Fairness and Freedom:

The Final Report of the Equalities Review

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Foreword

Even in the most tolerant of societies, some things should always remain intolerable. Each of us could make a list of the features which we think should have no place in a fair, free and just society.

Most lists would probably include the wanton violence which destroys young lives and devastates families. Many would add an often crushing disregard for the rights of children, older people or disabled people by those who should be using their authority to improve lives. Others would cite the complacency that consigns women and men to preordained roles in life, and the prejudice that confines some to society's dustbin purely because of the colour of their skin. And behind all this looms a persistent material, cultural and moral poverty that blights many homes.

But a long-term vision for our society should be founded upon what it wants to be rather than what it is not. This Report is entirely about one of the – if not the – most cherished aspirations of the British people: to live in a society that is fair and free, and which provides for each individual to realise his or her potential to the fullest. At root, this is what we should mean by an equal society.

This broad and positive vision is not always what we think about when we use the word 'equality'. As this Report shows, for very good historical reasons, much of recent generations' effort to make Britain fairer has been focused on prevention: in particular, stopping the abuse of power by both individuals and institutions to discriminate against people on specific grounds – gender, ethnicity, and disability. In the past few years, disquiet about attitudes to sexual orientation, religion or belief, transgender, and age have added to that list. We expect the disadvantages facing other groups, such as carers, to become equally significant in the years ahead.

For each of these groups, the first and urgent task has been to lessen the baleful influence of prejudice and to remove the grinding reality of everyday discrimination and harassment. There is no doubt that we have done better than many other countries. Britain has more advanced and effective equality legislation than most other states; our current equality Commissions – the Commission for Racial Equality (CRE), Disability Rights Commission (DRC) and Equal Opportunities Commission (EOC) – and the forthcoming Commission for Equality and Human Rights (CEHR) represent an institutional framework to combat discrimination that is unrivalled in Europe.

But as we show in this Report, we are far from eliminating disadvantage. Inequality still scars our society.

Yes, everyone has the vote, but on present trends even when the great-great-grandchildren of today's legislators at Westminster cast their votes, they will not enjoy the sight of a Parliament with equal numbers of men and women, or substantial numbers of ethnic minority MPs.

Yes, progress is being made to remove barriers to participation by disabled people, but on current trends it is unlikely that the employment disadvantage they face will ever be overcome. And yes, there is a far wider recognition of the diversity of identities which enrich our society, yet bullying and hate crime against lesbians and gay men, and conflict arising from differences of religion, belief and culture still stand high on the public agenda.

And despite our successes, some kinds of inequality remain at levels that can only be described as intolerable, particularly in education and employment. These are fundamental to the life chances of every person. What is more, our research shows that new economic and social trends – globalisation, for example – will either freeze those inequality gaps or widen them during this century.

In short, when it comes to creating a fairer, more equal society, we have made substantial progress and continue to do so. But that progress is fragile and uneven. In too many areas we have stopped the clock; in some it is starting to turn backwards.

Yet the most up-to-date evidence shows that a fairer, more equal society will be more productive. Surveys show that it is a high priority for the British people. The case for a more determined drive towards greater equality seems almost irresistible. So why do we avoid taking decisive steps to create it? One reason is that, in the public mind, recent history has associated the idea of equality with bureaucratic finger-wagging and legal restriction. Unfair as this charge may be, unless the British people are persuaded that equality is a liberating rather than an oppressive ambition, it will remain an unfulfilled aspiration.

In this Final Report, we make the case for equality in positive terms. If we are to unlock the talents of all our people then we need to give everyone an equal chance to contribute. We produce evidence to show that, in spite of many advances, we are still a society in which too many people's destinies are determined by who and what their parents were, and where they were born. And we warn that, though we do need to provide more modern laws that will enable us to remove some barriers to success, legislation will not by itself deliver a better, fairer, more equal society. That is also the task of the education system, crucially in the early years; of the labour market in becoming more flexible and embracing a wider range of people; and of the political system in empowering the many voiceless in our society. This Report provides some of the data, analysis, tools and policy that could help individuals and institutions to tackle these challenges.

This Report does not dwell heavily on the roles and responsibilities of civic society, families or individuals. That is not because we do not regard it as essential for people to take ultimate responsibility for their own actions; or for communities and families to act to raise their own aspirations. In the end, neither government nor public institutions will do what we need to do for ourselves. However, they can either enable or inhibit us in our own efforts to overcome prejudice and systemic bias. And in the area of the most persistent inequalities, it has become clear to us that one of the major reasons that some disadvantages are intractable lies in the fact that the very desire to take responsibility for bettering one's own life chances can be crushed by the reality of prejudice and bias.

A young woman from an ethnic minority may be talented and hard-working, but she is unlikely to be motivated as long as she can see the efforts of her parents or older siblings being frustrated by sexism or racism. That perhaps partly explains why Pakistani and Bangladeshi young women are three times as likely as similarly qualified White women to take a job for which they are over-qualified.

A gay couple, or a Muslim family, can be as keen as anyone else to participate in the life of their communities, but they won't stand for office if they feel cold-shouldered by the local political establishment. And why would a person with a mental health condition voluntarily seek to leave the income security of incapacity benefit to work when half of employers say they wouldn't recruit someone for that very reason?

This Report does not place all responsibility on government or public institutions – but it does show clearly that public institutions and public leaders carry a profound responsibility to create the conditions that will liberate the aspirations of those trapped by persistent disadvantage.

Our Report is of course the work of many hands. The Panel and Review Team listened to and spoke face to face with hundreds of experts, activists, and others with valuable information and experiences. The team sifted hundreds of responses to our initial call for evidence and then to our Interim Report. We are grateful to everyone who shared their ideas, opinions and stories with us.
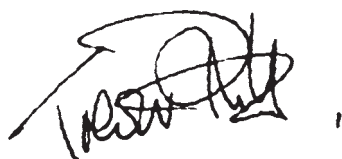
We had the support of many organisations and individuals. We are especially grateful for the counsel of the advisory Reference Group led by Sir Bert Massie and Jenny Watson, Chairs of the DRC and EOC respectively. Much of the research work and the responses to consultation are available in the companion reports which are web-published alongside this one and can be found at www.theequalitiesreview.org.uk.

This Report was commissioned by the Prime Minister, and will be presented to him on publication. It is, however, written entirely independently of government. I am grateful to our sponsoring Secretaries of State, Ruth Kelly and Hilary Armstrong, for their support.

I would like to register my personal thanks, as well as those of my colleagues on the Panel, to the small team of civil servants who supported the Panel during the Review, for their diligence and creativity.

And finally, I would like to pay tribute to my fellow Panel members Dame Judith Mayhew Jonas and Sir Robert Kerslake for their thoughtfulness, industry, and above all for their courage.

This Report is about a country that is better than the one we now live in: more at ease with its diversity, more equal, more just and above all fairer. None of our findings should be controversial, as they are based on sound research and wide consultation. A few of our conclusions may be less readily embraced by some, as we have tried to avoid the temptation to anticipate criticism and adjust our findings to avoid it. We believe that equality is too important for timidity or half-measures. The truth is that it is in everyone's interest for us to be that better, fairer society – but to get there we will have to make some inescapable choices. Our first choice is whether we act now or whether we leave the hard work to future generations. This Report shows why we can't wait.

Trevor Phillips
Chair, Equalities Review Panel
February 2007

Executive Summary

In **Chapter 1**, we look at what equality is and why it matters.

In Britain, this is a particularly important moment in time for equality and we need to act now. The right conditions are all with us and this opportunity is unlikely to arise again: the Commission for Equality and Human Rights (CEHR) will take over its full range of functions in October 2007; the Government's Comprehensive Spending Review is taking place just at the right time to take on board the Review's findings; and the Discrimination Law Review is overhauling the current anti-discrimination legislative framework. More and different action is needed if we are to address those inequalities that are proving particularly hard to shift, where progress is very slow. We propose a more holistic approach: a new framework for working towards equality.

We set out data showing that at the present rate of progress it may take some decades to achieve parity in employment or education for some groups; over 75 years in the case of women's political representation and equal pay, half a century in the case of educational attainment of some ethnic minority children. We finally argue that modern equality policies will benefit the community as a whole; and that they will target groups not commonly considered, for example the children of poorer White families and poorer White boys in education.

In particular, we need a new definition of equality that will be relevant to our society now and in the future. Traditional approaches – based on equality of outcomes, opportunities, process and respect – have either resulted in a focus on income, or wealth, rather than on all the aspects of life that are important to people in leading a fulfilling life, or have not taken serious consideration of the economic, political, legal, social and physical conditions that constrain people's achievements and opportunities. This has meant that we do not have a consistent and clear understanding of the causes of inequality and what to do about it. The Review's approach draws on these traditional concepts but overcomes their limitations: it recognises the equal worth of every individual, as reflected in human rights principles; it is sensitive to both outcomes and opportunities, and recognises the necessary role of institutions in removing barriers and making sure that opportunities to flourish are real. An equal society seeks equality in the freedoms that people have to lead a fulfilling life.

Our definition of an equal society

An equal society protects and promotes equal, real freedom and substantive opportunity to live in the ways people value and would choose, so that everyone can flourish.

An equal society recognises people's different needs, situations and goals and removes the barriers that limit what people can do and can be.

The new approach we propose is also very practical and allows us to measure and track progress towards equality. We set out a framework for measuring inequality that is based on ten dimensions – freedoms and activities that people have reason to value – derived from international human rights principles and consultation with the general public, including groups at high risk of disadvantage.

Achieving equality means narrowing gaps in people's educational attainment, employment rates and real opportunities open to them. There is now strong evidence that a more equal society benefits us all. A more equal society does not constrain growth and prosperity. On the contrary, by focusing on those groups who experience persistent disadvantage because of factors beyond their control, a more equal society uses scarce resources more efficiently, increases the level and quality of human capital, and creates more stability, all necessary to growth and prosperity. So, a more equal society does not need to drag down those at the top, discourage people's desire to excel or hold back those who exercise more effort. But it does need to focus on those at the bottom end and make sure that their achievements improve at a faster rate than those at the top. Equality is also a shared value in our society: we are traditionally concerned about equality and, even in the wake of the London bombings in the summer of 2005, our commitment to equality was not affected by heightened concern about security.

In **Chapter 2**, we put our Review in context by looking at the 100 year frame: what has happened over the last 60 years and what potential changes are over the horizon in the next 40?

Over the last 60 years there have been landmark improvements in addressing the starkest aspects of inequality and discrimination faced by different social groups. This has been achieved through hard-fought campaigns and struggles, political leadership and powerful economic and social trends. Many of the battles for equality since the 1940s have been about ensuring that access to public goods is a reality for everyone, and ensuring that different groups have been afforded the legal protection offered to others. Progress has been made, but entrenched inequalities in education, employment and quality of life remain, prejudice towards certain groups is still a strong feature of our society and future trends indicate that there are threats on the horizon which may push us backwards rather than forwards.

Legislation against discrimination has been very important in raising the profile of equalities issues; it has helped to establish the public value of eliminating prejudice and unfairness, given representation and voice to different groups and ultimately made a difference to people's behaviour. Equally important has been the expansion in social and employment rights from Beveridge onwards which, although aimed at the general population, worked to the benefit of the most disadvantaged.*

Past action to promote equality occurred piecemeal, in reaction to immediate social pressures. Now there are clear signs that this approach has run out of steam. Britain is increasingly subject to global economic and social influences as a result of growth in technology and increasing globalisation. Internally, too, the nature of inequality will alter as a result of demographic changes and labour market pressures, in particular an ageing, more ethnically diverse and proportionally more disabled population.

As the drivers of future trends evolve, the tools that are used to effect change have to evolve in response. The old approach of a top-down state which pulls levers to improve outcomes for particular groups is no longer appropriate or effective. We must take account of the ways in which an enabling state operates in the 21st century and ensure that we focus on ends and not means. We must acknowledge the multi-dimensionality of inequality and tackle change across economic, social and political spheres. Our approach must empower people in local communities to promote equality in ways most suited to their own needs, and be based on shared rights and responsibilities for government, employers, public services and citizens.

In **Chapter 3**, we look at some of the worst, most persistent inequalities in our society today. We highlight inequalities in the early years, education, employment and retirement, health and crime and justice. And we highlight some areas of progress from which lessons may be learned.

In the early years, we find that:

● What families do for their under-fives in the home is very important to future learning and behavioural outcomes. In the early years the protective effect of a good Home Learning Environment is more influential on a child's development than parents' qualifications, income or ethnicity, and the effect persists even to age 10.

● Boys and children from some ethnic minority groups tend to experience poorer Home Learning Environments.

● The quality of pre-school education is also very important to future learning and behavioural outcomes, especially for disadvantaged or vulnerable children: a high-quality pre-school, whether attended part-time or full-time, can reduce the risk of future Special Educational Needs (SEN) and can even partially compensate for a poor Home Learning Environment.

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* The Beveridge Report, authored by William Beveridge in 1942 (officially the *Social Insurance and Allied Services Report*), formed the basis of the 1945–51 Labour Government's legislation programme for social reform.

● Poorer White families and some ethnic minority families, such as those of Pakistani and Bangladeshi origin, are less likely to use pre-school education for their children. Many disabled children are unable to go to pre-school because appropriate provision is limited.

At school age and in transition to adulthood, we find that:

In England:

● There are significant and persistent attainment gaps for pupils from Gypsy/Roma and Traveller of Irish Heritage backgrounds throughout primary and secondary school, who "linger on the periphery of the education system" (Ofsted).

● Pupils from some ethnic minority groups are doing well (for example, Chinese, Mixed White and Asian and Indian pupils) and others, particularly Bangladeshi pupils, are catching up quickly. But we have serious concerns about attainment at primary level among Pakistani, Black Caribbean, Black African and pupils from other Black backgrounds, as well as Mixed White and Black Caribbean heritage pupils.

● Many pupils with SEN are not achieving their true potential at primary and secondary school.

● There are disproportionate levels of exclusion from school for pupils with SEN, as well as Gypsy/Roma and Traveller of Irish Heritage pupils, and pupils from Black Caribbean, Black Other and Mixed White and Black Caribbean heritage backgrounds.

● Disabled young people are at greater risk of being not in education, employment or training (NEET), however this is not broken down by type of disability. The evidence base on ethnicity is less strong, but suggests that young people from some ethnic minority groups may also be at greater risk of being NEET.

In Scotland and Wales:

● In Scotland and Wales, the proportion of pupils from ethnic minority groups is much lower and attainment rates differ. In Wales, Black African and Pakistani pupils are less likely than average to reach the expected level across primary and secondary level. In Scotland, looking at average attainment across the last three years, the attainment of Pakistani and Black African pupils is only one percentage point below the national average at the end of secondary school.

● Attainment data for pupils with SEN in Wales are not currently available. In Scotland there is a broader category of pupils covering those with additional support needs, again separate attainment data are not available yet for pupils in this category.

● Detailed data on disabled young people and ethnic minority young people who are NEET are not currently available in Scotland and Wales.

We look closely too at disadvantage in employment, and find that there has been remarkable progress in the employment prospects of the working age population in the past decade. The UK now has, at 75 per cent, the highest employment rate of the richest countries and an aspiration to reach 80 per cent. However, this progress has not touched the whole of the population equally and some groups are well behind.

Looking back over the past thirty years, three groups below retirement age stand out as facing particularly large and persistent employment penalties. These are disabled people, Pakistani and Bangladeshi women, and mothers of young children. These groups are also more likely to suffer from disadvantage in the workplace, in terms of limited career progression, large pay gaps and discrimination.

In terms of health and healthcare, we know that some groups experience poorer health than others. And we know that there is a strong association between poor health and other factors, such as educational attainment and employment status. But, because the data are so poor in many areas, we simply do not know enough about the differences in health between different groups, for example, life expectancy by ethnicity. Nor do existing mechanisms allow us to assess the extent to which healthcare provision meets the needs of different groups.

Lastly, in terms of crime and criminal justice, more work is needed to understand the impact of crime and how this can be minimised, particularly for those crimes that we know to have a long-lasting impact on their victims, such as domestic violence.

And criminal justice agencies must work harder to improve people's confidence in the criminal justice system, particularly people from ethnic minorities. Data are patchy in many areas of criminal justice. And the efforts that have been made are to be welcomed. But more remains to be done if we are to have confidence that the criminal justice system is fair for all. As in so many areas highlighted in this Report, inequalities in one area can be linked directly to inequalities elsewhere. This is particularly so with high rates of offending among young Black men. We know that there is a strong association between offending, and exclusion from school and failure at school – and that some ethnic minority groups are significantly more likely to experience these than others. So, we believe that action to address rates of offending among young Black men can only be tackled through action across government.

In **Chapter 4** we set out the reasons why inequalities still persist in Britain today. The evidence suggests that the key barriers to progress lie in the following areas.

First, despite a strong public value of fairness and equality, prejudice persists. This has serious negative consequences for the treatment of women, people of different ages, ethnic minorities,

disabled people, people with particular beliefs, transgender people, and lesbian and gay people. This prejudice forms a backdrop for the other three key problems that are holding progress back:

- a lack of agreement about what needs to happen;

- uncertainty about who should act; and

- the tools we have not being fit for purpose.

Second, there remains a lack of awareness and understanding about what equality means, how it relates to what organisations do, what is required or permitted under the law, and who is responsible for delivering on this. It is too frequently regarded as code for 'political correctness' or petty bureaucracy.

Poor measurement and a lack of transparency have contributed to society and governments being unable to tackle persistent inequalities and their causes. The data available on inequality are utterly inadequate in many ways, limiting people's ability to understand problems and their causes, set priorities and track progress. And even where data do exist, they are not consistently used well or published in a way that makes sense.

Third, there has been little clarity over who should deliver what, and whose responsibility it is to take the lead. This is made worse by limited accountability: across sectors, promoting equality has not been a central or significant part of the leadership role. Many organisations have viewed equality as peripheral to their core business. There also remain questions about the influence and impact of the media. A lack of meaningful engagement also contributes to this problem: communities and individuals are often not sufficiently empowered to have their say on the issues and services that affect their lives.

Finally, the tools available are not fit for the purpose of achieving equality in today's Britain. There are limitations in the law – which is complex, inconsistent in the way it treats different groups, and poorly understood. In some cases the law actually restricts action on inequality, and in others the action possible has been interpreted too narrowly – as for example with public procurement. There has also been a tendency to focus legal requirements, and the action that follows, on process rather than the outcomes sought. And problems with the form of the law have been made worse by unclear guidance and insufficient support, and by a blunt and inflexible enforcement regime.

In **Chapter 5** we turn to recommendations, setting out ten steps to greater equality, which complement and reinforce each other, each contributing to a systematic overall framework for creating a more equal British society. These are:

1:    Defining equality

2:    Building a consensus on equality

3:      Measuring progress towards equality

4:      Transparency about progress

5:      Targeted action on persistent inequalities

6:      A simpler legal framework

7:      More accountability for delivering equality

8:      Using public procurement and commissioning positively

9:      Enabling and supporting organisations in all sectors

10:     A more sophisticated enforcement regime

Finally, we set out a vision for the future, against which progress should be checked: what would success look like, five years from now?

- There will be a shared understanding of what we mean by equality and a common framework of measurement at national, regional and local levels.

- Political, managerial and community leaders will take *direct and personal* responsibility for promoting greater equality and will test themselves on progress by the outcomes they achieve rather than the processes they have adopted.

- Promoting greater equality and tackling entrenched inequalities will be embedded in the way that public institutions carry out their business. There will be an active pursuit of their public duty and a dynamic, systematic, and evidence-based approach to taking action.

- There will be an honest, transparent means of assessing the progress of the public, private and voluntary sectors in achieving a more representative workforce at all levels. Information will be readily available on a consistent basis.

- Prejudice in society on grounds of age, gender, race, religion and belief, disability, sexual orientation and gender identity will have demonstrably reduced. We will no longer place the burden of tackling this on those who have been discriminated against.

- Last, but most important, we will see measurable progress in achieving greater equality and tackling the most entrenched inequalities identified in this Report.

Chapter 1:
What do we mean by equality, and why does it matter?

This chapter:

■ sets out the background to the Review;

■ proposes a positive, working definition of equality;

■ outlines a novel approach to measuring and monitoring inequality; and

■ makes a moral, economic and social case for immediate action to reduce inequality.

The background to the Review

Britain is in many ways a fairer and more equal society today than at any time in living memory. A hundred years ago women were not allowed to vote on the same basis as men; now the very idea seems outrageous. It is now illegal for employers and public services to discriminate on the grounds of race, gender or disability. More recently, Parliament has outlawed discrimination on the grounds of sexual orientation, religion, belief, transgender and age. And though legislative change has been vital to this progress, equality has touched aspects of life far beyond the influence of the statute book. On average, all sections of society live longer, are healthier, and are better educated. Most of us enjoy a lifestyle far richer and less restricted than our early 20th century equivalents.

But deep inequalities persist. In some cases they have widened. Some kinds of disadvantage have resisted all efforts to reduce them. Inequality still means that various groups of people experience aspects of life in Britain in quite different ways, and therefore see the world quite differently. It is, in short, sharply divisive: men against women, disabled against non-disabled, old against young.

In addition, Britain faces new opportunities and challenges driven by rapid economic and technological change. The signs are that, left to themselves, these forces – sometimes summed up as 'globalisation' – could accelerate the transformation of life in the workplace, at home and in our local communities, in such a way as to reverse some of the progress of the last century, and to entrench inequality.

Tellingly, public concern about fairness and equality is no longer limited to the material dimensions represented by income and wealth. Increasingly society is asking itself hard questions about issues which are only partly influenced by our personal affluence: the richness of our family lives and relationships; our capacity to influence the public sphere and politics; and the sustainability of our lifestyles, for example.

It was against this background that the Prime Minister commissioned this independent Review into the causes of persistent discrimination and inequality in British society. Box 1.1 below sets out the aims for the Review's work, which covers England, Scotland and Wales.[1]

Box 1.1: Aims of the Equalities Review

The aims of the Equalities Review are to:

- provide an understanding of the long-term and underlying causes of disadvantage that need to be addressed by public policy;

- make practical recommendations on key policy priorities for: the Government and public sector; employers and trade unions; civic society and the voluntary sector; and

- inform both the modernisation of equality legislation, towards a Single Equality Act; and the development of the new Commission for Equality and Human Rights.

The Review follows several initiatives by the Government to step up action against inequality:

- The new Commission for Equality and Human Rights (CEHR) will start its work in October 2007, taking over the mandates of the Commission for Racial Equality, Disability Rights Commission and Equal Opportunities Commission and assuming responsibility for more recent legislation on age, transgender, sexual orientation, and religion and belief. Crucially, it will take the lead in promoting the development of a human rights culture in Britain. That is not the principal focus of this Report, but the new Commission's role in establishing a pragmatic approach to human rights, focusing on dignity and respect, will without doubt be fundamental to its work.

- There have also been several Government-sponsored reviews which have a critical impact on equality, including the Turner Pensions Commission, the Women and Work Commission, the Harker report on child poverty, the Gilbert report on the personalisation of teaching and learning, and the Leitch Review of skills. We have not duplicated the work of these reviews but have drawn on their findings and recommendations.

- In parallel to this Review, the Department for Communities and Local Government is leading the Government's own Discrimination Law Review (DLR). The aim of the DLR is to create a simpler, fairer legal framework. Involving several government departments, the DLR is assessing how

anti-discrimination legislation can be modernised to fit the needs of Britain in the 21st century. It is expected to publish its findings later this year.

Finally, the Comprehensive Spending Review (CSR) currently being conducted by the Government will set public spending patterns for the next decade. We do not, in this Report, recommend large expansions in public expenditure, and the tax and benefits system lies outside the scope of our inquiry. But we do argue that it is vital for Government to set its spending priorities in order to reduce inequalities. We argue that major programmes of spending should, in effect, be tested rigorously to ensure that their impact is to reduce inequalities. The CSR is surely the best place to start that process.

In this chapter, in Annex A and in the supporting technical reports,[2] we offer a clear template through which to measure and monitor equality gaps in the round. But in order to reach a rigorous and robust framework for measurement we spent considerable time and effort reaching a pragmatic working definition of equality.

An equal society

Equality is a core principle underpinning many societies: it is widely believed that citizens should be treated as equals. However, philosophers, economists, and political and social theorists debate the concept from different perspectives. The result is that there are several different and sometimes competing interpretations of what the word 'equality' might mean for our society, and therefore what it will take to move closer to it.

We have examined the different interpretations of equality in order to arrive at the most appropriate definition for our purposes, and for the development of public policy in the 21st century.[3]

Some argue that what matters is equality of process: ensuring that people are treated in the same manner in any given situation. That idea underpins the right to a fair trial, for example. Others put the emphasis on equality of worth: according each individual equal respect – a concept that lies behind giving every citizen the right to vote.

Some believe that what matters most is equality of outcome: sometimes interpreted as aiming for everyone to have, for instance, equal amounts of income or wealth, or the same educational attainment. This recognises that we are not all endowed with the same degree of substantive freedom; for example, a building designed on the assumption that everyone who enters is sighted unnecessarily places a blind person at a disadvantage. However, others argue that such a definition, applied too widely and too crudely, does not allow for the fact that people have different values and aspirations. A person may, for example, attach relatively more importance to acquiring wealth than to living for a long time, and be prepared to devote more resources and effort to one than the other.

Some argue, by contrast, that an emphasis on equality of opportunity should drive public policy – although it is a term that is understood in different ways. Some people interpret it to mean that opportunities should depend only on your talents and the efforts you make. Others argue that equality of opportunity is about ensuring that those circumstances that are beyond an individual's control should not undermine the opportunity an individual has to thrive. According to the first, narrower definition, a person's race, gender or religion should not determine their chances of being admitted to university or being selected for a job: those should be determined purely on individual merit. Those who support the second definition would say that before a judgement is made about merit, we must ensure that everyone also has the opportunity to acquire the relevant skills, competencies and qualifications to compete.

It would be presumptuous of us to try to settle this theoretical argument once and for all. But we know that, in the real world, outcomes are dependent on opportunities and opportunities on outcomes. If your family is poor, your educational potential is less likely to be realised; and if your educational achievement is lower, you are likely to earn less. But it is central to our terms of reference to focus on outcomes and, in particular, what will reduce the gap between those who enjoy the best life chances and those who suffer the worst.

To ensure that everyone who could help with this task focuses their efforts to the same end, we regard it as essential to establish an accepted definition that draws on, but overcomes the limitations of, these different interpretations of equality. We sought not a woolly compromise, but an expression of the idea that helps to build consensus. In order to achieve this end, we worked closely with several of the leading academic specialists in the UK and drew on work that is being developed worldwide. We specifically took into account the human rights framework shared by most international institutions. And, most importantly, we commissioned a series of quantitative and qualitative studies to help us understand the views of the vast majority of Britons[4,5] – who are not academics, but who could be said to be 'experts in their own situation', to borrow a phrase commonly used in the disability movement. The definition the Review has developed attempts to accommodate the rigorous testing of the intellectual, but also strives to be meaningful and practical to everyone (see Box 1.2).[6]

This definition encompasses equality of process and worth, but is richer in its scope. It takes a fuller account of variations in need and the diversity of people's values and preferences than a definition based purely on equality of outcome. And it builds very firmly on equality of opportunity, but more clearly recognises the role that society and its structures and institutions play in restricting or releasing people's full potential. As we shall see later in this Report, we believe that this definition supports the broader, less technical, idea of 'fairness' so precious to our society.

Box 1.2: Our definition of an equal society

An equal society protects and promotes equal, real freedom and substantive opportunity to live in the ways people value and would choose, so that everyone can flourish.

An equal society recognises people's different needs, situations and goals and removes the barriers that limit what people can do and can be.

So what might this look like in practice? A society which protects and promotes equality successfully is one in which everyone is treated as being of equal value – as recognised in human rights principles – and effectively enabled to live a fulfilling life. Such a society would recognise:

- a positive role required of institutions in removing barriers or constraints and making sure that opportunities to flourish are real;

- that some people may need more and different resources to enjoy genuine freedom and fair access to opportunities;

- that a life of genuine and valuable choices for each individual leads to a better society for everybody; and

- that its aim should be to narrow gaps in real opportunities and real freedoms, not by reducing the freedoms of some but by increasing the opportunities of those suffering persistent disadvantage.

So our definition of equality is not just about helping disadvantaged individuals reach their goals, although that is part of the story. It also recognises that we all share some of the responsibility for setting the conditions in which we can improve our own life chances, and for making sure that we are all treated with equal dignity and worth. It recognises different needs and identities, and provides for equal participation in society.

Vitally, this definition also recognises our diversity: equality does not mean sameness, nor should an equal society try to force everyone into the same mould. On the contrary, the pursuit of equality is about empowering people to live their dreams, to be themselves and to be different, if they wish.

The Equality Scorecard

So much for theory. If this new definition of equality is to be a powerful driver of change, it must relate to the issues and areas of people's lives where they experience disadvantage and inequality and reflect the main freedoms, activities and outcomes that they value. And if it is real, we should be able to measure it. But it would be facile to judge inequality overall by any single measure. In Box 1.3 we list the ten areas, or dimensions, in which we as a society think it is most important to achieve greater equality. Taken together, these ten dimensions reflect a strong consensus about the bundle of measurable properties that will tell us most clearly whether one group of people enjoys life chances equal to another; and whether, year on year, society, or any group within it, is experiencing greater equality or not. These ten dimensions form the basis of what we describe as the Equality Scorecard.

We have developed the list that underlies the Scorecard by drawing on international human rights frameworks, and through extensive consultations both with the general public and with some of those individuals at high risk of experiencing disadvantage.[7] This procedure for selecting the key freedoms and activities explicitly recognises that, for instance, most of us regard the freedom to live a long and healthy life or to get a job as ultimately more important than the freedom to play our favourite sport or to watch a particular TV programme. This list is not necessarily fixed for all time: it may well be right to revise it to reflect changes in what society believes are the most important dimensions of inequality.

Critically, these ten dimensions are not just about individual wealth, access or achievement. They recognise that we do not live in isolation from families, neighbourhoods and communities. Equality between men and women in relation to work-life balance, or of ethnic minority communities' participation in democratic life, are not just purely functions of individuals' will or skill. They also depend on the degree to which the whole society prioritises better family relations and makes them possible, or provides for flexible working, or opens the political process to everyone. This is what we mean by equality in the round.

In Annex A we describe in more detail how measuring progress within these ten dimensions of equality provides a comprehensive and consistent basis for government and wider society to move towards a fairer, more equal society.

Box 1.3: The ten dimensions of equality [8]

- **Longevity**, including avoiding premature mortality.

- **Physical security**, including freedom from violence and physical and sexual abuse.

- **Health**, including both well-being and access to high quality healthcare.

- **Education**, including both being able to be creative, to acquire skills and qualifications and having access to training and life-long learning.

- **Standard of living**, including being able to live with independence and security; and covering nutrition, clothing, housing, warmth, utilities, social services and transport.

- **Productive and valued activities**, such as access to employment, a positive experience in the workplace, work/life balance, and being able to care for others.

- **Individual, family and social life**, including self-development, having independence and equality in relationships and marriage.

- **Participation, influence and voice**, including participation in decision-making and democratic life.

- **Identity, expression and self-respect**, including freedom of belief and religion.

- **Legal security**, including equality and non-discrimination before the law and equal treatment within the criminal justice system.

In order to assess the degree of freedom and real opportunities open to groups of people, the Scorecard needs to be considered as a whole; that is to say the ten dimensions of equality should be examined jointly, not independently, and comparisons made across the whole set of dimensions. Each dimension will need to be weighted appropriately; a good outcome in one dimension (for example, standard of living and income) might be achieved only at the cost of a poor outcome on another dimension (for example, time with family). It is also essential that it measures unequal treatment and the degree of choice and control people have had in the achievement of a particular outcome.

We would be surprised if there were no debate about the detail of this proposal. However, where we do believe there can be no argument is that there needs to be a consensus on a single Scorecard that gives us the means to judge the performance of government, institutions and society as a whole in moving towards greater fairness and equality, allows us to compare the real freedoms and opportunities of different groups and identifies the key barriers to progress. Above all, it will help us to decide on priorities for action.

Much of the detailed work on this will fall to the new Commission for Equality and Human Rights, particularly in the development of its triennial State of the Nation report. We strongly believe that in creating the framework for that report, the Equality Scorecard is the best starting point.

Measurement of inequality will be essential in pointing to where inequality and unfairness may be occurring. But there is a prior task. Not everyone is convinced that equality gaps, however large, need to be closed. Indeed some believe that more equality overall means fewer freedoms and opportunities for them personally. So the next part of this report makes the case that closing equality gaps is vital, not just for the disadvantaged, but for all of us.

Making the case for equality

We believe that there is an irresistible case for accelerating our society's movement towards greater equality. We would not underplay the traditional moral arguments, but we think that it has never been more evident that greater equality will benefit everyone, and not just those who are currently disadvantaged. Our research shows that this view is strongly supported by public opinion. But objectively we can also show that greater equality will make our society better off, our economy stronger, our social fabric more cohesive, and reassert the moral values which underpin the British tradition of fairness.[9]

The economic case

There are substantial benefits to be gained from living in a more equal society. Gaps in educational attainment, employment rates, or other opportunities impoverish us all. Research shows that not only does absolute poverty in itself reduce our productivity; so does the size of the gap between those at the top of society and those at the bottom. On several measures, that gap creates a drag on economic performance. This does not mean that the answer is to hold back those at the top or to sacrifice prosperity; but it does require focused effort on those who seem rooted to the bottom of the pile.

When talented disabled students miss out on the chance to go to further education because nobody helped to encourage and steer them through the system, resources are not allocated to their best use and prosperity will be diminished.

A more equal society would put scarce resources to better use: the more evenly resources are distributed, the more likely they are to be used where they are most needed and provide higher returns. In this way, they generate improved well-being, quality of life, social progress and consumption.

In our Interim Report, we showed that there are substantial economic benefits from reducing the very high level of inequality in the consumption of goods and services now present in our society. This could result in an increase in average consumption in the UK of 6 per cent.[10]

Equality also brings greater efficiency and growth. The efficiency of an economic system is impeded when the productive potential of individuals is wasted. For instance, a more equal society is one in which the average levels of education and human capital are higher than those present in unequal societies. It is also one in which there is more stability and less social conflict. All these factors are essential to sustained growth and prosperity.[11]

As Lord Leitch highlighted in his Review of Skills, income inequality in the UK is also a result of inequalities in educational qualifications.[12] Developed countries cannot, in the 21st century, compete and achieve sustainable economic prosperity based on natural resources and low labour costs. Success in the future will demand a more service-led economy and high added-value industries. These depend critically on high levels of employee skills.

Skills not only aid the economic performance of the country but also improve people's life chances, increase their income-earning potential and support social mobility. The virtuous circle is self-evident: a more skilled population is the principal ticket to a prosperous future both for us as individuals and as a society. However, a large group of people appear to be on the verge of missing the train.

Currently, one third of adults do not hold the equivalent of a basic school-leaving qualification. Half of all adults have difficulty with numbers. One in seven is functionally illiterate. Some ethnic minority groups, disabled people and older people are more likely to have lower literacy and numeracy skills than the general population.

Inequality will cost us growth. But more alarmingly, we were shown clear evidence that it is already costing us large amounts of public money which could be used far more productively to invest in the future. Some of these losses are derived from people being shut out of the domestic labour market, others from the cost of alternative kinds of expenditure on people who, if they had the skills, might be in work:

- the Women and Work Commission concluded that removing barriers to women working in occupations traditionally done by men, and increasing women's participation in the labour market, would be worth between £15 billion and £23 billion: equivalent to 1.3 to 2.0 per cent of Gross Domestic Product (GDP);[13]

- disabled people are 30 per cent more likely to be out of work than non-disabled people with the same qualifications, age, place of residence and so forth. This costs the Government almost £9 billion annually (including unemployment-related benefits) in lost revenue;[14]

- a study cited by the Leitch review suggests that if half the women without qualifications gained NVQ Level 1 there would be benefits of between £300 million and £1.9 billion per annum in terms of reduced obesity and depression;[15]

- young people excluded from school are much less likely to gain five good GCSEs and are more than twice as likely to report having committed a crime as other young people.[16] The risk of exclusion is much higher among Black and some Mixed race pupils, and for boys relative to girls. The social cost of failing to tackle the root causes of this inequality early on in life means that the taxpayer ends up paying between £15,000 and £50,000 per year for each prison place[17] if these young people end up in prison – as many of them do.

Reducing inequality would benefit society as a whole. And if we care about our future competitiveness at all, it is simply an economic necessity.

The social cohesion case

The links between equality and social cohesion are well documented. Violence, conflict, insecurity and political instability are all more likely to occur in more unequal societies.[18]

In the poorest areas of unequal societies, the quality of social relations and the social fabric are stretched to breaking point.[19]

The report of the Community Cohesion Review, chaired by Ted Cantle, into the disturbances in Bradford, Burnley and Oldham in 2001 argued that equality and social cohesion were closely intertwined.[20] The Review adopted a model of social cohesion that identified 'social solidarity and reductions in wealth disparities' as one of the five 'domains' of social cohesion. Key aspects of that 'domain' included:

- supporting the redistribution of public finances and opportunities on the basis of need;
- ensuring equal access to services and welfare benefits; and
- reinforcing a ready acknowledgment of social obligations and willingness to assist others.

The *State of the English Cities* report, published in 2006, also made a link between cities that were successful and cities that were inclusive.[21] It charted the progress being made in improving economic competitiveness, social cohesion and liveability in 56 major towns and cities across England. And it highlighted the need to tackle inequalities in education, skills and housing if our cities are to become thriving, competitive and socially cohesive.

Figure 1.1 summarises the argument: that an increase in equality strengthens the economy and brings greater social cohesion. It also increases general well-being, and quality of life.

Figure 1.1: The link between equality and well-being

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                    ┌──────────────────────────────────────────┐
                    │      Valued aspects of well-being         │
                    └──────────────────────────────────────────┘
                              ▼               ▼

                                                    ┌──────────────────────┐
                                                    │  Higher quality of life │
                                                    └──────────────────────┘

                        ┌──────────────────────┐
                        │  Better social relations │
                        └──────────────────────┘        ┌──────────────────────┐
  ┌──────────┐                                          │     Better health      │
  │ Equality │          ┌──────────────────────┐        └──────────────────────┘
  └──────────┘          │    High social status  │
                        └──────────────────────┘

                        ┌──────────────────────┐
                        │  High levels of human   │
                        │        capital          │        ┌──────────────────────┐
                        └──────────────────────┘           │     Higher growth      │
                                                            └──────────────────────┘
                        ┌──────────────────────┐
                        │    Social stability     │
                        └──────────────────────┘
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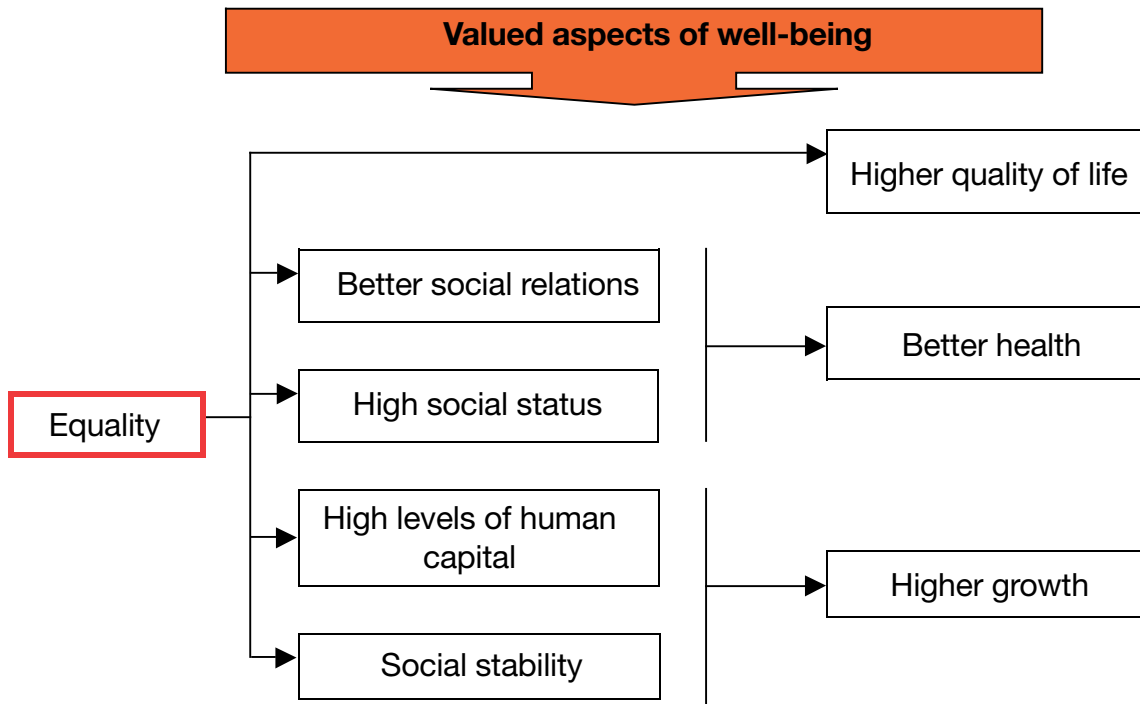
The moral case

There is traditionally also a strong moral case for tackling inequality. We have a rich vocabulary to describe our disapproval of what we consider to be unjust inequality. Our aim is often summed up by the words 'fair play' or perhaps, more formally, social justice.

This has not come about by accident. Today's Britons walk in the footsteps of generations who have fought and campaigned for a basic framework of political and human rights, for an end to slavery, for all men and then women to have the vote, for the freedom of women to own property in their own right, for an end to the exploitation of children, for people to be able to practise their own religion or belief and to be free from discrimination in civic life for doing so, for a fair and universal system of social welfare and healthcare, and for an end to discrimination on the grounds of race, disability or gender.

But pain and injustice are still with us today, as graphically described in our companion report, *Walking in my shoes*.[22] It charts the personal experiences of some of those who have suffered prejudice, discrimination and unequal treatment and who have been denied a fair chance in life.
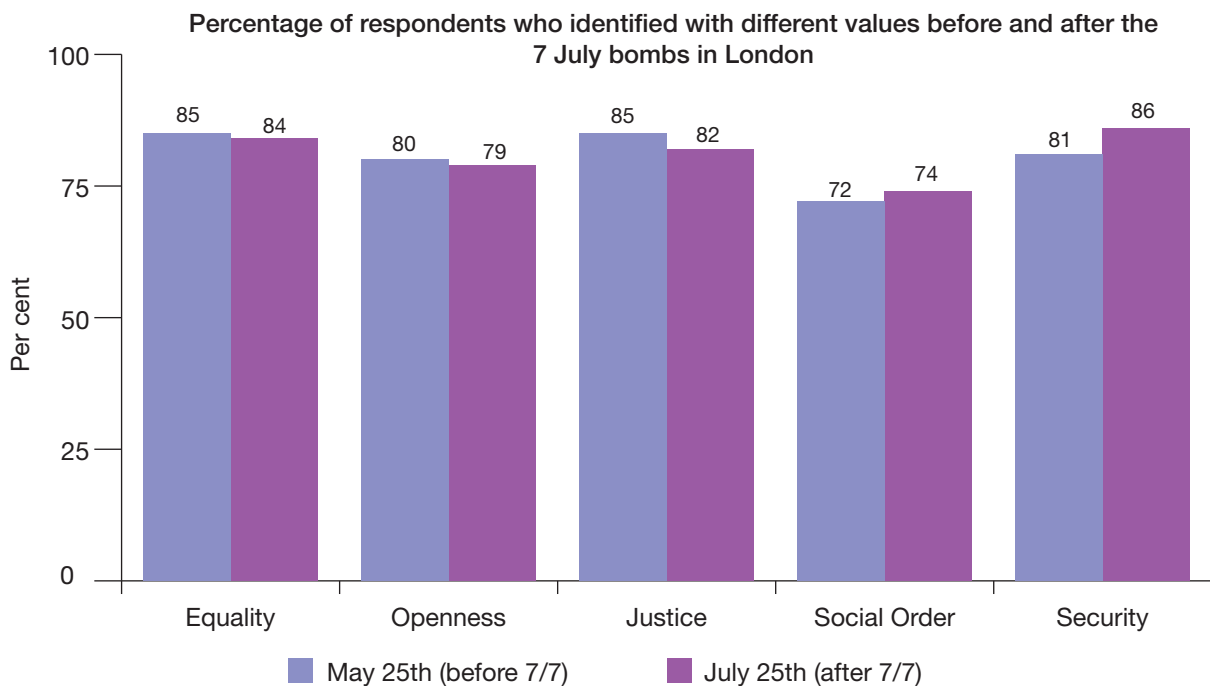
Chapter 3 highlights how persistent disadvantage arises from characteristics over which most individuals have no control, such as their own ethnicity, impairment, or sexual orientation. British

people instinctively dislike unequal treatment on the basis of such differences.[23] They regard such treatment as fundamentally unfair:

● more than four in five people (85 per cent) identified with the view that "it is important that every person in the world be treated equally"; and

● more than four in five people (84 per cent) also agreed or strongly agreed that "there should be equality for all groups in Britain."[24]

The public commitment to equality runs deep. Even in times of stress, when it might be supposed that people would be prepared to sacrifice equal treatment of some communities in the interests of security, support for equality hardly wavers. As Figure 1.2 shows, public support for equality remained strong even in the wake of the bombings of 7 July 2005, in spite of a sharp rise in concern about security.

Figure 1.2: Public attitudes to equality, justice and security before and after 7 July 2005[25]

Percentage of respondents who identified with different values before and after the 7 July bombs in London

	Equality	Openness	Justice	Social Order	Security
May 25th (before 7/7)	85	80	85	72	81
July 25th (after 7/7)	84	79	82	74	86

Per cent (y-axis: 0, 25, 50, 75, 100)

■ May 25th (before 7/7)   ■ July 25th (after 7/7)

Why we must not wait to act

The most serious single obstacle to reducing inequality in our society arises, paradoxically, out of the progress we have made in the past. Success can engender complacency, leading to the belief that inequality will eventually reduce by itself, and that the focus of any policy effort should be solely on tackling poverty. We believe that although this is important, so too is closing the gap between the best off and the worst off. Even among those who accept this distinction, there is a
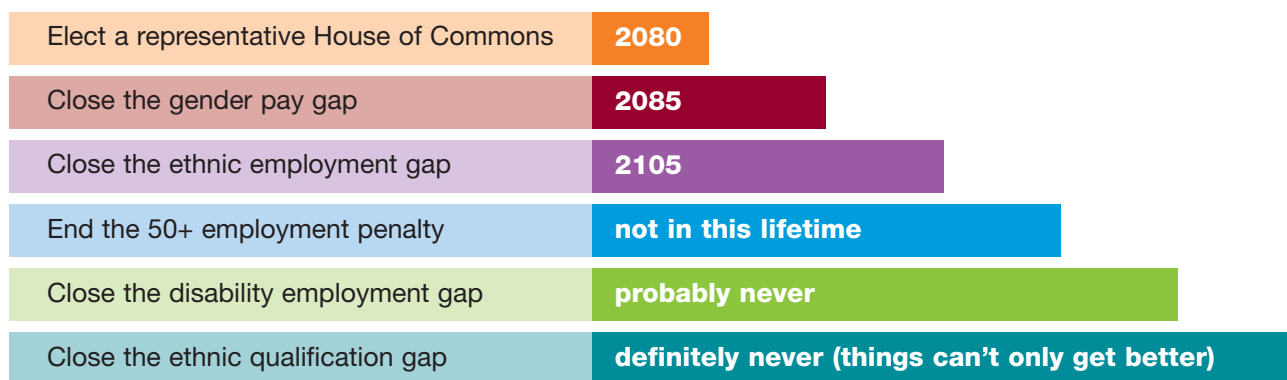
widespread belief that the widest inequalities have been or are already being addressed, that we are moving steadily to a fairer and more equal society, and that there are more pressing priorities. Our response is fivefold.

First, it is not true that things will automatically get better with time. Some equality gaps are simply not closing. As Chapter 3 of our Report charts graphically and clearly, the education system is failing Black and some other pupils in primary schools. Too many young people, particularly those not in employment or training, lack the skills to get on in life. There is a large and persistent gap in the proportion of students from different groups going to university. Women, disabled people and most ethnic minority groups are still not getting a fair deal at work. Inequalities during a working lifetime are reinforced during retirement. There are significant disparities in health and unacceptable differences in access to healthcare. The criminal justice system penalises certain groups disproportionately. These inequalities threaten to undermine our social fabric at a time when it is already challenged by rapid and widespread economic and technological change.

Second, in some areas there is progress but it is painfully slow. Despite the often heroic efforts of individuals, the nature of a particular inequality can be so persistent, or the problems in an institution so deep, that conventional means or incremental progress are ineffective in bringing about significant change. Our Interim Report contained what we think is a very powerful illustration of how slowly progress is being made in some areas (Figure 1.3).
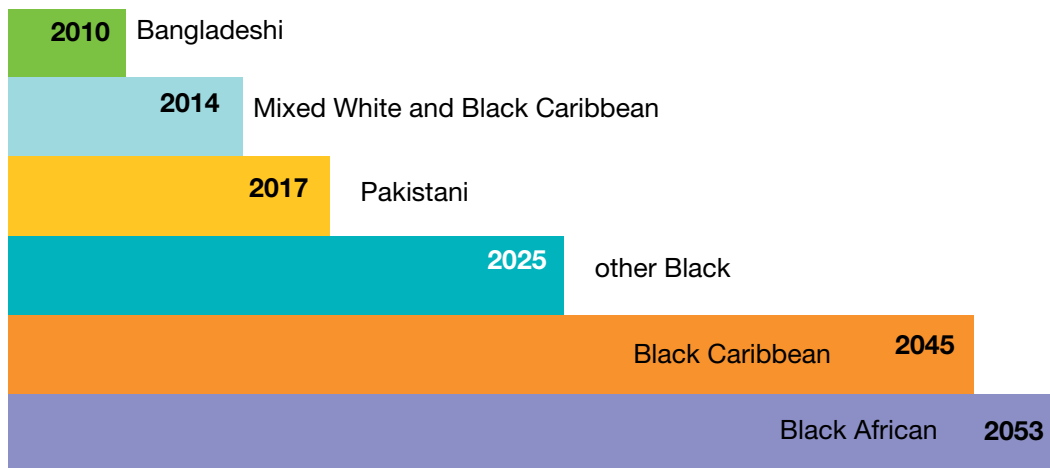
Figure 1.3: Momentum measures 1

At the current rate of change we will:

Elect a representative House of Commons	2080
Close the gender pay gap	2085
Close the ethnic employment gap	2105
End the 50+ employment penalty	not in this lifetime
Close the disability employment gap	probably never
Close the ethnic qualification gap	definitely never (things can't only get better)

We have now conducted further analysis on the momentum of change, which updates some of the measures included in figure 1.3 and, as figures 1.4 and 1.5 set out, at the current rate of progress it will either take a very long time to deal with some inequalities, or we will fail to get to grips with the issue at all.
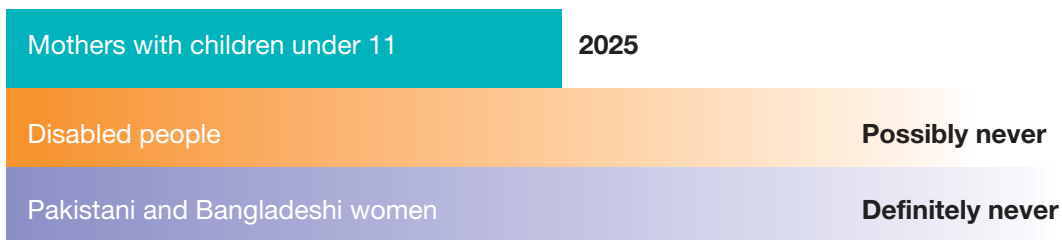
Figure 1.4: Momentum measures 2: educational attainment

If the achievement of 11 year olds at Key Stage 2 continues to improve at its current rate of progress, how long will it be before children from these ethnic groups close the attainment gap in English and Maths?

2010 Bangladeshi

2014 Mixed White and Black Caribbean

2017 Pakistani

2025 other Black

Black Caribbean **2045**

Black African **2053**

Figure 1.5: Momentum measures 3: employment penalties

At the current rate of progress when will the employment penalty disappear?

Mothers with children under 11 **2025**

Disabled people **Possibly never**

Pakistani and Bangladeshi women **Definitely never**

Third, challenges we know to be just over the horizon require action now. Chapter 2 highlights a number of trends: the urgent and pressing demand for improved skills; population growth and increased ethnic, cultural and religious diversity; technological change, leaving many short of the skills or resources to keep up; and a huge rise in the number of over 80s with attendant demands on caring, healthcare, and resources to support independence. The combination of these demographic, economic and social changes should challenge and compel us to do more to address current problems and inequalities. A failure to act now would bring a growing polarisation between the winners from globalisation and those left behind or buffeted by forces outside their control.

Fourth, there is now stronger and clearer evidence that more equality for the most disadvantaged is better for everyone, including the better off. A more equal society delivers stability and prosperity, increases our well-being, and enhances disadvantaged people's life chances and achievements without constraining those of other people.

Fifth, many of the necessary institutional conditions are now in place to support progress towards a more equal society, including the establishment of the CEHR, clearer Government leadership on equalities – including a review of the legislative framework – and a broad political consensus that greater equality should be an essential aspect of Britain's future. New opportunities are offered by devolution: the fresh legal responsibilities and powers for the Scottish Parliament, the Welsh Assembly and the Greater London Authority provide ways of innovating and making progress. Now is also the time to influence the Comprehensive Spending Review. The constellation of these favourable conditions may not arise again for some years.

Equality is not a minority business

Many people, even those who care deeply about equality still consider equality policies to be principally about helping disadvantaged groups, and that they should therefore be principally of interest to minorities. This is not the case. As we have already shown there are substantial economic and social costs of inequality borne by the whole society. Everybody pays. Second, not all disadvantaged groups are minorities; women are more than half the population. Third, though at any given moment, older people for example, are a minority, most of us will at some stage become part of that minority. And, fourth, our circumstances change. Though it is unlikely that any of us will change our ethnicity at any time in our lives, we may have children who are mixed race. Or we could become disabled.

Entirely aside from these realities, people not usually seen as beneficiaries of equality policies should also be concerned about the principles that underpin our analysis. We know that socio-economic status remains the biggest driver of continuing disadvantage and inequality for many in society. For example, educational attainment and health outcomes are still shaped strongly by socio-economic status and social class. This concerns and potentially affects the majority of the population.

Figure 1.6 shows clearly that there are significant attainment gaps for some children, particularly boys on free school meals (FSM) compared to children not receiving FSM; this is true for all ethnic groups, including White British children.

Figure 1.6: Key Stage 2 – average achievement in English and Maths by gender and ethnicity, for children eligible for free school meals[26]
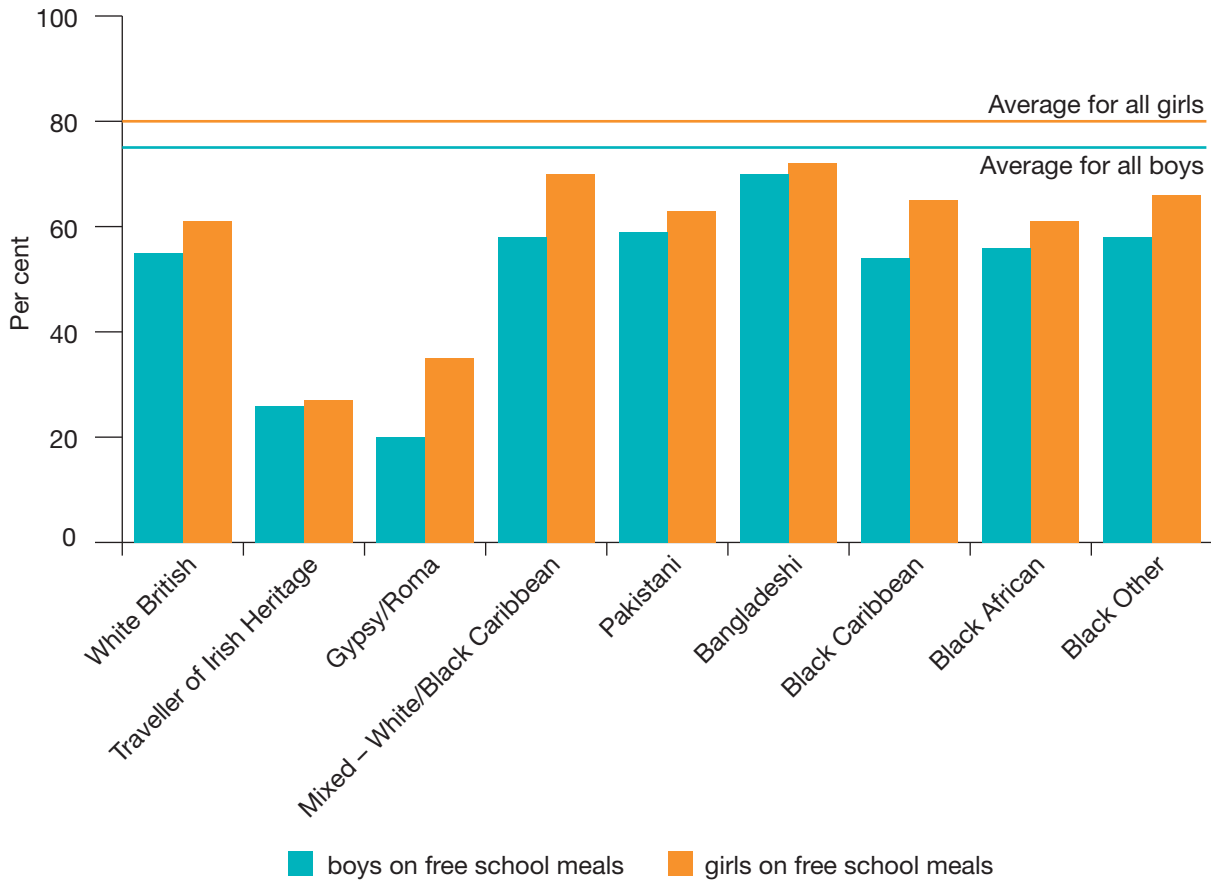
The Review therefore welcomes the Government's focus on reducing poverty, increasing employment, tackling social exclusion, improving education and skills, and building neighbourhood and community renewal, as part of its wider role in reducing economic inequality. Important examples include: Sure Start, which has increased the availability of childcare, health and family support services in disadvantages areas; the New Deal programmes, which have helped disadvantaged groups into employment; the joint action with employers and the Government as part of the Age Positive campaign, which has helped to increase the employment rate for those aged over 50 to more than 70 per cent; the introduction of the National Minimum Wage, which has helped over one million people each year – most of them women; the various reforms to the tax credit system, which have helped to significantly reduce the numbers of children and pensioners living in poverty. The Review recognises the huge potential benefit of this work to the most disadvantaged groups.

Nonetheless, as Chapter 3 demonstrates, tackling 'class' factors will not be enough to defeat persistent inequalities. There are factors over and above socio-economic drivers of inequality that affect particular groups to their disadvantage. Gender, age, ethnicity, disability, religion and belief, gender status and sexual orientation can also be specific triggers of discrimination and disadvantage. And the Social Exclusion Unit has highlighted how even programmes focused on the least advantaged have failed to change the position of some ethnic minority groups and disabled people.[27]

Within this Report, therefore, the aim has been to complement the Government's other programmes and to focus on reducing inequalities between disadvantaged groups and the rest of society. Where relevant, we have drawn attention to the interaction between membership of those groups and their socio-economic status.

The Review has had to prioritise and has not been able to look at all inequalities in all aspects of people's lives. However, as our definition of equality, framework of measurement and arguments for equality show, we have taken an inclusive approach which we believe will help promote equality for all.

Chapter 2:
Equality in context – the 100 year frame

> This chapter:
>
> ■ reviews the equality landscape over the past 60 years;
>
> ■ explores how and why change has come about;
>
> ■ describes some future trends that may have an impact on equality; and
>
> ■ considers emerging gaps and challenges.

In this chapter we examine the trends in equality over what will soon be a typical lifespan for a Briton – a century. This allows us to chart progress since the post-war burst of egalitarianism inspired by the Attlee government, and to take advantage of some reasonably sound predictions about what will take place between now and the middle of this century.

Over the last 60 years there have been landmark improvements in addressing the starkest aspects of inequality and discrimination faced by different social groups. This progress has been achieved often because of powerful economic and social trends, buttressed by visionary political leadership, and by determined campaigning from those most affected and their supporters.

But there are clear signs that this piecemeal approach is running out of steam. The undeniable progress of the past decade has improved many lives, for example lifting many children out of poverty. But that progress has also thrown a spotlight on the groups whose disadvantage remains. Too many inequalities in education, employment and quality of life seem entrenched. Prejudice remains a strong feature of our society. Looking forward to the next 40 years suggests that, left to themselves, current social and economic forces could lead to a freezing, or even the re-opening, of equality gaps which have been closing for many years.

Looking back

The Panel commissioned research on the social history of equalities over the last 60 years.[1] This documents in detail the painstaking struggles of grassroots organisations to gain recognition

and make the voice of long-neglected groups heard in the public arena. Groups such as the Disablement Income Group, Help the Aged, the Campaign against Racial Discrimination – all formed in the 1960s – articulated a range of political demands for action against discrimination, for improved workplace conditions and equal access to public services.

In many cases, legislative or policy change followed in the wake of public recognition of broader social change, such as the growing participation of women in the labour market, the international migration of different ethnic and religious groups to live and work in the UK, and people's lengthening life expectancy. A spectacular example perhaps was the decision to legitimise civil partnerships for gay men and lesbians from 2005. Two hundred years ago, in 1806, there were more men executed for homosexual acts than for murder. Forty years ago, although the law was less draconian, public attitudes were scarcely more enlightened. Yet in a relatively short period of time those attitudes have largely been transformed.

Some shifts in policy were driven by high-profile political or social events which illuminated underlying inequalities. For example, inner city disturbances in 1981 prompted the Scarman Inquiry, which in turn placed a spotlight on the disadvantage and division in urban areas. That in turn led to greater investment in those areas, and to attempts to reduce the disadvantage faced by ethnic minorities in the criminal justice system and in employment.

In latter years political leadership has been shaped by pressure from outside the UK: in particular, by the influence of international organisations such as the UN and the Council of Europe and, increasingly in the past decade, by equality legislation emanating from the European Union.

However, in Britain, changes to create greater fairness and to increase equality seem principally to have involved three domestic drivers: broad social change leading to shifts in public attitudes, action by communities to address their own disadvantage, and some combination of legislative and policy development.

So in this chapter we will first examine the broad thrust of social policy since the seismic changes symbolised by the post-1945 welfare state. We will then go on to see how some disadvantaged groups fared against this background.

The welfare state and social mobility

The Beveridge report of 1942 and the subsequent flurry of legislation in the wake of the Second World War put in place a comprehensive social security system, the NHS and the Education Act which laid the basis for the modern welfare state. There was universal free access to health, to education, and to social security benefits to cover sickness, disability and unemployment as well as

a basic pension and family allowances. Massive investment in social housing took place throughout the 1950s and 1960s.

The principal aim of these initial reforms was to ensure that no one was excluded from the essential goods of a modern society – health, home, income and a basic education. Many hoped that this would also provide a platform for those who were less fortunate to take advantage of their particular talents and to enjoy upward social mobility.

Movement between the classes, and upward mobility in particular, was limited before the Second World War. But the middle years of the 20th century saw a big expansion in the number of non-manual workers as a result of occupational changes, fuelled by economic and technological growth and the widening of access to education under the Education Act 1944.

As a result, more people than ever before moved out of the working class into the middle class in the post-war years. But these changes did not result in the same chances of upward and downward mobility for everyone.[2] A child born into a professional family was still more likely to become a professional in adulthood than was a child born into a working-class family.

The chances of upward mobility increased in the middle decades of the 20th century in response to the occupational change and educational opportunities described above. There are indications that this increase slowed and may even have reversed in more recent years. For example, the probability of a boy born into a poor family remaining a poor adult was significantly higher if that boy was born in 1970 and thus turned 30 in 2000, than if he had been born in 1958 and turned 30 in 1988 (38 per cent compared to 31 per cent). Conversely, boys who were born into the richest quarter of families in 1970 were even more likely to remain there as adults than were those born in 1958: 42 per cent in 1970 compared to 35 per cent in 1958.[3,4]

This 'plateau' of upward social mobility has halted the progress of some groups in its tracks, particularly some ethnic minority communities. It has been suggested that the first generation of migrants occupied a lower class position than they had in their countries of origin, and that this loss would be recouped in the second generation.[5] For some this has been true; but for others the prediction remains unfulfilled. The children of Black Caribbeans, Black Africans, Indians and Chinese were more likely to reach the professional and managerial classes than their White British equivalents, but not the children of Pakistanis or Bangladeshis. Unemployment has emerged as a major problem affecting these last two groups, and also Black Caribbean men, to a much greater extent than White non-migrants.[6,7]

The last two decades have also witnessed a sharp growth in overall income and wealth inequality in Britain, in particular through the 1980s. This was driven in part by global economic and social

trends, such as the fall in demand for unskilled jobs and the wage premium on high skills. As a result, the earnings gap between wages for skilled and unskilled workers widened substantially.

Many industrialised societies experienced rises in inequality: the UK, second to the US, had the highest income inequality in the mid 1990s.[8] Incomes at the very top grew at a much faster rate than the average. The share of total income received by the top ten per cent of earners rose from 20 per cent in 1979 to 26 per cent in 1996/7. The trend has been less dramatic since then, but the very richest are pulling away from the rest more strongly than ever. Today's top Chief Executives are paid 100 times as much as the average worker; ten years ago their earnings were only 40 times higher.[9] These trends have been paralleled by a widening gap in wealth inequality.

These trends are highlighted by the movement over time of the Gini coefficient for income in the UK, which measures income inequality. This grew sharply through the 1980s and reached its highest recorded level in 2001. The Gini coefficient has been falling slowly over the early years of this century, reflecting a reverse in almost three decades growth of income inequality (figure 2.1).[10]

Figure 2.1 – The Gini coefficient of income inequality since 1961[11]
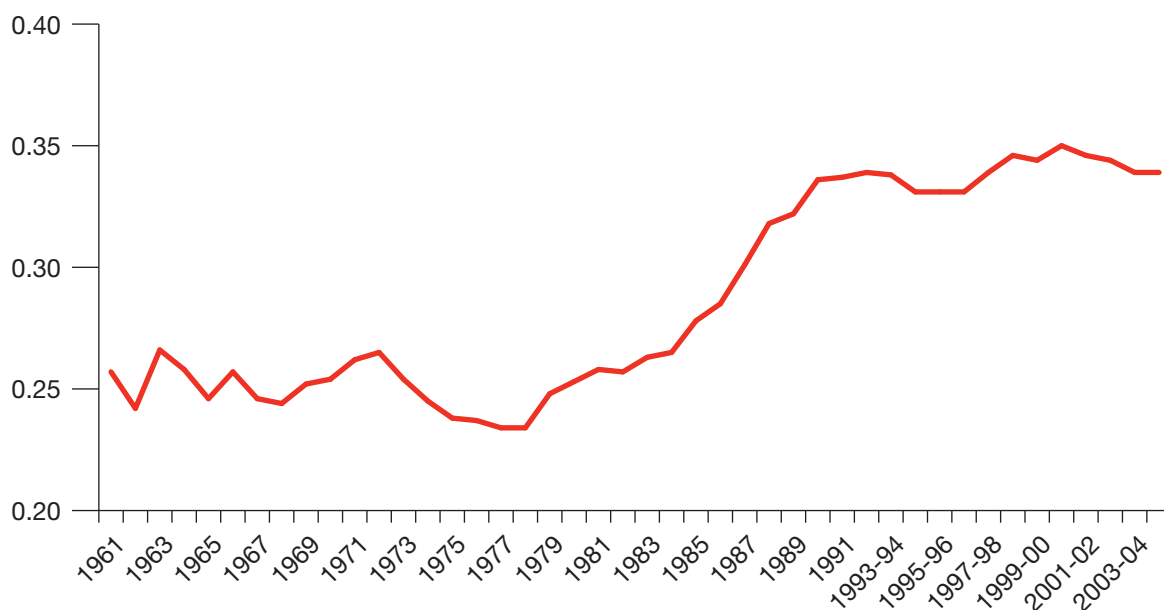
The factors which served to moderate the dramatic rises in income inequality were the reduction in unemployment and worklessness and the range of redistributive tax and benefit policies pursued since 1997/8. Without these changes, income inequality would have continued to rise. These changes may also have contributed to a narrowing, on certain measures, of the geographical polarisation between the most deprived areas of the country and the rest.

How have different groups fared?

The broad effect of the welfare state reforms and other policies of the last 60 years has been to make Britain less unequal over the whole period. But not all groups had equal good fortune. Social mobility has been arrested for some ethnic groups, as we show above. And on the simple measure of income inequality, some parts of the country have fared much worse than others. Inequality and the distribution of disadvantage still show distinct geographical patterns. The highest concentration of disadvantage in England persists in the North East and North West of the country, and the lowest is to be found in the East and the South East.[12] Disadvantage in Scotland and Wales is also highly persistent and may even be increasing. London presents a unique picture, with extreme affluence existing side by side with extreme disadvantage, for example in areas such as Tower Hamlets.[13]

As for access to public goods and services, although once again Britain is a more equal place overall, not all groups of people benefited from the general improvements. Sometimes this was the result of indirect discrimination, such as in the allocation of social housing to ethnic minority families,[14] or of direct discrimination (for example, in the provision of healthcare for older people[15]). In other cases real gains took longer to materialise – the Education Act 1944 introduced free compulsory education for all and stipulated that disabled children should be educated alongside their peers – but it was not until 1981 that the requirement to systematically assess the needs of and provide for disabled children in education were enshrined in law.[16]

Other, apparently unrelated, societal changes have denied some the wider access to better public services experienced by the majority. For example, the rise in the numbers of people becoming divorced or separated means that the one in 12 households headed by a single parent in 1972 has now risen to nearly one in four. Beveridge's benefits system never envisaged this, and we are still struggling to find ways of supporting large numbers of relatively poor lone parents, principally but not exclusively women, faced with the task of earning a living at the same time as raising children.

Post-war reformers were also unable to foresee another crucial change to the social landscape which would have a profound effect on efforts to create a more equal society. The 1950s brought increases in the numbers of people from the Commonwealth entering Britain. A decade later, the depth of discrimination against them and the scale of their inequality compared to the general population became apparent. And if this were not as evident to politicians as it was to the general populace, the emergence of a highly organised and increasingly politicised lobby provided the impetus for the first wave of race relations legislation. The first Race Relations Acts (1965 and 1968) outlawed direct discrimination on the grounds of race, colour, ethnic group and national origin in some public places and set up the first statutory body empowered to support legal cases

against racial discrimination, the Race Relations Board – along with the Community Relations Commission, the precursor of the Commission for Racial Equality.

Deep changes in social mores during the 1960s also led to major legislative changes. Two landmark measures of profound importance in 1967 were the Abortion Act, which legalised abortion for the first time, and the Sexual Offences Act, which decriminalised homosexual acts between consenting adult men in private. The latter was not consolidated into Scottish law for more than another decade.

A second wave of legislation in the 1970s attempted to fill the gaps in discrimination law and to widen its scope. Following persistent campaigning by women's groups and by trades unions, the Equal Pay Act (1970) established the principle of "like work of equal value", assuring individuals of either gender the same pay and benefits for equivalent work.

But it was increasingly evident that efforts to stamp out specific individual acts of direct discrimination would not be sufficient to eliminate the disadvantage faced by women or ethnic minorities. This 'indirect' discrimination took a far subtler form, not an overt bias against a particular individual, but barriers likely to affect a *kind* of person – far harder to spot and much more difficult to prevent. For example, residence requirements for access to social housing were considered indirectly discriminatory, as they led to some ethnic minority groups being much less likely to access social housing because they had come to Britain much more recently. The Sex Discrimination Act (1975) outlawed direct discrimination on the basis of gender in employment, education, advertising or the provision of housing, goods, services or facilities; it also set up the Equal Opportunities Commission. And it provided legal remedies against indirect discrimination, as did the Race Relations Act 1976.

The insight that discrimination might not be restricted solely to consciously prejudicial acts by one individual against another was a profound breakthrough in all aspects of equality. In the field of disability, the development of the 'social model of disability' began to change the way in which people thought about equality overall. This view held that disadvantages faced by disabled people arose less from their particular impairment, and more from the way that society constructed (often literally) the world and erected barriers. This meant that campaigning efforts shifted from a focus on a disabled person's particular impairment(s) to the action that should be taken to remove barriers faced by disabled people in everyday life.[17] This prepared the ground for the next major step in thinking on the nature of discrimination.

The Disability Discrimination Act 1995 addressed disability discrimination in employment and the provision of services but education services remained outside its scope. It also introduced into equality law the important new principle of 'reasonable adjustment'. This attempted to establish a level playing-field for disabled people in employment and the provision of goods and services.

Research suggests that the vast majority of employers who did make adjustments did so both because they felt that it was the right thing to do for their disabled employees and because they anticipated that the benefits would outweigh the costs.[18]

After 1997 there were a number of important changes: the Disability Rights Commission was established, and the Special Educational Needs and Disability Act 2001 brought the education and youth services within the scope of disability discrimination legislation.

In 1999, the gradual trend towards focusing less on individual acts of prejudice and more on the way in which systems and organisations routinely disadvantaged entire categories of people reached its most radical, and controversial, stage. Prompted by a sustained community campaign led by the family of the murdered teenager Stephen Lawrence, the report of the Macpherson Inquiry introduced the term 'institutional racism' to Britain. Though widely misinterpreted to mean that all individuals in an institution should be regarded as racist, a close reading of the report shows that the idea behind the term was exactly the reverse: that even where there was good will and substantial effort by individuals to eliminate different kinds of discrimination, the rules, culture and habits of a particular body could frustrate efforts to stamp out disadvantage.

To combat this, Macpherson proposed a new idea: a duty on the public sector to promote racial equality. When the duty was introduced in the Race Relations Amendment Act (2000), it carried with it a range of specific tasks which public bodies were required to carry out to demonstrate their compliance with the duty. (A precursor to this duty was the Welsh Language Act 1992.) In the years since, similar versions of this duty have been introduced in relation to disability and gender.

The pattern of social change, activist campaigning and consequent legislation has steadily spread the reach of equality legislation and policy to new groupings of people. Three examples illustrate the point.

The 1990s saw the rights of transgender people being recognised for the first time. A small but well-organised lobby, well versed in the law, used a combination of lobbying and domestic and European law to fight for rights such as equal access to employment. The Sex Discrimination (Gender Reassignment) Regulations, introduced in 1999, meant that for the first time trans people were specifically identified for protection by UK legislation.

The emergence of British Muslims as a group who are widely recognised to be systematically disadvantaged predates any concerns about security. Muslims account for a disproportionate number of people living in areas of multiple deprivation: more than two in three Bangladeshis and more than half of all Pakistanis live in the areas in the bottom decile for deprivation.[19] The low level of geographical and social mobility among these groups, especially those of Bangladeshi origin, suggests that this concentration of disadvantage will persist into the near future. Inevitably, a

series of representative groups has come into being. Legislators have responded with new protections against discrimination on the grounds of religion or belief, firstly in employment (2003) and more recently in the provision of goods, facilities and services or public functions.[20]

The economic and social contribution made by unpaid carers went unrecognised for a long time. But as baby boomers found themselves increasingly responsible for their older relatives, and as the number of disabled people needing care from their families increased (in line with rising trends in disability), so carers and carers' organisations found a voice as well as increasing sympathy for their cause. The right to flexible working, for example, will be extended to carers in the next few months.

Further pressure for change has come from outside Britain. European directives were the trigger for bringing religion and belief, sexual orientation, and age within the scope of employment discrimination law through the Employment Equality Regulations (2003) and the Employment Equality (Age) Regulations (2006). Now there is protection from discrimination in the provision of goods, facilities and services for all equality strands except age and transgender.[21] Provisions will be inserted into the Sex Discrimination Act at the end of this year to address discrimination on grounds of gender reassignment in respect of goods, facilities and services.

Wider trends in legislation and policy have led to improvements in life chances for specific groups. For example, a raft of new employment rights has benefited all social groups and brought important gains for employees: the statutory minimum wage, the entitlement to four weeks paid holiday and a 48 hour week have benefited all workers. The creation of new family-friendly rights, with substantial extensions of maternity and paternity pay and leave, have eased some of the pressure on families seeking to balance their working and home lives. People with young children can now request flexible working arrangements and, as mentioned above, this entitlement will soon be extended to carers as well.

The Human Rights Act provides a striking new platform in UK law for the establishment of basic rights that go beyond purely material measures of equality. Human rights include some of the things that people can say and do; this legislation protects freedom of expression, freedom of belief, and the right to a fair trial, for example. The human rights regime is increasingly used to set a threshold of treatment that will secure dignity and respect for those in vulnerable situations.*

The essential picture of the past 60 years has been a gradual recognition of the rights of a wide range of groups of people, sometimes with specific and targeted measures, and sometimes as a by-product of wider policies. Starting with efforts to provide remedies to individual acts of direct discrimination, we have developed equality policy to the point where it is widely recognised that

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* The Human Rights Act 1998 came into force in 2000. It gives further effect in the UK to the fundamental rights and freedoms in the European Convention on Human Rights.

entire categories of people may be disadvantaged because individuals and institutions fail to take proactive measures to ensure that everyone is treated equally. Over this period Britain has edged its way, often under commuity pressure, closer to affording those groups greater equality. However, progress has been piecemeal and patchy, and many of the innovations in policy have yet to show their value. For example, the experience of the positive race equality duty introduced in 2000 is that, although it has had value in forcing public authorities to confront some of their shortcomings, it is too bureaucratic and process-laden to provide a really effective vehicle for change.

Against this background, the Panel considered whether we have the tools to face the challenges of the next 40 years. There is real merit to the case that we should focus our efforts on trying to consolidate the gains that have been made, and to tidy up the inconsistencies which have grown in policy and law. This would at least allow a period of reflection during which to ensure that we are moving in the right direction, and to ensure that those groups who currently are not recognised in the equality field, or who enjoy less protection against discrimination, can catch up.

However, there are two essential problems with this approach. First, the case made in Chapter 1 that we have an unusual opportunity radically to overhaul our equality law, and to mesh it more effectively with our development of a modern human rights culture. Second, that not all inequality stems from discrimination, and therefore not all inequality can be addressed by legal remedy. And as we looked forward to the next 40 years, it became clear to the Panel that the trends that will challenge the progress we have made will demand more than a simple tidying up of legislation and policy.

Looking forward

Britain is increasingly subject to global economic and social influences, as communications and travel become cheaper and faster. Technology and economic integration have resulted in faster international growth in the past five years than at any time since the early 1970s. External pressures are increasingly contributing to the nature and impact of the inequalities in British society.

We regard two themes as likely to carry significant repercussions for the nature of inequality:

● demographic changes, such as ageing and growing ethnic diversity; and

● the changing nature of the labour market and the demand for skills.

As the drivers of future trends evolve, the tools that are used to effect change have to evolve in response. The old approach of a top-down state – which pulls levers, either by law or by central government diktat, to improve outcomes for particular groups – is no longer appropriate or effective in an increasingly diverse and individualised society.

Demographic change

Three demographic changes stand out which will have a marked impact on the nature of inequalities in future: the ageing population, increasing ethnic diversity, and changes in the prevalence and types of disability.

We are ageing

The ageing of the British population has been well documented: there were 9.4 million adults over the age of 65 in 2005 (16 per cent of the population) and this figure is predicted to rise to 12.4 million by 2021 (20 per cent). By the middle of this century, the number of people aged 80 or over will be double what it is today.

The growth in life expectancy is a sign of success. Healthy life expectancy has increased over the last two decades. More and more older people are enjoying employment opportunities than ever before; 58 per cent of people in their 50s and 60s who were still working said they wanted to carry on after 65 and 10 per cent did not want to retire at all.[22] Older people are also major providers of care to their relatives and friends.[23]

However, the growth in the very old population will mean that existing pressures on healthcare services, the social care system, and the informal care provided by families will intensify. It has been estimated that by 2026 the demand for informal care will rise by 45 per cent.[24] But the rising participation of women in the labour market and the decline in the number of adults who live in the same household as their parents may restrict provision of informal care.

Without effective strategies in place, the danger is that increasing longevity will create greater inequalities within the older population – with real risks of poverty and isolation for the very old and frail. Today around 1.2 million older people experience multiple exclusion. Those who are most at risk are people over the age of 80, those living alone, in rented accommodation and on low incomes.[25]

Regional demographic trends will affect the future pattern of demand for age-related services, particularly for older people and for children and young people. In 2005, London was the only region where there were more people aged under 16 than people aged 60 and over. In every other region, and especially in Scotland, Wales, and in the South West and North East of England, there were more people aged 60+ than children.[26]

The pressures on services for older people will increase for other reasons as well. As people grow older, their wealth falls fast: in England in 2004, for example, the average wealth of those aged 80 and over was only a third of the average wealth of those aged 60-64.[27] Poverty during working life is often intensified in older age, and so those groups who experience employment disadvantage

during their lives have little prospect of security in later years. This will particularly affect many women, people from some ethnic minorities, and disabled people – because of their working patterns or absences from the labour market – and they may thus have to rely on means-tested provision in older age.

Families are changing

Household composition is changing. In 1971, 18 per cent of households comprised just one person. By 2005, this had grown to 29 per cent of all households. There was a corresponding decline in the size of the average household, from 2.9 people to 2.4 people.

Similarly, rates of marriage have declined and there has been an increase in cohabitation. The number of children born outside marriage has increased accordingly. In 1972, only 12 per cent of births were outside marriage; by 2004 the rate had become 42 per cent, the fourth highest in Europe. Overall, lone parenthood grew from eight per cent in 1972 to 24 per cent in 2005; the highest rates occurred among Black Caribbean families and the lowest among Pakistani and Bangladeshi families.

As a result, a key feature of many families today is the development of new partnerships, with a related growth in the number of step-families and more complex family arrangements. A significant minority of children are now experiencing more change in family life than in earlier decades. One in ten families with dependent children in Britain were step-families in 2004/05. The Child Support Agency dealt with well over one million cases of child support each year as a result of family breakdown.

These changes shape the income, working patterns, housing and living standards of families. And there is growing evidence that what happens inside a family – the quality of relationships, such as the amount of warmth, parental interest, and hostility – has a crucial impact on how children fare.[28] For example, we know that a high quality home learning environment is as important to children's outcomes as primary schools, something that we explore in depth in Chapter 3.[29]

The type of family in which a child lives, and the quality of the social networks available to the child, have a significant impact on his or her health and well-being. Children living in a lone-parent family or in a family with step-children are at significantly greater risk of suffering from clinically diagnosed mental disorders, as are children living in poverty. A child who suffers from a mental health condition is more likely to truant or to have unauthorised absences from school, to under-perform educationally and to be in poorer physical health than his or her peers.[30]

Family support – which equips families with the social and emotional tools that are necessary for survival in an increasingly complex social environment – is essential. These inequalities are of the kind that become more entrenched with time and across generations. Action to reverse them, even if it is seen to be interfering within the private sphere of the family, may be the only option if society is to break the cycle of emotional and related economic disadvantage affecting the life chances of children facing these complex challenges.

We are more diverse

The ethnic minority population of Britain is forecast to grow from nine per cent to about 11 per cent by the end of the next decade, but within this overall figure there are different patterns of growth. The number of mixed-race births in 2003-04 greatly exceeded the number of births within any of the other non-White groups. Within particular ethnic groups, the highest increases will be among Black Africans, Pakistanis and Bangladeshis, as a result of their higher fertility rates (see Figure 2.2).

Migration will also impact on Britain's ethnic diversity – as the influx of workers from the Accession countries, in response to the enlargement of the European Union, has shown. But migration will be increasingly polarised between highly-skilled migrants and those with low skills, and also between short-term migrants and those who come to stay. The life chances of new immigrant communities vary widely. For example, the employment rate among immigrant Somalis is just 12 per cent, compared with 62 per cent for all other new immigrants.[31]

These changes are likely to lead to increased divergence between and within ethnic minority groups. Increased social interaction – including inter-marriage and less geographical polarisation between Whites and some ethnic minority groups, such as Black Caribbeans and Indians – will contrast with continuing segregation among Bangladeshis and many Pakistanis. The concentration of unemployment and worklessness amongst some ethnic minority groups and some new immigrants, coupled with poor living conditions and the limited life chances available in some urban and also rural environments, pose real threats to social cohesion.

Figure 2.2: Trends in ethnic minority population growth in the UK[32]
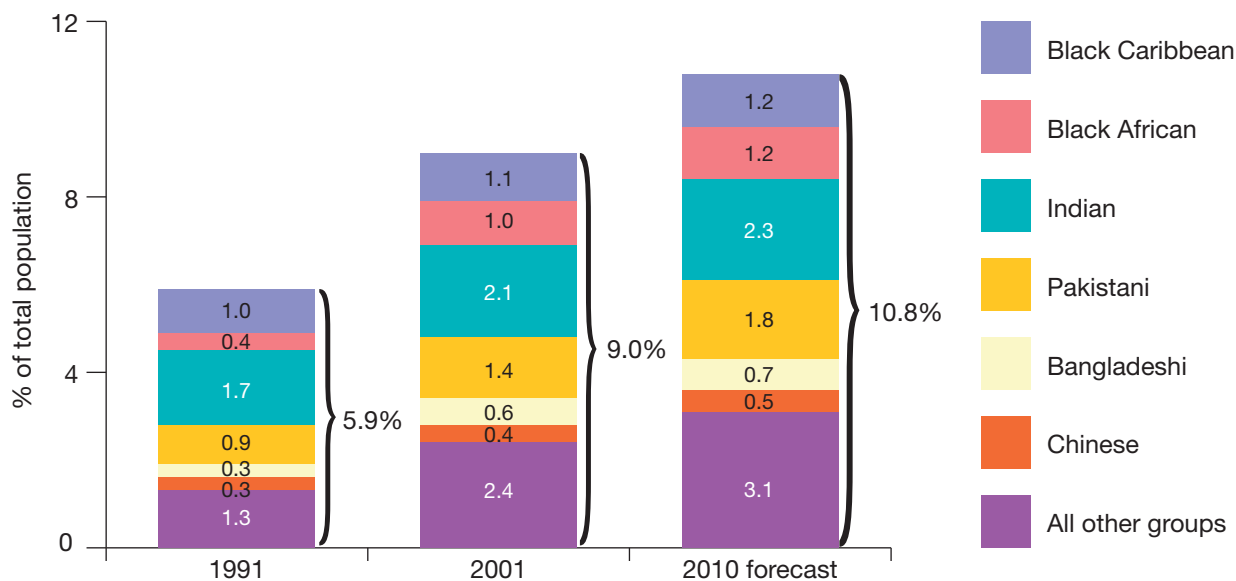
More of us will be disabled

The proportion of disabled people in the population is set to rise. This increase is partly the result of greater longevity among both older people with disabling conditions and disabled people due to medical advances and other improvements, and also because more pre-term babies and babies with disabling medical conditions are surviving. It also stems from the identification of disabilities that previously went unrecognised, such as emotional and behavioural disorders. Disability now encompasses a wide range of conditions such as Asperger's syndrome, autism, dyslexia and dyspraxia. Other contributory factors include improved diagnosis and increasing reporting rates for disability, as the stigma of being disabled is slowly dispelled.

The fastest growth in the numbers of people reporting disability has occurred among children aged under 16. According to the 2002 General Household Survey, the number of disabled children under 16 in Britain was 770,000 out of a population of 11.8 million children (6.5 per cent). If disability among this age group increased in the future at the same rate as between 1975 and 2002, there would be over 1.25 million children reporting a disability by 2029.[33]

Figure 2.3: Proportion of 15 year olds with mental health problems in Britain[34]
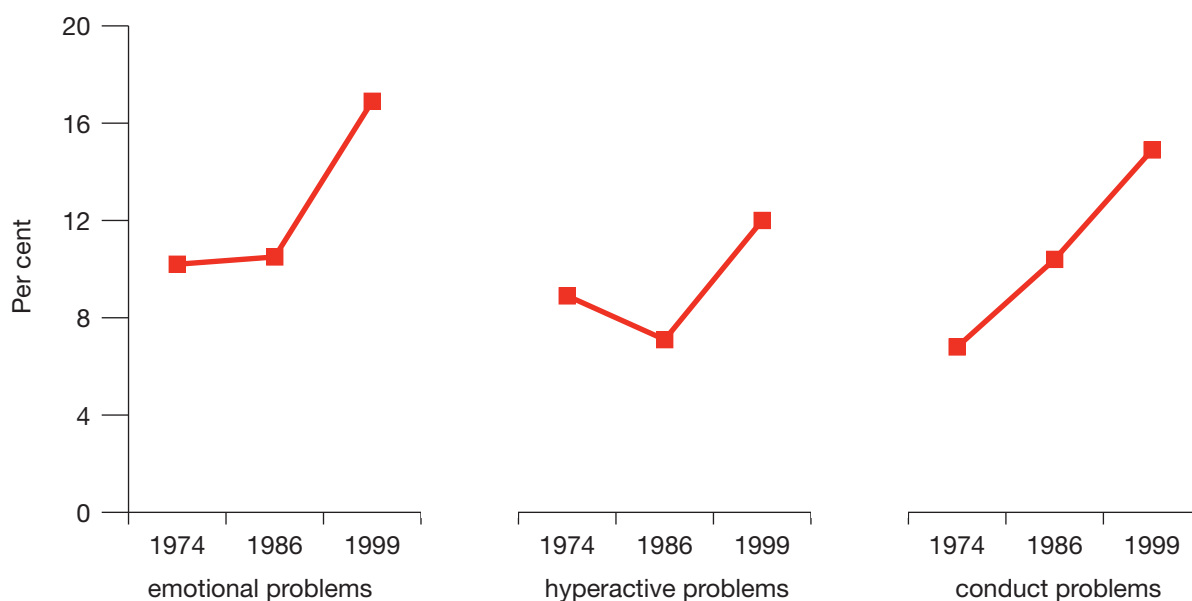
In 1999 and 2000, autistic spectrum disorders and behavioural disorders were the most common conditions causing severe disability in children.[35] The incidence of childhood disability differs by gender and class. Boys are twice as likely as girls to be reported as having severe disability. Severe disability affects children and adolescents from semi-skilled manual backgrounds more than any other socio-economic group.

In Chapter 3 we look at the employment disadvantage facing women, particularly the mothers of young children. The mothers of disabled children face worse disadvantage, being twice as likely not to be working compared to women with non-disabled children. The increasing incidence of childhood disability points up the need for more urgent action on fronts such as family-friendly working to increase the ability of family and carers to support disabled children.[36]

These particular trends – ageing, diversity, and more disability – indicate that there will be more people facing disadvantage, simply because there will be more people in the groups which traditionally experience prejudice and inequality in the population. But a review of the background trends in employment emphasises that the pressures in the economy will make it more likely that such disadvantages will be deepened and intensified – and that this will happen at precisely the moment when society needs these people to be active in the labour market.

The demand for skills

Economic growth in Britain is robust and expected to stay strong, at least in the short term. The number of jobs is forecast to keep growing, but to become increasingly polarised by skills needs. The 'hourglass economy' – with strong demand for high-level and specialised skills at the top end, and for cheap relatively low-skilled labour for services such as caring and catering at the bottom end – is counterbalanced by shrinking demand for the semi-skilled occupations in the middle.[37]

Jobs in service industries have almost doubled as a share of total jobs in the last 60 years, while those in manufacturing have fallen by around three quarters over the same period. The sectors in which jobs are forecast to shrink fastest in the next decade are in manufacturing and heavy industry, such as engineering and production of transport equipment.[38] By contrast three in four of the one million new jobs predicted by 2012 will be service sector jobs in education, health, personal and social care or retailing, and the majority will be part-time.[39] The sectors where there are the biggest skills shortages are those where there is occupational segregation between men and women.

The workforce is becoming increasingly diverse. Women are likely to comprise more than half the workforce in the not too distant future. It is therefore extremely important that occupational segregation is tackled now. In addition, an increasing proportion of older people will remain economically active for longer, while ethnic minority groups will contribute an increasing proportion of new entrants to the workforce. Yet, while there has been progress in recruiting women and some ethnic minority groups, they are still more likely to be concentrated in fewer sectors, in junior positions, and in low-paid jobs. Discrimination remains a feature of the workplace which we explore further in chapters 4 and 5.

Technology-driven change has focused attention on skills deficits. Over five million people in the UK lack functional literacy skills, and seven million are innumerate; fewer than 70 per cent of adults have skills at Level 2 or higher.[40] The Leitch Review has pointed out that, even if current government skills targets for Level 2 qualifications were met, this will put the UK only halfway up the corresponding OECD skills ranking. To reach the top OECD quartile for skills, at least 90 per cent of UK adults would need to have Level 2 qualifications.[41]

Figure 2.4: Trends in the number of available jobs by gender and sector, since 1978
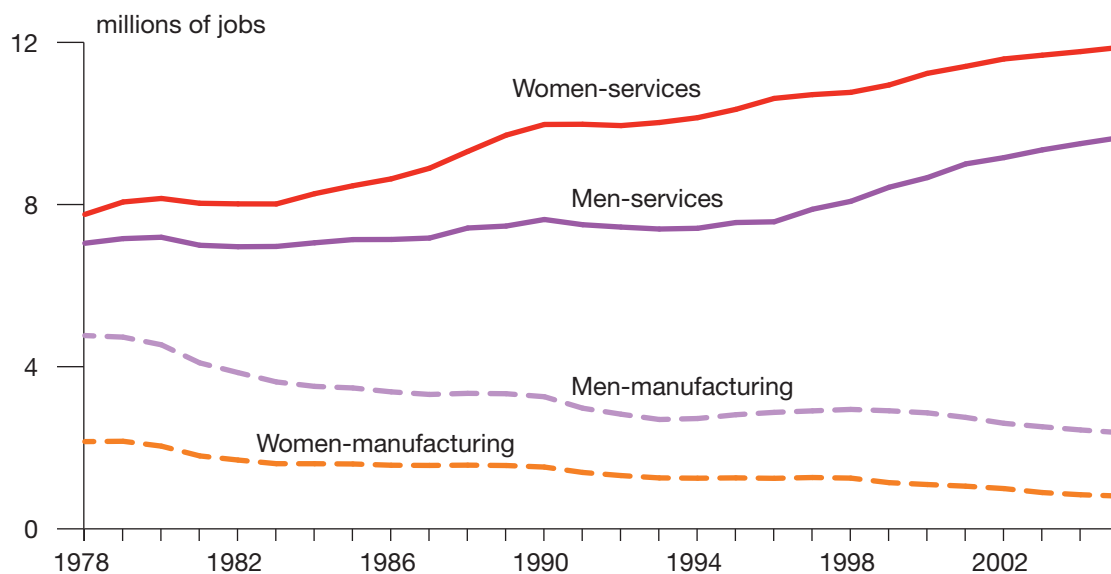
Much of the skills shortfall is concentrated among men from lower socio-economic groups, among older people, and within certain ethnic groups. There is also increasing polarisation between the skills levels of men and women in some groups: among Black Caribbeans, for example, the gender divide in school achievement – which shows girls doing better than boys in terms of attainment at school – will continue to be reflected in the workplace.[42]

The skills gap contributes to income polarisation for two reasons.[43] First, unemployment is much higher among people with no qualifications – so that, while nine in ten of those with a degree or equivalent qualification are in work, this is true of only half of those with no qualifications. Second, the gross earnings of an unqualified worker who is in work are only half as much as those of a graduate worker, and the gap has been increasing over time.

A third of employers in the UK offered no training to their workforce.[44] This especially affected their less-skilled employees and older workers. But, given the increasing dependency ratio, the rising pensions burden, and insufficiently rapid growth in the supply of skilled labour, employers will have to work harder to retain their staff and to improve the quality of their offer to employees.

A key issue for the future is the growing demand for flexible working; in a 2006 survey almost half of all workers, both men and women, indicated that they would prefer to work flexibly.[45] To some extent this is a by-product of the growth of dual-earner couples, with increasing pressure to balance work and family life. These pressures are likely to intensify with increasing numbers of parents, in particular women, experiencing a dual caring responsibility for their children and also for older parents.

Finally, the development of personal and social skills will continue to be as important as formal qualifications in shaping future earnings, shaped by the growth of customer-facing services and new ways of working. Recent research has shown that 'soft skills' are four and a half times more important in shaping life chances for those born in 1970 than in 1958.[46]

Taken together, most experts and employers believe that without some positive external pressure there will be little incentive to reach out into under-employed groups, who might need some extra effort on the part of society to accommodate their special needs. Some ethnic minority groups may need further training; women may demand more flexible working patterns; disabled people will certainly require some reasonable adjustments. The response in the public sector to these pressures is patchy. In the private sector, outside a circle of large and socially concerned businesses, the Panel do not think there is a strong appetite among employers for the changes that they will one day have to embrace. In summary, when told that these changes will have to be made sooner or later, the current response from the majority is "Later, please."

What do these changes mean for entrenched inequalities?

The successes of the past 60 years provide an important foundation, but the piecemeal approach will no longer work. Nor will a top-down one-size-fits-all state be effective in a society which is characterised by rising expectations of public services, increasing individual choice, greater diversity of lifestyles and growing desire for greater devolution and local autonomy.[47] Moreover, we know that achieving change is most successful when citizens are partners in decision making, able to shape and take responsibility alongside government. We also know that the voices of the most marginalised are least likely to be heard.

A large part of what will unseat entrenched inequalities will lie in what communities and families do for themselves. No-one, in the final analysis, can compel anyone in a free society to be more motivated or to have higher aspirations. Public policy can help in two ways. First, policy can make it easier for people who suffer disadvantage to find paths out of that disadvantage. Here the role of mentors, role models and good practice can be crucial. Much good work is already being done by civil society; we heard several examples which are referred to in our companion reports on our consultation and seminars, and *Walking In My Shoes*.[48,49] But the second and crucial role of public policy is to remove barriers to such aspirations. Even the most enthusiastic and hardworking people can be deterred and demoralised by factors outside their control. It is here that public institutions can intervene to liberate the best that we can do for ourselves.

Our approach to addressing inequality has to take account of the ways in which an enabling state operates in the 21st century. Our approach focuses on ends and not means and is

multi-dimensional – in the same way that inequalities are multi-dimensional. It must tackle change across economic, social and political spheres. And it must give power to people in local communities, and be based on shared rights and responsibilities for government, employers, public services and citizens.

Chapter 3:
Persistent inequalities

This chapter:

- argues that though most kinds of inequality amplify the effects of other types of inequality, some are more serious because they set off a 'cascade' of further disadvantage;

- identifies four of the areas in which equality gaps are most likely to cause further inequalities: early years and education, employment, health, and crime and criminal justice;

- analyses these areas to identify the groups most at risk of experiencing large and persistent equality gaps, for example in employment highlighting particularly women with children, disabled people and Bangladeshi and Pakistani women;

- makes the case particularly for intervention in the early years of life, to prevent the start of a cascade of disadvantage; and

- sets out the need for a comprehensive approach to data collection across the public sector.

Introduction

All kinds of disadvantage are bad for those who experience them. Most kinds of inequality are damaging for the society which has to cope with their consequences. But some kinds of disadvantage and inequality are more serious than others because of the effect they have on people's life chances. Some are especially pernicious because they amplify or multiply the effects of other kinds of disadvantage. Overcrowded dwellings lead to poorer health; children with nowhere to study show lower educational achievement. Families with greater access to transport are more likely to enjoy a wider and more rewarding choice of jobs and schools.

However, even beyond this kind of amplification effect, we believe that it is possible to identify a uniquely destructive class of equality gap. Within the broad context of the ten dimensions within our Equality Scorecard in Chapter 1, we have highlighted gaps that are damaging in themselves. But disadvantage in some dimensions of the Scorecard can trigger gaps in other dimensions, which in turn set off new inequalities in yet further dimensions. This is what we describe as a cascade.

For example, people with low levels of educational achievement can expect to be less employable, therefore poorer, therefore less healthy and probably less likely to participate in civic activity.[1] The kinds of people who are less likely to be employed are also more likely to be involved in crime, to have shorter life-spans and to have less fulfilling family lives.

We recognise that there is a mutually reinforcing effect in many cases; there is no set order in which inequality occurs. The poverty of systematic data in some areas rules out any possibility of hard and fast conclusions about causation. But the evidence we have seen suggests strongly that some kinds of inequality are more likely to produce a cascade effect than others. In this chapter we identify four dimensions of the Equality Scorecard in which equality gaps are most likely to produce further waves of inequality for particular groups of people. They are early years and education, employment, health and criminal justice.

In line with our terms of reference to address chronic and persistent inequalities, we have considered these four areas and analysed the available evidence, to establish which groups of people are most likely to experience large equality gaps (and penalties); identified gaps whose existence seems to be unjustifiably persistent; and highlighted equality gaps which are static, or growing.

What emerges from this analysis is three types of extreme, chronic and persistent inequalities. First, those in which different groups of people experience different outcomes in common aspects of life, such as education or employment. Second, inequalities which arise from the fact that our different needs may mean that we have to enjoy different treatment from others in order to gain an equal outcome – most clearly in the area of healthcare. And third, inequalities which may arise out of circumstances which could apply to anyone, but which disproportionately tend to afflict some groups; and which can trigger substantially divergent outcomes in life chances. In this third group, treatment within the criminal justice system stands out.

What all the areas we examine in detail have in common is that unequal outcomes do not have to be inevitable. They do not arise out of intrinsic differences, like the ability to run quickly or to recall long strings of numbers at will. They occur because we shape our society in a certain way; and if we want to, we can change its shape. That is why public policy can and should be used to tackle such inequalities. In some of the areas we report on in this chapter, we indicate that there is already evidence and that there are some clear things that we can change to create fairer, more equal outcomes, given a sensible combination of law, policy tools and culture change. These are assembled at the end of the chapter as recommendations for action.

Most importantly, this kind of analysis suggests where we ought to focus our time, attention and resources: where inequality causes most damage to life-chances, and when we can make the greatest difference by a conscious application of public policy.

Early years and education

Pre-school

We know that a child's ability at 22 months of age to think and reason – their cognitive development – is a strong predictor of final educational attainment. But tests show that babies with professional or managerial parents develop better and faster than those whose parents are in unskilled or semi-skilled manual occupations. In fact, by age 6, initially low-achieving children from more advantaged homes will tend to out-perform initially high-achieving children from less advantaged homes.[2]

Figure 3.1: Progress in educational outcomes for very young children, by socio-economic status at birth[3]
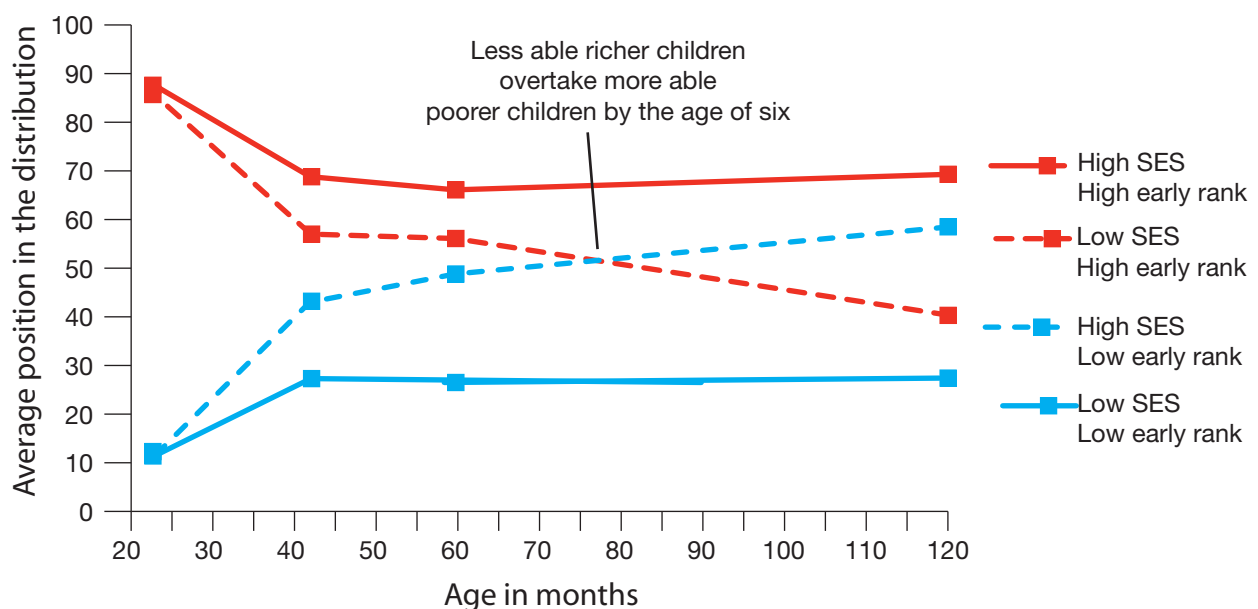
However, these disadvantages are not set in stone. A significant difference to children's success at school can be made by improvements in two areas: what families do for under-5s in the home, and children's experience of pre-school education.

The Effectiveness of Pre-school and Primary Education (EPPE) project[4] has shown that what takes place in the home – particularly how parents support the learning of their children – can be more influential in producing good educational outcomes than socio-economic status (SES).[5] A parent who reads with their child, helps them to play with letters, learn songs or rhymes, paint, draw or visit the library, is providing a strong Home Learning Environment (HLE) for their child.

A strong HLE has a marked protective effect on early outcomes for children, especially those from some ethnic minorities or disadvantaged backgrounds. This can be very much more significant for

children's development than their parents' qualifications, occupations, incomes or ethnicity. The protective effect persists even to age 10, influencing children's achievement in their time at primary school (figure 3.2 below).

The effect of HLE is not particularly dependent on the class a child is born into, as is demonstrated by figure 3.2. Not all families with high SES and qualification levels provide a good HLE. Conversely, some parents from low socio-economic backgrounds, with poor qualifications, can and do. Girls also tend to enjoy a better HLE than boys. There are some ethnic variations in the quality of the HLE: although families from most ethnic groups provide similar HLEs for their children and there is more variation within ethnic groups than between them, children from Pakistani, Bangladeshi and Black African families experience a lower HLE on average than children in other ethnic groups.

Figure 3.2: Impact of the Home Learning Environment, relative to the impact of socio-economic status and mother's education, on children's achievement at different ages[6]
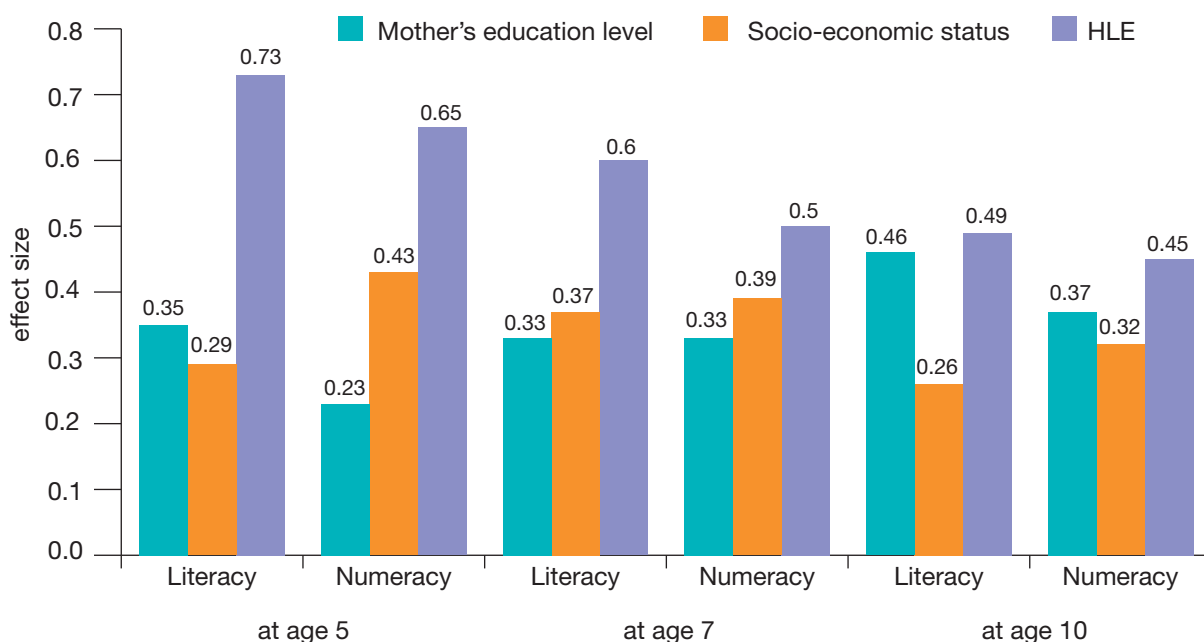
The benefits of a good HLE are all the greater when they are combined with a good quality pre-school experience. The EPPE researchers found that children's later achievement in language, reading and number ability improved if they had attended good pre-school provision.

Yet some groups were shown to be far less likely to use pre-school education for their children. Poor White families and Pakistani heritage families were significantly less likely to use pre-school provision for their youngest children.[7] Just 77 per cent of the three and four year olds among

ethnic minority children use early years provision, compared to nearly 87 per cent of White three and four year olds.

Early education provision for disabled children is poor. One study of childcare providers found that just half of their sample of day nurseries and only two in five playgroups were able to offer facilities for children with impairments.[8]

When taken together with the EPPE findings on the factors associated with a child having a poor HLE, this gives us reason for concern. The most important factors associated with a poor HLE were having English as an additional language and having three or more siblings. Other contributory factors include having a mother with a low level of education, having early developmental problems, and environmental factors such as living in an area of high deprivation. Children with these characteristics are at significantly greater risk of under-achievement before they have even entered school.

The significance of these finding is profound. It suggests that the right kind of targeted support for the families of children most likely to under-achieve at school could prevent their later disadvantage.

One practical solution might be to extend outreach schemes which target such families, inform and support them in providing a strong home learning environment. Such a service would need to be very specifically tailored – for example, it might need to provide exclusively female tutors in some areas, who are able to work with mothers in their homes. It is possible that some organisations might interpret such programmes as being prevented by the Race Relations and the Sex Discrimination Acts. We address this issue in Chapter 5.

The Government's agenda for supporting families and very young children recognises the importance of early years. We welcome the statutory underpinning for this work, and the establishment of Sure Start Children's Centres across England, and related programmes in Scotland and Wales. But the next step for the development of the Sure Start programme and early years support must include extending its reach into the home environment, particularly working with those identified as lacking an effective HLE.

School

Data show that levels of attainment in schools have risen steadily over recent years, particularly in primary schools. We know this because over the last ten years the Department for Education and Skills (DfES) has built up an impressive store of data about the performance of pupils in schools in

England; had other government departments held anything like this level of information, our task would have been far easier. These data show, for example, that, although overall attainment is rising:

- boys do not do as well as girls, particularly in English;*

- individual schools with broadly similar cohorts of pupils show significant differences in performance;

- children from poorer backgrounds do less well at school than other children.[9]

Much attention has rightly been paid to the low achievement of some ethnic minority groups; and we too will return to this theme. But disadvantage is not the sole province of non-white children. In 2006, less than a quarter of White British boys entitled to free school meals (FSM) achieved five or more GCSE passes at A*-C, compared with over half of better off White British boys.[10] We recognise the significance of this issue, and the need to tackle it, however there are already substantial programmes of work devoted to these issues in Government.

Ethnic minority attainment

However, it is the differences between ethnic groups' performances that have been revealed as the most striking feature of the recently available data. Although Chinese, Mixed White and Asian heritage and Indian pupils are doing better on average than White British pupils, pupils from some other ethnic minority groups are doing less well. Some groups are catching up quickly, particularly Bangladeshi pupils.[11]

However, a large and apparently immovable attainment gap exists between Gypsy/Roma and Traveller of Irish Heritage pupils and pupils from all other ethnic groups.[12] In 2006, less than a third of Traveller of Irish Heritage pupils reached the expected levels in Reading and Writing at age 7. Many pupils from these two groups are not registered at secondary school.[13] Their performance at GCSE and equivalent is the lowest of all ethnic groups[14] and has declined in recent years, in contrast to other groups.[15] Evidence from Ofsted found that the "vast majority of Traveller pupils linger on the periphery of the education system".[16]

For pupils from other ethnic minority groups, the picture is more complex. But it is worth considering in detail, since the picture reveals an important fact: that though class background is still the strongest indicator of educational attainment, ethnicity can have a substantial impact. That is to say, groups of pupils of different ethnicities may do better or worse even if they have the same socio-economic status. This echoes the finding in relation to the Home Learning Environment reported above, and suggests strongly that a focus on socio-economic status alone will not be enough to close the ethnic equality gap.
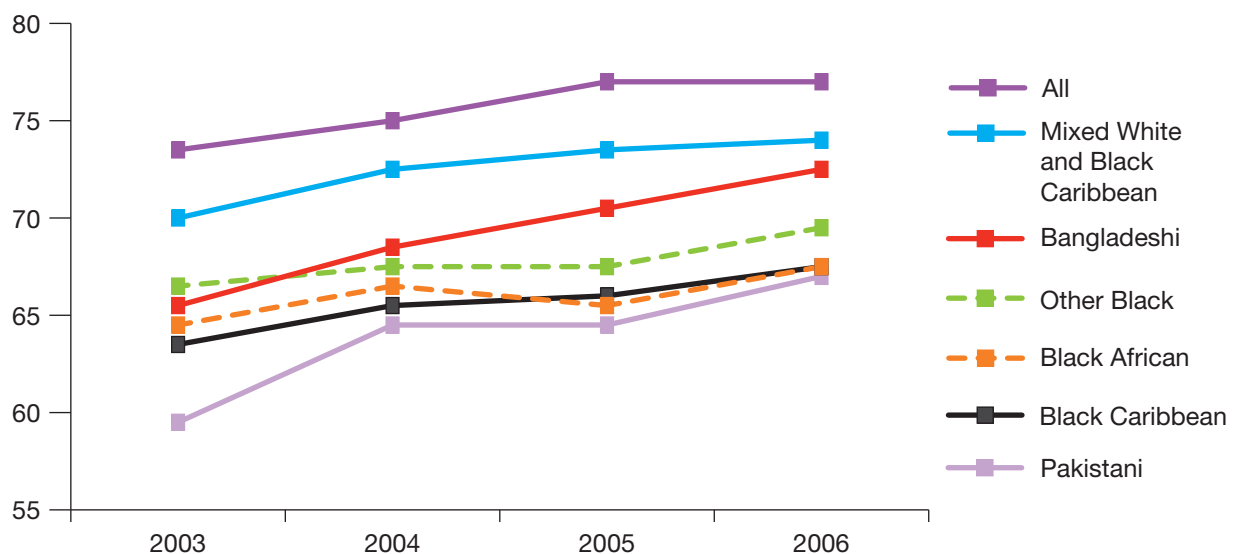
* Reading and Writing at Key Stage 1.

Figure 3.3: Percentage of pupils achieving the expected level in English and maths at Key Stage 2, 2006[17,18]
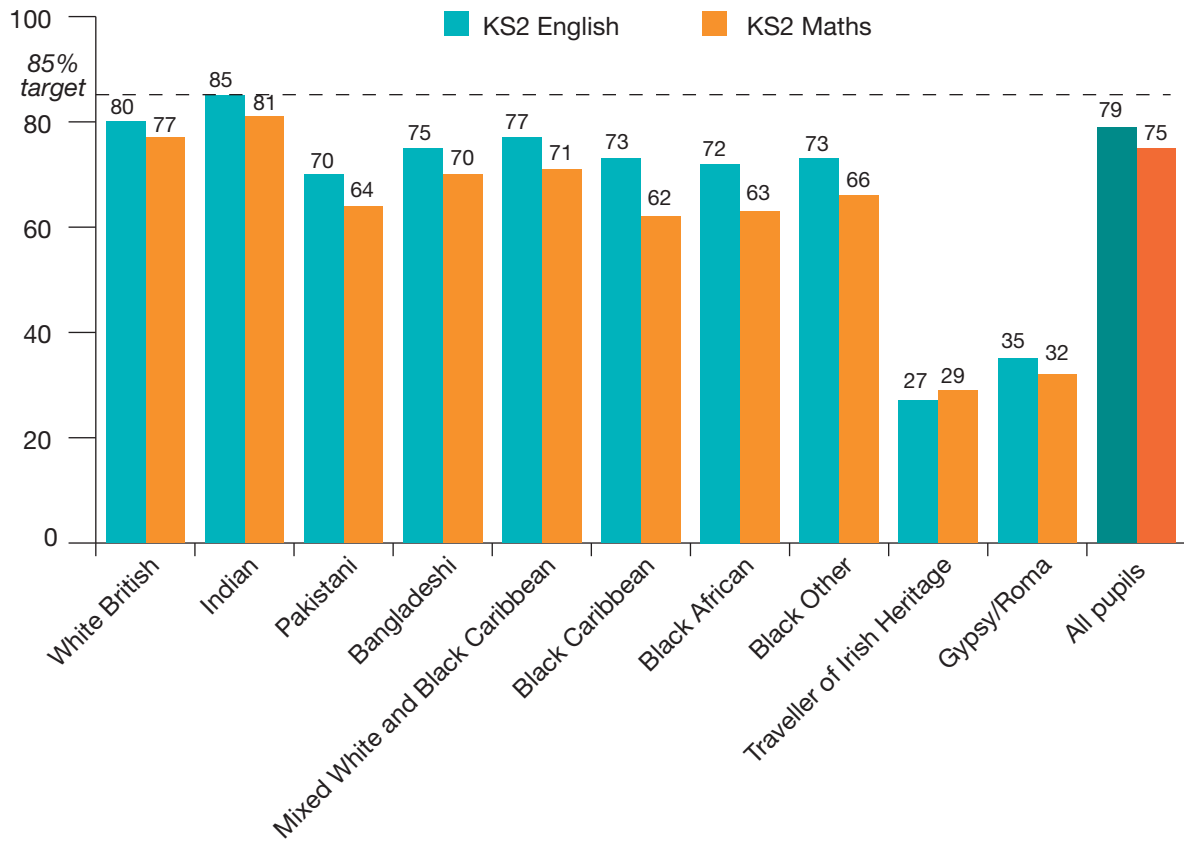
Figure 3.4: Trends in attainment over time at Key Stage 2 by ethnic group: the proportion of pupils achieving the expected level of attainment in English and maths[19]

As figures 3.3 and 3.4 show, some of the most worrying differences in attainment for ethnic minority groups in England are in primary schools where, despite some narrowing, there are significant and persistent attainment gaps affecting Pakistani and Black pupils (Black Caribbean, Black African and pupils from other Black backgrounds).

Although there is a significant attainment gap for Black African pupils at Key Stage 2, they do make relatively good progress in primary school taking into account factors such as prior attainment, gender, Special Educational Needs (SEN) status and deprivation. Pakistani pupils, even taking these factors into account, make relatively poor progress in primary school. Through secondary school, Pakistani and Black African pupils, taking into account factors such as prior attainment and deprivation, make relatively good progress – but not enough to compensate for their earlier lack of progress.[20]

Black Caribbean, Black Other and Mixed White and Black Caribbean heritage pupils, taking account of other factors, also make less progress than other pupils in primary.[21] For Black Caribbean and Mixed White and Black Caribbean heritage pupils this persists into the first few years of secondary school.[22] The low attainment of Black pupils has been widely acknowledged for over 25 years, since the Rampton Report in 1981[23] and the Swann Report in 1985.[24] More recently, in 2003 the Government itself acknowledged that "the performance of Black Caribbean pupils appears to get worse compared with that of other pupils as they go through primary school".[25]

The search for an explanation for these persistent gaps has proved inconclusive. New research on the relationship between attainment and ethnicity at Key Stage 3 has identified some of the factors which are thought to have a negative influence on Black Caribbean pupils' attainment.[26] These include the fact that they are more likely than White British pupils to live in a deprived neighbourhood and are more likely to have been excluded from school. Some researchers have suggested that low academic expectations on the part of teachers may be an issue in some secondary schools.[27] For example, the Key Stage 3 research found that Black Caribbean pupils were less likely than White British pupils to be entered for the higher test tiers at age 14 even after taking account of their prior attainment.[28] It also highlights that Black Caribbean pupils benefit from many positive factors, such as the fact that their mothers are more likely than White British mothers to have qualifications from higher education; and that they are more likely to aspire to higher education than White British pupils. Overall, the research was unable to account completely for the attainment gap at Key Stage 3.

What we do know for sure, based on evidence from Ofsted, is that many primary schools still do not give sufficient emphasis to raising the attainment of pupils from ethnic minorities. Ofsted's evaluation of the National Literacy and Numeracy Strategies and the primary curriculum found

that few primary schools "analyse pupils' progress by ethnic or social group effectively or use data to set targets to improve the achievement of particular groups".[29]

The Primary Review*, an independent review based at the University of Cambridge and supported by the Esmée Fairbairn Foundation, has a strand devoted to diversity and inclusion. This may provide pointers to forms of teaching and learning that may be most effective for particular groups, including pupils from ethnic minority groups, as well as pupils with SEN.

There are also some lessons to be learned from the success of some ethnic minority groups. Indian households are slightly more likely to be headed by someone from a lower status occupational group than are Black Caribbean households;[30] yet their children outperform virtually all groups other than children of Chinese heritage at GCSE.[31] Looking at the performance of 5-year olds in their Foundation Stage assessments of communication, language and literacy, Pakistani and Bangladeshi pupils are among the lower attaining groups and Indian pupils are also performing below average.[32] However, Figure 3.3 shows that this pattern has changed by age 11 at Key Stage 2. Pupils from Indian families are, for example, outperforming White British pupils by this point, and this is maintained throughout secondary school.[33]

Figure 3.4 shows trends in attainment at Key Stage 2 for pupils from different ethnic groups. The proportion of Bangladeshi pupils achieving the expected levels has risen each year, and Bangladeshi pupils, on current trends, could be expected to achieve parity with the national average within a decade. This is despite these pupils having much higher entitlement to FSM and the fact that Bangladeshi children are more likely to live in poverty.[34] Data also show that Bangladeshi children perform well above their expected level at GCSE when we take into account the fact that their families are likely to be poorer than most. There may well be a case for further study focusing on why some groups of children have outperformed expectations.

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* Further information about the Primary Review may be found at www.primaryreview.org.uk

Figure 3.5: Pupils with no GCSE passes at the end of Key Stage 4, by ethnicity and FSM status, 2006[35]
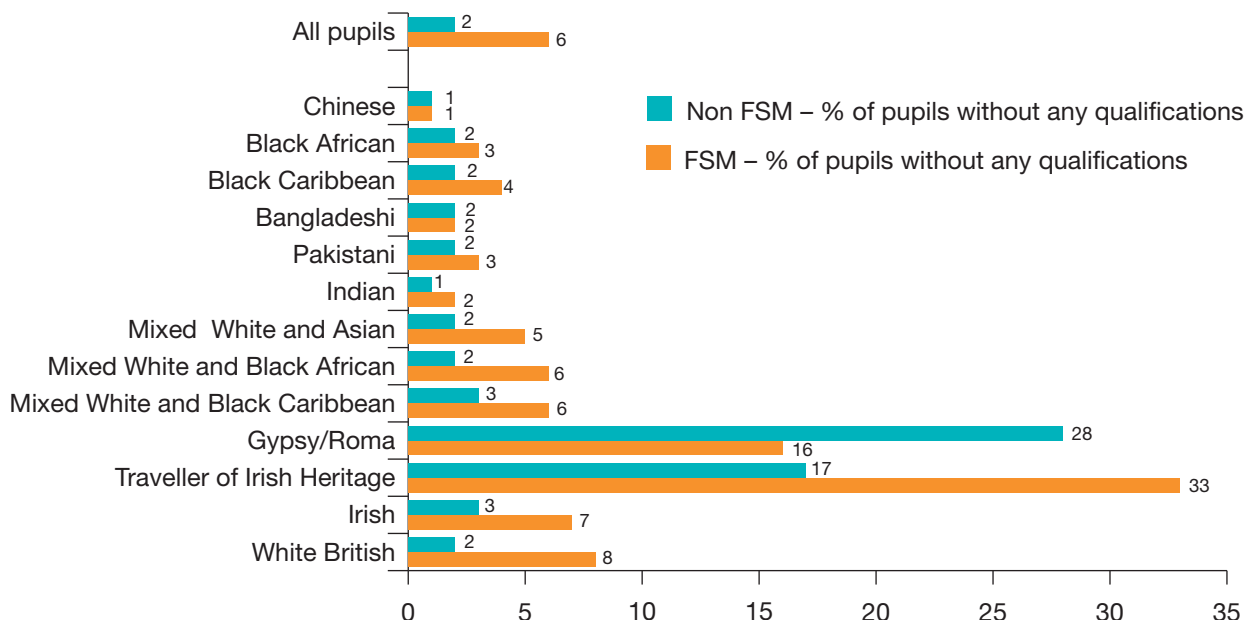
In Scotland and Wales, the proportion of pupils from ethnic minority groups is much lower and attainment rates differ. In Wales, Black African and Pakistani pupils are less likely than average to reach the expected level across primary and secondary school.[36] In Scotland, looking at average attainment across the last three years, the attainment of Pakistani and Black African pupils is only one percentage point below the national average,[37] compared with six percentage points in England at the end of secondary school.[38] Closer study than we have been able to undertake might reveal some of the factors behind this.

Disability and Special Educational Needs[39]

The DfES does not currently collect data on attainment for disabled pupils in England, but data are available for pupils who are identified as having Special Educational Needs (SEN). Almost 90 per cent of pupils with SEN in England attend mainstream primary and secondary schools.[40] There are significant average attainment gaps for pupils with SEN as a group across all Key Stages.[41]

Yet the abilities of pupils with SEN are highly diverse. Many have significant difficulties which may be expected to have a substantial and long-term adverse effect on their ability to learn: others are capable of the highest levels of attainment. But there are concerns, voiced by Ofsted[42] and others, that many pupils with SEN are not achieving their true potential. Unpublished DfES data suggest that there are significant attainment gaps for pupils with all types of SEN, including pupils with physical disabilities and sensory impairments.[43]

The weaknesses identified in primary schools' ability to identify under-achievement in relation to specific groups are also reflected in secondary schools.[44] Ofsted found that schools' use of data for pupils with SEN is limited with the result that "Expectations of achievement are often neither well enough defined, nor pitched high enough. Progress in learning remains slower than it should be for a significant number of pupils".[45] In addition, a small Ofsted study found that only a small proportion of schools visited had a clear understanding of what was meant by "good progress" for pupils with learning difficulties and disabilities (LDD).[46]

The Welsh Assembly Government plans to publish attainment data for pupils with SEN later this year. In Scotland there is a broader category of pupils covering those with additional support needs, which covers any factor which causes a barrier to learning. Separate attainment data are not available yet for pupils in this category.

Exclusions

So far we have considered the overall effect of the system on all children, and set out some of the larger and more persistent equality gaps. But as we indicated at the start of the chapter we were also concerned about the impact of particular experiences to produce disadvantage. Few are more traumatic than exclusion from school. Young people excluded from school are much less likely to achieve five GCSEs at grade A*-C than other groups – just one in five young people compared to more than half overall.[47] Excluded young people are more than twice as likely to report having committed a crime as young people in mainstream school.[48] Yet as Figure 3.6 shows, in England the risk of permanent exclusion is much higher for pupils from some ethnic minority groups, especially Traveller of Irish Heritage pupils.

Figure 3.6: Exclusions from school in England, 2004/05[49]

number of permanent exclusions per 10,000 pupils in 2004/5, England
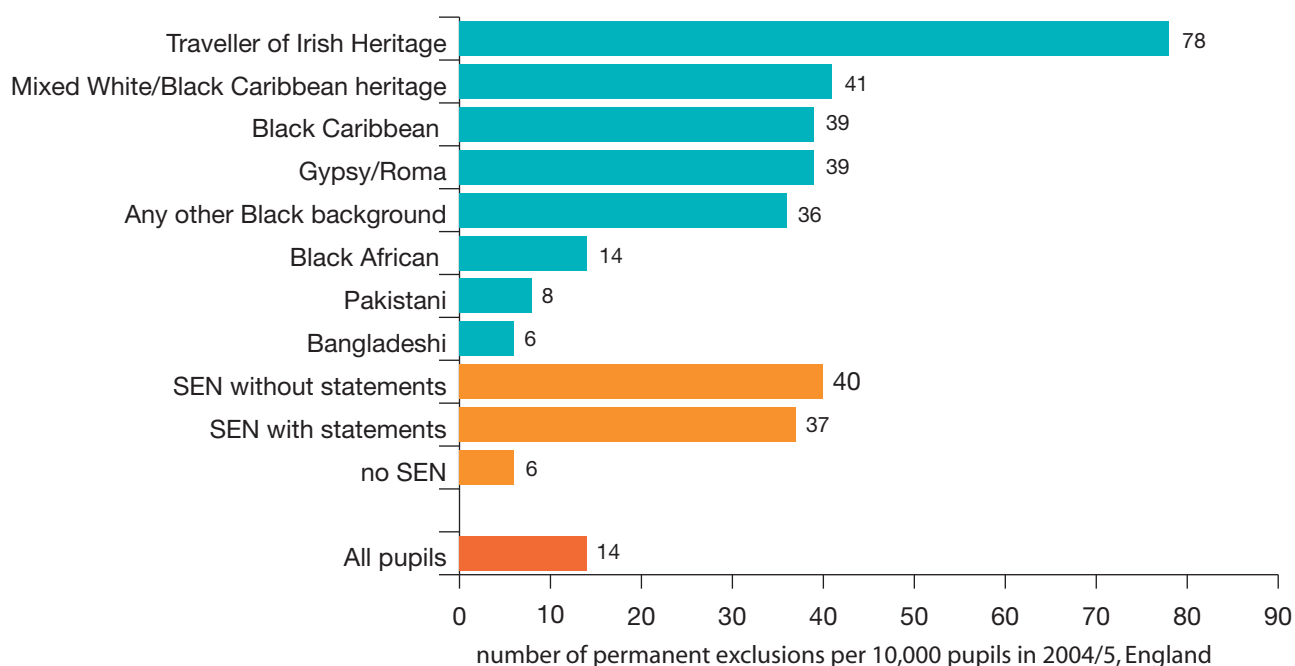
Mixed White and Black Caribbean pupils, Black Caribbean pupils and Black Other pupils have a much higher rate of exclusion than average. Research shows that these pupils, and their parents, have an "overwhelming perception" that unfair and inconsistent behaviour management in school is a significant problem.[50] This is clearly a major issue; yet a study of ethnic minority exclusions found that a significant minority of primary and secondary schools were failing to assess the impact of its exclusion practices on ethnic minority pupils, and that Ofsted inspection reports did not highlight the issue with any consistency.[51] We welcome the DfES's commitment to tackling this issue, and expect the implementation of the current priority review to result in fairer outcomes for Black pupils.

Among pupils with SEN, exclusion rates are also disproportionately high: in England in 2004/05, 58 per cent of all pupils permanently excluded from maintained schools were identified as having SEN.[52] Exclusion rates are particularly high for pupils with Behavioural, Emotional and Social Difficulties (BESD) and Autistic Spectrum Disorders (ASD).[53]

In Wales, exclusion rates are disproportionately high for Black pupils and for pupils with SEN.[54] In Scotland, though there are very few Black Caribbean pupils, only around 100 in total, pupils from this group are more than twice as likely to be excluded from school as White UK pupils.[55]

Transition to working life

Not being in employment, education and training (NEET) for six months or more between 16 and 18 is the single most powerful predictor of unemployment at age 21,[56] and is therefore particularly significant in explaining why some young people make less successful transitions to adult, and working, life.

According to evidence from England, disabled young people are at particularly high risk of being NEET between the ages of 16 and 19.[57] The evidence base on ethnicity is less strong, but suggests that young people from some ethnic minority groups may also be at greater risk of being NEET.[58]

Significant change is already underway in England and Wales, where a wider range of learning routes will be introduced for 14-19 year olds.[59] The Leitch Review of Skills underlined the importance of the new specialised Diplomas in "increasing participation in education and training for all young people" in England.[60] It also called for a change in the law, to keep all young people in the UK in full or part-time education or workplace training up to the age of 18.

Both the UK government and the Wales and Scotland administrations place a high priority on the needs of learners with learning difficulties and disabilities.[61] The further education sector in Scotland has given greater focus to supporting disabled learners in recent years.[62] There has been less emphasis on learners from ethnic minority groups in all three countries.

Beyond the education and training system, there is also a need for targeted support for young people who are NEET, or at risk of being NEET. This could take the form of one-to-one support and practical help with problems which may affect young people's chances, such as housing or health problems. It will be important for schools, colleges and other services to work together to help young people to make the most of the opportunities available to them.

It will be extremely important to address the paucity of data on ethnicity and disability for young people who are NEET in all three countries. In fact overall efforts to understand and to reduce the equality gaps amongst young people who are NEET are significantly undermined by the fact that compared with the data we have available about school pupils we know very little about the real disadvantages in this group. Whilst it is encouraging that all three countries have given high priority to addressing the unacceptably high proportion of young people who become NEET in the UK (over ten per cent),[63] the lack of high quality equality data can only undermine these efforts.

Higher education

Gaining a university degree brings big advantages throughout life in terms of employment opportunities and increased earnings. A university graduate is almost four times less likely to be unemployed and will earn twice as much as a person with no qualifications.[64, 65]

People from more deprived backgrounds miss out on these opportunities because they are persistently less likely to enter higher education. The participation of young people in higher education increased from 13 per cent in 1980 to 33 per cent in 2000* – but this huge expansion has masked an increase of just three percentage points (from 6 per cent to 9 percent) of graduates from the poorest families, compared to a 26 point increase in graduates from the richest families (20 per cent to 46 per cent).[66]

This lack of access affects disadvantaged groups in different ways.

- A study of English universities found that disabled students account for only about one in 20 undergraduates, although there was better representation of disabled students in Wales.[67] This compares to about one in 14 young people aged 18-30 in the general population. A survey of disabled young people across Britain found that one in three cited their disability as a reason for not going on to further or higher education;[68]

- ethnic minority undergraduates as a group are over-represented in higher education, especially those of Indian and Chinese heritage; but they are twice as likely to attend a post-1992 university as a more established, better funded one; they tend to cluster in certain subject areas such as nursing or business studies; and there is a huge spread of achievement between different ethnic minority groups;[69]

- Black students are the least likely to enter higher education via the traditional A-level route, tend to be 'mature' students i.e. aged over 21, to enter with vocational rather than academic qualifications and are hence at higher risk of dropping out without completing their degree;[70]
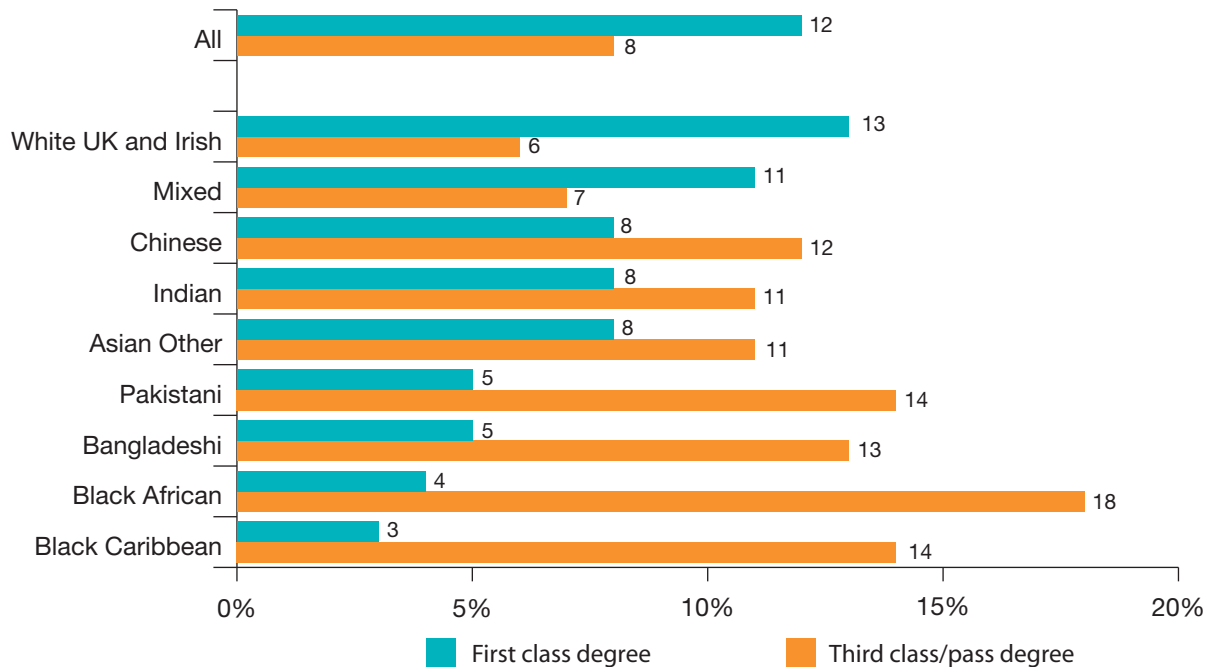
Figure 3.7 shows that ethnic minority students are significantly less likely to gain a first in their final degree classification.

According to the Age Participation Index which measures the proportion of 18 year olds entering HE by the age of 20.

Figure 3.7: Class of degree gained at universities in England by ethnicity, 2004/05[68]

Probably the single group most likely to be shut out of higher education in future decades is white boys from poor backgrounds. In some urban universities they are in a small minority, and may need the sort of special support we have come to see provided for ethnic minority groups in schools through programmes such as "Aiming High" and the Ethnic Minority Achievement Grant scheme.

The under-representation of disadvantaged groups in the higher education system has triggered action under which the three higher education funding councils for England, Scotland and Wales are working to attract under-represented groups into higher education. In addition, universities planning to charge fees above the standard level, such as those in the Russell Group for example, must enter into access agreements to provide financial and other support for students from poorer or disadvantaged groups.

However progress has been slow. Schemes for widening participation in higher education have been operating across Britain since 1999, but of the 18 and 19 year olds who enrolled in higher education in 2004/05, only 28 per cent came from lower socio-economic groups[72] and just 14 per cent from 'low-participation neighbourhoods'.[73] The focus of these schemes is restricted to students from poor backgrounds, part-time students and those with non-traditional or vocational qualifications; they do not explicitly target ethnic minority or disabled students or address the issues which concern them.

We pointed out above that a degree places graduates at a considerable advantage in the labour market. But not all graduates are equal. Female undergraduates have outnumbered male undergraduates since at least 1997, but the only 'high-status' subject area where women have made consistent gains over men is medicine, and women are under-represented in degree subjects which generate the highest financial return.[74] And even when a woman opts for one of these subjects, she does not share equally in the resulting income premium. Four years after graduation, women were found to be earning less than men in every area, even where they had started out on equal terms, and the gap was greatest in the highest earning occupations.[75]

Employment

Work remains the best and fastest route out of poverty. It is the most reliable way for an individual to achieve economic independence and prosperity. Its abundant presence is essential to the health of a community. By contrast the absence of work is the surest route to a spiral of demoralisation, loss of motivation, skills and self-confidence, worsening health and well-being for the individual. For the community loss of jobs brings decline, resurgent gender inequality, and in some circumstances, fuels racial and cultural tensions.[76]

In the UK, there has been remarkable progress in the past decade in employment prospects. We have the highest employment rate among the world's major industrialised economies, at 75 per cent, and boast a realistic aspiration to reach 80 per cent.

Government programmes set up to achieve this important target have progressively focused on different groups including the unemployed, ethnic minorities and disabled people. More recently the Government has published further proposals focusing on increasing the employment rates of lone parents and older people and reducing the number of people on incapacity benefit and hence increasing the employment rate of disabled people.[77]

Progress in bringing greater equality to the labour market has touched traditionally disadvantaged groups to different degrees. Original research for this Report shows that over the last 30 years, three groups below retirement age stand out as suffering particularly large and persistent disadvantages or penalties (see Box 3.1 for definition): disabled people; mothers; and Pakistani and Bangladeshi women. They are all significantly more likely to be out of work regardless of their qualifications or where they live. The effect of non-employment in their working years continues to cause these groups additional disadvantage in older age.

Box 3.1: Employment penalty

An employment penalty is a measure of the disadvantage that individuals or groups face in the labour market.

For instance, when we say that the employment penalty for disabled people is 29 per cent, this means that disabled people are 29 percentage points less likely to be in work than non-disabled people with otherwise similar characteristics, such as age and ethnicity, the level of educational qualifications and family composition.

The presence of this penalty suggests that disability really does reduce people's job chances, but it is not clear, from this analysis alone, what causes the problem – whether disabled people are unable to work; whether they genuinely prefer not to work, or whether employers discriminate against them.

The employment penalty is therefore different from – and in most cases smaller than – the overall gap in employment rates. It is of course important to be aware of this overall gap, since the fact that part of it is attributable to factors such as different educational qualification rates does not make it any less real.

Figure 3.8: Employment penalties in the early 2000s (percentage points)[78]
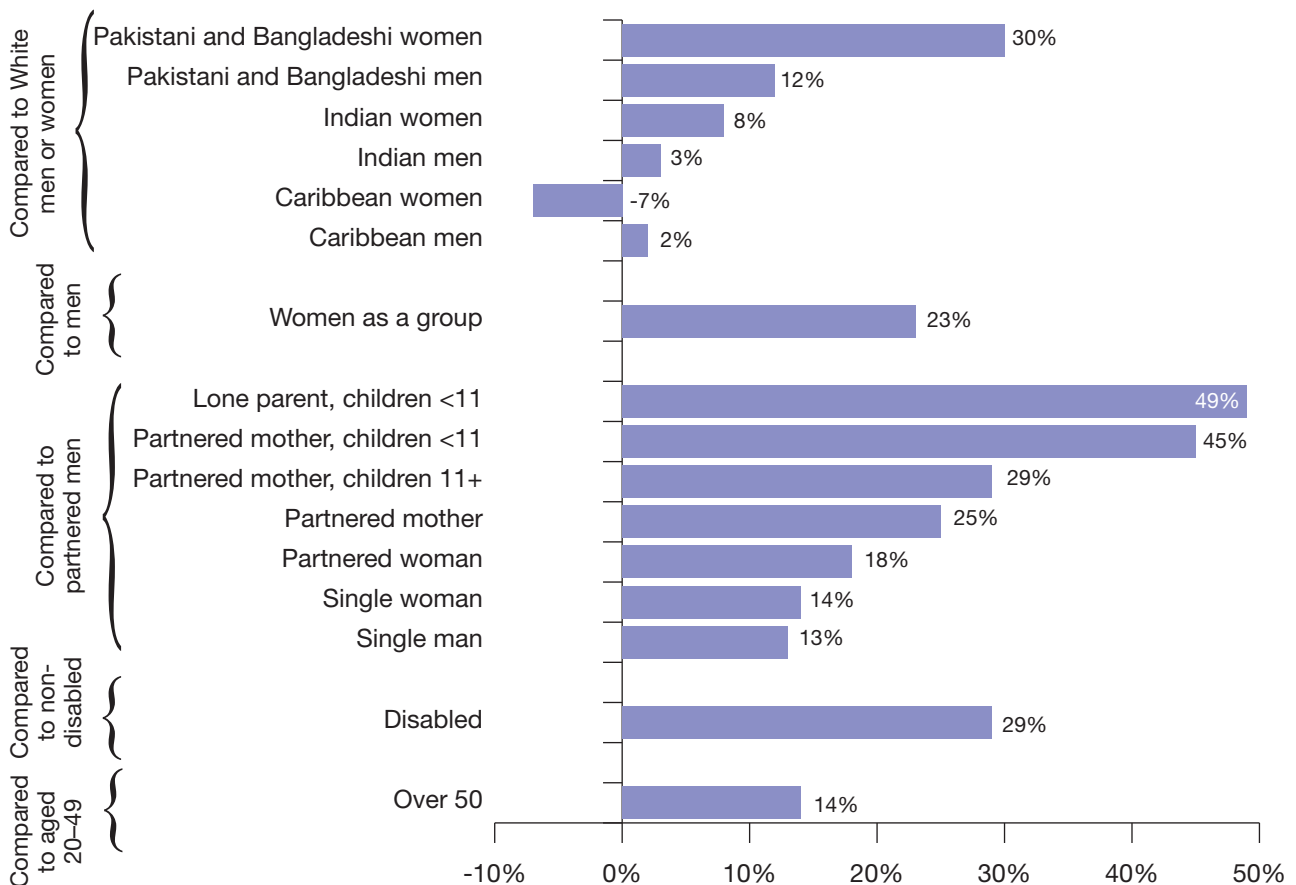
The phrase 'multiple disadvantage' has drifted into popular use in recent years. It is taken to mean that having more than one characteristic typically associated with a disadvantage increases an individual's likelihood of experiencing that disadvantage. The idea has even been lampooned with some media competing to find the most 'oppressed' person – the fabled Black disabled lesbian, for example. But research shows that the concept does have some validity when considering employment.

Multiple markers of disadvantages can drastically reduce the probability of being employed. For instance, disabled people have very low rates of employment when their disability is accompanied by other factors, such as lone parenthood, belonging to an ethnic minority group or a lack of educational qualifications.[79] Pakistani and Bangladeshi women are more likely to have three additional disadvantaging characteristics other than ethnicity: having young children, lower educational qualifications and living in an area with relatively high unemployment rates.

However, evidence suggests that this is not a simple phenomenon and is only true in a few special cases.[80]

Disabled people

Disabled people as a group have suffered from persistent employment disadvantage. In particular, people with mental health conditions or learning disabilities have very low employment rates. The overall employment penalty has actually increased substantially over the last 30 years, although in the last few years it has started to narrow.

Figure 3.9: Employment gap and penalty by disability status[81]
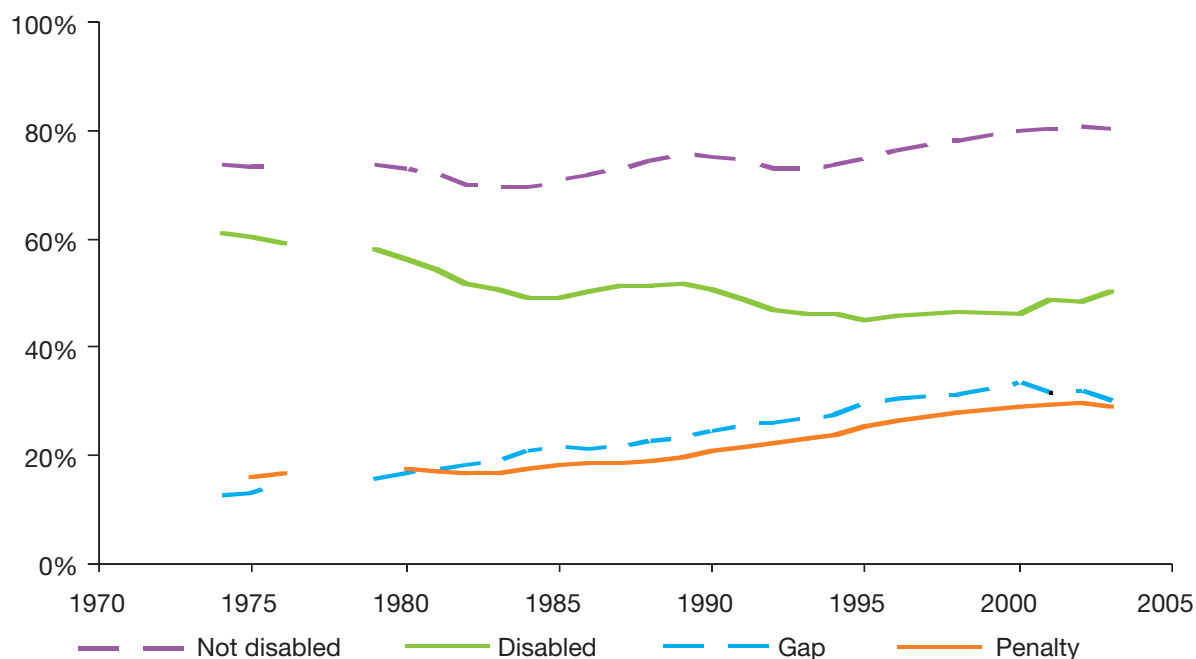
Not only are disabled people generally more likely to be out of work, but they are also more likely to exit work and, once out of work, they are less likely to move back into employment than non-disabled people and other groups.

The onset of disability or the worsening of an existing condition increases the probability of remaining without a job. In addition, those who become disabled were also more likely to be out of work before the onset of disability than non-disabled people, indicating that the onset of disability is often preceded by some form of employment disadvantage; or to put it another way, an insecure working life is more likely to lead to later disability. Figure 3.10 shows that people who were found to have a disability in the 2001 Census, but not in the 1991 Census, were already seven per cent more likely to be out of work in 1991 than people who were not disabled at either point in time.

Figure 3.10: Employment penalties in 1991 and 2001 by disability status[82]
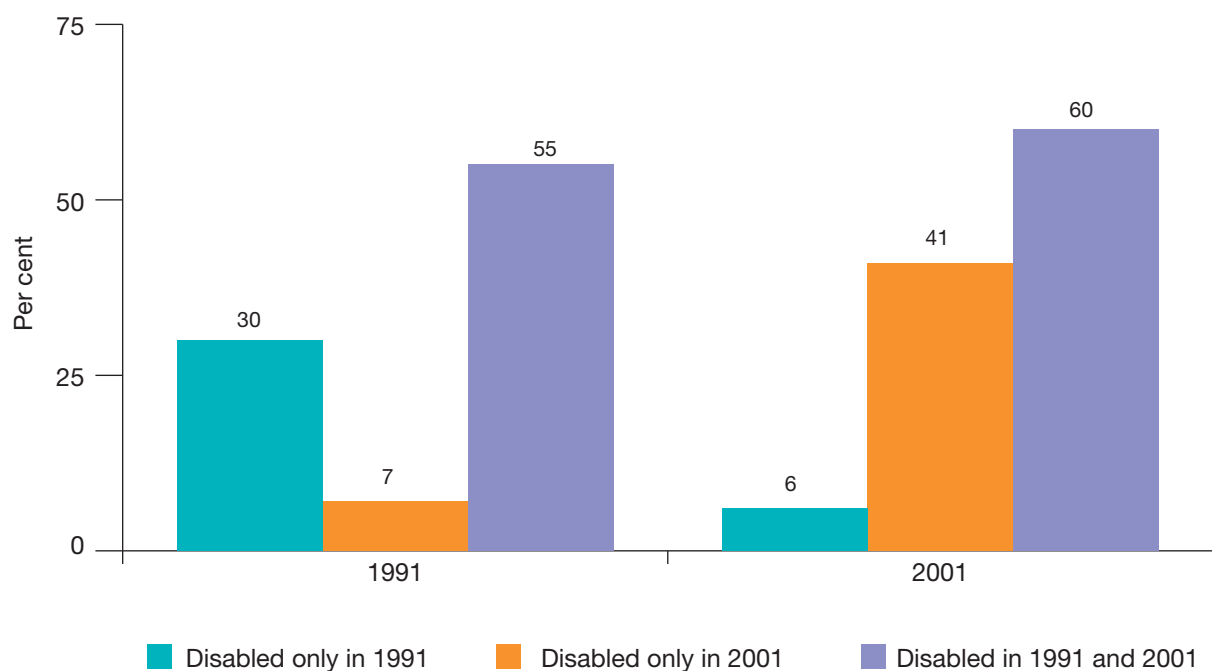
Disability influences the employment rates of different groups in different ways. For example:

- People with mental health conditions and people with learning disabilities have the lowest employment rates. These people are also more likely to be economically inactive and are therefore further from the labour market than people with other forms of disability.

- Regardless of their educational qualifications and other characteristics, younger disabled people aged 16-26 have lower occupational attainment relative to their aspirations than their non-disabled peers. This has a profound impact on their confidence and mental well-being.[83]

But even those disabled people who are in work face significant disadvantage. Disabled men earn between 17 and 9 percent less than non-disabled men; the gap for women is between 11 and 6 percent, depending on the definition of disability adopted.[84] Disabled people are also more likely to move from full-time to part-time work, and less likely to receive training. Disabled men aged 26-49 years do least well in all these areas.

The Prime Minister's Strategy Unit report *Improving the Life Chances of Disabled People* and its subsequent implementation, led by the Office of Disability Issues, has focused on employment issues.[85] The Government has an aspiration to reduce the number of people on incapacity benefits by one million within ten years.

The Government is rolling out nationally the Pathways to Work programme. This seeks to help people on incapacity benefits back into work through a range of measures, including by: ensuring that JobCentre Plus support is better tailored to the needs of individuals; improving training for Personal Advisors; increasing the number of mandatory interviews of claimants from one to six; and, improving financial incentives. This is encouraging but we believe more should be done.
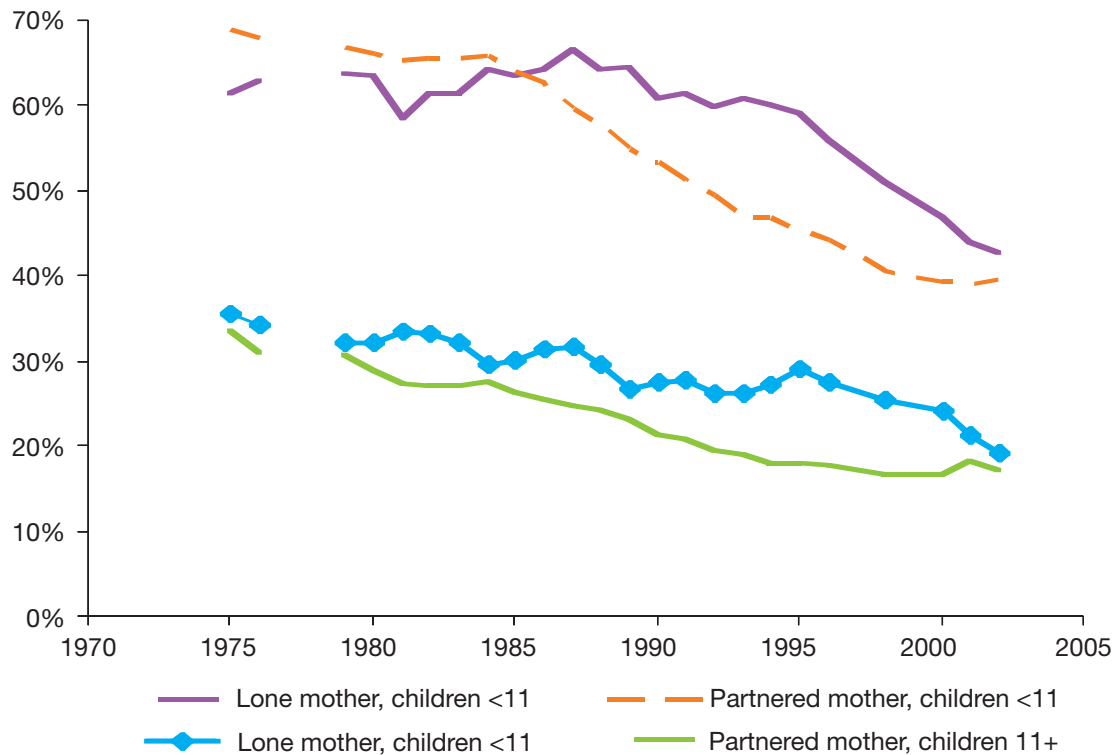
Women in the labour market

The Women and Work Commission charted many of the problems experienced by women in the labour market in terms of pay and career progression at work. More women than ever are in employment and are achieving higher educational qualifications. But many barriers to their success remain. The Review supports the recommendations of the Women and Work Commission which are being taken forward by the Government. The programme of reform proposed by the Commission could and should be implemented with the greatest speed possible.

The basic findings hardly need elaboration here. They are stark in their unfairness. A woman who works full-time earns only 83 pence for every pound that is earned by a man. Part-time women workers earn 32 per cent less per hour than women who work full-time and 41 per cent less per hour than men who work full-time. Women are crowded into mostly part-time jobs and in a narrow range of lower-paying occupations that do not make the best use of their skills.[86] A woman's ethnicity and qualification level also affect the size of the pay gap she faces, so that Pakistani and Bangladeshi women and low-skilled mothers are at very high risk of disadvantage.[87,88]

Our new research reveals clearly that there is one factor that above all leads to women's inequality in the labour market – becoming mothers. As Figure 3.11 shows, although the penalty faced by partnered mothers of young children relative to partnered men fell by around a third since 1975, it still stood at 40 per cent in 2002. The position is similar for lone mothers: employment participation has risen but the employment penalty remains high.

Figure 3.11: Employment penalties of women with children compared with partnered men[89]

Legend:
- Lone mother, children <11 (purple solid line)
- Partnered mother, children <11 (orange dashed line)
- Lone mother, children <11 (blue line with diamonds)
- Partnered mother, children 11+ (green solid line)

In contrast, men's employment rates are not affected by fatherhood. And women without a child – whether with a partner or single – experience a relatively small employment penalty.

Government policies such as the right to request flexible working, the extension of paid maternity and paternity leave, the introduction of Working Tax Credits (including the childcare element) and the increase in childcare places, are clearly making an impact. There have been high rates of take-up of these new rights. The proportion of mothers changing their employer following maternity leave has halved from 41 per cent in 2002 to 20 per cent in 2005.[90] There were few complaints about this in evidence from business organisations, who now widely accept that this has been a positive step towards helping them to retain talented women employees.

Comprehensive family friendly packages are still largely confined to the public sector and large private sector employers. They remain beyond the reach and capability of most SMEs, though many offer some elements of family friendly policies such as job-share.[91] However, fewer employers offer comprehensive packages that provide training and career development and family-friendly employment practices that include elements such as flexible working, leave arrangements and childcare support.[92] Extending sympathetic guidance to the private sector on a modern workplace culture should be an early priority for the CEHR.

Such guidance will have to address three major issues with sensitivity, but without flinching. First, the presence of employer discrimination against women who have or are likely to have children. The Women and Work Commission cited a survey of 122 recruitment agencies that revealed that more than 70 per cent of them had been asked by clients to avoid hiring pregnant women or those of childbearing age.[93]

Second, the CEHR will have to consider carefully what policy should be in place to help mothers and fathers to balance paid work and caring between them, at the same time as fulfilling their obligations to their employers. 70 per cent of fathers say they would like to be more involved with their child. But given that men are generally the higher earner in a couple; that the statutory entitlement to paid paternity leave is just two weeks; and that our culture still considers mothers to be the primary carer for small children it remains unlikely that many fathers will take time out of the labour market to raise a child.[94] The planned introduction of additional parental leave and pay within the lifetime of this Parliament should give eligible fathers the option of 26 weeks additional paid paternity leave during the second six months of a child's life. This would give couples far more choice and flexibility in the first year of their child's life. Any extension of parental leave should be reviewed regularly; it may be that further measures to incentivise couples to divide parental leave more equally might eventually be necessary.

Third, the Government's New Deal for lone parents has understandably focused on the employment disadvantage faced by lone mothers in a bold attempt to bring as many back to the labour market as possible. Laudable as this is, there is a limit to just how many more lone parents have the skills and the motivation to juggle family and work. Yet large numbers of partnered women are currently unable to get back into the labour market and face a very heavy penalty according to our research. We strongly believe that it is time to devote at least as much attention to finding new ways of reintegrating more partnered women into working life.

Pakistani and Bangladeshi women

Several studies have highlighted that most ethnic minority groups experience penalties in finding work.[95] Many of the reasons stem from the immigrant experience – encountering prejudice, unfamiliarity with a new country and poor grasp of English.

There has always been a general assumption that these penalties would be reduced for later generations born and brought up in the UK. But research has compared the employment penalties between those born overseas and usually arriving in early adulthood (first generation) and those born and educated in Britain (second generation). Alarmingly, there is little sign that employment penalties are reduced in the second generation. Penalties are also present at all educational levels. Black African and Bangladeshi men, for example, experience significant employment penalties.[96]

The same research also showed that part of the penalty might be attributed to discrimination. In fact, second generation ethnic minorities are much more likely to report that they have been refused a job on the grounds of ethnicity or colour than White British.[97] This is a finding which we believe requires further research as it clearly suggests that progress towards full integration of some ethnic minority groups has stalled at the first stage.

However, among ethnic minorities, the situation of Pakistani and Bangladeshi women merits particular focus and attention both because of the size of the penalty and its persistence. The employment penalty associated with this group of women, has remained relatively constant over the 30-year period, in contrast to White women. Pakistani and Bangladeshi women, with the same characteristics as White women, are 30 per cent more likely to be out of work.

It would be easy to attribute this penalty entirely to reasons of ethnicity or country of origin. But there is emerging evidence that Indian and White Muslims also experience employment disadvantage when compared to Indian and White Christians.[98] This could mean that being a Muslim in itself carries a negative impact on the employment prospects of Pakistani and Bangladeshi women. However the available evidence does not allow us to make firm conclusions, particularly because almost all Pakistani and Bangladeshi women are also Muslims making it hard to separate the two factors for them.

Even among those who were once employed, very few Pakistani and Bangladeshi women return to employment once out of work. Figure 3.12 underlines how these groups are very far from the labour market: only about three in ten are economically active. It shows also that almost nine in ten inactive Pakistani and Bangladeshi women say they do not want to work.

Figure 3.12: Percentage of economically inactive people who want to work[99]
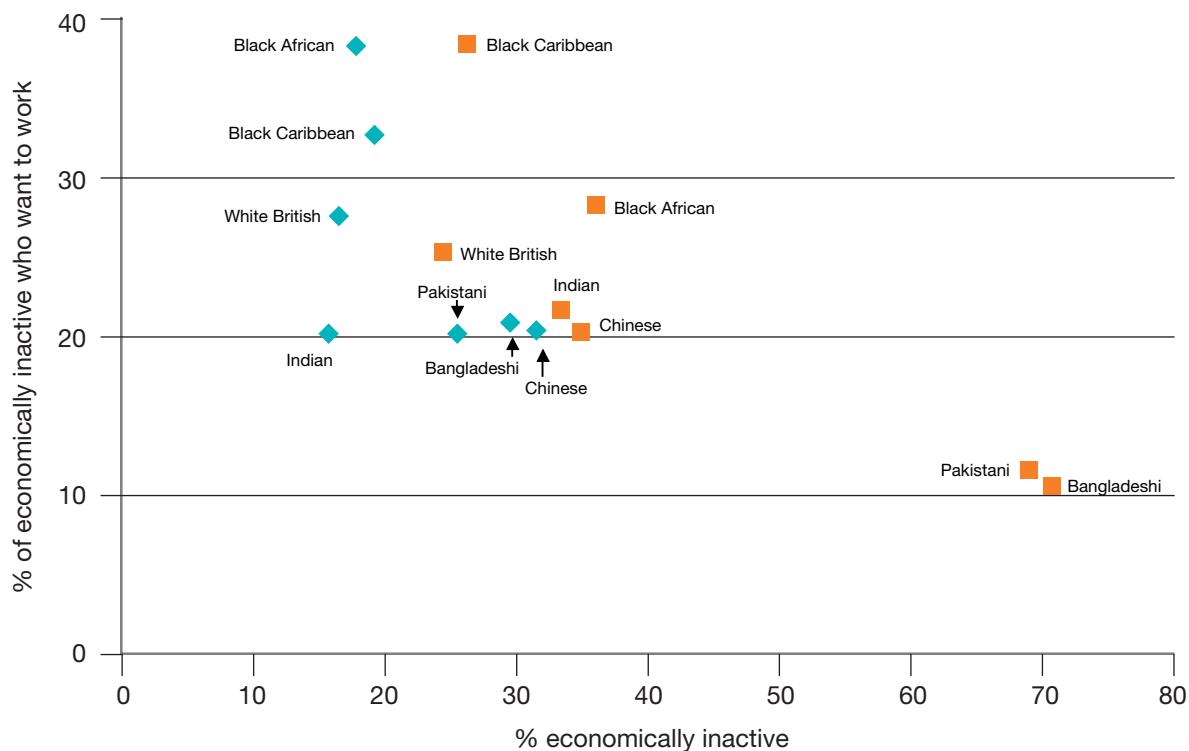
The majority of inactive Pakistani and Bangladeshi women say they do not want to work because they are looking after the family and home. This was the reason given by almost two in three (63 per cent) of economically inactive Pakistani women and nearly three in four (72 per cent) of inactive Bangladeshi women.[100] There is evidence that the reasons for Pakistani and Bangladeshi women's employment penalty arises from a belief that good motherhood involves staying at home and providing their own childcare.[101]

Set against this, however, research on employment for Pakistani and Bangladeshi young women found that they have a positive attitude to work. For those with children they want to balance the desire to work with the need to care for their children.[102] Attitudes to working women seem to be changing faster among Bangladeshi communities than Pakistani communities.

The same research also identified barriers to employment including that Pakistani and Bangladeshi women often lack high level educational qualifications, vocational skills and real world work experience. Language is also a barrier to employment.

The manner in which aspirations can be destroyed by external factors is clearly demonstrated by research showing that young Pakistani and Bangladeshi women with the same ambitions, training and level of skills as their White peers are three to four times more likely to accept a job for which they are over-qualified.[103]

Research also shows that younger Pakistani and Bangladeshi women with degree-level qualifications consider it important to remain in paid work and combine it with their responsibilities for childcare.[104] In spite of these signs of change the employment penalty associated with this group remains exceptionally high, with consequent social costs for the whole community. It is still a matter of contention to what extent this penalty is driven by historical factors, cultural preference or by discrimination. But to decide how best to tackle this particular gap, there needs to be further research and deeper consideration, not least involving the women themselves.

Following the 2003 publication of the Strategy Unit report *Ethnic Minorities and the Labour Market*, the Government has established an Ethnic Minority Employment Task Force to tackle the employment disadvantage faced by ethnic minorities. More recently, the Business Commission on Race Equality in the Workplace has been asked by the Chancellor to advise on policies and practical measures to increase the recruitment, retention and progression of ethnic minorities in the private sector.

Retirement

The Review welcomes the Government's commitment to providing greater security to retired people, as set out in the recent Pensions Bill.[105] Income in retirement is clearly linked to the extent of employment participation during working age: the more time spent in work, the more opportunity to build up savings and a pension. The Bill's proposals for women and carers will help to narrow the inequalities faced by these groups in older age.

As people live longer, it is increasingly important that earnings from working life continue to be a source of income over a longer period, and that people continue to stay in the labour market for as long as they wish. Retirement that is unanticipated or forced reinforces disadvantage in older age. Many retired people regard themselves as having been forced to some degree to retire when they did, for example because of the onset of disability.

Older workers value opportunities to retire gradually, but the quality of part-time work that is available to them is highly variable. Research has shown that older workers with more advantaged work histories are better placed to obtain high quality flexible work, and that gender related issues contribute to the factors that inhibit continued work (health for men, caring responsibilities for women) and the kind of work options available.[106]

But there are other groups who face poverty in old age precisely because of this link. Disabled people will continue to face inequality in older age because of the time they might have spent out of work, coupled with the employment penalty they face. So will other groups with low income, high rates of economic inactivity, or large employment penalties. Pakistani and Bangladeshi people,

for example, are three times more likely to have below-average income during working age, and twice as likely to be in the poorest fifth of the population in old age.[107]

Older people from ethnic minorities are a growing group, and face particular inequalities. For example, they tend to have health and social care needs at a younger age than average. Among people aged 50-64, 54 per cent of Bangladeshis and 49 per cent of Pakistanis reported a limiting long-standing illness, compared to 27 per cent of the general population in this age range.[108] Indeed, people in ethnic minority groups face additional barriers in retirement planning.[109]

Many ethnic minority older people live in areas of high deprivation, and have poor knowledge and understanding of available services. Older Asian people prefer not to take up available services, relying on community or voluntary provision instead. The reason for this has been put down to a tradition of reliance on high levels of family support and informal caring, but this is now truly available to a minority.[110] Older people themselves quote prejudice or discrimination, and the lack of services which are able to meet their special needs, as playing a part in their decision whether to use services or not.

The importance of independence and well-being in later life has been recognised in the Government's strategy for an ageing society, Opportunity Age, with a focus on increased employment, the promotion of active ageing and improved services.[111] The Strategy for Older People in Wales also recognises the need for a multi-faceted strategy to address older people's issues, including the establishment of a Commissioner for Older People, and the need to tailor services for Welsh-speaking older people.[112] The Strategy for an Ageing Population in Scotland will take a holistic view of the needs of older people and the population as a whole, considering issues such as continuing employment, life long learning or training, and also health and quality of life in older age.[113]

A vital aspect of well-being is the avoidance of isolation. As many as three in four people aged 90 and over were living in private households in 2001.[114] Those with younger friends and acquaintances were significantly more mentally active, and less fearful of younger people, than those who mixed with their peer group only.[115]

The Government's focus on active ageing is therefore a step in the right direction. But much more has to be done. The Wanless Review on social care in England showed that there is increasing rationing of provision in social care and that funding is moving away from lower-level services provided in the community towards more intensive services provided in residential care.[116] The picture was found to be similar in Wales.

The Wanless Review estimated that more than a million extra older people currently need care services in England, but Department of Health estimates show that only half of those who need

care actually receive it. The share of spending on social care for people aged 65 and over is falling at a time when this age group is growing faster than ever before, and direct payments are failing to keep up.[117] People with 'moderate' difficulties such as mobility problems or poor mental health do not receive help from 70 per cent of local authorities and this situation is set to worsen. This is a situation that also affects younger people in need of social care.

As a result, in 2001, four in five older people with mobility problems got help only from their spouse or other family members. Many of these carers were older people themselves: one in six people aged 50 and over provided unpaid care and half of those aged 85 and over providing care did so for 50 hours or more a week. In Scotland, older people were four times more likely to be helping a friend or neighbour than people aged 25-44.[118] Older people are often carers for disabled younger relatives, such as the 70,000 adults with a learning disability who live with parents aged over 70.[119]

Figure 3.13: Percentage of people providing unpaid care: by gender and age, April 2001, England & Wales[120]
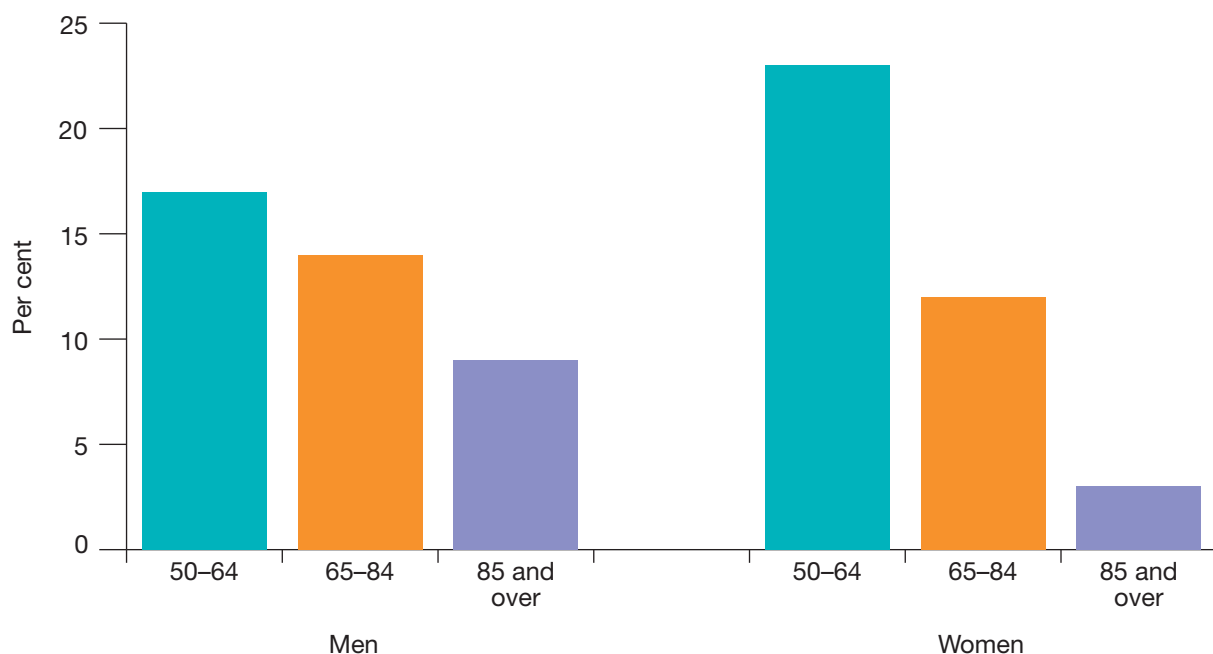
The care burden therefore falls disproportionately on older people, women and people who are unable to afford privately-funded care. This serves to perpetuate the cycle of disadvantage: people providing care are unable to assure themselves of decent incomes in retirement, and so fall into the trap of under-funding in their turn. The narrowing of eligibility for social care provision could leave the most vulnerable people at greatest risk in older age, at a time when this group is growing faster than ever, and could set the stage for increasing rather than decreasing disadvantage.

The New Deal for Carers which was recently announced will provide short-term respite care for carers of all ages across the UK as well as a range of other measures.

The Scottish model of free personal care for older people shows that it is possible to provide an effective publicly-funded service that does not result in greater isolation through reduction in informal caring arrangements.[121]

Health

So far this chapter has focused largely on inequalities that arise from common experiences such as encountering school or the labour market. We have set out the ways in which some kinds of people may expect very different outcomes from the same experience. But some inequalities do not arise from common experiences but from a failure of organisations and institutions to cope with our very different needs. This is nowhere clearer than in the area of health and health care. Many of the inequalities that we highlight earlier in this chapter, such as educational attainment and employment disadvantage have strong associations with health inequalities.

The existence of significant health inequalities between different socio-economic groups is well established. Following the Acheson report in 1998 a commitment was made in the NHS Plan to establish Government targets to reduce health inequalities in two key areas – infant mortality and life expectancy.[122] The devolved administrations similarly focus on these health inequalities. These indicators are taken by the Government and others as the principal indicators of the state of the nation's health.

These simple indicators should allow us quickly to assess where the worst health inequalities exist. But while data exist on health inequalities by gender and age (and geography), there are no systematic data available for health inequalities by ethnicity, disability, sexual orientation, transgender, and religion or belief. In some of these areas no data at all is available.

Even where we do have data they are incomplete and patchy. For example while there are good trend data on life expectancy by gender, there is little systematic analysis of variations in clinical outcomes between men and women. This is despite evidence of differences in the symptoms and prognosis of a wide range of diseases and conditions that affect men and women. This is very evident in the case of coronary heart disease, for example, which affects more men than women at younger ages.[123]

And, although there is very little research on the health of gay and lesbian and transgender people, there is research that suggests the LGB communities experience high rates of mental health problems than in general population.[124]

Where evidence exists it shows that the overall health experience of ethnic minority groups in Britian is worse than that of the White British population, and that the differences cannot be explained entirely by reference to class or poverty. There are important differences between (and within) ethnic minority groups. For example, Pakistani and Bangladeshi people report the highest levels of poor health, although Chinese people report the best overall levels of health (and, as evidenced earlier in the chapter have better outcomes on health determinants such as educational attainment than the White British group).[125] As is the case for all groups, the likelihood of ethnic minorities reporting poor health is strongly associated with ageing and deprivation.[126]

Figure 3.14: People reporting 'not good' health by ethnicity[127]
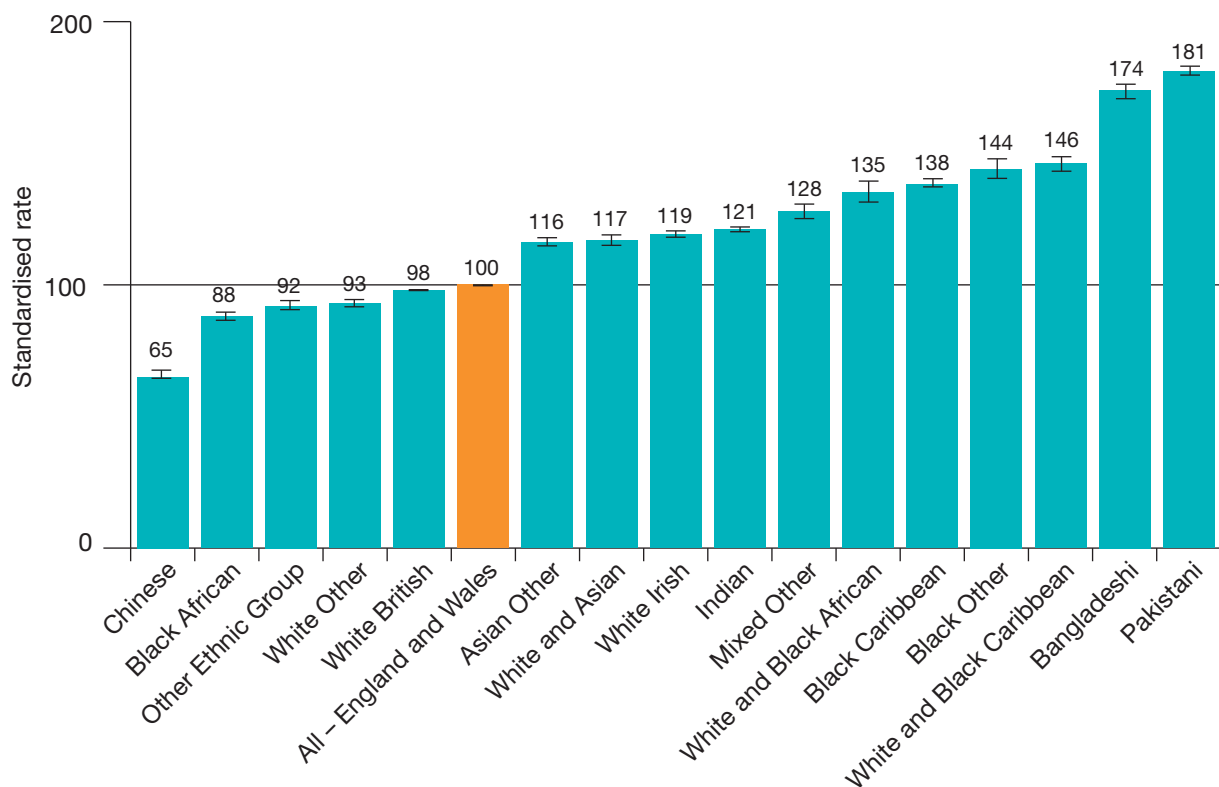
For ethnic minorities, we do know that for some conditions there is higher risk of disease. For example, people born in South Asia have the highest mortality rates from circulatory disease. This is due in part to their varied but substantially raised prevalence of diabetes as well as other factors such as, for example, rates of smoking and obesity. The Health Survey for England suggests that Pakistani men are also significantly more likely to suffer coronary heart disease or stroke than the general population. On the other hand, corresponding rates for Black African men and women are significantly lower than for the general population, and, cancer incidence and mortality is low in most ethnic minority groups.[128]

Levels of infant mortality vary considerably by mother's country of birth, for example, babies of mothers born in the Caribbean and Pakistan have particularly high infant mortality rates, 10.7 and 8.6 deaths per 1000 live births respectively, compared with the overall infant mortality rate of 4.9 per 1000 live births. Stillbirth and perinatal mortality rates are also particularly high in these groups.[129]

The incidence of mental health remains significantly higher for some groups than for others. Disproportionately high rates of young men from some Black groups who are sectioned under the Mental Health Act have been evident for many years and show no sign of reducing. The Department of Health's innovative census of mental health patients undertaken in 2005 suggested that in-patients from the Black Caribbean, Black African, and Other Black groups were more likely (by 33 per cent to 44 per cent) to be detained under the Mental Health Act 1983 compared with the average for all in-patients. Patients from these groups were also detained for a longer period of time on average than other in-patients.[130] Research suggests that Black groups have more than six times the rate of psychotic illness than the general population and are presenting direct to acute care via the criminal justice system.[131]

The strong evidence of differential health outcomes should point to a response by healthcare professionals that recognises and provides for such differences. However, the paucity of data about primary care interventions means that we simply do not know whether provision comes close to matching need or not.

Access to healthcare services

Patterns of access to particular treatment interventions do vary by ethnicity, but the variation is genreally speaking to the detriment of ethnic minority groups. For example, research has found that in the North West of England, Pakistani or Bangladeshi people with underlying coronary heart disease were less likely than their White British counterparts to have undergone bypass operations or angioplasty procedures.[132]

Reducing the number of people who smoke is an important priority in the battle to reduce the gap in life expectancy and infant mortality between different groups. We know from work by the Association of Public Health Observatories that the proportion of people giving up smoking varies significantly by ethnicity and gender.[133] But this information is not routinely published and little work has been done so far to help our understanding of these differential uptakes of a key preventative service.

Take-up of screening services, such as cancer screening, is routinely monitored by geography but not, for example, by ethnicity or disability.
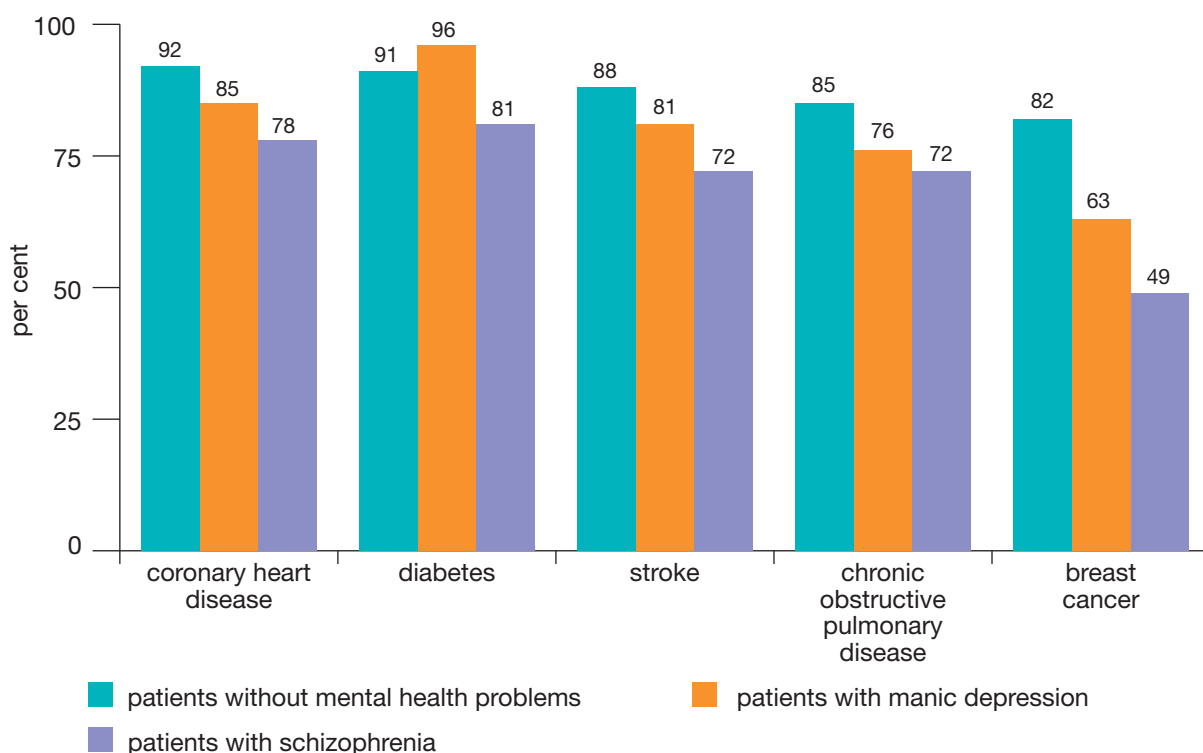
Looking at levels of satisfaction, analysis by the Healthcare Commission shows that some groups such as some ethnic minorities report lower levels of satisfaction with healthcare services than other groups.

This is not a perception limited to ethnic minority groups. Older people expressed greater satisfaction with NHS services than younger users.[134] This could either reflect real differences in patient experience, and show that younger people receive a poorer service. Or it may indicate that older people are more frequent users of, and therefore have greater familiarity with, the NHS. It is also possible that lower expectations among older people and feelings of gratitude for service received could influence their perceptions.

Patients who said they had a long-standing disability that affected their day-to-day activities were more likely to report less positive experiences than those without a disability. Those declaring 'poor health' also responded more negatively than those self-reporting 'good health' status.

The Disability Rights Commission conducted a formal investigation into the health inequalities experienced by people with mental health problems or learning disabilities. This found that many people reported problems with gaining access to services, with staff attitudes, and with getting the necessary treatment and support. The clinical evidence supports this finding. An analysis of more than eight million primary care patient records found that a person with a mental health condition or a learning disability was at greater risk of succumbing early to a medical condition than another person with the same condition, who did not have mental health problems or learning difficulties; this suggests that this group has poor access to timely and appropriate healthcare.[135]

Figure 3.15: Age-adjusted five year survival rates by mental health status[136]

Legend:
- patients without mental health problems
- patients with manic depression
- patients with schizophrenia

The 1942 Beveridge report explicitly prioritised the healthcare needs of younger people.[137] Much of the resulting discrimination remains evident today, for example in preventive screening services for cancer where women over 70 are no longer automatically called for breast screening despite evidence of clinical need.

A recent survey found that more than 40 per cent of GPs and cardiologists treated patients aged over 65 differently to those under 65.[138] This was evident in a number of circumstances such as the prescription of certain drugs: older people were less likely than younger people to be prescribed cholesterol-lowering statins. They were also less likely to be referred to a cardiologist. Older people were, however, more likely to be offered a change of prescription and a follow-up appointment instead.

Data collection

Over 90 per cent of healthcare is provided in primary care. Yet the quality of data available about primary care access for particular groups is very poor, with the result that it is not possible to identify whether primary care services are adequately meeting the specific needs of different populations. For example, under the existing GP Quality and Outcomes Framework, GPs are incentivised only to register the ethnic origin of newly registered patients. Good progress has been made with ethnicity coding of in-patient care, but ethnicity recording of hospital out-patient data

is either incomplete or missing in more than 80 per cent of cases.[139] And, despite the progress made in in-patient hospital coding, forthcoming analysis by the King's Fund will suggest that there needs to be more effective systems in place to monitor the quality of ethnicity coding, as well as data completeness by ethnicity. Their research demonstrates, for example, that in a minority of cases patients are being assigned different and conflicting ethnicity codes, sometimes within individual trusts or sometimes different codes by different trusts.

Connecting for Health is the Government's programme in England for delivering information technology systems that will record personal details of all NHS patients.[140] *Informing Health* is the equivalent programme in Wales.[141] Similarly, in Scotland, an e-Health Strategy is being developed.[142] It is therefore crucial that these systems include, along with date of birth and gender, the requirement to record ethnicity and disability. The Government and devolved administrations should also consider how best to collect data on sexual orientation and religion and belief.

However, understanding patients' needs is pointless unless services are being adapted to meet them. For example, research into provision of treatments for coronary heart disease in NHS hospitals in London shows that, while provision was in line with need for most ethnic groups, for Bangladeshi patients only around two thirds of the expected numbers of revascularisations were undertaken.[143] Department of Health guidance should explicitly require that commissioners take account of and monitor the needs of different populations when designing and delivering services.

The analysis outlined here mainly draws on research and data from England, although data from the Census covers England and Wales. While different arrangements exist in England, Wales and Scotland for the design and delivery of services, for example in the development of electronic patient records, the key issue highlighted here of poor data collection and monitoring is common to all three countries.

Crime and the criminal justice system

Most of us never experience any extended contact with the criminal justice system, except where we may become victims of minor but often distressing crimes. But some groups are rather too familiar with the police, courts and penal system, either as victims or perpetrators of serious crimes. In such cases the encounter with the criminal justice system can become a trigger for a series of further traumatising disadvantages which are the basis for persistent and damaging inequalities.

In an earlier part of this chapter we referred to the long-lasting impact of school exclusions, and pointed out that some groups were significantly more likely that others to experience exclusion

from school. In this section of our Report we address similar catalysts to lifetime disadvantages arising from the criminal justice system.

Overall, crime levels in the UK are falling.[144] However, people from some groups face significantly higher risks of being a victim of crime than others, including children, older people, disabled people, ethnic minorities, and those who have been victimised before.

On average, people living in the most deprived neighbourhoods are two and a half times as likely to be mugged or burgled and more likely to be "very worried" about being physically attacked as people that live in more affluent areas.[145] Twelve per cent of households in the most deprived areas have been a victim of one or more vehicle thefts, compared with seven per cent of those in the least deprived areas.[146]

Justice must be not just fair but seen to be fair. Confidence in the criminal justice system is shaken when some groups believe that they are less likely to get a fair deal. Absence of such confidence is divisive and alienating.

Based on evidence submitted to us about crime and victimisation and expert testimony, we judge that there are three areas of crime which tend to be particularly serious in provoking further disadvantage: violence against women; hate crimes; and the over-representation of ethnic minorities as both victims and offenders.

Violence against women

While men and women experience similar levels of violent crime the nature of the violence they experience can be very different. The majority of violent crime experienced by men is likely to be as a consequence of stranger violence linked to excessive drinking in pubs and clubs – for example, in nearly half of all violent incidents including street violence, victims believed their offender to be under the influence of alcohol.[147] For women, the majority of the violence experienced is in the home and the offender is known to them. The impact of domestic violence has been found to have significantly longer-lasting effect than many other crime types. Alongside the obvious physical injuries, the long-term effects can include isolation, low self-esteem, mental health problems and time away from work. Women who are victimised in this way may also be more likely to limit their aspirations or participation in employment, and are less likely to take part in public or political life.[148]

Domestic violence accounts for 16 per cent of all violent crime. It costs society in excess of £23 billion a year of which £3 billion falls to public services.[149] It is often a repeated crime which claims the lives of two women each week. It will be experienced by one in four women in their lifetime. It is all too often a closely held, painful secret. Recent research reveals that 31 per cent of female victims had not told anyone about their experience of domestic violence. Where victims do

report, they may wait some time before doing so. On average there will have been 35 assaults before a victim of domestic violence calls the police.[150] For ethnic minority victims of domestic violence, the effects are often compounded by the effects of racism. Domestic violence may manifest differently in these communities. Forced marriage, so called 'honour' based violence and female genital mutilation are all aspects of domestic violence.

The recent joint review into the investigation and prosecution of rape offences, by Her Majesty's Crown Prosecution Inspectorate and Her Majesty's Inspectorate of Constabulary suggests that greater efforts are needed by the police and the Crown Prosecution Service (CPS) to improve the way in which investigations of rape are handled, in particular needing to improve the way in which victims are treated.[151]

The figures continue to present a bleak picture: between 75 and 95 per cent of rape crimes are never reported to the police; for those victims who do come forward: between a half and two thirds of cases will not proceed beyond the investigation stage and where cases are referred to prosecutors for a charging decision, a significant proportion will not proceed. Of the cases that do reach court, between one third and half will result in acquittal. These figures are set against a backdrop of declining detection rates which have continued to fall steadily over the last four years from 41 per cent to 30 per cent.[152]

Hate crime

The police estimate that most racial and religious hate crime, and as much as 90 per cent of homophobic crime, goes unreported because victims are too frightened or embarrassed to report the crime.[153, 154] Nationally, in 2005 the police recorded 50,000 racially or religiously motivated hate crimes. The British Crime Survey (BCS) indicated that there were in fact 260,000 such offences last year. The Metropolitan Police alone reported 11,799 incidents of racist and religious hate crime and 1,359 incidents of homophobic hate crime in the 12 months to January 2006. The typical hate crime offender is young, white, male, under 30 and lives locally to the victim. Most homophobic offenders are aged between 16 and 20. The majority of hate crimes also happen near to the victim's home while they are going about their daily business.

For most categories of hate crime there are no systematically collected national statistics, although there have been some improvements particularly in relation to racist hate crime. This may, in part, account for the increase in the numbers of recorded racist incidents.[155]

The Review welcomes the work being undertaken by criminal justice agencies to improve the recording and prosecution of hate crimes. For example, the CPS has a target to reduce the percentage of hate crimes that do not result in a conviction to 36 per cent by March 2007. As of January 2007,

the percentage of hate crimes that did not result in a conviction was 32 per cent – the lowest recorded level since the introduction of this target in April 2005. The CPS will set further challenging targets for the reduction in unsuccessful outcomes for racist and religious crime, homophobic crime and domestic violence, in April 2007.

Disproportionality in the criminal justice system

Ethnic minorities account for a significantly greater proportion of the prison population (23 per cent) than their proportion in the general population (9 per cent). While the prison population as a whole has grown considerably over the last ten years, the rate of growth has been much faster among Asian and Black Caribbean prisoners.

Figure 3.16: Annual growth in the prison population – indexed ethnicity trends, 1994 to 2003[156]

excludes foreign nationals
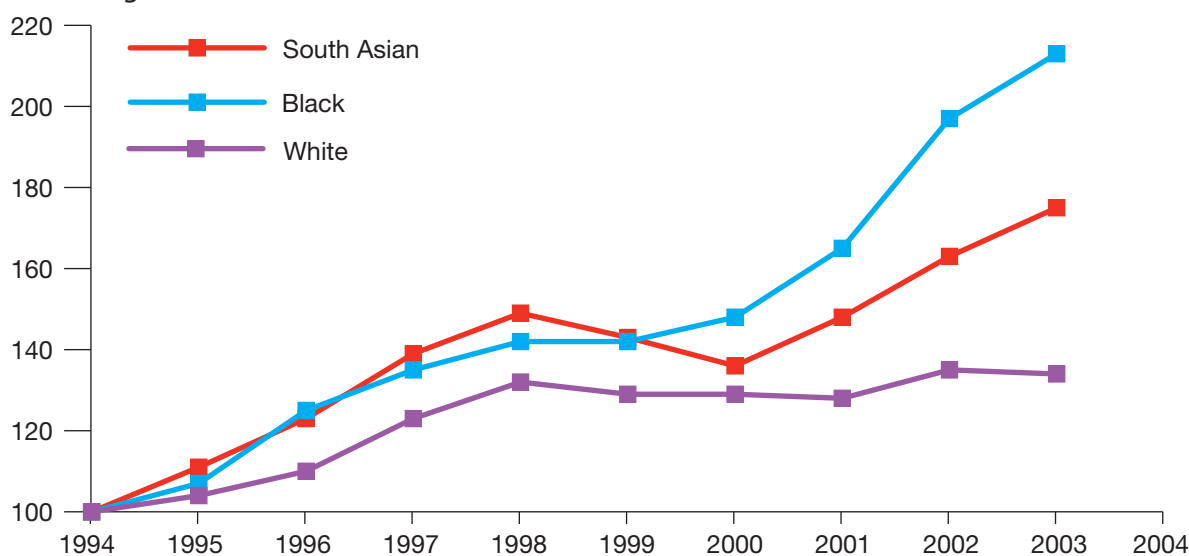
Some part of this growth is due to discriminatory treatment once within the system; but it would be a denial of the obvious to ignore rising levels of youth offending and criminality evident among a small, but growing number of young people from some ethnic minority communities.

Figure 3.17: Prisoners per 1000 members of the population of England and Wales, by ethnicity, in 2004/05[157]

per 1000 population aged 15+ in ethnic group (UK nationals only)
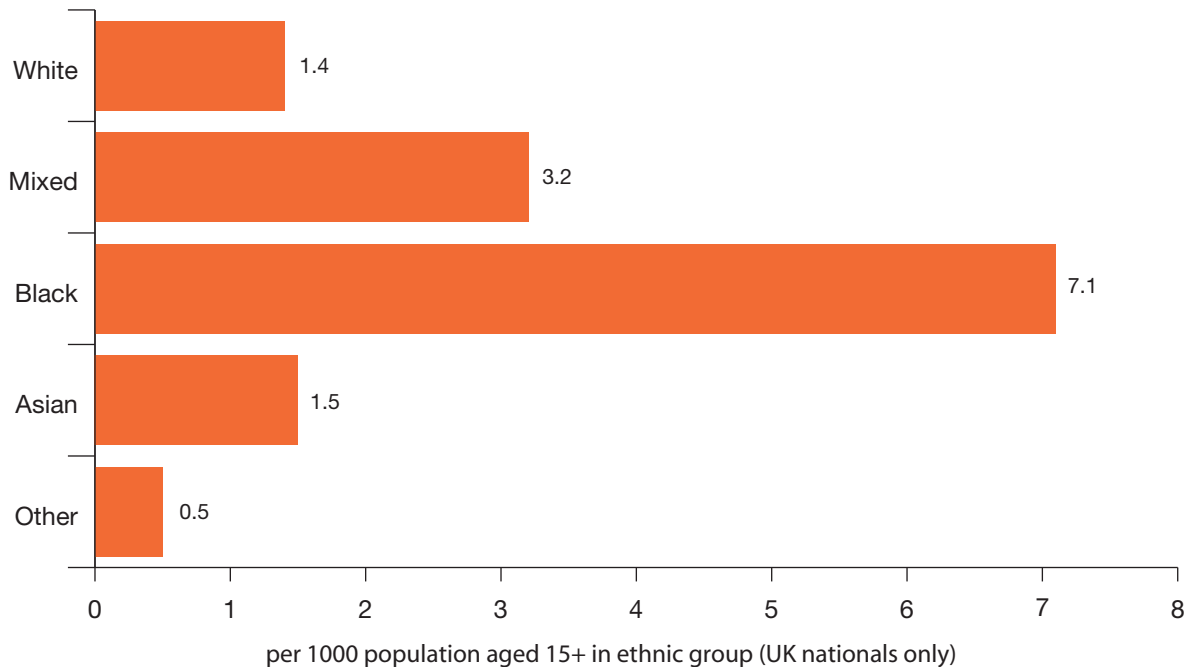
It is not within the scope of this Report to reflect at length on the deeper causes of the criminalisation of young people in some ethnic communities; but it is obvious that groups which are more likely to fail at school are more likely to find themselves on the wrong side of the law. And the evidence available shows that once in the system their initial disadvantage is amplified. The Youth Justice Board's research into the treatment of ethnic minority young people in the criminal justice system shows that the chances of a case involving a mixed parentage young male being prosecuted is 2.7 times that of a White young male with similar case characteristics and the chances of a young Black male's custodial sentence at a Crown Court being 12 months or longer is nearly seven times that of a White male.[158]

This can be the start of a desperate cascade of events which disproportionately pushes ethnic minority young men out of education and employment opportunities. As well as differential outcomes at various points of the criminal justice system, some groups experience further disadvantage whilst in custody. Asian prisoners in general feel more unsafe than other ethnic groups and are more likely to report racist bullying by other prisoners and over half of young Asian adults feel unsafe and report higher levels of racist victimisation (both by other prisoners and staff) than any other ethnic group. Black men are more likely than other groups to report feeling disrespected (again, by both other prisoners and staff).[159]

The success of the custodial system in reducing the possibility of re-offending is, at best, mixed. There should be a strong link between programmes whilst in custody to improve basic skills and future likelihood of re-offending.[160] Although data are not systematically collected on the extent to which particular groups access rehabilitative programmes whilst in custody, research suggests that ethnic minority prisoners are less likely to access training and education programmes whilst in prison.[161]

Some groups experience disproportionate contact with the criminal justice system in other ways: rates of stop and search are higher for all ethnic minority groups compared to White people; 71 per cent of adult sentenced prisoners have two or more mental health problems and for young offenders the figures are higher.[162]

Representation

Some evidence presented to us argued strongly that part of the reason for the failures of the criminal justice system in protecting and promoting equality lies in the mix of those who run the system and make its critical decisions. Though women comprise over 51 per cent of the population of England and Wales, and ethnic minorities nearly 8 per cent, the majority of the judiciary are male and white. Overall, fewer than 25 per cent of the judiciary are women and less than 7 per cent are from ethnic minority groups.* Fewer than 16 per cent of judges in courts are women and less than 4 per cent are from ethnic minority communities. Within the High Court, there are only 8 per cent women and only one from an ethnic minority background. The number of judges with a disability is not known, but numbers are believed to be small.[163] The position among magistrates, who deal with the vast majority of all criminal cases, is better, with seven per cent of magistrates coming from ethnic minority groups. In the past 25 years, the percentage of women magistrates has increased from 38 per cent to roughly half of all magistrates. It would help to have this information made more public; if the example of the police is anything to go by even a small increase in the representation of women and ethnic minorities in the judiciary would reap benefits in wider public confidence.

The perception that the system is unfair may itself be unfair. But it is strongly held. Thirty one per cent of people from ethnic minority groups report that they expect to be treated worse than White people by one or more of the five criminal justice agencies.[164] Ethnic minority communities continue to have less confidence that the criminal justice system respects the rights of defendants and victims are less satisfied with the police response.[165] As a result, a significant proportion of ethnic minority victims actively choose not to contact the police to report a crime.[166]

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* The term judiciary is the collective term for the 43,000 judges, magistrates and tribunal systems who deal with legal matters in England and Wales.

The Government's pledge to 're-assure the public, reduce the fear of crime and antisocial behaviour, and build confidence in the criminal justice system without compromising fairness' expresses its on-going commitment to having and demonstrating a system which is fair to all communities.[167] Despite this, there is much work to be done because a real imbalance clearly still persists. Although successful criminal justice outcomes can never be guaranteed, the aim should be that, irrespective of the outcome, the treatment and care of every individual who comes into contact with the system should be fair.

Conclusions and recommendations

This chapter has set out persistent inequalities in early years and education, employment, health and criminal justice. The research and data on education, employment as well as some aspects of criminal justice have enabled us to identify areas where these inequalities have persisted over a number of years. In Chapter 5, we set out a new, systematic approach to equalities which will help reduce the inequalities identified in this chapter, we also highlight the need for targeted action within that approach, the following recommendations form the basis for much of that targeted action in respect of the public sector.

Because of the persistence of these inequalities, it is clear that short term strategies and targets will only be of limited value. For many of the inequalities identified there will need to be long term strategies with staged targets to enable the sustained action that will be needed to reverse long term inequality and narrow the gaps between different groups. We therefore recommend a range of areas that would benefit from this sort of approach.

We have also identified a large number of problems with data collection and monitoring, we return to these issues in Chapters 4 and 5, we also include detailed consideration of data collection in Annex C, but include here recommendations on the specific data and monitoring problems identified in the course of our analysis for this chapter.

Finally, we make a small number of specific recommendations where the evidence points to some clear, practical solutions on targeted action for some of the problems that we have identified.

Recommendations: long term, phased strategies

The Government, and where appropriate the Scottish Executive and the Welsh Assembly Government, need to put in place long term strategies, with phased targets to:

- Reduce disproportionate access and use of pre-school provision, including a focus on better provision for disabled children;
- Narrow gaps in school-age educational attainment for ethnic minority pupils, including a focus on gaps in the primary phase;
- Reduce disproportionate exclusions for ethnic minority pupils and pupils with special educational needs, including in England milestones on implementation of the priority review of Black exclusions;
- Increase access and take up of flexible working for all employees;
- Narrow employment gaps, and in-work disadvantage, for women, including partnered and lone mothers;
- Narrow employment gaps for disabled people, including a focus on individuals within particular groups furthest from the labour market;
- Narrow employment gaps between ethnic minorities and the working age population, including a particular focus on Pakistani and Bangladeshi women;
- Reduce disproportionality in the criminal justice system including a cross-Government strategy to address the wider factors that contribute to the rates of offending among young Black men;
- Tackle the under-representation of particular groups in the judiciary.

Recommendations: data and monitoring

DfES, the Scottish Executive and the Welsh Assembly Government should collect and publish data on the attainment of disabled pupils; and by type of Special Educational Needs (SEN).

The Self-Evaluation Form for schools in England should include dedicated sections on the attainment of pupils from the ethnic minority groups with below average attainment; disabled pupils and pupils with SEN. It should also record data on exclusions of pupils with SEN, by type of SEN.

Given the smaller numbers of ethnic minority pupils in Scotland and Wales, the Scottish Executive and the Welsh Assembly Government should assess the attainment of ethnic minority groups through aggregated data and additional research so that action can be taken as appropriate.

DfES should collect and publish more detailed data on ethnicity and disability for young people who are not in education, employment or training (NEET) in the 16-19 age group, this should use the Census ethnicity categories, and include data on type of disability.

The Scottish Executive and the Welsh Assembly Government should collect and publish detailed ethnicity and disability data for young people who are NEET. Again, this may need to use aggregated data and additional research.

The Government, the Scottish Executive and the Welsh Assembly Government should:

- Monitor the impact of the extending working lives legislation on older people including any differences for disadvantaged groups;
- Audit social care provision, especially that available to minority groups.

The Department of Health, the Scottish Executive and the Welsh Assembly Government should undertake an audit of health data needs that covers gender, ethnicity, age, disability, religion and belief, sexual orientation and transgender. The reviews should be published and include a plan of action with milestones to fill data gaps identified. As part of this the Department and the devolved administrations should consider the introduction of specific targets aimed at reducing health inequalities and improving customer satisfaction for specific groups.

The Healthcare Commission and equivalent bodies in Scotland and Wales should monitor progress to fill data gaps. This should include an assessment of good practice approaches to improving outcomes and narrowing gaps for different groups.

In addition, in England, Wales and Scotland (as appropriate) specific action should be taken to urgently:

- Ensure that IT programmes to support the establishment of electronic patient records are able to record equality data.
- Require GPs to record ethnicity data on existing as well as new patients – and ensure that NHS information systems can support the reporting of variations in key areas, such as take-up of screening services.

- Introduce ethnicity coding as part of civil registration of birth and death that will enable variations in infant mortality and life expectancy to be routinely monitored by ethnicity.

- Identify whether primary mental healthcare provision for ethnic minorities correlates to the significant numbers receiving acute mental healthcare and to take action to address gaps in provision.

- Ensure that all commissioners and private sector healthcare providers commissioned by the NHS are explicitly required to monitor their services in accordance with public sector equality duties, ensuring that their analysis uses qualitative and quantitative data to monitor the needs of different Groups. The Healthcare Commission, in England, and equivalent bodies in Scotland and Wales, working with the Commission for Equalities and Human Rights, should monitor compliance.

- Ensure that commissioning guidance routinely requires providers to monitor the take-up of services by different population groups.

Recognising the impact of crime:

- More research is needed to understand the impact of particular crimes on different groups, Research should be undertaken into the impact and harm caused by particular crime types as they relate to gender, ethnicity, age, disability, sexual orientation and transgender and religion and belief.

Criminal justice agencies should introduce standard collection mechanisms that allow for comprehensive and consistent monitoring of hate crimes, for different population groups, at every stage of the criminal justice system.

The Home Office and DCA should undertake a review of criminal justice data gaps as they relate to equality and publish an action plan with targets for improving data collection and publication in key areas, such as Court Service data.

Recommendations: specific policy solutions

Local authorities should:

- monitor satisfaction with pre-school provision among ethnic minority and poorer White children;

- should map the gaps in pre-school provision for disabled children, with the aim of promoting higher levels of take up;

- should consider extending specific outreach family support to those groups of children likely to experience poor HLE.

Research should be undertaken into the success of different ethnic minority groups in education including Bangladeshi pupils in England and considering differentials in ethnic minority attainment in England, Scotland and Wales, with a focus on groups such as Pakistani and Black African pupils in Scotland where performance is closer to the average than elsewhere.

The DfES, Welsh Assembly Government and Scottish Executive should:

- tackle institutional segregation between pre- and post-1992 institutions and differential higher education outcomes by gender, disability and ethnicity.

Chapter 4:
Why do inequalities still persist?

This chapter focuses on the causes of chronic and persistent inequality. It argues that the key problems are:

■ a combination of outdated attitudes and complacency, as the root cause of the following challenges;

■ lack of agreement about what needs to happen;

■ uncertainty about who should act;

■ the tools we have are not fit for purpose.

Introduction

If inequality is as unpopular as people say, why do individuals and communities tolerate it? If it is as economically and socially damaging as our analysis shows, why aren't governments, public authorities and the private sector stepping up their efforts to reduce it? And how is it that, despite our extensive anti-discrimination legal regime, such huge equality gaps persist? This chapter sets out our view of the obstacles to change, and considers why the traditional combination of social change, activism and political leadership now seems to be less effective against new challenges. Our analysis is based on specially-commissioned research, written and verbal evidence we received, and the conclusions of expert seminars held over the course of the Review.[1]

We identify four essential causes for a lack of progress. First, public attitudes are not as evolved as we might like. A continuing undercurrent of prejudice against some groups consistently undermines efforts to tackle discrimination against them; anxiety about whether greater fairness for some might mean reduced freedom for others inhibits all-out support for measures to promote equality. Second, an absence of agreement as to precisely what we need to do makes it difficult to win a consensus for action. Third, a lack of accountability means that it is also unclear who needs to take action, and political and public leaders are not given personal responsibility for setting priorities and making progress. Finally, it is becoming clear that the policy and legislative tools available to us are in serious need of updating and refinement.
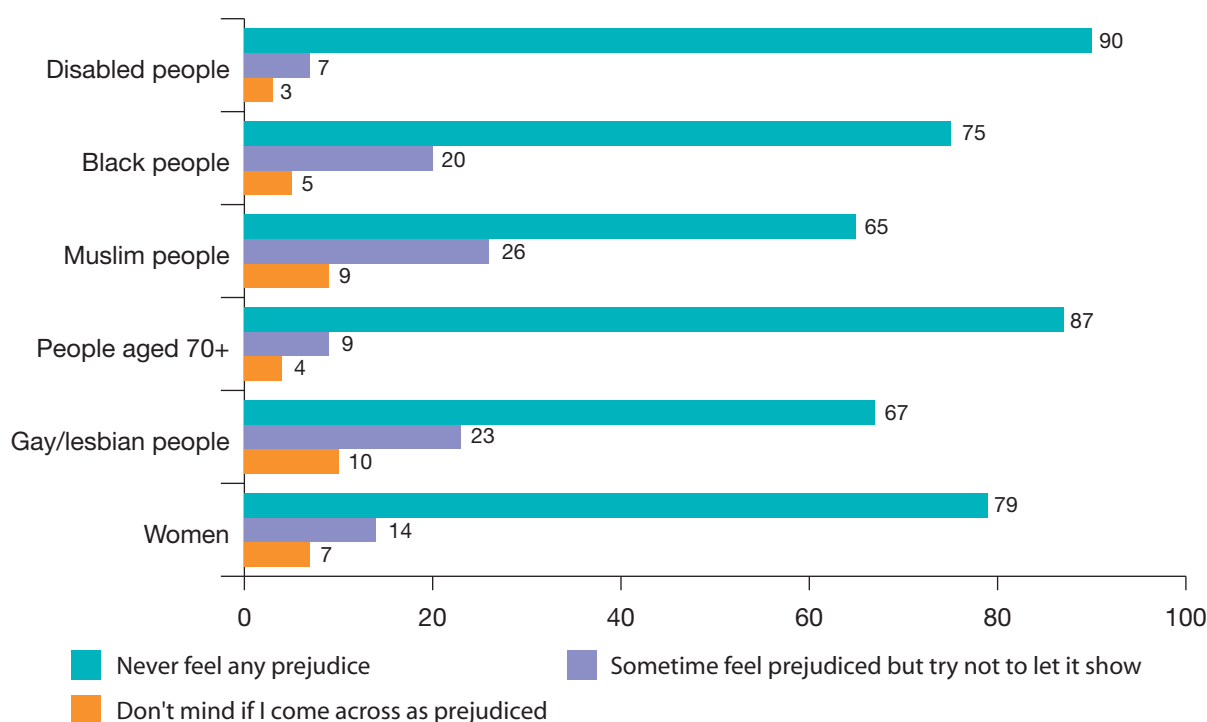
Prejudice

Britain is a more tolerant society than it was, and there is strong support for equality for all in our society.[2] But we are not yet a nation at ease with our diversity – ethnic, religious, disability and other differences are still the cause of genuine anxiety. Prejudice is still widespread, albeit often against new targets. 69 per cent of us said that we had experienced some form of prejudice in the past twelve months; one-quarter of us said that we were unconcerned about whether we are prejudiced.[3]

The growing assertiveness of groups of people who previously might have been content to suppress aspects of their identity has changed the climate too. Attitudes to women, older people, ethnic minorities, disabled people, people with particular beliefs, gay men, lesbians, and transgender people have changed in part because more and more people in these groups refuse to be invisible. Although it has become increasingly unacceptable to express prejudiced views in public, the old attitudes persist unspoken and are registered in increasingly subtle and insidious ways.

Publicly, Britain is a country in which few would now express negative feelings towards someone else because of their colour or disability, for example. Privately we are a rather different country. Figure 4.1 shows people are least concerned about expressing prejudice against Muslims and against gay men and lesbians, and most concerned about being seen to be prejudiced against older people or disabled people.

Figure 4.1: Expressions of prejudice towards different groups within society[4]

Legend:
- Never feel any prejudice
- Sometime feel prejudiced but try not to let it show
- Don't mind if I come across as prejudiced

This particular research did not consider prejudice against transgender people. Survey evidence on transgender people's self-reported experiences highlighted a higher expectation of prejudice, to the extent that almost half of the respondents did not use public social or leisure facilities for fear of being refused access or having their access limited in some way. More than one in four also felt that being transgender adversely affected the way they were treated by healthcare professionals.[5]

People's attitudes towards other groups depend on many factors, such as the group concerned and the type of interaction taking place. For example, people said that they would be more comfortable with a Black boss than a female one, but would prefer a female boss to a Black in-law.[6] Most people would not be too concerned to have a blind person as an in-law, but they would be very concerned if a person with (managed) schizophrenia moved in next door.[7] Attitudes towards different groups seem to be based on stereotyped perceptions of each of these groups, and on the perceived 'threat', whether cultural, physical or economic, posed by each. Hence women, older people, and disabled people – who belong to groups which are stereotyped as less 'threatening' – are objects of what can be described as 'benevolent' prejudice: patronising and often kindly in intent, but just as demeaning to the person subjected to it. Even apparently mild forms of prejudice can translate into attitudes that affect the treatment and prospects of groups such as women, older people and disabled people.

Bullying at school remains a serious issue for many children and young people. A survey of adult lesbians and gay men found that over half had considered self-harm as a result of being bullied at school.[8] Another survey of children with autism found that more than half of those attending mainstream schools had been bullied; one parent of a child with autism commented, "My child is bullied – the school says it is his fault for being 'annoying'."[9] Bullying is also an issue in the workplace. In a recent survey, more than one in ten of all employees with a disability or long-term illness, and one in seven disabled women employees, reported experiencing bullying.[10]

People who are on the receiving end of prejudice and stereotyping can be affected in even more fundamental ways. Research has shown that people to whom a negative group stereotype is applied can react by under-performing in accordance with this stereotype. As a result, Black people performed below their true ability when they were competing with White people, particularly when given a subconscious prompt that recalled their racial difference to mind.[11] This behaviour was also displayed by women when they competed with men and by older people competing with younger people and, in certain circumstances, by White men competing with Asian men. The implication of this finding is that, if we do not act to address prejudice and negative stereotyping explicitly, whatever other action we take to reduce inequality in areas such as education or employment can have only partial success.

These findings show that society has some way to go before the progress made towards greater tolerance translates into there being an equal respect for all, and into support for the means to tackle the inequalities affecting disadvantaged communities. Working to counter and to reduce prejudice is an intrinsic part of the process of reducing inequality.

More importantly for this Report, we have concluded that at least part of the reason for a lack of progress is a national lack of confidence in talking about our differences. This has made us unwilling to confront the underlying causes of persistent disadvantage. Talking about inequality simply makes people feel too uncomfortable. It is easy to agree that we don't like prejudice and discrimination; it is harder to discuss frankly what we are going to do about it – and, as a result, as a society we haven't even got to the first step of agreeing exactly what the problem is.

We have no consensus on equality

Evidence shows that there is still a lack of awareness and understanding about what equality means, how it relates to what organisations do, what is required (or permitted) under the law in practice, and who is responsible for delivering on this.[12]

Some people still view equality as being about 'political correctness' – for example, preventing competitive sport at school so as not to allow anyone to win or lose. Some associate equality with

oppressive petty bureaucracy, while others think that pursuing equality means advancing some groups above others – rather than improving opportunities and narrowing the gaps for groups who are disadvantaged, and thus improving society as a whole. There is a similar lack of awareness and understanding about the concept of human rights. Recent research for the Review has shown that people may not interpret the word 'inequality' as being about discrimination. They may even think that disadvantage occurs because other people make the 'wrong' choices about their own lives – when in fact they have no choice at all.[13]

The case for equality, as outlined in Chapter 1, is not well or widely understood. And because of this, equality can be seen as unimportant and peripheral to an organisation's main objectives. This is particularly challenging for public sector organisations working in the context of democratic politics, where the prioritisation of issues is influenced by electoral cycles. Significantly, although there are Parliamentary Committees which monitor the government's control of public spending across all its programmes, for example, the impact of government policy on equality in Britain is not thought important enough for the UK Parliament to have a scrutiny body of the kind that exists in the Scottish Parliament and the Welsh Assembly.

Even when organisations are required to consider the impact of their policies on equality, there is little evidence that most regard it as one of their core objectives. A survey of public authorities at local level in England and Wales (councils, police and health) in 2004 found that four out of five chief executives felt race equality was very important or essential to delivering improved services to their local community. In the same survey, however, one-third of chief executives and one-quarter of race equality champions said that race equality was not an issue that significantly affected their organisation or the community it served.[14]

Finally, one reason that equality may be regarded as a 'difficult' issue for people to talk about is that it is too narrowly interpreted in public debates – either as being purely about equalising income and wealth or about the absence of discrimination. The first implies a zero sum game in which the only way to make some people more equal is to make others less so; the latter a 'blame game' in which there are only perpetrators and victims. The broader interpretation we proposed in Chapter 1 would help to overcome these inhibitions.

Of course, the most effective answer to prejudice is fact. So we turn next to consider why prejudice and complacency still cannot be vanquished by detailed evidence. The problem is that we do not collect the necessary data systematically and regularly.

The importance of full and accurate data

Poor data quality makes it extremely difficult to establish what needs to be done. The Review's experience of both analysing specific sectors and also reviewing the quantity, quality and availability of data more generally highlighted difficulties in compiling a complete picture of inequality in Britain. The problems include:

● lack of robust data on inequality within certain groups, most notably sexual orientation and transgender;

● the fragmentary nature of official data collection, which tends to be quite narrowly focused on individual outcome areas (such as health, education or employment), and on topics which are of recent policy interest;

● inadequate recording of data relevant to equality in certain areas, such as the lack of proper recording of ethnicity data within health records;

● inadequate cross-referencing and consistency of data which are collected, which makes it difficult to link data from different sources across both groups and outcome areas;

● devolved and different arrangements for collecting data, which can make it difficult to compare data between different departments and between England, Scotland and Wales;

● the use of proxy measures which do not always accurately reflect the underlying inequality – for example, using maternal country of birth as a proxy for ethnicity when considering infant mortality, an increasingly inappropriate measure given that more than half of all people from ethnic minorities are born in the UK;[15]

● the lack of historic data which could help to establish the direction and pace of trends in inequality;

● beyond the challenges of data collection, official statistical publications generally fail to report on even those equality groups for which data do exist.

These shortcomings make it more difficult to determine which inequalities are persistent, what actions are likely to succeed in addressing them, and whether the desired outcomes are being achieved. Good evidence-based policy making requires the use of both up-to-date quantitative data, collected across a wide sample base, and qualitative information to help refine our understanding of it.

In some areas, huge strides have undoubtedly been made in collecting and using data relating to some outcomes and some population groups. For example, just a decade ago it was not possible to track the progress of ethnic minority pupils through school: now it is, though even in education data gaps remain. There has also been progress on employment data in relation to disability: government targets to increase the participation of disabled people in the labour market have

accelerated efforts to develop measurement and monitoring mechanisms that in turn have helped to tackle persistent inequalities.[16]

Despite these examples of good practice in some areas, the overall record across government is not good. In some areas there have been no attempts to develop the evidence base at all.

There are also problems with the way in which data are used in setting targets and monitoring progress. In the past there has been insufficient focus on narrowing gaps. This has meant that improvements in average performance have masked poorer outcomes for some groups; for instance, while the overall numbers of pupils obtaining GCSEs at higher grades has increased, too little attention has been paid to what is happening with the lowest achieving pupils.[17]

We consider these issues in greater detail in Annex C.

Transparency

If organisations in the public and private sector do not have accurate data they will also be unable to evaluate and report on their performance to citizens, customers and shareholders. Again, this inhibits their ability to clarify where action is needed and where it is most urgent.

Public, private and voluntary sector employers are all required not to discriminate on equality grounds; the public sector also has duties to promote equality which apply specifically to employment. Many employers recognise the benefits of doing better on equality. Indeed, in the evidence to the Review from employers, some companies described how their status as 'best practice' employers on equality gave them a 'competitive edge'.

Information and transparency on equalities can be valuable: employers can improve their reputations with both customers and potential employees by being open about their performance. Some organisations do publish figures on the diversity of their workforce. The Cabinet Office regularly publishes statistics on the gender, ethnic origin, working pattern, disability status and age of civil servants across central government – but not on sexual orientation or religion and belief. Moreover, these suffer from high non-response rates, particularly with respect to ethnicity and disability. The local government workforce data are also regularly surveyed and the resulting statistics are published but, again, there are problems in accuracy and coverage. This public sector information is not particularly high profile or visible and it thus has little impact, either to enhance organisations' image or to provoke change.

There are a number of examples of organisations and indices which support improved transparency in terms of their equality performance. These include FTSE4Good, GoodCorporation.com, Stonewall's Workplace Equality Index, and Business in the Community's indices. These sorts of

indices have grown in credibility in recent years and have included organisations from the public, voluntary and private sectors. But there is no standard model for reporting on workforce representation and workplace issues.

As well as problems in being transparent about workforce representation, organisations have difficulty in understanding the impact of public policies and programmes on promoting equality. We asked a number of government departments to undertake retrospective equality impact assessments of their key programmes.

Our aim was to assess the extent to which a number of mainstream policy interventions had had an impact on inequalities experienced by particular groups – especially in the areas of educational attainment, employment disadvantage, healthcare, and crime and justice. The response was generally disappointing, with the majority of departments citing lack of data and poor monitoring systems which prevented them from completing the impact assessments and reporting on how these key programmes affected different groups. In short, within this context we have little or no idea whether any major government programme of the past two decades has made Britain more or less equal.

Who should take the lead?

Successful delivery relies on clarity about who is responsible and accountable. To promote equality, particularly for the most disadvantaged and marginalised groups, there is also a need to engage and empower the communities and individuals themselves.

Accountability

There are many parts of the public and private sectors where promoting equality does not appear to be a central or significant part of the leadership role. And even where leaders do recognise their role in promoting equality, it is often not clear to them what they need to do. Responsibility for delivering on equality can be located low down in organisations, very distant from senior managers, or be otherwise sidelined within the decision-making structure. Yet leadership programmes within the public sector have often failed to include a real focus on equality.

Equality is not sufficiently linked into mainstream performance management and accountability frameworks. If government ministers, councillors, board chairs, chief executives, chief constables and headteachers knew that the public performance of their organisation would in part be judged by the progress they were making in reducing inequality, commitment to the issue would soon shoot up the scale.

But even where frameworks include a focus on equality, problems remain. For example, the annual health check of NHS organisations sets out areas in which health trusts fail to provide sufficient evidence of compliance. One of the three areas cited most for a failure to provide sufficient evidence is the way that healthcare organisations "challenge discrimination, promote equality and respect human rights".[18] This suggests that, despite its efforts, the NHS is still without a coherent policy agenda in these areas.

The impact of the media

The role of the media is important because many of society's attitudes and prejudices towards disadvantaged groups are reflected in coverage. The media is a very diverse sector representing a wide range of attitudes towards different groups and towards equality. The reach and influence of different media also varies widely. But, as figure 4.2 highlights, the general public perception of media attitudes towards many groups is that they are negative and possibly prejudicial.

Figure 4.2: Proportion of people who thought that the media coverage of these groups was mostly negative[19]
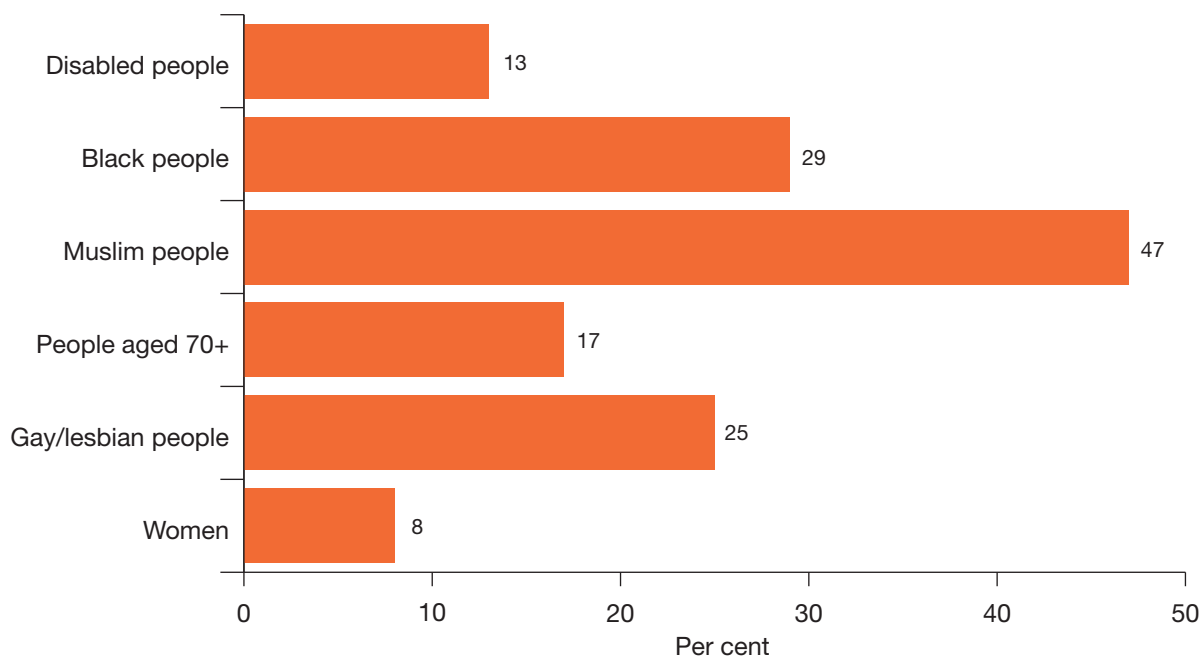
Current accountability mechanisms for print media, primarily self-regulation through the Press Complaints Commission, mean that only individuals named in a story can pursue a complaint or seek redress in relation to perceived negative stereotyping. Campaign groups or other individuals who object to media coverage are currently unable to have their complaints investigated, so that the print media experience relatively little challenge to their reporting. Broadcast media are regulated through Ofcom, which is an independent statutory regulator.

There is little consensus over whether the media act as opinion formers, generating or inflaming prejudice, or are merely reacting to the wider social environment. But, whether setting opinion or reinforcing it, the media have a significant responsibility for how certain groups are presented.

The nature of the leaders

What leaders do is what matters most. But this is strongly influenced by who they are. And, given the present mix of our political, civic and commercial leadership, there is little wonder that things change so slowly.

The heart of our democracy, demographically speaking, is shockingly unrepresentative. In 2005, women made up 20 per cent of the House of Commons (the highest ever proportion of female MPs), but less than 2.3 per cent of MPs were from ethnic minorities. And few young people become MPs; although the number of MPs under 30 years old increased at the 1997 election, numbers were still small.[20] In 2006, only 29 per cent of councillors in England were women and less than 4 per cent were from ethnic minorities. Again, few young people are becoming local councillors.[21] The Government has recently set up a Councillors Commission to look at the barriers preventing people from becoming councillors in England and what steps can be taken to get more people involved; the Commission is to report by November 2007.

In contrast, the Scottish Parliament (40 per cent women) and the National Assembly for Wales (50 per cent women) have achieved more equal gender representation through positive action on gender by some political parties. However, there are no Black members of the Scottish Parliament, and there are no ethnic minority Assembly Members at all in Wales.[22]

Recent surveys of media leaders have emphasised the overwhelmingly male leadership of most media organisations; for instance, only one in six national newspapers are edited by women, and only one in ten major media companies have female chief executives.[23] Despite recent initiatives to recruit more ethnic minority staff to both the national press and broadcast media – such as the Cultural Diversity Network, established in 2000 by Britain's leading broadcasters – relatively few ethnic minority professionals hold influential positions within these organisations.[24]

Empowering communities

The activity of organisations, leaders and the media in helping to promote equality is less than we would like; but so too is the participation of communities and individuals themselves. If communities and individuals are not empowered to have more say over the issues and services that affect their lives, inequalities can be created or deepened. Box 4.1 sets out some current examples of good

practice. The Government, and the public sector more generally, need to broaden their efforts to engage and listen to all the groups who make up the communities they serve.

Democratic systems encourage and expect people to complain, to air grievances, or to campaign for a better deal; but these same systems can push disadvantaged or under-represented groups to the margins. While there has been a marked decline in formal political activity (such as membership of political parties, and voting in elections), there has been a growth of other forms of political expression; but these activities show substantial differences by educational attainment.[25] This could lead to less emphasis on the priorities of disadvantaged groups. Public bodies are increasingly seeking to involve the communities who use their services in their design and delivery. The risk is that getting this involvement wrong could leave some groups more marginalised than ever, and thus increasingly invisible to public services.[26] A range of initiatives has been introduced to build capacity and encourage participation among poorer and more disadvantaged sectors of the community, which will take time to yield results.

Box 4.1: Voice and choice

There are some successful models for involvement and empowerment:

- Operation Black Vote runs very successful schemes designed to create new pathways into the magistracy and other civic institutions for people from ethnic minorities.[27]
- Government initiatives on neighbourhood renewal offer several examples:
  - the New Deal for Communities is a programme to give some of the poorest communities the resources to tackle their problems in an intensive and co-ordinated way;
  - the National Community Forum is a group of 24 local activists from a diverse range of backgrounds, working on neighbourhood renewal issues in deprived areas as an exercise in getting the voices of local people heard in government.

There are also emerging examples of good practice in ensuring that every individual is empowered to access good services and draw down extra support tailored to their particular needs. For instance:

- The Government's most recent proposals for local government in England include a package of reforms for community governance and the extension of 'community calls for action' to all local government services, to enable more citizens to get their community's concerns addressed through their councillors.

Growth in the choices available in public services need to be matched by a growth in support for service users, including advocacy, in order to make sure that there is equal access to choice and that these opportunities for empowerment are shared by all groups in the community.

Our tools are not fit for purpose

Efforts to reduce inequality require the right tools to be in place. We have found problems with the legislative framework, too much focus on process instead of outcomes, limited use of procurement and commissioning to promote equality, unclear guidance and limited support for employers, and a bureaucratic and inflexible enforcement regime.

The legislative framework

Legislation against discrimination has been very important in raising the profile of equality issues: it has helped to establish the value of eliminating prejudice and unfairness, and it has helped to change people's behaviour. Equality legislation has established more equal rights for different groups, and drawn some clear lines about what behaviours and motivations are unacceptable in British society. But as the evidence on prejudice shows, there is still some way to go in changing attitudes.

The legal framework is seen by many as overly complicated and difficult to navigate. Lack of awareness and understanding about what is required under the current law has made some institutions wary of even attempting effective implementation. Research undertaken in 2003 identified that the sensitivities involved in equalities work and concerns about 'getting it wrong' were preventing progress.[28] Our work indicates that this remains the case for many organisations.

It is illegal to discriminate against anyone because of their age, disability, ethnicity, gender, religion or belief, or sexual orientation when they are applying for a job and on any of these grounds except age when people are accessing services.[29] However, the legislation underpinning this has developed in a piecemeal and fragmented way, with provisions in many different Acts and Regulations. This makes it confusing for individuals and employers. The focus is also on individuals taking discrimination cases through courts and tribunals, which can be a costly, complex, time-consuming and adversarial process. There is also less focus on preventing discrimination under this approach.

More recently there has been a move towards a more proactive approach. Some newer public bodies (the National Assembly for Wales and the Greater London Authority) have been given broader legal responsibilities to promote equality of opportunity for all people. The Scottish Parliament has a power to encourage equal opportunities, including imposing duties on public bodies in Scotland to make sure that they meet equal opportunity requirements. These responsibilities enable a wide range of activities to promote equality and make it clear that doing so is a significant part of the role of these institutions.

And since 2001, public bodies in England, Wales and Scotland have been legally required to promote equality and tackle disadvantage in respect of race relations. This duty was introduced following the Macpherson report into the death of Stephen Lawrence.[30] Duties to promote disability and gender equality have followed, with the disability duty coming into effect in December 2006 and measures on gender equality taking effect from April 2007.

Too much process, too few outcomes

There is evidence that the race equality duty has influenced public authorities' practices positively.[31] However, we have also heard many concerns that the duty has resulted in an approach that places more importance on strict compliance with processes than on delivering real outcomes. This has devalued the underlying goals of the legislation and reinforced the impression that promoting equality is all about bureaucracy.

For example, in the context of the evaluation of the Aiming High: African Caribbean Achievement Project in secondary schools, schools were asked about steps they had taken to review their race equality policy.[32] One headteacher commented, "I'm not sure what we've done, you know; if I'm honest with you it's been done more because Ofsted were coming and we've adopted the policy without it having a particular impact in the school."

In developing the disability discrimination and gender equality duties the Government and the equality Commissions have attempted to respond to concerns about the effect of the emphasis on process in the race duty. Clearly it is too early to assess the impact of these duties, although three separate duties with similar aims but different features are likely to produce a complex set of requirements that may cause new problems.

Inflexible law

We were made aware during the course of our Review that many organisations which were keen to be proactive in making more opportunities available to both employees and clients were often frustrated by the rigidities within the equalities laws. This is particularly, though not exclusively, an issue of ethnic and faith group diversity and gender balance. None of the people who raised this concern were apologists for 'positive discrimination'; their problem was that in order to carry out their principal functions properly they risked contravening the existing equality laws.

Some employers, for example, who for sound business reasons want to increase the number of women or people from ethnic minority groups on their staff, may be prevented from saying so in their recruitment process. A local authority which wants to offer a special service to older people in a specific community – one that may be unlikely to be of interest to anyone else – may be

prevented from doing so under their interpretation of the Race Relations Acts. A national arts body which wishes to encourage young writers from groups which would not otherwise produce writers would find itself prevented from doing so unless it opened the competition to everyone – which would defeat the purpose of the competition. The executives of a major media organisation, who would have liked to introduce a scheme of traineeships for female and ethnic minority journalists, found that it lay just outside the scope of the law.

These are difficult problems which we did not expect to try to address in this Report. However, several other organisations raised the same issue in terms which not only spoke to their own institutional needs, or even those of disadvantaged groups, but which raised questions about whether the rigidities of the current law may lead, unintentionally, to undermining of the national interest. Specifically:

● The security services have made no secret of their desire to recruit a more diverse range of operatives – on the grounds that, given the nature of the terrorist threat they are combating, they are unlikely to get the best intelligence work out of a largely white staff – but, under normal recruitment conditions, even if a more diverse range of candidates came forward they would be unlikely to be able to integrate their staff as urgently as their task demands.

● The Metropolitan Police – facing the task of policing the most ethnically diverse city in Europe, including the challenge of international criminal networks based in London – regard having a properly integrated force as an essential part of their success. But they pointed out to us that, even after strenuous efforts, the rate at which they are integrating the force means that its ethnic and gender profile would not parallel the capital's until the middle of the next century. Yet they were forced to abandon a scheme to accelerate the recruitment of well-qualified female and ethnic minority candidates under the current laws.

We fully appreciate that anti-discrimination law should be applicable in all situations; but it is increasingly clear that, if applied too rigidly, it may itself become the enemy of security, equality and community cohesion.

The experience in Northern Ireland is instructive. The Police Service of Northern Ireland urgently needed to integrate its staff, for both operational and political reasons. They devised, with wide support, an innovative scheme under which they were able to recruit Catholics and Protestants proportionately to result in equal numbers. Over the past few years the '50/50' scheme has integrated the force far more rapidly than would otherwise have been the case, making the PSNI more effective and more accepted by all communities. A similar principle underpinned the practice of allowing political parties to adopt all-women shortlists for a temporary period; this has had a substantial, and beneficial, impact on the gender balance of the House of Commons, which would not otherwise have occurred – although, as we have already noted, there is still some way to go.

Procurement and commissioning

The positive duties require public bodies to promote equality in carrying out their functions, including procurement and commissioning – although there is no specific requirement covering procurement and commissioning practices. Despite some good practice – such as the Greater London Authority, which includes equality requirements in large scale multi-annual contracts – public bodies have not used the race duty extensively to influence practice in the voluntary and private sectors when procuring or commissioning goods or services.

The arrangements for buying goods and services (which are governed by EU procurement rules and guidance from the Office of Government Commerce) give only limited support to making equalities a factor in public procurement. Research shows that, despite high-level political commitment to incorporating race equality into procurement, there remain problems.[33] These include insufficient high-level leadership, a lack of clearly defined policy, and inadequate measurement and monitoring systems, together with insufficient investment in building staff capacity and poor communication of the importance of the equality agenda. As the new duties on disability and gender equality take effect, the piecemeal approach is likely to cause further problems. This could exacerbate the lack of clarity for suppliers caused by the lack of a single system for incorporating requirements into the procurement and commissioning processes.

Publicly funded services are increasingly moving towards commissioning services through a range of public, private and not-for-profit organisations. The public sector also uses contracting arrangements for the provision of services, for example the GP contract; in Wales, changes to GP contracts have successfully targeted inequalities – such as carrying out health checks for people with learning disabilities. At present there is no requirement to ensure that equality audits are built into commissioning frameworks, and central guidance often does not specify the need to address inequalities between different population groups. External providers also have a poor record of data collection on equalities issues. Research found that private sector healthcare providers did not routinely collect data on access and outcomes among different population groups. Research into access to revascularisation highlighted problems; it found that almost 15 per cent of surgical procedures were privately funded, and that when data for these privately funded operations were included in analysis of outcomes by deprivation and ethnicity, inequalities in access increased.[34]

There is scope within the existing system for doing more, but little clarity among procurement and commissioning professionals about what can or should be done. This is despite evidence that using procurement to promote equality in employment is generally accepted by the business community to be a sensible approach for government to take.[35] The Government has so far failed to do enough to ensure that an equalities dimension is part of the public sector's procurement or commissioning decisions. The public sector spends billions of pounds a year on procurement. Requiring suppliers to

follow sound equalities principles, and to adopt the provisions of an updated public sector duty to promote equality, could have a profound impact.

Absence of clear guidance and support

Major obstacles lie in misinformation and misunderstanding among employers; this is partly a result of the complex legislative framework and the guidance which flows from this. Given this complex picture, the support for employers on how to prevent discrimination and promote equality has been inadequate. Employers find the guidance difficult to understand or access. It is particularly difficult for smaller employers, with limited access to human resource professionals and in-house legal support.

In Northern Ireland there is more proactive support of employers. The single Equality Commission is able to provide employers with detailed information about the make-up of their potential labour pool. This enables employers to assess their own performance and to set targets for improvement.

We set out above the limitations of the legal framework for employers wanting to improve the diversity of their workforce. A limited range of action is currently permitted, including specific, tailored training and development aimed at under-represented groups or advertising vacancies in certain targeted publications. Although there are no data on the take-up of these provisions, there is some evidence that the law is not well understood in this area; employers are not clear in what circumstances positive action may be taken, and find it difficult to access and understand support and guidance.

The employment tribunals system does not currently include the provision of guidance and support following discrimination cases. Employers who lose a tribunal do not inevitably face follow-up action to make sure that they change their practices for the better. This means that the lessons learned from each case do not necessarily feed back to affect the culture of the organisation, thus limiting opportunities for organisations and senior management to learn broader lessons from specific tribunals.

Blunt and inflexible enforcement

Where public bodies are not convinced of the case for tackling inequality, then the existence of legislation will not always provide sufficient incentive for them to prioritise equality. There can, however, be external pressure to comply with their equality duties.

Statutory regulators (including national audit bodies in England, Scotland and Wales, and sector-specific inspectorates such as the Healthcare Commission or HM Inspectorate of Constabulary) are

themselves covered by the duties to promote equality. As part of their work to examine and assess the performance of relevant public bodies against their legal and corporate responsibilities, they also have a role in assessing and reporting on public authorities' own compliance with their statutory equality duties. For example, under the current Ofsted inspections regime for schools (which has been in place since September 2005), inspectors are required to report on a number of aspects, including "how far the education meets the needs of the range of pupils at the school". Evidence gathered by inspectors includes "analysing records relating to pupils with SEN" and "tracking case studies of vulnerable pupils such as those with learning difficulties and disabilities" (although, as Annex C explains, pupils with SEN and pupils who are disabled are not identical groups).

However, in practice individual inspectorates have interpreted their duties in different ways and there is a lack of clarity about the priority they should give to equality. So, although the various public audit and inspection bodies do consider issues of equality and diversity, there remain problems around making equality an integral element of audit and inspection. This in turn has contributed to the failure, so far, to make equality a political or reputational priority for most public bodies. In 2004 the NAO carried out its first examination of equality in public services; its report included a status report on diversity practice and recommendations for improvements. This highlighted the role of the equality Commissions, but did not explore their own approach to enforcement.[36]

There also remains a lack of clarity for some of the regulators about how their role relates to the equality Commissions – which have had a key role in advising on compliance, including issuing Codes of Practice for public authorities and guidance for inspectorates – and accountability can also be confusing.

The existing Commissions have a wide range of enforcement powers themselves on gender, race and disability discrimination. These include powers to take action – such as seeking injunctions against persistent discrimination, conducting investigations into unlawful acts, and compelling evidence – against any organisation that is not complying with equality law. They have additional powers – such as issuing enforceable compliance notices without a prior investigation – if public bodies fail to meet the positive equality duties on race, disability or gender; but the general duties in each case can only be enforced through judicial review. Overall, the Commissions' powers are broadly similar but, again, are set out differently under the respective legal regimes. And there are some significant differences; for example, currently only the Disability Rights Commission is able to enter into binding agreements with organisations to promote a co-operative approach to addressing non-compliance, in lieu of enforcement action.

The existing Commissions report that they have been inhibited from using their powers as rigorously as they would have wished because of the form of the current laws. The powers are pitched at quite a high level which makes proportionate, targeted interventions difficult and, in many circumstances, slow to pursue. The powers are also difficult to use jointly. For example, to tackle an organisation in which both racial and sexual harassment were being experienced, the Commission for Racial Equality and the Equal Opportunities Commission would need to conduct separate investigations, which is unwieldy and not the best use of resources.

The new CEHR will have a similar suite of enforcement powers and some enhanced ones: for example, it will have power to make binding agreements in relation to race and gender equality, as well as disability, and will be able to enforce the general positive duties through compliance notices. The CEHR will also have some new powers to address compliance with human rights legislation, through inquiries into particular issues. As explained in Chapter 1, the CEHR will have powers in all the areas covered by discrimination law and, crucially, will be able to join up its enforcement approach across some or all of these areas.

Chapter 5:
Ten steps to greater equality

This chapter looks at what must be done to overcome the barriers set out in Chapter 4, narrow the equality gaps identified in Chapter 3, and prepare for the changes on the horizon that Chapter 2 highlights. It sets out 10 steps to greater equality:

1: Defining equality

2: Building a consensus on equality

3: Measuring progress towards equality

4: Transparency about progress

5: Targeted action on persistent inequalities

6: A simpler legal framework

7: More accountability for delivering equality

8: Using public procurement and commissioning positively

9: Enabling and supporting organisations in all sectors

10: A more sophisticated enforcement regime

Our recommendations do not start from scratch: much good work is under way, but needs to be intensified, because nowhere near enough progress is being made. The 10 steps we recommend below are all mutually reinforcing, and success relies on taking all of them. The Government cannot, for example, properly identify priorities for policy action if it is not able to determine accurately the extent of current problems. Likewise, there cannot be more proportionate enforcement unless a better job is done of monitoring the progress being made. So the steps complement and reinforce each other, each contributing to a systematic overall framework for creating a fairer, more equal British society.

Step 1: Defining equality

In order to work towards greater equality, government and others must be clear on the problems that inequality poses and have a clear vision of equality. In Chapter 1, we set out our definition of an equal society:

> **Box 5.1: Our definition of an equal society**
>
> **An equal society protects and promotes equal, real freedom and substantive opportunity to live in the ways people value and would choose, so that everyone can flourish.**
>
> **An equal society recognises people's different needs, situations and goals, and removes the barriers that limit what people can do and can be.**

We recommend that government, the devolved administrations, the Commission for Equality and Human Rights (CEHR) and other public bodies adopt this vision as a basis for future action on equality.

Step 2: Building a consensus on equality

A clear vision is the starting point: only by building consensus on the benefits of equality can government and civil society build up the momentum necessary to achieve it.

We have set out a strong case for greater equality, emphasising the potential for improving well-being and other social benefits, as well as strengthening the economy. It is for **government and the devolved administrations, supported by the CEHR, to take these foundations and use them to build a consensus on the benefits of equality, at every level from national to local**. How the Government, the Welsh Assembly Government and the Scottish Executive *talk* about equality is an important aspect of their leadership in the coming years: they must make clear that this is an urgent national priority. There is also a regional leadership role in England for the Greater London Authority, Regional Development Agencies, Government Offices, and regional assemblies, with other regional and local partners, to develop and promote the regional and local case for equality. Local authorities too should take this on as part of their place-shaping role: taking this down to the level of communities and providing strong local leadership, building understanding and support at community level.

Step 3: Measuring progress towards equality

Chapter 1 outlines a new, comprehensive framework for measuring progress towards equality. The detail of how we envisage this working is set out in Annex A. The framework focuses on checking

achievement of those things people feel it is important to be able to do and be in their lives, assessing whether they are treated equally and without discrimination, and considering the degree of choice they have had about doing and being those things.

This framework's flexibility means it has the potential to be adopted by all organisations. In particular, we recommend that:

● **the framework is used by all public bodies, to agree priorities, set targets and evaluate progress towards equality***; and

● **the framework is used by the CEHR, to inform its triennial *State of the Nation* report**.

This is a long-term goal and the **Government needs to do more work to put a comprehensive toolkit in place**, which different organisations can use. As Chapter 1 spells out, this is not about distilling down to a single indicator of inequality, but we do believe the framework would lend itself well to translation into an **Equalities Scorecard**. This will provide a broad but consistent framework within which organisations – the Scottish Executive and Welsh Assembly Government, central government departments, local authorities, health trusts, police forces, and organisations outside the public sector too – can develop their own tailored scorecards. In examining their performance and setting priorities, it will be crucial for organisations to look at the underlying reasons for any equality gaps shown up by the data. Again, the framework of measurement should come into play here, and the toolkit produced on the basis of that framework must present organisations with pointers as to the questions they need to ask themselves about why gaps exist and persist.

Data collection must cover all equalities groups – gender, disability, ethnicity, religion and belief, transgender, sexual orientation, and age – as well as socio-economic status. For Wales, data collection must cover those whose preferred language is Welsh. And data must enable analysis of the interaction between different factors – for example, ensuring that inequalities faced by poor White people are identified and examined. Annex A also sets out the need for further work to develop a separate framework for measuring children's equality.

The Government, together with the CEHR, should also be responsible for regularly reviewing and updating the framework so that it remains relevant to society.

In order to make good use of this framework, there are considerable data collection needs to be met. In Annex C we identify a number of general data issues which must be prioritised, along with numerous specific areas of policy where there is currently an obvious need for better data collection. We would expect these to be treated as priorities. However, **a cross-cutting**

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* We return to this matter in Step 5, and recommend, for example, that the framework should inform the Government's Public Spending Agreements (PSAs).

government review of current data needs is a fundamental and necessary starting point if government and the devolved administrations are to properly analyse, understand and address inequalities. This review should take the new framework of measurement as its starting point. It should report to a ministerial committee, with a specific timetable for action. And the Office for National Statistics (ONS) should be responsible for leading the review and for ensuring data on equalities across government and the devolved administrations meet existing and future need, nationally and locally.

Step 4: Transparency about progress

Publication and use of data

In addition to better collection of data, **government, public bodies and the private sector all need to make better use of that data**, with appropriate analysis and evaluation used to plan effective action. The **public sector as a whole also needs to be more transparent: publishing that data and analysis**, in such a way that they can be readily understood and give clear answers to questions about whether greater equality is being achieved, and how quickly – or slowly.

Publishing employment data

We would encourage organisations in all sectors to **publish more information about their performance on equality**. In the public sector, this means transparency about public bodies' performance as employers, as well as their performance as service providers. Under the new duty to promote equality – Step 6 – we would expect to see **all public sector bodies regularly publishing employment figures by group**. This should involve reporting on overall representation of different groups within the workforce, and also progression to senior posts, retention of staff, and pay. **We recommend the CEHR sets out a required standard format for this reporting**. This template should be comprehensive, but simple and easily understood, so that transparency is maximised and priorities for further action are absolutely clear.

As with examination of public service performance, it will also be crucial to look at the underlying reasons for gaps identified through the reporting process. Public bodies will need to take a close look at the real barriers to women's progression to senior positions, for example.

In the private and voluntary sectors, this is an area where we hope to see more and more employers following the public sector's new lead. In support of that, we recommend that the Government publicly calls for greater transparency in all sectors, and openly endorses use of the standard reporting system by all employers.

We recommend that the CEHR convenes a working group of benchmarking organisations to develop a performance assessment framework for private and voluntary sector organisations, based on the Equalities Scorecard. Use of this framework for evaluating organisations' performance on equalities – both in their role as employers and as part of their core business – should be encouraged by Government and by those organisations already operating kite-marking systems for corporate social responsibility and equality.*

We do not think it reasonable at this point in time to extend to the private and voluntary sectors as a whole a duty to report on their achievements of equality outcomes. However, we will return below to the role of public procurement and commissioning in ensuring that the public sector duty is not contradicted by the actions and performance of those organisations supplying goods and services to that sector.

Step 5: Targeted action on persistent inequalities

A toolkit and Equalities Scorecard, based on the framework of measurement, will give organisations the means to plan targeted action on the most persistent inequalities. Determining where there is greatest need for action is something on which the CEHR should be well-placed to advise, based on the evidence it collates in its triennial *State of the Nation* report. However, the final decisions on which inequalities to target are in the end political, not technical, so it will primarily fall to Government and the devolved administrations to weigh up relative priorities and decide on allocation of resources.

In the meantime, Chapter 3 identifies a number of **persistent inequalities which the Government and the devolved administrations must treat as immediate priorities** in the context of their current statutory duties to promote equality. It describes too how various public policies and services can themselves disadvantage particular groups. Putting that right will require government departments, the devolved administrations and public service providers more broadly to do four things:

- **adopt specific measures, service by service**. Box 5.2 below lists areas in which government departments and the devolved administrations need to take action on inequality as a priority;

- **reconsider how services are designed, organised and accessed**, to meet the needs of all sections of society – paying particular attention to the needs of the most disadvantaged groups;

- **empower disadvantaged groups to take action to shape, and to obtain better and fairer, public services**; and

- **implement balancing measures to accelerate progress** where, on current projections, the inequality gap will either never be closed or is closing at far too slow a rate. (This is a matter for

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*   Such as FTSE4Good, GoodCorporation.com, Best Companies, Stonewall and Business in the Community.

organisations outside the public sector too, and we return to the question of balancing measures, as part of Step 9.)

The second and third actions relate very much to the personalisation of public services and the choice agenda. A key aspect of these actions will be the introduction of sound evaluation processes that look very specifically at exactly who benefits from policies and services, so that policy makers and service providers can make sure there is real choice, equity of provision and influence for all groups.


Box 5.2: Areas of public policy and public service in which urgent action is needed on specific inequalities

- early years and education
- employment
- health
- crime and criminal justice

Further detail on action needed is set out in the recommendation boxes at the end of Chapter 3.

Beyond targeted action to tackle the immediate priorities, there needs to be a more systematic approach. We want to see public bodies looking at the impact of their policies, programmes and other core activities on equality, as a matter of course. Figure 5.1 shows how targeted action must be built on other, earlier steps along the road to greater equality.

Figure 5.1: A systematic approach

motivation   data   focus

A strong consensus on equality   measurement   priorities
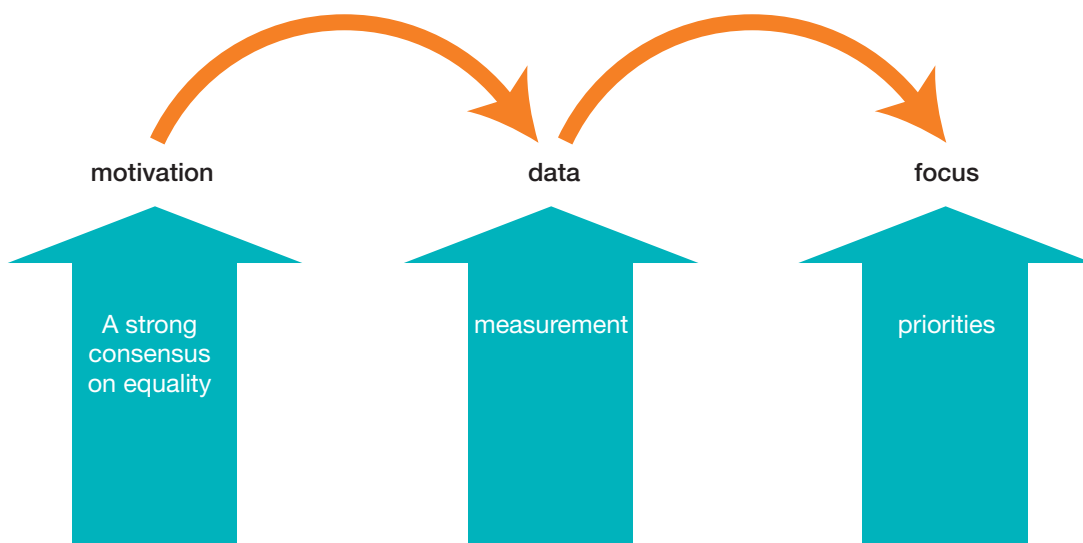
Changing attitudes to equality: tackling prejudice

As well as tackling specific policy and programme shortcomings, targeted action is needed to achieve widespread attitudinal change in British society. Prejudice underlies many inequalities, and we have seen in Chapter 4 how it can be extremely damaging. But **the CEHR needs to conduct further research** in order to understand fully the depth and pattern of prejudice – the distance between what people say and what they do; what triggers it; and the role of culture or the media in generating or reinforcing stereotypes – and to identify effective levers and interventions to counter prejudice.

It is necessary to **work to combat cultural and other sources of social stereotypes, and therefore to encourage initiatives that build links between different groups in society. We recommend specific effort be made to inhibit the growth of prejudice and to tackle bullying among young people**. Indirect contact, such as learning about other groups and understanding their concerns, has been shown to work well in promoting understanding between groups. For example, children who read stories about disabled children, or the children of asylum seekers, showed positive attitudes and curiosity about these groups, which then translated into greater acceptance of them.[1,2] However, such contact must be carefully managed in order to generate positive outcomes.

We do know that the right legislation can, over time, help to shape the cultural environment and promote changes in both behaviour and attitudes. The bringing together of equalities legislation into a single Act – which we discuss in Step 6 – should therefore have a positive influence on prejudice.

Attitudinal change is a slow process though, so as well as working to gradually change people's outlook in these ways, there has to be better support in place for those who are suffering the effects of prejudice in the meantime. The CEHR will have a duty to promote good relations. In that capacity it will need **to provide support to groups suffering effects of prejudice** – for example Muslims – in an inclusive way, emphasising the benefits of mutual participation, and avoiding giving the impression of special treatment and so risking further division between groups. It must also tackle the stereotyping that helps to justify actions that harm or limit the potential of women, disabled people and older people. It must build on the current work of the Commission on Integration and Cohesion, the existing equality Commissions, and other equalities organisations.

Step 6: A simpler legal framework

Equalities legislation needs to be simpler, more coherent and more outcome-focused. A major component of this should be placing a new duty on the public sector to work towards greater equality.

A single Equality Act

There needs to be a dramatic reduction in the use of process-based legal requirements: this is not the place for bureaucratic prescription. The methods used to achieve equality are of course important, but there are many means to this end and the law should focus on the results achieved. And the new framework needs to build in recognition of the differences between the many organisations covered by equality law: small, large, public, private and voluntary. The current legal framework is also inconsistent and complex. So an excellent starting point for creating a better framework for achieving equality is simpler law: namely, a single Equality Act.

The Government's Discrimination Law Review (DLR) provides a once only opportunity to develop a legislative package that promotes equality effectively in the 21st century. **It will be essential that the single Equality Act that results**:

- **focuses on a simpler, more coherent framework; and**
- **facilitates action to help groups as well as individuals** (the latter having been the traditional focus of discrimination law and other relevant legislation). The more recent 'positive duties' have begun a move away from that focus, and we believe there is a need to reinforce that trend.

As such, we welcome the DLR's intended focus on both simplification and harmonisation: the latter because we have found, despite the unevenness of data availability, severe inequalities facing all groups, and therefore see no reason why the legislative framework should not cover all those groups. Specifically, the Act should cover equality on the basis of sexual orientation, gender, disability, ethnicity, religion and belief, transgender, and age.

Integrated positive duty

We support simplification and better use of the existing regulatory framework. But there does need to be some new legislation too – though the form this takes should decrease the regulatory burden rather than increase it. A strong, integrated public sector duty, covering all equality groups, with a focus on outcomes and not process, should enable better policy design as well as better service delivery.

Government and Parliament should seize the opportunity presented by the DLR to simplify and focus a new integrated duty on the outcomes it is intended to achieve rather than the processes in place – taking away hurdles that currently exist and making sure the focus is on *results*. And, in line with the focus on outcomes, the duty should revolve around narrowing equality gaps.

The new duty should make explicit that public bodies should use all the tools available to them to promote equality. Importantly, this should include ensuring that equality impact assessments are an integral part of policy development and, crucially, that further assessments are undertaken once policies have been implemented, so that they also feature as part of the evaluation of service delivery. The duty should also require commissioning and procurement systems to be used to further equalities goals, as we set out in Step 8.

It must be a flexible duty that enables different public bodies to establish their own priorities, relevant to the customers and communities they serve. The framework of measurement which we propose will provide a comprehensive but flexible means of determining the appropriate outcomes to aim for, at whatever level. The measurement framework could, for example, enable a local authority and other local partner agencies to apply local data to the performance of services in their area, and, through their Local Area Agreement, to set and agree with central government their own equality targets. We envisage that it would be helpful if there were a standard format for the public sector to set and work towards such targets.

In Wales, thought will need to be given to the relationship between this duty and the requirements of the Welsh Language Act, which places an obligation on the public sector to treat the Welsh and English languages on the basis of equality in the provision of services to the public in Wales.

Step 7: More accountability for delivering equality

In parallel with a shift in the focus of legislation to outcomes rather than process, individual organisations and leaders need to be made more accountable for delivering equality *outcomes*. This in turn requires greater clarity about the role of those leaders, and of different organisations, in delivering equality.

Achieving progress is the job of many people inside and outside of government. Crucially, within government, though a significant task, it is a shared task. We welcome the machinery of government changes that, for the first time, bring together responsibility for co-ordinating action on equalities under one department. This means that, in the House of Commons, one Select Committee also has a central responsibility – through its remit of monitoring the Department for Communities and Local Government – for looking at equalities issues. But in practice it will be

difficult, given the breadth of the other issues for which this department is responsible, and given that responsibility for delivery on equalities rests with several departments – for this one committee to give the issue the proper focus which it merits and needs. We feel therefore that a parliamentary committee should be established that extends beyond the reach of the Communities and Local Government Select Committee, to other departments and their agencies. So **we recommend the establishment of an Equalities Select Committee** which reviews action, across government departments and non-departmental public bodies, to narrow the gap in outcomes between different groups, and to tackle the most persistent inequalities.

Throughout our Report, we have argued for equality to be seen and treated as a priority integral to mainstream policy and services, and not as an optional add-on. One of the best means of ensuring this is by **reflecting that priority within the Public Service Agreements** (PSAs) which are set by the Government as part of its Spending Reviews. These PSAs govern the objectives and policy direction of all our major public services. We have therefore welcomed the opportunity to engage with the Government about the potential for introducing a PSA or series of PSAs on equality in this year's Comprehensive Spending Review (CSR).

We would expect the resulting PSA or PSAs to reflect the policy priorities we identify in Chapter 3, notably in the fields of education, employment, health and criminal justice. It will also be important to build on the measurement framework, and focus PSAs and other public sector targets on narrowing equalities gaps by tackling the most severe disadvantage. Doing this will require disaggregation of data by group as far as permitted and specific targeting of groups accordingly. Having the PSA targets will represent a major advance, and as with other areas of government action, progress in achieving them must be measured and made public. In Wales and Scotland, we would also expect the devolved administrations to set in place appropriate targets.

In line with the requirements of the outcome-focused public sector duty, we would expect reviews of public spending to include equality impact assessments. This would include the regular Spending Reviews. Although the duty is not yet in place, we would welcome an assessment as part of this year's CSR.

The best way to extend this new focus on outcomes to the whole public sector and beyond is by **making equality part of each organisation's performance management framework**. Accountability should rest at the top of all organisations, and leaders should report on and be given a chance to explain their record on delivering equalities. That means, for example, making equalities part of:

- the self-evaluation and inspection framework for children's centres and schools;
- the public assessment of GP practices, primary care trusts, local health boards and hospital trusts;

- the performance regimes for police authorities, crime and disorder partnerships and the courts; and

- Local Area Agreements and Local Service Boards.

Again, an Equality Scorecard and toolkit – as proposed under Step 3 – will provide an excellent basis for this.

Shifting the focus in this way means we will need to support chairs of boards, council leaders, chief executives and executive directors, and build capacity at the national, local and institutional level. Those who are resistant to change need to have demonstrated to them the business and service benefits of more systematically understanding and tackling prejudice and disadvantage. For most leaders of public services, a commitment to equality chimes with their public service values and their commitment to each individual. The challenge is to **use leadership development programmes to help them translate these values into strategic planning and action to reduce inequality within, and through the work of, their organisation**.

The media also have a leadership role, and accountability mechanisms should be strengthened to reflect that. The Press Complaints Commission should review its complaints mechanisms – in particular to enable consideration of complaints about coverage on the basis of discrimination or prejudice against, or stereotyping of, groups as well as individuals.

Step 8: Using public procurement and commissioning positively

A further opportunity to hold more organisations accountable for achieving greater equality lies in using public procurement and commissioning to further equalities goals throughout the supply chain. The Government and the wider public sector have enormous purchasing power, by virtue of how much they spend buying goods and services from the private and voluntary sectors.

This is an area where Government leadership is absolutely essential, and one in which Government should be seen to set an example. The Panel believes that **public agencies should require suppliers to adopt the same principles under which they themselves are required to operate**. The requirement should not be unnecessarily onerous and should not duplicate other systems – so it should, for example, align with the standard model of reporting proposed under Step 4. Indeed, we believe that having common standards and level playing fields constitutes good procurement practice.

Using procurement to further the equalities agenda would involve adopting a standard approach to requiring employers to tackle inequality – and not a piecemeal one that takes one group's equality (gender equality for example) in isolation. The approach should also be outcome-focused and as

such should reflect the changes we want to see take place through an integrated public duty, as set out in Step 6.

As above, we propose that **the new public sector duty should incorporate a specific requirement for public bodies to use procurement as a tool for achieving greater equality. Ensuring that commissioning frameworks require providers to analyse the needs of different groups, and that they monitor provision using quantitative and qualitative analysis, will also be an important element of the new duty**. Implementation should be led by the recently restructured Office of Government Commerce and the Treasury, as part of the ongoing professionalisation of the public sector procurement system. This will facilitate the necessary clarity of process and intent that will be essential for suppliers and procurers alike.

Step 9: Enabling and supporting organisations in all sectors
Facilitating employers' greater engagement and commitment

The first step to gaining greater commitment on the part of employers is one supported by Step 2, creating a consensus. A specific aspect of this is for government, the devolved administrations, the CEHR, and private sector partners, to lead the construction of a stronger business case for equality, highlighting to those employers who are not already convinced the demographic imperative in terms of the changing make-up of the workforce, and the growing need for businesses to look like both their customer base and potential labour pool.

The CEHR and its partners should also provide tailored, targeted support for employers, to help them to improve their performance on equality. This should include:

- providing clear, concise guidance on employer responsibilities (including guidance tailored to small and medium-sized companies);

- providing advice on good practice and equality law, for example in relation to recruitment, promotion, offering flexible working patterns and exit interviewing. Advice should also be offered on supporting people facing harassment and prejudice (for example, people going through a gender transition);

- supplying employers with data on local population make-up – ethnicity, gender, age, qualifications and skills, long-term unemployment by group, and so forth. Employers should be reassured that this is not intended as a precursor to heavy-handed enforcement or the introduction of quotas on staff representation – but as an enabler, to give employers the means of asking and answering questions about their own performance, and deciding to take targeted action accordingly.

One trigger for offering assistance could be a failure to meet public procurement requirements on equality. Another could be losing an employment tribunal. While the Panel recognises that a tribunal can result from a one-off failure or anomaly within an organisation that otherwise is doing well on equalities matters, this is certainly not the case for all tribunals – the current situation of no guaranteed follow-up action cannot be right and is selling the employers themselves short. Again, this is about enabling employers to improve so that they avoid the damage caused by getting things wrong on equalities.

We would expect the CEHR to play a strategic role in supporting employers, and that other national organisations – such as trades unions and employer representative bodies, and national and local advisory bodies – would take on the direct, tailored support of particular employers or groups of employers. **We recommend that the CEHR convene a working group of advice-giving organisations, to develop and establish a coherent network of advice sources**. Membership of such a network should operate under a kite-marking system, with members required to meet a quality advice standard; and a clear signposting system should be set up to ensure that organisations know where to source what advice. The working group should include the Law Society, Confederation of British Industry, Federation of Small Businesses, Trades Union Congress, the Chartered Institute for Personal and Development, Acas and the Institute of Chartered Accountants.

Balancing measures

There are some areas where inequalities are so deep-seated, or where conventional means will take so long to make an impact, that not taking alternative action is condemning a whole generation or more to living with disadvantage and inequality. In addition, some inequalities have a serious impact on wider society, over and above the cost to those who are disadvantaged. In some cases they have proved resistant to all existing equalising measures, including the allowed forms of positive action, and evidence shows an unacceptable rate of progress.

In these circumstances, we believe there is a case for introducing time-limited, proportionate, balancing measures of a type that are not currently permissible under UK law. We are not recommending positive discrimination (or, as it is also commonly known, affirmative action). We fully understand that there is not a public appetite for what is seen as unfair favouring or special treatment of specific groups of people. However, we do believe that greater use needs to be made of the scope already available under European law to take positive action to help to resolve otherwise virtually immovable, persistent disadvantage.

In order to make this possible, **we recommend to the Discrimination Law Review that it proposes the repeal of existing legislation that limits positive action** (to measures such as

targeted advertising of posts, special training and work experience opportunities, and so forth); and that it **proposes to include balancing measures in a new single Equality Act, consistent with the wider possibilities under EU law** (which would include, for example, the ability to take action in recruitment and progression).

The CEHR will need to put in place statutory guidance, setting out that, before taking such action, organisations should ensure they are able to:

● provide clear evidence of need, supported by data on persistent inequality in a specific case – such as recruitment or access to services – and evidence of efforts already made which have not been successful; and

● ensure, in the sphere of recruitment, that any balancing measures include a requirement that all candidates pass a test of competence.

Organisations would also have to set a reasonable time-limit and review the use of the measures regularly against progress made.

This approach should be introduced initially with a requirement for organisations to submit applications to the CEHR for approval.

Step 10: A more sophisticated enforcement regime

The CEHR needs to play a more dynamic role in enforcement than has been possible for the equality commissions in the past. This will include overall responsibility for monitoring compliance with the new public sector duty.

In that capacity, we see the CEHR as overseeing enforcement, rather than undertaking all enforcement activity itself. For the public sector inspectorates, the duty should itself require them to promote equality in their inspections of the relevant public bodies. This will be a less bureaucratic system than using the CEHR to enforce the duty across the whole public sector, meaning that bodies are subject to enforcement from the inspectorates that know them best.

The CEHR should manage the system of equality legislation using four principal elements:

1   Transparency: not only should public and private bodies be expected to be able to measure their equality performance, they should be encouraged to make the resulting information public. In the case of public bodies, publication should be compulsory under the integrated equality duty, and persistent and significant gaps should require justification in a report available for public scrutiny. We are not proposing legal duties on the private sector, but we would strongly support a voluntary system of publication along similar lines.

2 Community action: it is not enough to know what is happening; those affected ought to be able to do something about it. That power should lie in the hands of the community as much as it should be in the hands of the authorities themselves. Communities and shareholders should be empowered to initiate action to tackle large and persistent equality gaps, for example by use of the proposed community call for action,[3] online petitions, or in the case of the private sector, a request for action by a certain proportion of shareholders. Such action could trigger further justification, or inspection and listing as set out below.

3 Inspection: large and persistent equality gaps should be the subject of special inspection by the relevant inspectorate; in the public sector this might be an aspect of the positive equality duty on those inspectorates.

4 Listing: where institutions either persistently refuse to publish information on their equality performance, or where their performance is the subject of wilful neglect, they should be identified by the CEHR, especially for the information of potential partners, employees and clients. This would be a very serious step and would be used very rarely, being triggered for example by an unusually large number of successful discrimination claims against the organisation. It would be a less legalistic and more flexible sanction than a full-scale formal investigation.

Finally, we think it appropriate that the CEHR report on progress against the actions set out by the Equalities Review. This should include an initial assessment of the adequacy of the Government's response and plan of action – which we would expect to be set out before the CEHR becomes fully operational in October 2007. This would then be followed by consideration of progress against the ten steps to greater equality within the CEHR's triennial *State of the Nation report.*

Afterword:
What would success look like?

The most important conclusion that we would want readers to draw from this Report is that a more equal Britain would be a better Britain: more prosperous, more humane, more cohesive and fairer.

A close second to this conclusion would be that, while advances have been made in some important areas, we are unlikely to achieve greater equality by carrying on as we are now. There are deeply entrenched inequalities that are not shifting, and powerful socio-economic trends that are working in the opposite direction. To make progress, we need a fresh approach and a new impetus.

These conclusions have become increasingly more compelling to the Panel as the Review has progressed. The first test of our success is whether others are equally persuaded both of the argument and the need to act. To achieve real and lasting change requires a new consensus, across parties and in the public, private and voluntary sectors.

Our survey of public opinion shows that the British people intuitively place a high value on greater equality, but this belief is often undermined by prejudice towards particular groups and an aversion to misguided political correctness. Success will therefore mean reaching beyond the traditional institutions and ensuring that the real equalities agenda is placed centre stage with the public at large.

How will we know whether this Report has been successful in five years' time? What will be the acid tests? Set out below is the Panel's list:

- There will be a shared understanding of what we mean by equality and a common framework of measurement at national, regional and local levels.

- Political, managerial and community leaders will take *direct and personal* responsibility for promoting greater equality, and will test themselves on progress by the outcomes they achieve rather than the processes they have adopted.

- Promoting greater equality and tackling entrenched inequalities will be embedded in the way that public institutions carry out their business. There will be an active pursuit of their public duty and a dynamic, systematic, and evidence-based approach to taking action.

- There will be an honest, transparent means of assessing the progress of the public, private and voluntary sectors in achieving a more representative workforce at all levels. Information will be readily available on a consistent basis.

- Prejudice in society on grounds of age, gender, race, religion and belief, disability, sexual orientation and gender identity will have demonstrably reduced. We will no longer place the burden of tackling this on those who have been discriminated against.

- Last, but most important, we will see measurable progress in achieving greater equality and tackling the most entrenched inequalities identified in this Report.

The Panel has advisedly used the word freedom in its title. Freedom *from* poverty, discrimination and disadvantage, but also freedom to be able to achieve the things that, individually, matter most to us. A more equal Britain would be both fairer and freer in the full meaning of these words, and is a goal worth fighting for.

The ultimate test of success in five years' time will be that this view is still held with the same passion by those with the power to make a difference, as it is by the Panel responsible for publishing this Report today.

Trevor Phillips, Sir Robert Kerslake and Dame Judith Mayhew Jonas
Equalities Review Panel
February 2007

Annex A:
Defining and measuring equality – a new framework

Introduction

Chapter 1 highlights the need for an accepted definition of equality. This definition represents the first building block of a new framework for the measurement of inequality. Such a framework is essential to:

● understand the drivers of inequality;

● assess the extent of inequality in our society;

● set out priorities for action to redress inequalities; and

● indicate possible ways of intervention to redress inequalities.

The Equalities Review commissioned Dr Tania Burchardt and Dr Polly Vizard from the Centre for Analysis of Social Exclusion (CASE) at the London School of Economics to undertake background research and to begin developing a framework for measuring inequality. We also set up a Steering Group to support and advise CASE on developing their recommendations to the Panel. The Steering Group was composed of Professor Sandra Fredman (Professor of Law, University of Oxford), Professor Ian Gough (Professor of Social Policy, University of Bath), Dr Julie Litchfield (Senior Lecturer in Economics, University of Sussex) and Dr Katherine Rake (Director, the Fawcett Society). This exercise has also benefited from comments and inputs of experts in the field of the capabilities approach. CASE's report (in two papers, *Definition of Equality and Framework for Measurement*, and *Developing a Capability List*, with their recommendations to the Panel), is available on the Equalities Review website, at www.equalitiesreview.org.uk

Definition of equality

The Review has considered different approaches to the concept of equality. We accept CASE's recommendation that a definition of equality should be based on the capabilities approach developed by Professor Amartya Sen and others over the past 30 years.

This approach allows the Review to adopt a practical definition of equality, which is an essential step towards a framework for the measurement of inequality. It also draws on, but overcomes the limitations of, traditional interpretations based on equality of processes, outcomes and opportunities. More importantly, this approach focuses on what matters to people (the important things in life that people can actually do and be), recognises that people have different needs and some people may need more or different resources to have access to the same outcomes as others, places emphasis on the barriers and constraints people operate under, and recognises that people have diverse goals in life.

As pointed out in CASE's report, capabilities do not mean internal skills or capacities. The lack of a capability indicates a failure on the part of society to provide real freedom for people; it does not indicate anything deficient about the individuals themselves.

On this basis, we have adopted the following definition:

> **An equal society protects and promotes equal, real freedom and substantive opportunity to live in the ways people value and would choose, so that everyone can flourish.**
>
> **An equal society recognises people's different needs, situations and goals, and removes the barriers that limit what people can do and can be.**

Our proposed definition captures three important aspects of the approach, which are reflected in the measurement framework below:

- opportunity: whether everyone really has the same substantive freedom to flourish;

- agency: what degree of choice and control an individual has in achieving the valued activity; and

- process: whether discrimination (or some other barrier or process) causes or contributes to a particular inequality.

What does the framework measure?

The first step in building the framework is to identify the various substantive freedoms, activities and aspects of well-being that our society considers important for everyone. The Review accepts CASE's recommendation that assessment of inequality in our society today should be based on the following list of central and valuable freedoms (or 'capabilities'). These are the things members of our society feel it is most important they are *enabled* to do.

List of central and valuable capabilities for adults

The capability to be alive

including, for example, being able to:

- avoid premature mortality through disease, neglect, injury or suicide
- be protected from arbitrary denial of life

The capability to live in physical security

including, for example, being able to:

- be free from violence including sexual, domestic and identity-based violence
- be free from cruel, inhuman or degrading treatment or punishment
- be protected from physical or sexual abuse
- go out, and to use public spaces safely and securely, without fear

The capability to be healthy

including, for example, being able to:

- attain the highest possible standard of physical and mental health, including sexual and reproductive health
- access timely and impartial information about health and healthcare options
- access healthcare, including non-discrimination in access to healthcare
- be treated medically, or subject to experiment, only with informed consent
- maintain a healthy lifestyle including exercise and nutrition
- live in a healthy and safe environment including clean air, clean water, and freedom from pollution and other hazards

The capability to be knowledgeable, to understand and reason, and to have the skills to participate in society

including, for example, being able to:

- attain the highest possible standard of knowledge, understanding and reasoning
- be creative
- be fulfilled intellectually
- develop the skills for participation in productive and valued activities, including parenting
- learn about a range of cultures and beliefs and acquire the skills to participate in a multicultural society
- access education, training and lifelong learning that meets individual needs
- access information and technology necessary to participate in society

The capability to enjoy a comfortable standard of living, with independence and security

including, for example, being able to:

- enjoy an adequate and secure standard of living including nutrition, clothing, housing, warmth, social security, social services and utilities
- have personal mobility, and access to transport and public places
- live with independence, dignity and self-respect
- have choice and control over where and how you live
- enjoy your home in peace and security
- access green spaces and the natural world
- share in the benefits of scientific progress including information and technology

The capability to engage in productive and valued activities

including, for example, being able to:

- undertake paid work
- care for others
- have rest, leisure and respite, including holidays
- choose a balance between paid work, care and leisure on an equal basis with others
- work in just and favourable conditions, including health and safety, fair treatment during pregnancy and maternity, and fair remuneration
- not be forced to work in a particular occupation or without pay
- not be prevented from working in a particular occupation without good reason

The capability to enjoy individual, family and social life

including, for example, being able to:

- develop as a person
- develop your moral outlook and other beliefs
- formulate and pursue goals and objectives for yourself
- hope for the future
- develop and maintain self-respect, self-esteem and self-confidence
- have a private life, including protection of personal data
- access emotional support
- form intimate relationships, friendships and a family
- celebrate on special occasions
- be confident that your primary relationships will be treated with dignity and respect
- spend time with, and care for, others
- enjoy independence and equality in primary relationships including marriage
- be free in matters of reproduction
- enjoy special support during pregnancy and maternity, and during childhood

The capability to participate in decision-making, have a voice and influence

including, for example, being able to:

- participate in decision-making
- participate in the formulation of government policy, locally and nationally
- participate in non-governmental organisations concerned with public and political life
- participate in democratic free and fair elections
- assemble peacefully with others
- participate in the local community
- form and join civil organisations and solidarity groups, including trade unions

The capability of being and expressing yourself, and having self-respect

including, for example, being able to:

- have freedom of conscience, belief and religion
- have freedom of cultural identity
- have freedom of expression (so long as it doesn't cause significant harm to others)
- communicate, including using ICT, and use your own language
- engage in cultural practices, in community with other members of your chosen group or groups (so long as it doesn't cause significant harm to others)
- have self-respect
- live without fear of humiliation, harassment, or identity-based abuse
- be confident that you will be treated with dignity and respect
- access and use public spaces freely

The capability of knowing you will be protected and treated fairly by the law

including, for example, being able to:

- know you will be treated with equality and non-discrimination before the law
- be secure that the law will protect you from intolerant behaviour
- be free from arbitrary arrest and detention
- have fair conditions of detention
- have the right to a fair trial
- access information and advocacy as necessary
- have freedom of movement, and be free to choose where you live
- have the right to name and nationality
- own property and financial products including insurance, social security, and pensions in your own right
- know your privacy will be respected and personal data protected

This list has been developed in two steps:

● first, a core list was derived from the international human rights framework, and

● second, the list was refined and supplemented through consultation with the general public and individuals and groups at high risk of disadvantage.

The Review accepts that the list should be open to revision through a range of methodologies. In particular, we recommend that Government, together with the CEHR, regularly reviews and updates the list. Public consultation will remain essential to the updating of the list, so that it reflects society's changing concerns. It may be appropriate to review the core list, as well as the other elements.

The Review also accepts CASE's recommendation that a different list of freedoms for children be adopted. However, we believe that more extensive consultation with children needs to be carried out before a final list is proposed. Consideration also needs to be given to how this relates to existing frameworks, including the Every Child Matters framework.

The next step is to measure whether substantive freedoms and opportunities in the 10 areas covered in the list of freedoms are unequally distributed to different groups of people. We accept CASE's recommendation that the measurement of inequality in substantive freedoms is done according to the following three steps:

● measurement of inequality in outcomes actually attained by individuals or groups in each of the 10 dimensions – in many cases this will be a good indicator of whether people have the real freedom in question;

● measurement of inequality in outcomes actually attained by individuals or groups across the ten dimensions – this will indicate the combination of activities people have achieved;

● measurement of autonomy, that is, the degree of choice and control individuals have in obtaining the outcomes.

In order to measure inequality in real freedoms and opportunities meaningfully and accurately, equal consideration should be given to all three types of measurement above and not only to the first one. As pointed out in the CASE report, measurement of substantive freedoms is challenging, as both outcomes and unrealised alternatives matter. Therefore, particular attention needs to be placed on developments in this area, to take account of whether new methodologies represent an improvement on the one we propose in the Report.

In addition, it is important to supplement measurement of inequality in outcomes and the degree of choice and control with measurement of unequal treatment, including discrimination and other processes that are not always revealed by measurement of actual outcomes. For instance, a person

from an ethnic minority background may be refused a job for purely racial reasons, but if he or she finds another equally good job with a non-racist employer, this discrimination would not necessarily show up in an indicator of employment outcomes.

The table below summarises the objective and main pillars of the framework for the measurement of inequality in our society.

Objective: to measure the extent of inequality in substantive freedoms/capabilities to achieve valuable outcomes	
Outcomes:	• Selected indicators within each dimension by gender, disability, ethnicity, age, religion and belief, sexual orientation and transgender, or combinations of these; • Selected indicators across dimensions by gender, disability, ethnicity, age, religion and belief, sexual orientation and transgender
Autonomy:	• Indicators of choice and control in obtaining the outcome within each dimension by gender, disability, ethnicity, age, religion and belief, sexual orientation and transgender
Process:	• Indicators of unequal treatment and discriminatory practices

The framework needs to be further developed and translated into a simple Equalities Scorecard. As the list of freedoms clearly shows, each of the 10 dimensions is composed of several aspects, all of which are relevant to an assessment of inequality in our society. The Review accepts CASE's recommendation that one indicator, or preferably more, should be selected within each of the 10 dimensions of the list as 'spotlight indicators' for regular review, including in the State of Nation Report that the CEHR has to produce every three years.

We propose that further analysis should be undertaken, to select the most relevant 'spotlight indicators' for measuring outcomes in each of the 10 dimensions. These indicators will not represent a summary of inequality within each dimension however, and they should be supplemented by an in-depth investigation of other indicators, varying from year to year, to give a fuller account of the extent of inequality and to ensure that all aspects of equality are measured. The Review accepts the point in CASE's report that the richness of information present in the 10 dimensions cannot be summarised nor aggregated into one single index of inequality, since what is lost in aggregation far exceeds what is gained. However, in order to provide a single picture of the progress on reducing inequalities in Britain, the development of the framework should consider how to assess situations in which two spotlight indicators move in opposite directions, which could be relevant when different dimensions are examined jointly.

We recognise that, while a considerable amount of information is already available, there are large and important data gaps that need to be addressed before the framework could be *fully* implemented. Annex C on data identifies those areas where development is necessary in order to fill the existing gaps and make the framework fully effective. The Review is also recommending that a cross-cutting Review is set up to undertake a detailed assessment of current data needs.

Annex B:
The case for equality – supporting evidence

This Annex sets out the evidence that leads us to conclude that our society would be better off if inequality were reduced. First, it clarifies the two related but distinct concepts of inequality and poverty. Second, it provides further evidence on the arguments put forward in Chapter 1 of this Report.

Why focus on inequality rather than poverty?

In order to establish a strong case for equality it is important to clarify the difference between poverty – whether we consider it in the narrow sense of lack of income or in its broadest sense, meaning far more than lack of income or material wealth – and inequality.

Assessments of poverty focus on identifying those individuals who are living below an established threshold, such as the famous one dollar per day. When we talk about relative poverty, the threshold is defined relative to the rest of the population, a typical example being 60 percent of median income.

Assessments of inequality differ in that they examine the distance or gap between individuals or groups: the income gap between women and men, or the gap in educational achievement between White and Black Caribbean boys, or the gaps in real opportunities available to different groups to pursue the life they want to lead.

Why is this distinction important to the Equalities Review? Government policies that aim to tackle poverty – by ensuring that poor people are lifted above the established threshold – might have no impact on the gap between groups. For instance, a Government policy that raises the educational attainment of Black Caribbean boys above a given threshold (for example, enabling them to achieve GCSE level) might have no impact on the distance in educational achievement between this group and White boys.

So society can become richer and eliminate certain kinds of poverty, and yet remain unequal. This is illustrated by figures B.1 and B.2, which are based on hypothetical data. The first figure, B.1, shows the educational attainment of the population as a whole. It could, equally, show the

distribution of income and other resources, or of opportunities available to people. The red bar shows what we could set as a minimum threshold of educational attainment that people need to have to succeed in life, for instance GCSE level. Those below the threshold are people without GCSEs. Figure B.1 also indicates the degree of inequality in educational attainment through the distance between those at the bottom and those at the top end of the distribution. The larger the gap between the two groups, the larger the level of inequality in the society.

Figure B.1: poor and unequal society

Population

Threshold: GSCE level

People without GCSEs

People with higher education
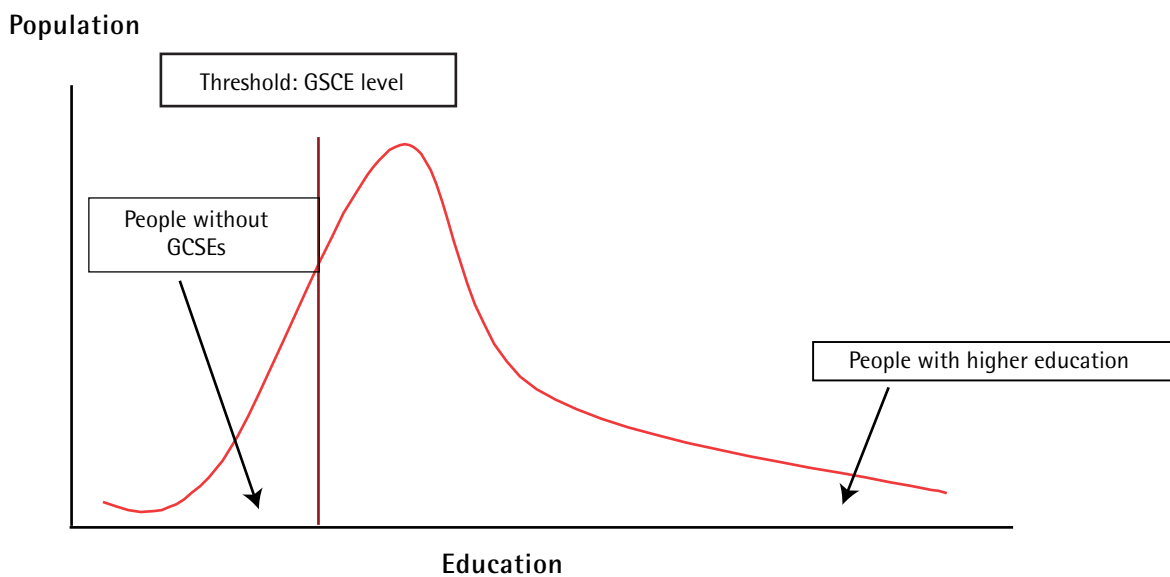
Education

Figure B.2 shows a society in which there is no poverty of this type: all 'poor' people have been lifted out of (educational) poverty. However, the gap between those at the bottom and those at the top is the same as in Figure B.1: the same level of inequality remains.

Figure B.2: unequal but not poor society

Population

Threshold

People without GCSEs

Education
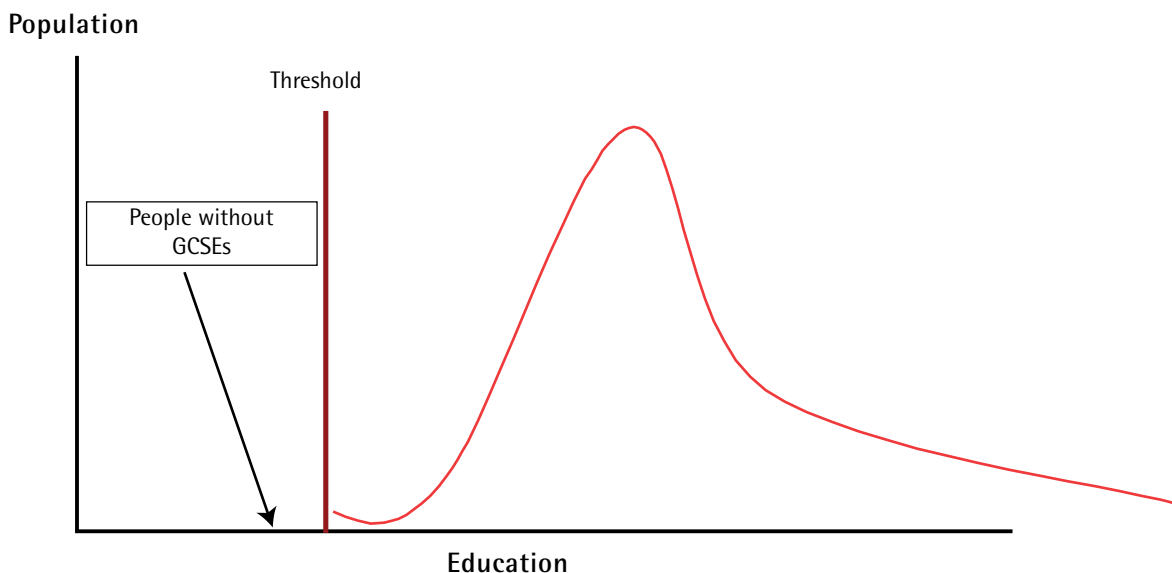
A society without poverty, however defined, is certainly better than one with poverty. There are benefits from eliminating poverty, which are well documented in other reports and research studies. However, the Review's focus is on inequality. Below we provide detailed evidence of the benefits that society can enjoy from reducing inequalities between groups.

There are at least two ways in which more equality can be achieved:

- one is by levelling down, in other words by dragging down those at the top;
- another is to narrow gaps by focussing efforts on those at the bottom, ensuring that their opportunities and outcomes improve at a faster rate than others'.

The first way clearly fits with the often-cited claim that equality is constraining and that, to achieve it, we need to sacrifice other important objectives, such as economic growth and prosperity. We will provide evidence that this is not the case: a more equal society does not need to be one in which growth and prosperity are reduced. In fact there is evidence that the reverse is true: equality is good for growth and prosperity.

Why equality is good for our society

A more equal society – one in which gaps between individuals or groups are reduced – attains higher levels of welfare. Two sets of arguments can be brought forward to prove this.

First, research by Professor Richard Wilkinson, among others, shows that more equal societies have higher average standards of health and longer life expectancy than more unequal societies (see figure B.3). He shows that inequality worsens the quality of social relations, which is a strong indicator of poor health.[1]

Figure B.3 Life expectancy and income inequality
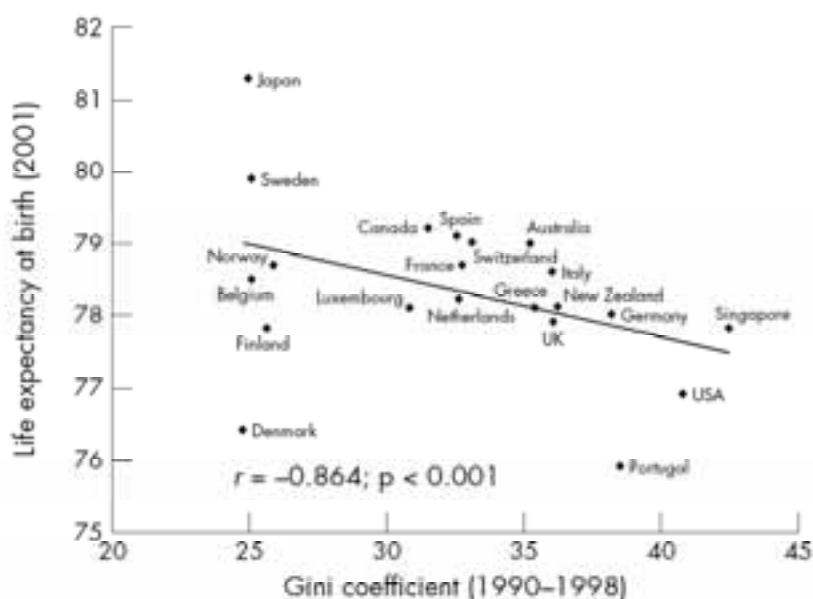
In our Interim Report, published in March 2006, we showed that by reducing current inequality in consumption in the UK by 30 percent, social welfare would increase by 6 per cent. In that calculation, social welfare was assumed to be dependent only on consumption – in other words, on people's actual payment for several goods and services.

However, we show below that the same result – that an increase in equality is good for society – applies to other measures of social welfare, such as physical quality of life (infant mortality, literacy, life expectancy, and so on), social progress (education, health, geography, participation, culture, women's status and so on), quality of life (as measured by political rights, civil liberties, labour participation, medical services, life expectancy, literacy, media access and so on) or subjective well-being (happiness).

In fact, the conclusion we reached in the Interim Report was based on one critical assumption, namely that additional income delivers diminishing returns – so that a second glass of water provides less satisfaction than the first one, or that an additional pound is worth more to the poor than to the rich person.

There is a relationship between the fact that income or other resources deliver diminishing returns and the degree of inequality that society is able to tolerate. We focus here on proving that income delivers diminishing welfare returns but not on the precise magnitude of society's aversion to inequality.[2]

In general, a concern for equality is a key aspect of most cultures, religions and philosophical traditions, so much so that there is now a general recognition of what is referred to as an "egalitarian plateau": all social theories implicitly demand some type of equality, and this is true even for those theories which are typically seen as having disputed the case for equality or for distributive justice.[3]

We decided to make only a conservative assumption about society's aversion to inequality. Our findings, therefore, depend on British society being only slightly averse to inequality.

Do additional resources deliver diminishing welfare returns? The evidence accumulated in recent years, summarised in figure B.4, very clearly shows that one additional pound delivers higher returns to those who are poorer than to those who are richer. All four charts show that, for those who are worst off, increases in income result in high increases in welfare, whichever of the four ways welfare is measured. And as income increases further and further, increases in welfare flatten out: the more we add in terms of resources and income, the less we get back in terms of quality of life, social progress, subjective well-being and so forth.[4]

Figure B.4: Welfare returns from additional income[5]
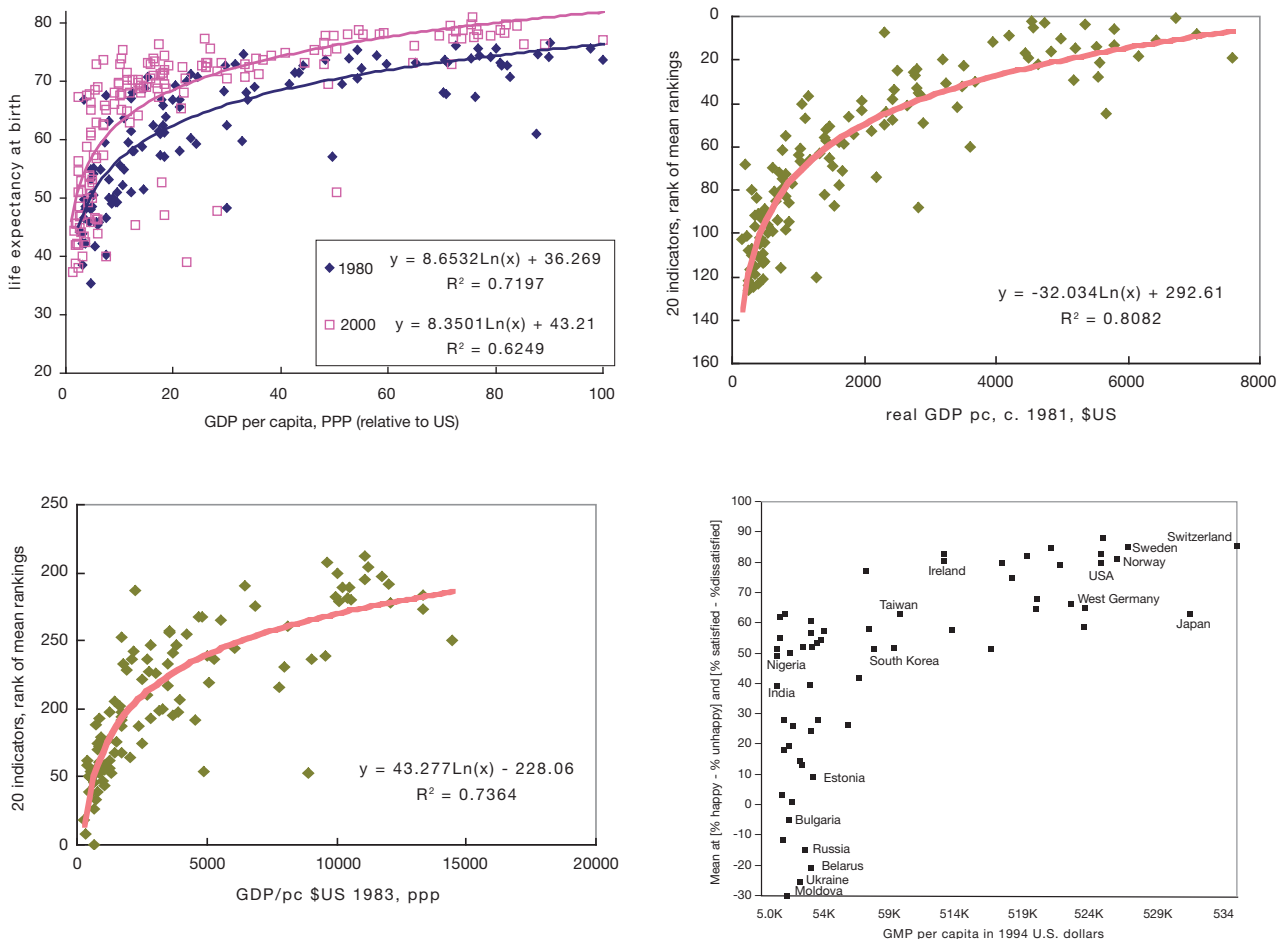
A reduction in inequality would thus increase social welfare, because scarce resources would be allocated where they satisfy more intense wants, delivering higher returns overall.

As mentioned above, it has often been argued that equality is constraining. This argument has usually been made by saying that there is a trade-off between equality and economic growth or prosperity: more equality would mean undermining incentives to invest, work, learn and innovate, which would be detrimental to economic growth.[6]

However, this view has been challenged by recent studies.[7] Inequality itself may actually be detrimental to growth, whether through the role of credit constraints, imperfections in capital markets, macroeconomic volatility as well as lower levels of work effort, less on-the-job training, restricted opportunities to undertake productive investments in both education and business, or by limiting co-operative problem-solving on the job.[8]

Moreover, the fact that more equality is associated with more human capital, and that less equality is associated with instability and conflict, provides a very compelling evidence of why equality goes hand in hand with efficiency and growth, especially in the long-term. Several studies have now shown that the number and quality of people's secondary educational qualifications are negatively correlated with inequality.[9]

These findings are supported by more recent research, which shows that various forms of inequality, including discrimination, are associated with inefficient investment in human capital, which is detrimental to the efficiency and growth of the economic system.[10]

All this evidence has been unambiguous in finding a negative correlation between growth and a number of measures of inequality. A more equal society not only increases social welfare, but is also clearly not associated with diminished economic growth and prosperity.

Annex C:
Data

In Chapter 3 of this Report, we discussed inequalities in education and employment, and also in healthcare and criminal justice. We highlighted our inability to present a complete picture of inequality across all the relevant equality strands due to lack of data. Some of the issues that we discussed were systemic ones relating to the principles and procedures underlying data collection. Others concerned the quality of the data collected. We considered reasons for these problems in Chapter 4, and highlighted some of the consequences, principally, the inability to assess outcomes in the key areas highlighted by different groups.

But the Review is also looking beyond these problems, towards creating a comprehensive and theoretically sound framework for measuring equality. Further details of this can be found in Annex A. In this Annex, we also consider the data needs for this framework.

Systemic issues

Data gaps

There are many official data sources that contain information to support evidence-based policy making, but although improvements have been made to the way outcomes are measured between different groups in recent years, significant gaps remain. Many large-scale national surveys and administrative data sources do not collect and publish national statistics on the groups that we have considered in this Review. Quality reviews of official statistics have been carried out on a regular basis – however, these have failed to address many of the fundamental problems outlined here.[1]

We start with an example of good practice. Schools in England have collected data on the ethnic background of their pupils since 1990; since 2002, schools have been required to submit these data to the Department for Education and Skills (DfES). As a result, it is possible to link ethnicity and attainment nationally and locally. Some local authorities use extended ethnicity codes to highlight attainment gaps affecting smaller ethnic groups.[2] These have helped to point up significant differences in attainment between communities which are recorded under the same ethnic group. Data on attainment by gender have been available nationally since the 1960s.

However, there are data gaps in many key areas. For example:

● Data on *education attainment and disability:* At present, the Department for Education and Skills (DfES) does not collect disability data, although it is committed to doing so. In addition, there is also a need for more detailed data: the category of Special Educational Needs (SEN) covers a wide range of needs and we lack attainment data by type of SEN. Data by disability are also needed for the 16-19 age group.

● *Data on education and socio-economic status.* The use of 'free school meals' (FSM) as a proxy measure of pupils' socio-economic status is also problematic. It excludes children who may have this entitlement but who do not take it up and fails to reflect important ethnic differences in deprivation: for example, a Bangladeshi pupil not eligible for FSM is far more likely to be living in a poor household than a White British pupil who is not eligible for FSM.[3]

● *Data for the 16-19 age group.* The quality of ethnicity data for the 16-19 age group is in stark contrast to the quality of data for school pupils. This is true of young people engaged in further education as well as those who are not in education, employment and training. Likewise, there is a need for detailed data on disability, by type of disability, for this age group.

● *Data by sexual orientation are particularly poor.* There is no reliable source of data on this strand in Britain at the moment. This was acknowledged in the recent Office for National Statistics (ONS) consultation on the inclusion of a question about sexual orientation in the 2011 Census.[4] However, it has been decided that the 2011 census will not include a question about sexual orientation. The Citizenship Survey is piloting questions on sexual orientation and it is expected that other surveys will soon incorporate civil partnerships as an option within questions about marital status. However, these will still cover only a small minority of lesbian, gay and bisexual people and will not tell us anything about transgender status.

● *In the case of healthcare*, investigation focuses on clinical purposes and socio-economic factors. Health inequality data are not collected in order to understand the impact on group inequalities. There is no continuous and systematic recording or analysis of ethnicity, disability, sexual orientation or religion or belief. An audit of primary care trust (PCT) race equality schemes found that only 13 per cent of those with published schemes had evidence of efforts to monitor uptake of GP services, and 35 per cent of primary care trusts offered no evidence of monitoring service use by various groups at all.[5]

● *In the criminal justice system*, concerns about the disproportionate manner in which some ethnic groups are treated have been with us for many years. Yet despite the requirements of the race relations legislation, only six of the 42 Court areas had data on ethnicity which are even up to 80 per cent complete.[6] More than half produce no ethnicity data at all on important outcomes such as bail decisions and sentencing, which it is vital to monitor in order to determine whether criminal justice processes are fair or not.

● *Understanding attitudes and prejudice.* As set out in chapter 4, prejudice towards different groups is still with us. There is a clear need for robust data on people's attitudes to equality, as well as about the creation and prevalence of stereotypes. These attitudes must be monitored over time, together with people's own experiences of prejudice and discrimination. Further research on the relationship between attitudes and behaviours, that is to say the disparities between what people think and what they actually do, is called for. More also needs to be done to measure discrimination in the workplace and in other settings. Finally, the recent improvements in collecting data on racist hate crime need to be reflected in data collection on homophobic hate crime and hate crime against disabled people.

Many of the problems above are linked, and action to improve one area will succeed only in conjunction with action in other areas. For example, the lack of data on sexual orientation is linked to people's reluctance to answer such a question publicly. Poor response will continue to be a problem until discrimination against non-heterosexual people is significantly reduced.

Lack of trend data and time inconsistencies in measurement

The Review faced difficulties when trying to establish or monitor trends in equality in a number of areas. For example, in the case of ethnicity, most data series record ethnicity in a consistent fashion only from 2001, when the current set of ethnicity codes was established by ONS for use in the Census of that year. Prior to this, recording of ethnicity tended to be piecemeal and did not always conform to existing standard codes. There were delays in introducing the new codes. For example, DfES did not do so until 2003. It was not until March 2003 that the Prison Service began to introduce the new ethnic categories. Due to these changes, robust comparisons between the situation now and that of previous years are difficult.

Much of the Government's focus to date on reducing inequalities has been on the differences in outcomes between poorer and more affluent groups and communities. But even here there have been problems in recording trends. The 2001 Census revised the recording of people's socio-economic status, following a 1994 review of government social classifications, with the National Statistics Socio-economic Classification (NS-SEC) replacing measures such as Social Class based on Occupation (SC, formerly Registrar General's Social Class) and Socio-economic Groups (SEG).

In the case of life expectancy, ONS calculates this only by age, gender and social class, based on data from the Registrar General. The ONS Census Longitudinal Study could allow mortality statistics to be calculated by ethnicity, religion and other factors as well, but there is a significant delay between linking death registrations to the Longitudinal Study. As a result, up to date information about mortality rates for different groups is not available.

Better local data and improved responsiveness to change

The problems identified above highlight the need to respond in timely fashion and more effectively to demographic and social change. Official data collection response has often occurred long after the original need was identified. Timely data at the local level are critical in ensuring that action is based on evidence not perceptions. Situations have developed where timely monitoring and action could have alleviated problems at less social and economic cost at an earlier stage. For example the use of key health services such as accident and emergency provision is closely aligned to the demographics and socio-economics of the population served.

The frequency of data collection must match the pace of societal change. Local government stakeholders identified a need for councils to undertake demographic research between surveys. A better understanding of the characteristics of the current population in an area would ensure that local service delivery was more appropriate and efficient.

But progress is being made. There have been a few initiatives in government designed to use locally-generated delivery data to improve information on local or regional needs and to provide better intelligence at the national level of local trends. For example, the data collected for Neighbourhood Statistics (NeSS) on fire incidents, enables both accurate monitoring nationally and better targeting of appropriate services locally.

Dispersed data collection and poor information sharing

Official data collection can often be narrowly focused on individual outcome areas and on topics which are of recent policy interest. For example, health inequality data tends to be collected and utilised on a disease-by-disease basis and there has been little attempt at any overall analysis, data on offenders collected by the criminal justice system rarely includes information on their social or economic circumstances.

Attempts are being made to link records across different data sources, for example to link the Families and Children Study to administrative records held by DWP and to the National Pupil Database. However this is far from straight forward both in technical terms and because of the legal need to obtain consent from respondents.

There are other major barriers to information sharing between organisations at national, regional and local levels. Devolved and different arrangements for collecting data can make it difficult to compare data between different departments and between England, Scotland and Wales. Our stakeholders have identified a need for ONS to link more closely with its counterparts in Scotland and Wales to prevent deepening inequality in the available statistical evidence.

Poor practice in data publication and dissemination

Beyond the challenges of data collection, official statistical publications generally fail to report on even those groups for which data do exist, so marginalising the issue of equality. For example, DfES collects but does not publish detailed educational attainment data by type of special educational need (SEN).

This is an issue for central as well as local government. For example, local authorities, like other public bodies, are required to assess the impacts on race equality of their policies and publish their assessments. Yet the Commission for Racial Equality found that although 42 per cent of the local authorities who responded to a survey carried out race equality impact assessments of some policy proposals, only 27 per cent had published the results, and also that 81 per cent of local authorities were monitoring the effects of their race equality policies but that only 21 per cent had published the results.[7]

Data quality

Better information on appropriate data categorisation

Even when data are collected, they are not always collected into meaningful categories. For example, stakeholders told us that police monitoring of domestic violence is hindered by inadequate categorisation. Existing categories for collecting data on religion and belief do not include an adequate way of recording non-religious belief. Better consultation of the relevant groups, as well as greater efforts to reach 'hard-to-reach' groups would help improve this situation.

Reduce the use of proxy measures

The use of proxy measures and their accuracy in measuring inequality must be assessed. Examples are the use of country of birth as a proxy for ethnicity in health data and the use of eligibility for free school meals as a proxy for socio-economic status in education data.

Better monitoring of data collection

Even where equality data are collected, there are often serious concerns about the quality of the data collected. In the Report, we highlighted the importance of monitoring data for accuracy as well as completeness. A forthcoming study from the King's Fund about ethnicity coding in hospital trusts suggests that, in a number of cases, the same patient was assigned a different ethnicity code at each hospital visit.

Many practitioners have told the Review that because the importance of collecting and reporting equality data is not understood by staff at all levels of an organisation, this task is not always taken seriously, even in the public sector. The importance of such data for policy and service delivery must be better recognised and communicated throughout each organisation.

Improve response rates

The collection of data on equality data is often characterised by poor response to questions on characteristics such as ethnicity, age and sexual orientation. This reflects a lack of understanding of the importance of equality monitoring which affects even public sector organisations which are required to promote equality under the terms of the public sector duties. For example, civil service diversity data, which are based on personnel records of civil servants, had no record of ethnicity information in 24 per cent of cases and lacked any information about disability status in 26 per cent of cases. The situation in the case of local government was worse: only 25 per cent of local authorities had made returns on the diversity of their staff to the annual Pay and Workforce Strategy Survey.

Improve publication formats and data accessibility

Publication of equalities data is often done in a way that is difficult to understand, and in formats which are difficult to access. Crime monitoring data, for example, are presented in ways that practitioners find difficult to understand and act on. Education data, such as contextual value added (CVA) ratings, can be difficult to understand even for teachers and other practitioners. It is necessary to improve the transparency of much published equality data and also improve the way in which data is presented and published.

The framework of measurement

The framework of measurement covers ten dimensions, which range from physical security and health to education and identity, expression and self-respect. The different and distinctive needs of children are also acknowledged by means of a framework that specifically addresses children's capabilities. This framework is discussed in in Annex A of this Report, and in greater detail in the paper on the framework of measurement by Tania Burchardt and Polly Vizard.[8] These documents summarise the deliberations of an academic steering group based in the Centre for the Analysis of Social Exclusion (CASE) at the London School of Economics.

The framework specifies the need for a monitoring system based on spotlight indicators highlighting important aspects of equality for each dimension, which will be supported by a number of other indicators which reflect other aspects of that dimension. It is essential that this monitoring be carried out at national as well as regional or local level.

All the proposed spotlight indicators are quantitative in nature, but there are some which will be qualitative, for example self-respect. The indicators would be constructed using data collected by means of surveys or administrative systems.

Qualitative data collection is also essential to the construction of the framework of measurement. Deliberative consultation was used to create the framework. Further iterations of this exercise will be necessary for the periodic revision and updating of the list of valued capabilities. Much of the data collection needed to measure attitudes and autonomy will also be qualitative in nature.

The implementation of the framework of measurement will not be difficult. Much of the information needed across many of the dimensions of interest is already available although significant gaps do exist. Many of these have been discussed above, such as the lack of data on sexual orientation. Analysis of group interactions within a given dimension will also be possible in many cases, especially when the relevant data originate from the same survey, although small sample sizes may pose a problem in some cases. However, analysis across dimensions may present difficulties.

Two significant gaps relate to the coverage of the data sources. Since all of these are based on household surveys, they exclude groups that are at high risk of inequality, such as homeless people, children in care and people living in communal establishments, such as residential care homes, prisons or barracks. A special data collection effort will be needed to cover such groups. The other gap relates to data on attitudes and autonomy. More work is needed to investigate the best way of measuring socially conditioned expectations and free choice among groups of interest to the Review.

Annex D:
Terms of reference and Review process

Terms of reference

The Government is committed to creating a society where everyone can achieve their full potential, free from prejudice and discrimination.

But despite 40 years of legislation to protect people from discrimination, evidence suggests that there are still social, economic, cultural or other factors that (individually or together) may limit or deny individuals the opportunity to make the best of their abilities and to contribute to society fully.

In order to ensure a firm basis for the future development of policies and programmes that promote equality of opportunity and overcome disadvantage, we need a compelling understanding of these persistent factors.

The Equalities Review will:

1.   Provide an understanding of the long term and underlying causes of disadvantage that need to be addressed by public policy.

2.   Make practical recommendations on key policy priorities for: the Government and public sector; employers and trade unions; civic society and the voluntary sector.

3.   Inform both the modernisation of equality legislation, towards a Single Equality Act, and the development of the new Commission for Equality and Human Rights.

The Review's recommendations will be based on an assessment of evidence of steps taken within the UK and abroad to improve significantly the life chances of disadvantaged groups.

The Review will build on the work already under way within and outside government to address disadvantage. The focus of the Review will not be on the tax and benefit system, which is regularly reviewed as part of the Budget process, but will complement work being set in train by the DTI [now DCLG] to review current equality legislation.

The Review Panel … will receive independent input from a wider reference group of stakeholders (equality experts, business, service providers, trade unions, and consumer representatives). Any specific proposals will make better use of existing resources and avoid placing unnecessary burdens on business and the delivery of front-line services.

Equalities Review Panel

Trevor Phillips chaired the Panel conducting the Review. He was joined by Sir Robert Kerslake and Dame Judith Mayhew Jonas. Their biographies are available on the Equalities Review website.

Two further Panel members were involved in the earlier stages of the Review. Nick Pearce resigned from the Panel in March 2006; Carol Lake resigned in September 2006. Both Nick and Carol had work pressures and pressing time commitments which prevented them from remaining on the Panel.

Evidence gathering

Call for evidence

The Review issued a call for evidence in October 2005. We asked some key questions, in particular:

> What progress do you think has been made over the past 60 years to reduce inequalities?

> What do you think are the most persistent and stubborn inequalities?

We received over 260 responses and these informed the development of the Interim Report. A summary of the main findings was published in the Interim Report.

Interim Report: publication, consultation and consultation events

The Interim Report was published in March 2006 and the consultation on it extended until June 2006. Following publication, we invited written responses to the Report. We received over 150 responses from organisations and individuals. We also held a series of seven events around Britain, which were attended by almost 600 people in total. A summary of the main messages from the consultation is included in the accompanying report, *The Equalities Review: The Consultation Process,* available on our website.

Research

We commissioned a number of different research reports to give us a stronger evidence base in some key areas. These reports are all available on our website.

Constructing a Capabilities List

The work to establish a framework of measurement was supported by a public consultation which was commissioned from Ipsos MORI. This asked people for their views on what constitutes a decent life and how they could be supported in achieving this. A series of consultation events and in-depth interviews were held around Britain with members of the general public and people from groups of particular interest to the Review. The work was led by Sarah Castell and Claire Lambert, supported by Rory Donaldson and Emily Gray.

Defining and Measuring Equality

The Review commissioned Dr Tania Burchardt and Dr Polly Vizard from the Centre for the Analysis of Social Exclusion (CASE) at the London School of Economics to undertake background research and to begin developing a framework for measuring inequality. A Steering Group was set up to support and advise CASE on developing their recommendations to the Panel. The Steering Group was composed of Professor Sandra Fredman (Professor of Law, University of Oxford), Professor Ian Gough (Professor of Social Policy, University of Bath), Dr Julie Litchfield (Senior Lecturer in Economics, University of Sussex) and Dr Katherine Rake (Director, the Fawcett Society). This exercise also benefited from comments and inputs of experts in the field of capabilities.

Engendered Penalties: Transgender and Transsexual People's Experiences of Inequality and Discrimination

Press for Change (Professor Stephen Whittle, Dr Lewis Turner and Maryam Al-Alami) conducted an investigation into transgender and transsexual people's experiences of inequality in the UK. This is an area in which both quantitative and qualitative data is in particularly short supply; this research addresses some of that gap. The research was based on analysis of a large quantity of qualitative data held by Press for Change, and an online survey. The number of respondents to Press for Change's survey was higher – at over 850 – than in any previous survey of trans people.

Equalities in Great Britain, 1946-2006

This study was undertaken by a team from the Centre for Contemporary British History (UCL) led by Professor Pat Thane. The research considers the factors that have influenced the journey to equality

over the last 60 years for different groups. It considers, for example, social change, the contribution of campaign groups, legislation and other factors such as technological change.

Equality, Diversity and Prejudice in Britain

Professor Dominic Abrams and Professor Diane Houston of the Centre for the Study of Group Processes at the University of Kent conducted a survey-based study of prejudice in Britain and public attitudes to equality. This research, which was originally commissioned by the Women and Work Commission, used social psychological methods and measures to take a comprehensive look at prejudice and to map inter-group attitudes across all the equality strands. Professor Miles Hewstone, University of Oxford, Dr Adam Rutland and Dr Lindsay Cameron, also from the University of Kent, contributed to help us to develop an understanding of the tools with which to tackle prejudice.

Persistent Employment Disadvantage 1974 to 2003

The Department of Work and Pensions commissioned research from the Institute of Social and Economic Research, University of Essex, on behalf of the Equalities Review. The analysis was undertaken by Professor Richard Berthoud and Morten Blekesaune. The first part is a systematic comparison of the employment disadvantages of different social groups over a 30 year period from 1974-2003. It provides a direct comparison of the disadvantages faced by older people, disabled people, women and members of ethnic minority groups. The second part uses the ONS Longitudinal Study to track the employment status of individuals in ten-yearly intervals from 1971 to 2001.

Promoting Equality in the Early Years

The Effective Pre-school and Primary Education project (EPPE), in the Institute of Education at London University, were commissioned to carry out an analysis of their database on a cohort of 3,000 British children and their families, with a focus on equalities. They highlighted the critical contribution of the Home Learning Environment, good quality pre-school and effective primary settings to successful educational and behavioural outcomes among young children. The research included a qualitative study which focussed on what was done by low socio-economic status families who supported their children's learning effectively. Professors Kathy Sylva, Edward Melhuish, Pam Sammons, Iram Siraj-Blatchford and Brenda Taggart led on this study.

Sexual Orientation Research Review

Ruth Hunt, Stonewall, reviewed the literature on inequalities experienced by gay and lesbian people. The research provides a summary of some of the inequalities faced by gay and lesbian people in key areas, such as employment, education, civic participation and health. It also considers the evidence across the life-cycle.

Walking in My Shoes: personal experiences of inequality in Britain

We also sought personal testimonies and case studies which provided information about people's lived experiences of inequality, prejudice, and discrimination. A wide range of organisations (including members of the Reference Group for the Equalities Review and the Discrimination Law Review) worked in partnership with the Equalities Review Team to collect many of these case histories. People of all ages and backgrounds were willing to describe to the Review their personal experiences of inequality in Britain. All the contributions received helped to inform this Report, and the Panel thought it would also be valuable to publish some of these contributions for a wider audience.

Setting priorities

Seminar series

The *Consultation Process* also includes the papers from a series of seminars held by the Equalities Review during October and November 2006. Seminars were administered and facilitated by the Office for Public Management (OPM), who also produced the resulting output papers. The seminar participants included senior policy makers, academics and practitioners involved in delivering services at a local level, as well as key equalities stakeholders. The topics chosen for discussion at the seminars were, for the most part, those identified during the consultation on the Interim Report as requiring more attention. The seminars covered:

Part 1: Cross-cutting themes

Prejudice and discrimination
Representation, advocacy and voice
Future trends

Part 2: Life stages

5-19
Working age
Older people

Part 3: Specific topics and sectors

Health inequalities
Crime and victimisation
Local government

Seminars were also held on the following topics, where discussions fed into independent research being conducted on behalf of the Equalities Review:

● A seminar on capabilities, inequalities and human rights fed into the work of the Centre for Analysis of Social Exclusion (CASE) at the London School of Economics in developing a definition and framework for measuring equality.

● A seminar on early years (0-5) inequalities was based on, and helped to inform, research conducted by the Effective Pre-School and Primary Education (EPPE) Project for the Equalities Review.

A further seminar on modernising the case for equality directly informed the sections in the main report on this important topic.

Stakeholder discussions

As well as regular Reference Group meetings and the consultation events and seminar series, the Review has undertaken a large number of meetings to test the evidence base and discuss resulting priorities for the Review.

This included a series of meetings in Edinburgh and Cardiff which helped us to try to capture the differences in the Scottish and Welsh contexts – for example, in the field of education.

In addition, we visited Northern Ireland and specifically the Equality Commission to understand the different context, including the different legislative framework, in operation there. This helped to identify practice that could be transferred to the operation of the CEHR in Britain.

We held various meetings with employers and employer representatives. We discussed key issues with equality stakeholder groups, and we went on a small number of visits to talk to some people experiencing first-hand the inequality and disadvantage that this Report is concerned with.

We also kept in touch with government departments and the devolved administrations about the Review. This included several in-depth meetings about some of our findings, which have influenced policy even prior to publication of this Report.

Acknowledgements

In the context of this evidence gathering, analysis and priority setting the Review would like to acknowledge the enormous support, time and effort we have received from all those involved. We are very grateful for all of the help that we received over the course of the Review. The list below sets out some of the contributors to the process; in addition, the Consultation and Seminar Report, the Interim Report, and the testimony document include further lists of individuals and groups who have helped shape this Final Report:

Reference Group:

Sir Bert Massie, Disability Rights Commission (co-chair)

Jenny Watson, Equal Opportunities Commission (co-chair)

Stephen Alambritis, Federation of Small Businesses

Naomi Alleyne, Welsh Local Government Association

Amanda Ariss, Equal Opportunities Commission

Mohammed Abdul Aziz, FaithWise

Hazel Baird, Commission for Racial Equality

Neil Bentley, Confederation of British Industry

Jane Campbell, Social Care Institute for Excellence

Karen Chouhan, The 1990 Trust

Julie Davis, Confederation of British Industry

Lucy de Groot, Improvement and Development Agency

Caroline Gooding, Disability Rights Commission

Katja Hall, Confederation of British Industry

Ali Jarvis, Stonewall Scotland

Francesca Klug, Centre for the Study of Human Rights, London School of Economics

Gordon Lishman, Age Concern England

Tanuka Loha, The 1990 Trust

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Sandi Pitcher, Commission for Racial Equality

Katherine Rake, Fawcett Society

Professor Sarah Spencer, Equality and Diversity Forum

Hanne Stinson, British Humanist Association

Ben Summerskill, Stonewall

Sarah Veale, Trades Union Congress

Professor Stephen Whittle, Press for Change

Carolyne Willow, Children's Rights Alliance for England

Richard Zipfel, Catholic Bishops' Conference of England & Wales

Other contributors – organisations:

Cabinet Office

Centre for Analysis of Social Exclusion, London School of Economics

Centre for Educational Development, Appraisal and Research, University of Warwick

Centre for the Study of Group Processes, University of Kent

Chartered Institute of Personnel and Development

Commission for Equality and Human Rights

Commission for Racial Equality

Communities and Local Government

Confederation of British Industry

Department for Constitutional Affairs

Department for Culture, Media and Sport

Department for Education and Skills

Department for Work and Pensions

Department of Health

Department of Social Policy and Social Work, University of Oxford

Department of Sociology, University of Manchester

Department of Sociology, University of Oxford

Department of Trade and Industry

Disability Rights Commission

Disability Rights Commission Scotland

Women and Equality Unit

Economic and Social Research Council

Effective Pre-School and Primary Education project, Institute of Education

Equal Opportunities Commission

Equality and Diversity Forum

Federation of Small Businesses

HM Treasury

Home Office

Improvement and Development Agency

Institute for Policy Studies in Education, London Metropolitan University

Institute of Education, University of London

Ipsos MORI

Joseph Rowntree Foundation

London Health Observatory

National Centre for Social Research

National Employment Panel

Northern Ireland Equality Commission

Office for National Statistics

Office for Public Management Ltd

Policy Exchange Network

Press for Change

Robert Hill Consulting

Scottish Executive

Small Business Service

Stonewall

The Glasgow Group

The Healthcare Commission

Welsh Assembly Government

Welsh Local Government Association

Annex E:
Figures, tables and boxes

Chapter 1

Chapter 2

Chapter 3

Chapter 4

Chapter 5

Endnotes

Chapter 1

1 The Terms of Reference for the Review are in Annex D.

2 Burchardt, T. and Vizard, P. (2007), *Definition of equality and framework for measurement: Final Recommendations of the Equalities Review Steering Group on Measurement*, and *Developing a Capability List.* Both available at www.theequalitiesreview.org.uk.

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6 The definition adopted by the Review is based on the work developed by the economist and philosopher Amartya Sen and others in the past 30 years. In recent years, the capabilities approach has found policy application in international and national institutions, including the UN Development Programme and the German government, and is being considered by the Dutch government.

7 See Endnote 5.

8 The bullet points in Box 1.3 do not constitute an exhaustive list but are examples drawn from the complete list in Annex A.

9 Annex B provides supporting evidence on the case for equality.

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Chapter 4

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