

Interim Report

Foreword

Thank you to all who took the time to respond to the 2020 National Policy Forum Consultation.

Your insight has enabled the NPF to provide a set of grounding principles to shape our policy for the challenges and opportunities ahead.

The principles outlined in the report are based on the values that bring us together as a Party and lay the foundations for the work we will do together over the next four years. Labour wins when we offer a vision of the future that is optimistic and gives people hope that things can and will change for the better, and these principles reflect this.

From empowering citizens to fighting the climate emergency, rebalancing Britain to supporting the nation's mental health, the principles demonstrate that our Party is rooted in the values that the public share, and outline the kind of change that we know is so needed in our country.

This report could not have been developed without listening to views from across the Labour movement, from our members to affiliates, all of whom play a vital role in developing our policies. But this engagement doesn't stop here – we now want to hear what all parts of our Party think about these principles.

While the world around us is changing fast, the common bonds between us have been strengthened as a result of the challenges we have undergone. By working together, we can rebuild our country and ensure a fairer Britain for all.

Yours,



Keir Starmer
Leader of the Labour Party

The next steps for the National Policy Forum (NPF)

Thank you to all members, affiliates and stakeholders who took part in the NPF (National Policy Forum) consultation this year, whether you submitted your ideas through Labour Policy Forum or attended one of the online roundtable events.

Social distancing measures meant that consultation activity looked a little different this year. The Consultation was held solely online, with all eight documents hosted on Labour Policy Forum, and eight member policy roundtable events on Zoom in lieu of our usual roadshow of events. This was an opportunity to trial new methods of engagement, and we hope to be able to continue to do this as the work of the NPF evolves over the next few years.

This work will be laid out in more detail in the following report. While it was not possible for this report to be taken to Annual Conference and debated on Conference floor, we hope that it will be of interest to inform and explain the work of the NPF this year.

The report lays out a set of principles that the policy commissions will build upon over the course of the election cycle looking to 2024.

**We want to hear your views on these principles,
and welcome you to submit them via Labour Policy Forum:**

www.policyforum.labour.org.uk/make-a-submission.

Your comments will be considered by the policy commission and will inform a fuller report covering two years of NPF activity, which will be taken to Conference in September 2021. If passed by delegates it will form part of our policy platform.

Thank you again for your involvement with the National Policy Forum this year. Your insights will help us to shape our policy platform so we can win again and ensure a fairer Britain for all.

Membership 2020

HM Opposition

Jonathan Reynolds MP*
Marsha de Cordova MP
Seema Malhotra MP
Jack Dromey MP

NEC

Diana Holland*
Joanne Cairns
Ann Henderson
Shabana Mahmood MP
Carol Sewell

CLPs and Regions

Shelly Darwin – *Eastern Region*
Dan Dobson – *South East Region*
Seán Duffy – *Scottish Labour Party*
Joe Morgan – *West Midlands Region*
Jen Smith – *Welsh Labour Party*
Tony Tinley – *East Midlands Region*
Agnes Tolmie – *Scottish Policy Forum*
Steve Turner – *North West Region*
Sophie Clarke-Vale – *East Midlands Region*

Affiliates

Kate Dearden – *Community*
Fran Springfield/Simon Lydiard – *Disability Labour †*
Andrew Harrop – *Socialist Societies*
Paddy Lillis – *Usdaw*
Susan Matthews – *Unite*
Liz Snape – *UNISON*
Astrid Walker – *LGBT+ Labour*

Elected Representatives

Simon Blackburn – *Local Government Association*
Lord Dave Watts – *House of Lords*

*Co-convenor

† Denotes Job Share

Overview of the work of the Work, Pensions and Equality Policy Commission

This year, the Work, Pensions and Equality Commission began a new policy cycle with a consultation on the future of the social security system. With the coronavirus crisis dominating the political agenda, the consultation focussed specifically on the impact of the crisis on the social security system and how this should be reshaped in the aftermath of Covid-19.

The consultation invited submissions around five broad themes. First, it questioned what the crisis has taught us about the role of the welfare system and what gaps have been exposed in the current provision. Secondly, it looked to determine whether perceptions of the social security system had shifted in light of the crisis, especially given the number of people brought into contact with it.

Next, the consultation asked for considerations around who social security should be made available to. With the number of self-employed workers on the rise, this included a focus on entitlements for this group. Finally, it aimed to better understand the role that social security can play in alleviating poverty and addressing structural inequalities in society.

Due to the ongoing restrictions around Covid-19, all activity around the consultation this year took place online. This included an online virtual roundtable event, where more than 70 Labour Party members and members of the public joined to discuss their thoughts on the future of social security.

A number of key themes emerged from this session, including access to financial support for self-employed workers, ensuring job creation schemes lead to high quality work and tackling the stigma around claiming social security. There was also clear agreement that current levels of support were too low, and a recognition of the role of carers and the added responsibilities they faced.

In June 2020, the Commission were pleased to hear evidence from Mike Brewer from the Resolution Foundation, Alison Garnham at the Child Poverty Action Group and Anjum Klair and Sian Elliott from the TUC. Topics covered included the generosity of Universal Credit, the failure to increase Child Benefit and the impact on families, and the inadequacy of Statutory Sick Pay. Each speaker presented findings from their work on the crisis, including some valuable recommendations that have fed into this report.

During the consultation, the Commission took time to discuss submissions and some of the key themes at Commission meetings. Topics raised at these sessions included pensions reform, trade union membership and the inequalities exposed by the crisis, particularly the disproportionate impact of Covid-19 on Black, Asian and minority ethnic groups examined by the Doreen Lawrence Inquiry. Other key issues were discussed in Shadow Ministerial updates, and the Commission were able to hear directly from the Shadow Secretary for Work and Pensions Jonathan Reynolds and the Shadow Secretary for Women and Equalities Marsha De Cordova about their upcoming work and priorities.

As the scale of the jobs crisis continues to grow and thousands of people continue to turn to the social security system for support, the work of the Work Pensions and Equality Policy Commission in contributing to the recovery is especially important. Labour has a proud record of fighting for social justice, fairness and equality, and the Commission will help ensure these core values are at the heart of the social security system in the future.

Principles:

1. Social security must support people in times of need and prevent them falling into hardship.
2. An effective system should provide timely support when it is needed.
3. A strong social security system treats claimants with dignity and respect, not suspicion and punishment.
4. A strong social security system links closely with other public services, including access to lifelong learning and education.
5. Conditionality in the current system creates barriers to support, yet the social security system should be there for us all. At times of crisis, we all may need additional support.
6. An inclusive system is accessible for all and leaves nobody behind.
7. The social security system must facilitate new types of work, including self-employment.
8. Statutory Sick Pay is a fundamental aspect of social security that should adequately support people when they are unable to work.
9. Social security should support those on low incomes, not just the unemployed.
10. Although structural inequalities must be tackled across all government departments, social security can provide additional support to address imbalances in society.

Consultation responses

Gaps in the system

With the crisis continuing to grow over the summer, the number of people turning to social security for support, and particularly to Universal Credit, has grown significantly. For this reason, the consultation looked specifically at the role of the system in protecting the vulnerable and considered the gaps in the current provision.

The evidence received by the Commission overwhelmingly reiterated the failures of Universal Credit, in terms of levels, timing and design. There were also concerns about the impact of Universal Credit on maternity allowance. Submissions consistently highlighted how the five-week wait, benefit cap and savings limit were pushing people into hardship during the crisis:

“The benefit cap must be removed immediately. I have seen clients left with quite literally zero money with their entire UC entitlement sent to their landlord as a direct payment, with the benefit cap deduction taken from their standard allowance intended for daily living.”

Anna, London

“The five-week wait leaves people with nothing to live on at a time when they are already in need – many people do not apply until they have already reached a precarious position.”

Lloyds Bank Foundation

Through the consultation, clear gaps emerged in the provision of support for carers and disabled people, as well as a lack of support for families with children, and particularly single parents. This was highlighted at the evidence session, when Alison Garnham of the Child Poverty Action Group (CPAG) outlined how the failure to uprate the child element of Universal Credit was already leading to increased levels of poverty. Alison noted that the creation of the Job Retention Scheme was itself an admission by the government that the pre-existing social security system was ‘not fit for purpose’.

The Commission also heard from Mike Brewer at the Resolution Foundation on how Universal Credit had been a ‘poor replacement for lost earnings’ during the crisis. He warned of the genuine risk that the jobs crisis would rapidly become a living standards crisis, prompting calls for Universal Credit to be more generous and legacy benefits to be uprated.

Given the scale of the damage to the jobs market, many submissions noted how a new social security system must be built around an understanding that people may require much longer periods of support.

“We must have a system which complements efforts to get people back into employment, supporting increased numbers for potentially significantly longer periods of time as the economy recovers.”

Kirsten

For this reason, the Commission welcomes Labour’s commitment to replace Universal Credit with a fairer and more equal alternative. It is clear that a new system must provide a more timely response to people’s needs and be set at a level that prevents a drop in living standards.

Public perceptions

The next part of the consultation considered perceptions of social security. At the roundtable event, there was a lengthy discussion on the framing around social security, with some members noting during Covid-19 a shift away from negative ‘scrounger’ rhetoric in favour of a more understanding approach. Among the submissions, this was accredited to the surge in new claimants facing the realities of the system.

“A significant number of people who have suddenly found themselves needing to claim either Universal Credit or Statutory Sick Pay in particular have realised that current rates of benefits are not sufficient to provide an adequate standard of living.”

Stone CLP

It was clear however that there was more work to be done around the framing of social security, with little evidence yet to suggest a fundamental change in the public’s overall perception. Instead, the submissions largely showed how the reputation of Universal Credit remains overwhelmingly negative.

“I am currently on carers allowance and income support and receive about £110 a week. I have thought of changing to Universal Credit but am very frightened to due to all the horror stories I have read.”

Rachel

Challenging the stigma around social security was a recurrent theme throughout the consultation, with many submissions pointing to the role that sanctions, conditionality and means testing play in exacerbating the issue. Many called for a system that treated claimants with dignity and respect, and an end to the punitive nature of the system.

“Job centres need to be a places where people are helped to find work not punished for being unemployed. Benefits claimants should not be punished, financially or otherwise for being out of work.”

Anna, London

The submissions indicated a changing perception of the relationship between social security and other public services, particularly in the education sector. In light of the emerging jobs crisis, it was noted that retraining and upskilling were key to building a more resilient workforce, and there were suggestions that Job Centres should provide better access to training opportunities.

“Benefit claimants should be directly referred for valuable training and upskilling including potential apprenticeship type ideas.”

Miriam, East Midlands

“The DWP needs a change in institutional culture and part of that should be training work coaches in how to assist people to upskill and retrain. Not enough of this is currently offered, and it can be down to the initiative of the individual work coach to find out about opportunities in their area.”

Work, Pensions and Equality policy roundtable

Labour believes in a future social security system that works closely with other public services to support people back into work through training and education.

Access to the system

The crisis has shown that anyone may have to turn to the social security system at some point in their lives. The Commission heard repeatedly how people were turning to the system in unprecedented numbers, and how this was expected to rise significantly again once the Job Retention Scheme ends in October 2020. Labour believes in a social security system that supports anyone that falls on hardship and is struggling to get by, and will create a system available to all those that need it.

“Social security should be available to all. We should be once again supportive of the idea of a stakeholder society - where all with a stake have a say.”

Thom, Northern region

Yet the Commission heard numerous examples of people left out by the current system. Among these was the government's shameful treatment of people living in the UK under the No Recourse to Public Funds status. Despite having the legal right to live and work in the UK and paying their taxes, they have found themselves unable to access vital support throughout the crisis.

Although inherent within its design, the automated and online aspects of making and managing Universal Credit applications have also created problems around accessibility. Those that are unfamiliar with technology, including many older claimants, and people with disabilities may require additional support throughout the process.

“Gaps exist in the form of the benefits system being very complicated and hard to access, particularly for those with limited access to technology.”

Broxtowe CLP

It was clear from the evidence that inclusivity and access for all should be at the heart of any future social security system. A key part of this would be to consult further with impacted groups and listen to their concerns and priorities.

“Disabled people must be enabled to live independent lives in the way we choose, not have restrictions placed upon us by those who do not understand our impairments and how they affect our lives.”

Disability Labour

Self-employment

In considering the future of social security, it was also important to look at changes taking place in the labour market and how these would impact the social security system in the years ahead.

In the last decade, self-employed work has become an increasingly important feature of the labour market. Yet the social security system has failed to keep up with this change, and there was general agreement that Universal Credit was not flexible enough to support self-employed workers.

“The Universal Credit rules actively penalise self-employed people by expecting them to generate some arbitrary level of income every month. The benefit system needs to be responsive to fluctuations in business activity.”

Hove CLP

“We believe that the extension of the social security net is essential to ensuring that the self-employed are granted the same rights as the employed. Income replacement for those unable to work through illness should be a basic employment protection, available to all workers.”

Community

At the policy roundtable, participants acknowledged the current lack of support for self-employed workers, with many noting how they were often taking significant risk in setting up their own businesses but were not supported through the welfare system. Among the submissions, there was a consensus around updating Statutory Sick Pay (SSP) to provide support for self-employed workers.

“The social security available to self-employed people falls short, because there is no employer to foot the bill for many of the elements of social security directly linked to work. This needs to be addressed as a matter of urgency, as it is not right or responsible to leave people out of pocket and struggling to maintain their businesses in times of need.”

USDAW

Wider problems around existing SSP arrangements were raised with the Commission at the evidence session, where Anjum Klair outlined some of the findings from a recent TUC report. This included evidence that two million people were not eligible for SSP as their income did not meet the lower earnings limit. In the context of the current jobs crisis, this was hugely concerning.

The Commission heard further evidence from the TUC showing the low rate of sick pay in the UK was having a significant impact, with many finding themselves unable to cover basic living costs. Many of the submissions echoed these findings, calling for an increased level of support that better reflected lost earnings.

“The Coronavirus crisis has exposed the inadequacy of the social security system. In particular, it has highlighted the chronic inadequacy of Statutory Sick Pay provision, which should be universal and which should cover the majority of a sick persons normal wage.”

Peter, East Midlands

Labour would create a modern social security system that not only reflects the labour market in Britain today, but would also be able to respond better to changes in the future.

Tackling poverty and inequalities

Above all else, the crisis has exposed the extent of structural inequalities in our society and exacerbated them with devastating results. Before this consultation began, we could already see the disproportionate impact the crisis was taking on Black, Asian and ethnic minority groups in the UK, and the evidence received by the Commission through this consultation strongly reiterated the underlying structural inequalities they face.

Similar disparities relating to disabled people, women and young people have become increasingly obvious, while lone parents, the majority of whom are women, have also been significantly impacted. At the evidence session, Sian Elliot from the TUC discussed this further, explaining that 70% of those not eligible for Statutory Sick Pay were women on low pay. As a result, many women faced an impossible choice of going into work and risking exposure or staying at home and losing their income.

“Universal Credit, and the wider cuts to the social security system, has in particular harmed women and disabled people over the past decade. This is an opportunity to correct some of the worst impacts of the distortions and cuts in our social security system and to create a system that promotes equality and ends poverty.”

Unite

The Commission heard on numerous occasions how tackling inequalities was not limited to a single policy area, instead crossing all areas of policy across multiple departmental briefs, including justice, health, education and local government. There were also significant economic inequalities exacerbated by the crisis. These were discussed at length during the roundtable event, with participants outlining the importance of a wider approach.

This is not to say that social security cannot play a role in alleviating inequalities and creating a fairer society. Going into the crisis, levels of poverty were high. The Tories have presided over a decade of rising levels of poverty among pensioners and children. In-work poverty has also soared, often compounded by Universal Credit, and proving that work itself does not provide a guaranteed route out of poverty.

As a result, there was a strong consensus among the submissions that social security must provide a base level of support for anyone that falls into hardship.

“Social security has the effect of establishing floor that can be used to establish a minimum standard for everyone and preventing any person falling below a certain poverty threshold.”

Haren

Importantly, however, the submissions made it clear that social security should not subsidise low wages. Instead, it must exist alongside an effective and long-term strategy on jobs and workers' rights, ensuring that employers pay decent wages and provide secure work.

Labour will ensure that the social security helps to tackle the injustices exposed by this crisis and lift people out of poverty and hardship.

Concluding remarks from the co-convenors, Jonathan Reynolds MP and Diana Holland

This year, the Commission's work has taken place in truly unprecedented times. The coronavirus crisis has exposed the weaknesses in the social security system in new and alarming ways, showing a clear need for fundamental reform.

On behalf of the Work, Pensions and Equality Policy Commission, we recognise the important role we must play in shaping the Labour Party's vision of a new social security system. Importantly at this stage of the election cycle, we have sought to identify the broad aims and principles that a new system should be built on.

The Commission were grateful to receive a huge number of submissions from members throughout the consultation. The 10 principles outlined in this document have been drawn from these submissions and will provide a solid base from which we can develop our policy in the years leading up to the next General Election.

We can already see some of the key themes emerging that will shape our policy development, including the replacement of Universal Credit and the creation of a fairer and less punitive support system, and it was encouraging to see member's contributions to the conversation around this.

This year's consultation included a specific focus on whether social security should be should be a universal entitlement available for all. There was a clear consensus around removing barriers that prevent people from accessing support when they need it. Defining how this translates into policy that promotes fairness and equality among different groups, including those with disabilities, will be an important consideration for the Commission as it determines the detail of future policy.

We would like to thank members of the Party and the wider public, as well as experts at our evidence session, for contributing to the work of the Work, Pensions and Equality Commission this year. We look forward to working with you closely in the years ahead as we move towards the next Labour government.

Submissions

In 2020 the Work, Pensions and Equality Policy Commission received and considered submissions on the following topics:

A

Access to Work
Art
Austerity
Automation

B

BAME
Bedroom tax
Benefit cap
Bereavement support
Businesses

C

Carer's Allowance
Child poverty
Childcare
Class
Climate change
Cooperatives
Coronavirus
Corporation tax
Council housing
Council Tax
Crime

D

Debt
Devolution
Digital
Disabilities
Disability equality
Discrimination
Diversity
Domestic violence

E

Electoral reform
Employees
Employers
Employment and
Support Allowance
Employment protection
Employment tribunals
England
Environment
Equality

F

Food poverty

G

Gender
Gender pay gap
Gender violence
Green economy
Green New Deal

H

Health and safety
Higher Education
Homelessness
Housing
Housing benefit
Human rights

I

Immigration
Income tax
Industrial strategy
Investment

L

Land Tax
Legal aid
LGBT equality
Libraries
Living standards
Local economies
Local Government

M

Manufacturing
Mental health
Migration
Minimum wage

N

National debt
National Education
Service
National Living Wage
National Social Care
Service
Nationalisation
NHS
Northern Ireland

P

Parliamentary reform
Paternity rights
Pensions
Personal Independence
Payments
Planning laws
Policing
Poverty
Private rented sector
Prostitution
Public schools
Public services

R

Race equality
Renewable energy

S

Savings
Scotland
Small business
Social Care
Social housing
Social Security

T

Tax
Tax credits
Technology and science
The Constitution
The economy
Trade Unions

U

Universal basic income
Universal Credit

V

VAT
Voter engagement

W

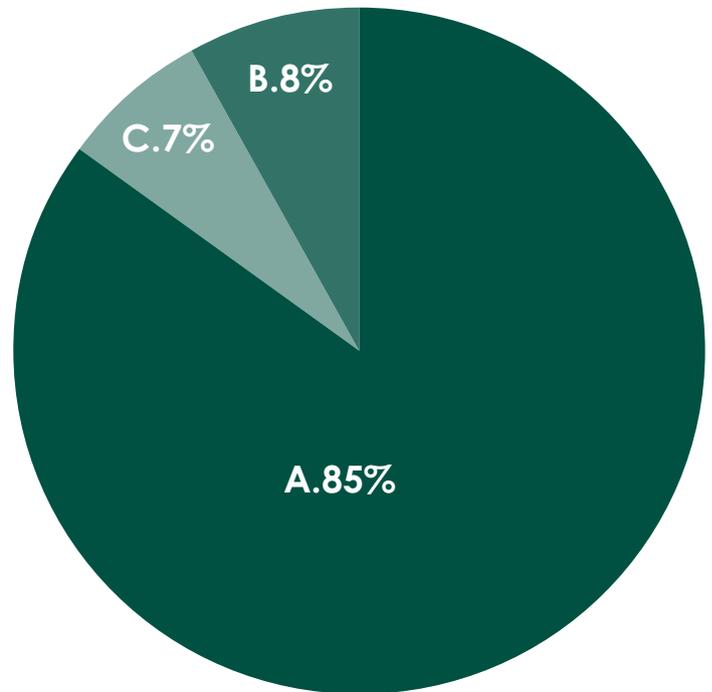
Wages
Wales
WASPI
Women's rights
Work Capability
Assessments
Work experience
Worker's rights

Z

Zero-hour contracts

Breakdown of who sent in submissions

- A.** Individuals – 85%
- B.** Local Parties – 8%
- C.** Organisations – 7%



Breakdown of how submissions were received

- A.** Labour Policy Forum – 94%
- B.** Email – 6%

