national schemes. For example, Cambridgeshire & Peterborough CA used its Adult Education Budget (AEB) £12 million allocation to increase participation by nearly 10 per cent (2020/21), targeting low-skilled residents in deprived areas (Fenland and Peterborough), and introduced a £1,200 bursary for Care Leavers aged 19-22, fully funded English for Speakers of Other Languages (ESOL). Staffordshire County Council’s [Celebrating Differences promotional campaign](https://protect-eu.mimecast.com/s/qxITCBgE9cPvmJ7hNOKUv) supports those with autism and learning difficultiesandStaffordshire Connects has helped individuals with multiple barriers into education, training or employment through the [Evolve - Steps To Work programme.](https://www.staffordshireconnects.info/kb5/staffordshire/directory/service.page?id=hrQFtk_km_4)

However, more remains to be done to address some of the longstanding and systemic issues to ensure a more inclusive and equitable local economy. Therefore, as part of the LGA’s [Work Local](https://www.local.gov.uk/publications/work-local-unlocking-talent-level) and [Levelling up](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1052708/Levelling_up_the_UK_white_paper.pdf) ambitions we have undertaken to better understand the challenges of employment and skills inequalities across people and places.

In [Work Local](https://www.local.gov.uk/publications/work-local-unlocking-talent-level) we set out our ambition to work with Government to unlock talent by spreading opportunity to all parts of the country. This is critical for the economy and local areas as significant [skills gap are predicted by 2030](https://www.local.gov.uk/sites/default/files/documents/FINAL%20LGA%202019%20Skills%20Gaps%20report%20final%20December%202019.pdf).

Furthermore, diversity is also essential to improve economic performance as [Delivering through diversity](https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/delivering-through-diversity), reaffirms the link between diversity - a greater proportion of women and a more mixed ethnic and cultural composition - and a company financial performance. [The Race in the workplace](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/594336/race-in-workplace-mcgregor-smith-review.pdf) report, estimates the potential benefit to the UK economy from a full representation of Black Minority Ethnic (BME) in the workforce as £24 billion a year.

Overall, while there are still significant challenges to achieving economic inclusion in England, there is also a strong commitment from local government to address these challenges and promote greater economic opportunity and access for everyone in their community. A range of case studies are given below to demonstrate how local government is working to achieve this ambition and how much further it would be able to go if empowered more fully to act on local inequalities.

1. **Economic Inclusion Roundtables**

To build on our initial research and evidence base, we hosted a series of roundtables between December 2022 and January 2023 to hear directly from local government around the country. The three roundtables were as follows:

* the first roundtable focused on rural and coastal issues;
* the second looked at urban challenges, and;
* the third and concluding roundtable focussed on London and the South East.

The purpose of the roundtables was to explore how local government is working to improve equality and diversity in employment and skills outcomes to encourage economic inclusion for their communities. The sessions aimed to develop a better understanding by capturing the thoughts and experiences of those working to advance this agenda.

The evidence gathered provides a snapshot of the challenges and how these are being addressed. A summary report of the roundtables is provided in **Appendix 2.**

The findings from the roundtables identify a number of emerging themes set out below. We believe these warrant further consideration to improve services on the ground. The key themes include:

* Specific needs of individuals and lack of data
* Fragmented funding
* Digital connectivity
* Transport connectivity
* The role of employers and businesses
* Partnership working
1. **Principles to support equality, diversity and economic inclusion in employment and skills in local areas**

Based on our analysis and discussions with local government through a series of roundtable events, the **six guiding principles** to realise economic inclusion in employment and skills and the key role we would like to see local government play are set out below.

***Principle 1: Economic inclusion strategies, action plans, and initiatives informed by data on individual needs and local labour market intelligence can be more effective.***

Key to promoting economic inclusion in employment and skills is understanding the specific needs and opportunities that exist in the local and regional area. This includes understanding the local labour markets, the skills and qualification levels of individuals, the specific characteristics of individuals - age, disability, ethnicity, gender, and intersectionality, and the needs of local businesses and employers.

At present, there is an inconsistent approach to sharing data that often results in a lack of access to granular and high-quality local and national data held by government departments/agencies. This often hampers local government’s efforts to understand how national provision is being used locally to meet the needs of individuals and target provision effectively. For example, the lack of detailed data from the Department for Work and Pensions (DWP), Jobcentre Plus about Universal Credit claimants; and the Department for Education (DfE) destination measure to show more detailed information about those who have moved into jobs or higher education.

Government departments and agencies need to share detailed data that they hold to enable local government to target specific cohorts and deliver economic inclusion for their communities. This will help paint an accurate picture of people and places as specific cohorts or geographical pockets of need can be masked at a regional or local level. Local government should not have to duplicate work to plug data gaps where it already exists. The available data should be used and interpreted carefully so that it is an accurate reflection of people or places.

Meanwhile, to fill the data gap, and where they have the resources to do so, local government may want to conduct research and analysis on local employment trends and skills gaps that involves collaborating with employers and community groups to better understand their needs and priorities. This information can then better inform the development of plans and strategies to address specific barriers to economic inclusion for underrepresented groups, for example, the lack of access to training and education for particular groups – those from a Black, Asian, and minority ethnic (BAME) or disabled community.

Strategic plans can also be used to identify and target specific industries or sectors, which have the potential to create jobs and economic opportunities for individuals that may be excluded from the local economy. For example, local government may prioritise the development of the growing green or digital economy, which has the potential to create jobs for individuals who may face barriers to employment. Leeds City Council [Best City Ambition](https://www.leeds.gov.uk/plans-and-strategies/best-city-ambition) is focussed on three pillars: Health and wellbeing, Inclusive growth and Zero Carbon. The council’s inclusive growth ambition is to by 2030 have an economy that works for everyone, working to tackle poverty and ensure that the benefits of economic growth are distributed fairly across the city, creating opportunities for all. Lambeth Council [ELEVATE](https://protect-eu.mimecast.com/s/6DYQCWnBoFyjXQpHx0ojZ/) programme links with its [Lambeth Made](https://protect-eu.mimecast.com/s/eEIlCVmZnCPlkE4sGAlow/)initiative to provide specialised support to young people to enter careers in creative and digital industries. The council links its knowledge of the local needs of young people, who are often disproportionately impacted by unemployment, with its Creative and Digital Strategy which aims to foster inclusive growth in this key local growth sector.

The specific data can also be shared with Government departments to help inform national programmes and funding decisions. A targeted and tailored approach that meets the specific needs of people and a place is likely to deliver better measurable impact than generic programmes and, therefore, help the levelling up mission to increase high-quality skills in the lowest skilled areas. For example, Tees Valley CA has launched [Teesworks Skills Academy](https://www.teesworks.co.uk/jobs/skills-academy) to tackle its low skills and high unemployment issue and ensure that its [Teesworks](https://www.teesworks.co.uk/) employers are able to recruit local people with the right skills.

***Principle 2: Investment in infrastructure is vital to fully achieve economic inclusion in people and places.***

Infrastructure is fundamental to connecting people, businesses, and support services. It enables access to education, training, or job opportunities and is therefore key to the levelling up mission about increasing employment, and productivity to close the gap between areas. [The [British Chambers of Commerce (BCC) survey](https://www.britishchambers.org.uk/news/2023/03/public-infrastructure-and-access-to-labour-splits-uk-small-businesses-down-rural-urban-divide) exploring the suitability of SMEs’ local training environments shows that factors such as the availability of quality public infrastructure, and access to skilled labour are entrenching a rural-urban divide among UK SMEs](https://www.britishchambers.org.uk/news/2023/03/public-infrastructure-and-access-to-labour-splits-uk-small-businesses-down-rural-urban-divide). The survey found that 58 per cent of SMEs in rural areas do not believe their area has reliable and well-connected trains, compared with 39 per cent in urban area. The rural-urban divide is also evident when it comes to connectivity. While 82 per cent of SMEs in urban areas agree their area has reliable broadband this falls to around half, 56 per cent in rural areas. It is pivotal for local government to continue to invest in infrastructure such as transport, broadband, housing, childcare provision, and community facilities to support economic growth and create training and employment opportunities to realise economic inclusion for their communities.

Transport cost and connectivity

Transport, due to the diverse geography, connectivity, and cost in some areas acts as a significant barrier for individuals, particularly in rural areas where there is possibly limited public infrastructure in place. Transport connectivity challenges are noted in our [[Work Local](https://www.local.gov.uk/publications/work-local-unlocking-talent-level) report](https://www.local.gov.uk/publications/work-local-unlocking-talent-level) – the lack and cost of transport in rural areas and the large disparities and[greater socio-economic challenges](https://www.local.gov.uk/publications/vision-urban-growth-and-recovery) in urban areas.

Due to the lack of transport connectivity, there are fewer opportunities, and provider delivery costs are often high; resulting in limited or lack of provision totally in some areas. Effective measures need to be adopted to minimise the adverse impact on individuals.

Many councils and combined authorities are supporting young people with costs and transport issues in innovative ways, for example, [Derbyshire Wheels to Work](https://www.wheelstowork.org/can-i-apply.html) offers help to young people who are experiencing transport issues that are preventing them from getting to work, through a loan scheme providing young people with bikes, e-bikes, and mopeds. Meanwhile, in the North East a ‘Flexibility’ smartcard has been introduced by [Go North East and Co-Wheels](https://www.transportxtra.com/publications/evolution/news/69864/combined-bus-and-car-club--smartcard-launched-in-north-east) that can be used for bus journeys and access to a car club.

**To support economic inclusion, local government may want to continue to invest in the transport infrastructure and develop transport solutions for underserved/excluded communities and ensure accessibility to improve access to job opportunities and training for all residents, particularly those who may face transport barriers.**

**However, the Go**vernment’s ambition for ‘London-style transport systems’ everywhere will be difficult to realise as the distribution of power remains a patchwork, with significant anomalies and barriers remaining against levelling up to London. For example, local government’s influence over buses and routes is limited (in non-devolved areas) as the funding is awarded directly to bus operators.

**Digital connectivity and poverty**

**In today’s digital age, digital connectivity is another critical factor in achieving economic growth. This means the extent to which individuals and businesses can access high-speed internet and digital technologies that enable them to participate fully in education, employment or training and contribute to the economy. For individual, this means having access to affordable digital connectivity and equipment (a computer or laptop) to study, find and sustain employment.**

**However, at present, the lack of digital connectivity or digital poverty is restrictive in terms of both people accessing training and job opportunities**. [About 300,000 young people lack digital skills and 700 thousand young people lack access to a computer or tablet at home,](https://www.onedigitaluk.com/knowledge-hub/developing-a-digital-champion-project/digital-inclusion/working-with-young-learners/#:~:text=Research%20statistics%20show%20a%20need,likely%20to%20be%20digitally%20excluded.) with young people who are already vulnerable more likely to be digitally excluded. Also, [Understanding digital poverty and inequality in the UK reports](https://www.thebritishacademy.ac.uk/publications/understanding-digital-poverty-and-inequality-in-the-uk/) that disparities exist in levels and types of digital access, digital skills, usage, and outcomes across the UK. This is a major problem, particularly in rural areas.

[Analysis from the County Councils Network](https://www.countycouncilsnetwork.org.uk/mps-warn-that-counties-could-become-poor-relation-to-cities-in-gigabit-broadband-rollout-with-just-one-in-five-rural-properties-connected-so-far/) shows just 21 per cent of premises in county areas have access to gigabit broadband. Digital connectivity adversely affects the supply of opportunities with fewer businesses located in rural areas. Poor digital connectivity restricts the social and economic development of an urban area as well. Many councils and combined authorities are working hard to address the digital challenges. For example, [Bradford Council has launched a new Digital Strategy](https://www.bradford.gov.uk/browse-all-news/press-releases/bradford-council-launches-new-digital-strategy-for-the-district/) to drive forward its social and economic development. The five-year plan sets out how it will develop the digital infrastructure, skills, and businesses needed to continue to build thriving and connected local areas. The strategy aims to enhance its digital capabilities and raise its digital growth in four areas; digital economy, digital inclusion, data-driven decision-making, and connected district.

**To support digital connectivity local government may want to invest in the digital infrastructure. For example, working with internet service providers to expand broadband coverage, investing in public Wi-Fi networks, and providing access to digital devices and software. Also, providing digital skills training to help residents and businesses develop the skills they need to participate in the digital economy can support help economic inclusion.**

A recent LGA commissioned report examined [The role of councils in tackling digital exclusion](https://www.local.gov.uk/publications/role-councils-tackling-digital-exclusion) which looked at the link between digital infrastructure and disadvantage. The research found that whilst there has been important progress in closing the digital connectivity gap, some areas are being left behind in mobile coverage. The report makes a number of recommendations for government and councils and combined authorities to support digital connectivity, including the development of local digital inclusion strategies.

***Principle 3: Local government may want to foster collaborative internal and external partnerships to maximise economic inclusion.***

Local government can act as leaders in supporting economic inclusion by partnering with other stakeholders, including government agencies, for example, Jobcentre Plus, community organisations, employers, and education providers. Effective partnerships can take many forms, including joint planning, sharing of resources and expertise, and joint funding arrangements. By collaborating with other stakeholders, local government can leverage the strengths and resources of different partners to achieve better outcomes; implement initiatives and programmes that are more responsive to the needs of the community and that have a greater impact on economic inclusion.

This can involve working in collaboration to provide training and support opportunities for underrepresented groups, sharing best practices, and partnerships to identify and address barriers to accessing education, employment or training.

Collaboration with different organisations offers benefits to councils. For example, partnering with community organisations can help to understand the needs of local residents and support the development of community-based solutions; collaboration with the health sector can help to understand the needs of those who are economically inactive due to health conditions and determine the type of support required to get them back into the labour market; and working with training providers to develop training programmes that meet the needs of local businesses and residents.

Partnership working can also include working with training providers to identify skills shortages and develop training programmes that address these shortages, for example green or digital economy skills. Bristol City Council’s [employment, skills and learning service](https://www.bristolesl.com/) (ESL) brings together apprenticeships, adult community learning, post-16 and employment support, and [‘Bristol One City’](https://www.bristolonecity.com/) is a multi-agency co-designed approach to tackling emerging local issues – needs and gaps. These initiatives have helped some of the most vulnerable and those experiencing disadvantage.

Cross-departmental working is also important to maximise the impact of strategies, action plans and interventions. By breaking down silos and aligning their strategies and initiatives, local government can create a more coordinated and effective approach to promoting economic inclusion. Sharing data and information across different departments, for example, housing or youth services to gain a better understanding of the needs of local residents and businesses. This can include sharing information on skills shortages, employment trends, and economic development opportunities to inform the development of policies and initiatives. It can also create a more evidence-based approach to promoting economic inclusion. Similarly by creating cross-functional teams such as Supporting Families Programme teams local government can ensure that different perspectives and expertise are brought together to create more effective solutions. It also important for councils to work together with other local councils, especially when young people and adults may cross borders for learning or work. This can help with early interventions where necessary.

For example, Babergh and Mid Suffolk District Councils provide a tailored support offer for young people facing additional barriers to further education, training, and employment through a number of initiatives. At the [Thrive Project](https://www.themixstowmarket.org/our-services/school-support), a multi-disciplinary team of qualified youth workers, teachers, curriculum experts, SEND experts, and social, emotional, and mental health experts, provides tailored alternative provision with 1:1 mentoring, coaching, personal careers advice and guidance and wider bespoke support. Meanwhile, [East Sussex County Council ‘ESTAR’](https://sussexcommunity.org.uk/our-services/employment-support/employability-for-supported-and-temporary-accommodation-and-refuges-estar-moving-on-up/) team, based within the employment and skills team, worked with community sector partners to identify ways of delivering bespoke and tailored inclusive provision to those who are homeless and devised and trialled the [Moving on Up initiative](https://www.sctp.org.uk/moving-on-up-programme/).

It is also important to work with Government departments and agencies to seek guidance and share learning. The [Equality Hub](https://www.gov.uk/government/organisations/the-equality-hub) provides useful resources to support economic inclusion.

***Principle 4: Local government may want to assist businesses and employers to support good work practices to maximise economic inclusion in local areas.***

Businesses are often the primary providers of jobs and training opportunities. By collaborating with local businesses and public sector employers local government can create initiatives and programmes that facilitate job creation, skills development, and increased workforce participation, and thus achieve a more inclusive local economy. There are a number of ways the business sector can promote economic inclusion.

Effective partnership work requires strong relationships between local government and businesses. Councils and combined authorities can establish regular communication channels with businesses and create forums where businesses can provide feedback on local economic issues. By building strong relationships, local government can gain a better understanding of the needs of local businesses and develop policies that are responsive to those needs. For example, the skills needs data from employers can help inform the development of bespoke training programmes to ensure a pipeline of skills. This can prove particularly useful in the growing or emerging sectors, for example, green or digital.

Local government can encourage businesses to adopt socially responsible practices that promote economic inclusion. This can include promoting diversity and inclusion in the workplace, providing fair pay and benefits, and supporting local communities through corporate social responsibility initiatives. The LGA commissioned [Good Work report](https://www.local.gov.uk/topics/employment-and-skills/good-work-project) sets out that there are significant benefits to creating ‘good work’ opportunities. It also helps to achieve the levelling up ambitions of raising pay and employment to close the productivity gap. Lambeth Council encourages and incentivise businesses to pay the London Living Wage. The council is also working with neighbouring boroughs Southwark and Lewisham to provide networking events for businesses. Southwark Council has developed a [Southwark 2030: working together for a brighter future](https://www.southwark.gov.uk/council-and-democracy/fairer-future) vision. One of its [Fairer Future commitment](https://www.southwark.gov.uk/council-and-democracy/fairer-future/fairer-future-commitments) themes aims to tackle the barriers holding people back from securing good work.

Councils and combined authorities can encourage local procurement by working with businesses to use local suppliers and contractors, which can support local businesses and create employment opportunities for local residents. This can also help to build a more sustainable local economy by reducing transportation costs and supporting local supply chains. [County Durham Pound Project](https://www.durham.gov.uk/article/28093/County-Durham-Pound-project-seeks-to-maximise-local-benefits-from-1billion-spend) brings together twelve primarily public sector organisations which spend nearly £1 billion between them to maximise benefits to the local area from their expenditure.

Local government can develop comprehensive economic development strategies that involve employers as key stakeholders. These strategies could focus on promoting sustainable growth, attracting investment, and creating an enabling environment for businesses to thrive and supporting entrepreneurship. The Local Enterprise Partnerships (LEPs) transition next Spring present an opportunity for local government to enhance their economic development and business engagement role.

***Principle 5: Local government may want to promote workforce equality, diversity and economic inclusion as an employer.***

Local government have a key role to play in promoting economic inclusion as an employer. As large employers, councils and combined authorities can set an example by creating a diverse and inclusive workforce and providing opportunities for local residents to access employment and training.

There are several ways local government can support this ambition. They can create a diverse and inclusive workforce by reviewing their end-to-end recruitment strategies and activities; by ensuring that their recruitment and selection processes are fair and transparent, and by providing equal opportunities for all candidates regardless of their background; providing opportunities for local residents to access employment and training by prioritising local recruitment, offering apprenticeships and work experience placements, and working with local training providers to develop training programmes that meet the needs of local communities. Local government can also support individual when employed with inclusive leadership by ensuring managers at all levels have the skills and capability to manage diverse teams. This also includes flexibility to support staff with disabilities, long term health conditions or caring responsibilities.

As a large public sector employer, local government can lead by example and consequently encourage other local employers to follow the same practice. Demonstrating a commitment to economic inclusion can influence other employers and thus promote inclusive growth. economy. [LGA provides a range of support and resources to help local government with their equality, diversity and inclusion in the workforce priorities](https://www.local.gov.uk/our-support/workforce-and-hr-support/equality-diversity-and-inclusion-workforce). [The LGA National Procurement Strategy for Local Government in England 2022](https://www.local.gov.uk/publications/national-procurement-strategy-local-government-england-2022#:~:text=The%20National%20Procurement%20Strategy%20for%20Local%20Government%20in%20England%202022,achieving%20community%20benefits.) vision is to *support local government procurement in developing from good to great.* It aims to help councils deliver both economic and social value to communities and levelling up within and between our places.

Many councils and combined authorities are working to promote equality, diversity and economic inclusion as an employer. [DurhamEnable](https://durhamenable.info/) is a Durham County Council led Supported Employment Service for individuals who are aged 18 and above and have learning, physical, and/or mental health barriers to employment. The council is also addressing its skills needs through apprenticeships and has linked the council’s ambition for a thriving economy with more and better jobs to an [Apprenticeship Strategy](https://www.durham.gov.uk/media/28776/Apprenticeship-Strategy-2022-to-2025/pdf/ApprenticeshipStrategy2022To2025.pdf?m=637890077637600000#:~:text=The%20council's%20apprenticeship%20programme%20aims,jobs%20and%20learning%20opportunities%20with). [Hackney Borough Council has designed a number of programmes focussing on an inclusive approach to employment](https://www.local.gov.uk/case-studies/hackney-borough-council-inclusive-approach-employment) that engages and supports those experiencing disadvantage in the area, including, care leavers, young people with disabilities, and young Black men. Meanwhile, Hampshire County Council with its [Inclusion Strategy](https://www.hants.gov.uk/inclusionstrategy) is working to ensure that EDI is at the centre of its service provision both as an employer and also proactively engaging groups and individuals with protected characteristics in its skills, employment, and outdoor programmes.

***Principle 6: Local government may want to monitor and evaluate progress to ensure economic inclusion is achieved for everyone.***

To ensure effective progress is made towards achieving economic inclusion, councils and combined authorities may want to monitor and evaluate progress of their strategies and actions plans. This can involve collecting and analysing data on workforce diversity, monitoring training outcomes, and evaluating the impact of initiatives aimed at improving economic inclusion. This can help to understand the impact of policies and initiatives, identify areas for improvement, and make evidence-based decisions on how to allocate resources and support local businesses and individuals.

There are several ways in which local government can monitor and evaluate their progress in promoting economic inclusion:

Setting clear goals and targets that reflect priorities and vision for promoting economic inclusion in employment and skills. By setting goals and targets, local government can track its progress and identify areas for improvement.

Gaining access to government departments and agencies held detailed data and analysing data on key economic indicators, such as employment rates, job vacancies, and skills shortages can help local government to identify trends and patterns, understand the needs of local businesses and residents, and assess the impact of their policies and initiatives. It is also essential to collect data on the demographics of the local workforce to ensure that economic inclusion policies are benefiting all groups equally. The [Local Government Procurement Index](https://protect-eu.mimecast.com/s/CL_tC66VKIVmnqnf5HfXe) is a useful tool that helps to identify what proportion of a council’s procurement is awarded directly to SMEs, VCSEs and locally-based suppliers, and how this compares with other authorities nationally. Wigan Council is working with anchor partners across the borough to use the public procurement as a lever to tackle some of the big challenges and create a fairer economy. Progressive procurement is a key part of [Wigan Council’s Community Wealth Building strategy](https://www.wigan.gov.uk/Docs/PDF/Business/Council-Procurement/Community-Wealth-Building-Vision-and-Principles.pdf) that ensures greater economic, social and environmental benefits are achieved.

Councils and combined authorities can share best practices with other councils and organisations to learn from their experiences and improve their own policies and initiatives. By sharing best practices, local government can accelerate progress and create a more inclusive local economy.

The six guiding principles outlined above are universally relevant to underpinning equality, diversity, and economic inclusion in employment and skills. These principles should be adopted in parallel to reflect the fact advancing economic inclusion requires a holistic approach across many different policy areas and programmes.

In conclusion, to advance economic inclusion for their communities local government need to develop a policy framework on equality, diversity, and economic inclusion and embed it in all policy areas; ensure that the system is flexible and responsible for the need of all; engage all relevant stakeholders in implementing the policy framework to strengthen its impact; prepare and support leaders in developing competences and knowledge for promoting equality, diversity, and economic inclusion; support and monitor progress.