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FOREWORD

WE ARE JUST 18 MONTHS AWAY FROM A CRUCIAL GENERAL ELECTION. AN ELECTION WHERE BRITAIN WILL CHOOSE BETWEEN A LABOUR PARTY DETERMINED TO REBUILD BRITAIN AS ONE NATION, WITH EVERYONE PLAYING THEIR PART - OR A TORY-LED GOVERNMENT WHICH HAS DIVIDED THE NATION AND LEFT HARD WORKING PEOPLE STRUGGLING ON THEIR OWN.

This Government has presided over tax cuts for millionaires, falling living standards and our NHS being undermined. The stakes couldn't be higher.

At Conference and over the coming months we will be setting out our plans to bring our country together again. We will show that we are on the side of ordinary people, not, like this Government, in the pockets of vested interests.

But to succeed we need your help. Our policy process is at the heart of the creation of the manifesto that we will put before the British people in 2015. We want to hear your views, and we want to hear views from right across the UK.

When I became Chair of the National Policy Forum, I gave you a guarantee that I would revitalise our approach so that the experiences, ideas and vision of more party members, supporters, affiliates and members of the general public, were listened to than ever before. Last year, Annual Conference agreed to these reforms and this NPF Annual Report is the first since the new system was introduced.

The new system is stronger, more effective and gives us the best chance of developing winning policies ahead of the general election. I hope you see that we are doing things differently.

Our new website Your Britain – which can be found at yourbritain.org.uk – has opened up our discussions to everyone who wants to have a say. Now, anyone can view a policy paper, make a submission, or respond to someone else's ideas at the click of a button.

We've also reformed the way we consult on key topics. Last year at Conference, we held the first Policy Ballot, where we chose a set of priority issues to focus on. We've had two rounds of consultation on these topics with challenge papers published in November, followed by Policy Papers in March setting out what the Policy Commissions had learned and containing policy options for further consultation. The National Policy Forum met in June to discuss feedback from across the Party and wider public and to finalise these papers, which are included in this document alongside the Annual Reports of each Policy Commission, and will be debated throughout the week at Conference.

Beyond Conference, we have an even greater task – the drafting of final year policy documents, due to go out for consultation early in the New Year. Following the submission of amendments and discussion at a NPF meeting next Summer, we will return to Conference next year with a draft policy programme, which once finalised will provide the foundation for the manifesto.

To write a truly One Nation manifesto it is vital that we hear voices from right across the UK. We need to take advantage of the knowledge and experience that exists throughout our movement and in our communities. Our reformed policy process aims to do just that.



Angela Eagle MP
Chair of the National Policy Forum

ECONOMY

STABILITY AND PROSPERITY POLICY COMMISSION ANNUAL REPORT

STABILITY AND PROSPERITY POLICY COMMISSION

Membership 2012/2013

HM Opposition

Ed Balls MP*
Catherine McKinnell MP
Cathy Jamieson MP
Iain Wright MP

National Executive Committee

Margaret Beckett MP*
Steve Rotheram MP
David Sparks
Andy Worth

CLPs and Regions

Gerard Coyne
Mark Glover
Theresa Griffin
Margaret McCulloch
Ian Miller
Alice Perry
Martin Philips
Sarah Rae
Pearleen Sangha
Liz Twist
Darren Williams

Affiliates

Nick Crofts
Roksana Fiaz
Steve Hart
Len McCluskey
Dave Prentis
Fiona Wilson

Elected Reps

Arlene McCarthy MEP
Bryony Rudkin
Baroness Wall
Julie Elliot MP†

* Co-convenor

† Replaced David Watts, June 2013

POLICY DEVELOPMENT

THE STABILITY AND PROSPERITY POLICY COMMISSION CONSIDERS LABOUR'S POLICY AND THINKING ON THE ECONOMY. IT CONSIDERS CURRENT ISSUES RANGING FROM GROWTH AND THE ECONOMIC RECOVERY TO PUBLIC SPENDING AND TAXATION AND HOW WE CAN REDUCE THE DEFICIT IN A FAIR WAY. IT WAS ESTABLISHED IN NOVEMBER 2012 AS A SUCCESSOR TO THE PROSPERITY AND WORK POLICY COMMISSION, FOLLOWING THE REFOUNDING LABOUR REFORMS AGREED AT ANNUAL CONFERENCE.

Annual Conference 2012 tasked the National Policy Forum with prioritising issues around 'Tax avoidance: Tax havens' and 'A British Investment Bank: Making it a reality'. The Commission has discussed these issues extensively throughout the year, taking evidence from Labour Party members, CLPs, affiliates and external organisations. Our conclusions are included in the policy papers in the annex of this report.

The broader debate about the strength of the economy, the outlook for growth and the need to rebuild a stronger economy fit for the future have been absolutely central to political debate over the last year and the Commission has been keen to discuss these issues which fall within its remit.

Annual Conference 2012 featured a number of contemporary resolutions submitted within the remit of the old Prosperity and Work Policy Commission. Those of relevance to the new Stability and Prosperity Policy Commission included resolutions on the need for an economic alternative, highlighting the failure of the Government's strategy and the slow pace of the recovery. The resolutions also expressed concern at the long-term impact of this failure on our economy. Resolutions also made particular reference to the impact of cuts to capital investment on the economy and noted that the Government was now set to borrow billions more than previously planned. Resolutions called for an alternative economic approach, including the need for an active industrial strategy to help build the economy for the future and the creation of a British Investment Bank.

Other resolutions to Conference focused on the need for better regulation of the banks and financial services and expressed anger at the high level of pay and bonuses received by top bankers. In addition, further resolutions expressed concern at the impact of the Government's public sector pay restraint while others were worried about the Government's plans for Royal Mail and what this would mean for the service and employees.

The Prosperity and Work Policy Commission held two policy seminars at Annual Conference 2012. In both of these a number of issues were raised in relation to the work of the Stability and Prosperity Policy Commission.

The need for more investment in infrastructure was raised by a number of delegates who argued it would be a way to help the country build its way towards a strong recovery. In addition, the importance of investing in new green industries was raised by a number of delegates.

Delegates also called for support for the manufacturing sector which they argued would be essential in securing long-term and sustainable growth. The issue of bogus self-employment was also raised with one delegate noting this was not just an issue in the construction sector but in others as well. Delegates noted this was costing the exchequer millions of pounds.

Reform of the banking sector, including a financial transaction tax and the separation of retail and investment banking, was an issue raised by a number of delegates. One delegate

suggested Labour should look at whether Royal Bank of Scotland could be turned into some sort of state investment bank. More generally, delegates supported calls for a greater focus on ethics and responsibility to society amongst banks as well as calls for more co-operatives and mutuals. On the issue of corporate governance as a whole, delegates called for a clampdown on short-term speculation and reform of the takeover process.

Tax avoidance was an issue raised by a number of delegates, with calls for further action taken against people and companies that do not pay what they should. Delegates also raised the issue of high pay with some arguing that the ‘shareholder spring’ has not changed things as much as it could. There were calls for reform of remuneration committees to ensure they have employee representation on them and to consider the pay of the whole company, rather than just senior executives.

In November the Policy Commission held a conference call to discuss the ‘challenge papers’ based on the issues prioritised by Annual Conference. This included discussing the various questions which the papers should pose as part of the consultation exercise on the new ‘Your Britain’ policy hub website. The Commission agreed that questions in the British Investment Bank paper should focus on identifying the priorities of a BIB, the funding mechanisms available to it, its relationship with the Green Investment Bank and how we can ensure it takes a different approach to other banks. On Tax Havens there was general agreement that the focus of the challenge paper should be on how Britain can lead the way in tackling tax avoidance via havens as well as the broader question of ensuring all individuals and businesses pay the tax they owe.

The challenge papers were agreed via another conference call and then published on the ‘Your Britain’ website for consultation in November.

Early in the new year the Commission met to discuss submissions received on the challenge papers and to begin to consider the content of the policy papers. Submissions received on the tax avoidance paper focused on HMRC resources and the problems around transfer pricing were featuring heavily in the media at the time. Submissions also reflected a general agreement that greater transparency was essential when it came to tackling tax avoidance given that the system must be fair, but also must be seen to be fair. It was agreed that, reflecting the submissions received, the policy paper should lay down the principles that Labour should follow in dealing with the issue of tax avoidance, while acknowledging that some of the answers will take longer to reach.

In relation to the British Investment Bank paper the first meeting of the Commission in 2013 noted the general recognition that there exists a broad consensus both within the Party and beyond that a British Investment Bank could make a positive contribution to the UK economy. The Commission noted that issues around devolution, the relationship with the Green Investment Bank and its regional and local structure are all issues which will need to be addressed. Submissions to the Commission, as well as the work that has been done on this issue by Nick Tott (for the Policy Review) and the IPPR, have referenced similar institutions in countries like Germany and there was general consensus that there are lessons to be learned from abroad. Commission members expressed concern that a British Investment Bank should be encouraged not to adopt a similar culture to that of ‘normal’ banks.

At this meeting Shadow Chancellor Ed Balls updated the Commission on the recent work of the Shadow Treasury team and the ongoing problems in the economy. He also noted that the Government is watering down its commitments on banking reform and there are delays to much needed infrastructure projects which will help get our economy moving again. Shadow Business Minister Iain Wright also

updated the Commission on the work of the Shadow Business team. In particular he noted the failure of the Government to support business, particularly in relation to various failed schemes and initiatives and the lack of bank lending. He also stated that developing the work around a British Investment Bank was a key priority for the BIS team, noting that the UK is the only G8 country not to have state-backed infrastructure bank to help boost investment. However he stressed that there were still a number of issues to resolve on the detail.

The Commission met again in March to discuss further submissions received and to discuss the format of the policy documents. At this meeting the Commission took evidence from Nick Tott, who wrote the report for Labour's Policy Review on the case for a British Investment Bank. During this meeting the issue of whether the state-backed banks could play a role in helping to establish the BIB was discussed. However, it was agreed this was a very complicated issue that would require further consideration. The need for an advisory council, as proposed by Nick Tott in his report was discussed, with members suggesting this should involve representation from a wide range of bodies and groups, including trade unions (as proposed by the report).

In discussing the content of the policy paper on tax havens, it was reiterated that this should include guiding principles around tax avoidance more generally which the Commission should then relate to tax havens. Commission members also discussed how addressing the culture around tax avoidance was essential to dealing with the problems caused by it, noting that many people find it acceptable.

Also at this meeting the Commission discussed issues relating to the broader economy, particularly in the run-up to the Budget later that month. Shadow Ministers present contrasted Labour's focus on living standards with the Government's decision to cut the

top rate of tax from April. In addition, the Commission discussed Ed Miliband's recent speech on the reintroduction of a 10p tax band, funded through a tax on homes worth over £2 million.

Following a conference call to amend and sign off the policy documents, both were published on the Your Britain website for consultation.

The Commission met again in June to discuss the issue of tax avoidance, taking evidence from experts Richard Murphy, from Tax Research LLP, and Claire Godfrey, senior policy adviser with Oxfam. This meeting focused on the issues around corporate tax included in the recent policy review paper produced by the Shadow Treasury team as well as the issues under discussion at the G8 later that month.

In early June the Policy Commission met with the two other 'economy' Policy Commissions to discuss the options posed in the policy papers in relation to the submissions received and to ensure that all five policy documents under their remit fitted together in a coherent way. At this meeting Ed Balls also updated the Commission on his recent speech on public spending and the approach a Labour Government would take in 2015-16. Commission members discussed the importance of tackling the deficit in a fair way and the need for a Labour Government to make different choices than the current Tory-led Government is making. Issues around Labour's approach to universal benefits were also discussed.

At the National Policy Forum in June representatives discussed the papers in detail, including the options for consideration. Details of the final papers are included in the annex. More broadly, NPF representatives present at the economy sessions were keen to discuss tax avoidance and corporate tax more generally. There was also interest in discussing fairness in the tax system as a whole and how a Labour Government could improve this.

Tied to the work of the Living Standards and Sustainability Policy Commission there was an interest in discussing green growth and how this could boost our economy. Other issues raised during the National Policy Forum included banking reform, infrastructure investment and the role of mutuals and co-operatives in our economy.

The National Policy Forum also provided an opportunity for representatives to discuss Ed Balls's recent speech on public spending. There was general discussion around the need to balance fairness with credibility, while at the same time continuing to focus on the Government's failed economic plan.

The Commission has now agreed its work programme for the year ahead and plans to hold meetings on infrastructure and financial services reform in the months ahead.

Through submissions from Party members, affiliates and the wider public and as a result of discussion at June's National Policy Forum we have identified a number of priority issues which are set out below.

Current issues

Jobs, growth and living standards

The UK economy has now been flatlining for three years and is still a long way from a strong and sustained recovery. This is now the slowest recovery for over 100 years and explains why living standards continue to fall and families are worse off. At the time of the 2010 Spending Review the economy was forecast to have grown by 6.9 per cent but actual growth has been nowhere near that.

With economic growth still weak Labour has been clear of the need for action, not complacency, from the Government, and this is a position reflected in numerous submissions to the Commission this year. That is why Labour has backed the calls of the International Monetary Fund to bring forward infrastructure investment right now to create jobs and growth.

If the entire infrastructure boost recommended by the IMF was spent on housing over the next two years, Labour estimates that it would allow the building of around 400,000 affordable homes across the country, and support over 600,000 new jobs in construction, including 10,000 apprenticeships.

We need to ensure that we get people back into work – of all ages, in all parts of the country and in all sectors.

As submissions to the Policy Commission have set out, it is only by getting our economy growing again that we can build the long-term sustainable recovery the UK needs.

Submissions to the Commission are extremely concerned about the cost of living crisis facing people across the country. With prices rising faster than wages many people are feeling the squeeze and paying the price of this Government's failure.

Rather than cutting taxes for millionaires Ed Miliband has said that a Labour Government now would reintroduce a 10p rate of tax, funded by a tax on homes worth more than £2 million. This, alongside action to tackle rip-off energy bills and train fares, would help boost living standards across the country.

Public finances

The Government is set to borrow £245 billion more than previously planned in order to pay for their economic failure and the UK's families and public services are paying the price. The scale of the cuts announced in the latest Spending Review are the direct result of the Government's failure to get the economy to grow.

Labour has been clear that boosting growth and living standards this year and next year would bring in more tax revenues and reduce the scale of the cuts needed in 2015. This argument has been reflected in many of the submissions to the Commission, which argue about the importance of a fairer approach to deficit reduction.

As Ed Miliband and Ed Balls have set out a Labour Government will have to deal with a difficult inheritance in 2015 and the totals set out in the recent Spending Review will have to be our starting point. However, we will make different choices, recognising the fact, set out clearly in submissions to the Commission, that a Labour Government must stand up for ordinary people and have fundamentally different priorities to the Tory-led Government.

Capital investment and infrastructure

The Government is keen to talk about infrastructure investment but the evidence shows they are failing to deliver. The Spending Review revealed that the Government have cut capital investment again in 2015-16 by 1.7 per cent, or nearly £1 billion. Furthermore, in its first three years the Tory-led Government has spent billions less in capital investment when compared to the plans inherited from Labour.

Submissions to the Commission have been keen to highlight the importance of infrastructure investment and the key role it can play in rebuilding the economy. As Ed Balls has said, Labour supports the calls of the International Monetary Fund to bring forward infrastructure investment, potentially building thousands of new homes and significantly boosting the construction industry.

Banking reform

Many submissions to the Policy Commission are clear on the need for reform of the banking industry. However, the Government is continuing to duck the radical reform that is needed. For example, David Cameron and George Osborne are refusing to legislate for a backstop power that would allow for full separation of the banks if ring-fencing proves ineffective.

Labour has also been clear that the banking sector needs to be opened up to greater competition, which will help to keep down the costs to consumers, stimulate better service and improve the public's understanding of the products they are using.

Bank lending is an issue which also needs to be addressed, and which has been raised in numerous submissions to the Commission. Net lending for businesses has fallen for three years under this Government after a series of hastily drawn up schemes. Project Merlin, the National Loan Guarantee Scheme and Funding for Lending have all so far failed to deliver for small businesses.

Meanwhile, under this Government the banks have received a tax cut, with the bank levy yet to bring in the £2.5 billion ministers promised it would. The Government continues to refuse to repeat the bank bonus tax, which Labour would use to fund a jobs guarantee for young people. Submissions to the Commission have also raised issues relating to a Financial Transaction Tax, which is a topic that has been discussed at Policy Commission meetings and at the National Policy Forum.

Tax avoidance

At a time when the Government is cutting spending and raising taxes it is more important than ever that individuals and companies should pay their fair share of tax, and be seen to do so. This is an issue which has been reflected in many submissions to the Commission. It is clear there is a great deal of public anger around this issue.

While many good British firms and millions of families are paying their fair share, some companies are not. This is not right and needs to change, and to tackle tax avoidance we need action in a number of areas. We need to reform the rules that allow companies to have a lot of business in Britain but pay little, or no, tax in this country.

This is an issue which the Commission discussed at length at its recent meeting with Richard Murphy, from Tax Research LLP.

Fair taxation

There was much outrage in submissions to the Commission and in meetings at the Government's decision to cut the top rate of tax from April, giving 13,000 millionaires a tax cut worth an average £100,000. At a time when families are seeing their living standards squeezed (families are on average £891 worse off this year as a result of tax and benefit changes since 2010) this is seen by many as unacceptable.

Earlier this year, Ed Miliband stated that a Labour Government would not be cutting taxes for millionaires and would instead reintroduce a 10p tax rate funded by a new mansion tax on homes worth more than £2 million. In Policy Commission meetings shadow Treasury ministers set out how this would send a clear message about Labour's vision for the economy: when you play your part, when you make your contribution to the economy, you will be rewarded.

Policy Review input

Throughout the year the Policy Commission has been kept informed of the work of the shadow ministerial teams through the Policy Review on issues that fall under its remit. All reports produced as part of the Policy Review process have gone to the Commission as formal submissions.

As noted above the Commission met earlier this year with Nick Tott, author of the report on the case for a British Investment Bank as part of the Policy Review. This was very useful in helping the Commission draft its policy paper on the BIB.

In addition in its June meeting the Commission discussed the issues set out in the Policy Review document on corporate taxation and how it is important to ensure businesses and individuals pay their fair share.

Later this year the Commission intends to hold a meeting on infrastructure, and will look to take evidence from Sir John Armitt who is heading up Labour's review on the long-term challenges for the UK's infrastructure.

Submissions

All submissions received by the Policy Commission are circulated to members ahead of the next meeting for consideration as part of our discussions on policy development. Since its launch in November, the Stability and Prosperity Policy Commission has received and considered submissions on the following topics.

- 10p tax
- 50p tax
- Additional rate of tax
- Balance of trade
- Bank governance
- Bankers' bonuses
- Banking reform
- Basel framework
- British Investment Bank
- Capital investment
- Challenger banks
- Citizens Allowance / Basic Income
- Consequences for irresponsible banking
- Consumerism
- Corporate governance
- Council tax collection
- Council Tax re-banding
- Country-by-country reporting
- Crown dependencies
- Debt
- Deficit
- Domestic tax avoidance

- Duty of auditors
- Energy markets
- Equity finance
- Ethical and Co-operative banking
- European regulation of financial sector
- European Social Security Fund
- Exports
- Finance guarantees
- Financial Transaction Tax
- Food banks
- Food vouchers
- Full employment
- Gambling
- General Anti-Avoidance Rule
- Global Tax Code
- Green energy
- Green Investment Bank
- Growth
- HMRC staffing levels
- Housebuilding
- Import tariffs
- Inflation
- Inheritance Tax
- Job guarantees and job creation
- Land value tax
- Lending for Co-operatives
- Lending to SMEs
- Living standards
- Local Enterprise Partnerships
- Long term investment
- Low carbon economy
- Macroeconomic policy
- Mansion tax
- Manufacturing
- Money Export Tax
- National Insurance Contributions
- National mutual fund
- National Savings Bank
- One-stop-shop for Government support for business
- Payday loans
- Penalties for tax avoidance and evasion
- Pension funds investment
- Pension tax relief
- Poverty
- Progressive taxation and inequality
- Public sector net borrowing
- Public sector pay
- Public sector pensions
- Public spending
- Publicly-owned banks
- Quantitative easing
- Recruitment agencies
- Reforming the economy
- Regional banks
- Regional Growth Fund
- Responsible capitalism
- Robin Hood Tax
- Social Security
- Spending Review
- Tax avoidance and tax havens
- Tax code simplification
- Tax evasion
- Tax Increment Financing
- Taxation
- Training and support for women
- Transfer pricing
- Utilities markets
- VAT
- Wealth tax
- Winter fuel allowance

ECONOMY

STABILITY AND PROSPERITY

POLICY COMMISSION

POLICY PAPER: A BRITISH INVESTMENT

BANK: MAKING

IT A REALITY

A BRITISH INVESTMENT BANK: MAKING IT A REALITY

THIS POLICY PAPER HAS BEEN PRODUCED BY LABOUR'S STABILITY AND PROSPERITY POLICY COMMISSION, FOLLOWING CONSULTATION ON THE CHALLENGE PAPER OF THE SAME TITLE. IN PRODUCING IT WE HAVE CONSIDERED SUBMISSIONS RECEIVED IN RESPONSE TO THE CHALLENGE PAPER AND AN EARLIER DRAFT OF THIS PAPER, AND THIS FINAL VERSION SETS OUT THE DIRECTION OF TRAVEL THAT THE POLICY COMMISSION AND NATIONAL POLICY FORUM CONSIDER APPROPRIATE IN THE LIGHT OF WHAT WE HAVE LEARNED.

Introduction

Over the last year Labour has been setting out in more detail the importance of a British Investment Bank in building a One Nation economy to help deliver long-term, sustainable growth. There is a strong case for a British Investment Bank as a means of addressing the long-standing and worrying weaknesses in both business lending and infrastructure investment. Labour is determined to turn enthusiasm for this approach into a reality that will truly transform our economy and deliver for the UK.

There has been widespread support for a British Investment Bank in the submissions received in response to the challenge paper, and in the wider business community. There is a general recognition that given every other major country understands the need for government to intervene to tackle this problem of financing it is time the UK acted to ensure British businesses are not at a disadvantage. The aim of this paper is to build on this agreement of the need for a British Investment Bank and begin to explore the detail of how one could be established.

Such a bank could help provide government backing for entrepreneurs when the market fails. Supporting these small businesses will be essential to promoting an economy which works for the many, not just a few at the top.

In addition to the problem of bank lending there is a strong argument being made around the need for a body that can help boost infrastructure investment. Amid ongoing calls for further capital investment to kick-start the

economy and the failure of the Government to get spades in the ground, many economists, business groups and other organisations see the value in an institution that could help provide the finance needed to get key projects off the ground. Support for both these objectives is reflected in the submissions received in response to the challenge paper.

The Commission has also discussed the 'Business Bank' included in the Autumn Statement 2012. However there is general agreement that it lacks the ambition and necessary funding required to transform our economy in the way that is necessary.

Issues

Responses to the challenge paper reveal deep concerns about the UK's economic outlook and the structural problems facing our economy in terms of support for business and adequate infrastructure investment. There is a belief that Labour must be bold and ambitious in responding to what many people see as deep-rooted problems.

"Current government economic policy has stifled and lowered growth leading to a vicious circle of decline."

Orpington CLP

Fundamental to this is reform of the banking system so that it works for ordinary businesses and families.

"We need banks that serve the small and medium sized businesses. We need a banking system that works for all."

Aiden Lawler

The concerns raised reflect many of the problems currently facing small businesses in the real economy. It is clear that access to finance remains a key issue. Despite initiatives like Project Merlin and the Funding for Lending Scheme, little has changed in recent months and years. Funding for Lending figures published in June 2013 showed a fall in net lending in the final quarter of 2012, despite the fact the banks have drawn a total of £13.8 billion since it was launched last summer with even the Business Secretary describing the progress as “disappointing”.

In addition to these immediate problems, last year’s report by Nick Tott into the case for a British Investment Bank, identified the historic lack of patient capital in the UK. Nick Tott and others have also highlighted how this problem could be exacerbated by the Basel III capital requirements which provide a disincentive for banks to lend ‘patient capital’ beyond five years because of the large amount of capital they have to hold to offset the risks this carries. A British Investment Bank could help overcome this problem.

Alongside the issue of lending to business, the need for greater infrastructure investment is also clear and has been raised frequently in the submissions received.

This is particularly true given ongoing concerns about the current delay in getting major infrastructure projects underway. Analysis of the Government’s ‘infrastructure pipeline’ shows that only seven of the 576 projects (1.2 per cent) are ‘completed’ or ‘operational’. Most of these are road schemes which began under the Labour government, including one which started construction in 2007. Just 18.2 per cent of the projects listed are said to have ‘started’ or to be ‘in construction’ or ‘under construction’. In addition, figures from the Office for Budget Responsibility show that in the first three years of this Government capital investment has been billions of pounds lower than the plans inherited from Labour.

Many groups have different opinions as to whether a single British Investment Bank could deliver these twin objectives of SME lending and infrastructure investment. But submissions on the challenge paper appear to be clear that both these issues require a strong policy response. For example, a number of submissions have suggested that more could be done to make use of the state-backed banks such as Royal Bank of Scotland and Lloyds to achieve these aims.

So while there is general agreement on the importance of a British Investment Bank and on the need to provide greater support for our small businesses while also boosting infrastructure investment, key challenges remain about how exactly a British Investment Bank could be transformed into a reality.

Scope

Much of the debate around a British Investment Bank has become centred on whether it should focus on SME lending or provide support for much needed infrastructure investment. However, there is a danger this ignores the broader point about how the key ambition of a British Investment Bank should be to reshape the economy to help support a more sustainable model of economic growth focused on the long-term needs of our economy.

Submissions have expressed different views on this issue.

“The BIB’s Corporate Structure model should follow the example of its German and Nordic equivalents and the US Small Business Administration in that its articles specifically state that their role is to support small and medium sized firms, defined as those who employ less than 250 employees, throughout all the regions within the UK.”

Caerphilly CLP

“I would argue that the Investment Bank should not be involved in Infrastructure development, as this should be dealt with through the Green Investment Bank - the GIB

should be the vehicle for investing in infrastructure that promotes sustainable growth, and we should NOT be using public money to subsidise infrastructure that does not promote sustainable growth.”

Robin Beveridge

“Making loans to small businesses is important for their growth and development. A British Investment Bank that did this would be very welcome. The majority of co-operatives are small businesses and would benefit from such a service.”

Co-operatives UK

“An institution such as a BIB is considered necessary as the associated risk and length of infrastructure projects is unappealing to private finance alone – it requires the state, or a state body, to facilitate the project.”

Unite

The arguments in favour of combining both functions in a British Investment Bank include: the sharing of back office functions where there is an overlap could provide economies of scale; the role of SMEs in the infrastructure supply chain could better be considered in a single institution; and also the fact that such a structure would support any potential scope for linking up with and developing the Green Investment Bank.

The case against such an approach is often based on a concern that this would lead to a lack of institutional focus and a belief that the skills, knowledge and expertise required for the two functions are very different. However, it is likely that these issues could be dealt with through the structuring of the British Investment Bank as they are in institutions like Germany’s KfW, which offers a range of support to different sectors under one umbrella.

Responses to the challenge paper make the point that it would be possible the British Investment Bank to cover both these functions, while acknowledging that there would need to be some sort of distinction within the institution. In any case, such a bank will need

to take account of the Vickers reforms to the banking system which will require a ring-fence between business lending and any other activities of the British Investment Bank.

A British Investment Bank must find ways to meet the ambitions of supporting lending to small and medium sized businesses and helping to boost infrastructure investment. Only by tackling the structural problems in both these areas will we truly reform our economy and support sustainable job creation.

Funding

Submissions to the Commission acknowledge the fact that key questions need to be addressed around the initial capitalisation and the impact of any potential borrowing powers a British Investment Bank would have. The IPPR has recommended that a British Investment Bank should be able to issue bonds with a Government guarantee. Such a structure would be similar to comparable institutions in other countries.

“Any national investment institution requires a viable, stable and long-term source of funding in order to be considered a serious force for good in our economy.”

Richard Denham

The funding arrangements for the Green Investment Bank have been raised in discussion on this issue. Many are keen to tie its work with that of the British Investment Bank. One option would be to give a British Investment Bank powers to raise its own funds on the same basis as the Green Investment Bank. Such an approach would need to take account of the fact that the deteriorating public finances mean that the date at which the Green Investment Bank was due to get borrowing powers has been delayed.

If the British Investment Bank is to deliver in its key objectives it is essential that it is adequately funded and given the powers necessary to ensure its success.

A British Investment Bank should be able to raise funds itself in line with similar institutions in other countries. It will also be important that the British Investment Bank is able to work with or along side the existing Green Investment Bank. The relationship between the two will be fundamental in ensuring the success of both institutions.

Network and governance

The mechanism by which funding would be distributed across the UK, including to the devolved administrations, presents a number of challenges. At the same time there is general agreement that if it is to drive forward growth right across the UK it requires a regional and sub-regional presence, with lending decisions made at a more local level than is currently the case with the larger banks.

“If an investment bank is to make an impact on the diverse economies of the UK it will need to work to plans that are agreed at a sub-national level.”

Anne Baldwin

The Commission acknowledges that the Small Business Taskforce has been examining the lessons that can be learned from the German banking model, which includes a local savings bank – Sparkassen – and that this is often admired for the support it provides to small businesses. Submissions have acknowledged the difficulty of replicating these structures in the UK but it is clear that lessons can be learned and we will want to examine the recommendations of the Small Business Taskforce carefully.

A number of submissions have noted that the branch network of the state-backed banks, or the Post Office network, could provide an opportunity in this respect. However, once again there is also an acknowledgement that these present further questions and challenges that would need to be addressed.

The Commission agrees that reform of the existing banking system so that it is more responsive to the needs of SMEs – potentially through smaller and regionally based banks – should be considered as part of Labour’s wider banking reform agenda. It is notable that Ed Miliband has said “we need banking serving every region, every sector, every business, every family in this country” and that Labour should look to boost competition in the sector.

The Commission agrees that a regional focus will be essential to ensure growth is promoted right across the country, working with local businesses and making it easier for firms to secure the capital investment they need to create growth and jobs in every corner of Britain. The Labour Party must consider the best way to deliver on this objective.

We also agree that the governance structure of a British Investment Bank will be essential in ensuring it can deliver whether other banks have failed. That means engaging with a range of stakeholders including government, business and trade unions.

ECONOMY

STABILITY AND PROSPERITY POLICY COMMISSION POLICY PAPER : TAX AVOIDANCE: TAX HAVENS

TAX AVOIDANCE: TAX HAVENS

THIS POLICY PAPER HAS BEEN PRODUCED BY LABOUR'S STABILITY AND PROSPERITY POLICY COMMISSION, FOLLOWING CONSULTATION ON THE CHALLENGE PAPER OF THE SAME TITLE. IN PRODUCING IT WE HAVE CONSIDERED SUBMISSIONS RECEIVED IN RESPONSE TO THE CHALLENGE PAPER AND AN EARLIER DRAFT OF THIS PAPER, AND THIS FINAL VERSION SETS OUT THE DIRECTION OF TRAVEL THAT THE POLICY COMMISSION AND NATIONAL POLICY FORUM CONSIDER APPROPRIATE IN THE LIGHT OF WHAT WE HAVE LEARNED.

Introduction

When times are tough for families and businesses and cuts to public spending and tax rises are having an effect, it's only right that the public knows whether everybody is paying their fair share.

Responses to the challenge paper on tax havens have demonstrated a genuine anger about the issue of tax. High profile examples of companies and individuals being seen to avoid tax to extreme levels over the last year have exposed a system that many believe requires significant reform. The decision to cut the top rate of tax to 45p – giving a tax cut to the richest one per cent – has only exacerbated this anger.

A One Nation economy means one where everyone has a stake and prosperity is fairly shared. Labour believes this principle should of course be reflected in the tax system. While these issues are immensely complex and require further detailed thinking as well as international co-operation, the Commission agrees more immediate consideration of issues around tax havens should be pursued. In addition, Labour needs relentlessly to make the case that:

- Ensuring people pay their fair share of tax is absolutely essential and non-negotiable
- Society relies on tax revenues to provide essential services and we should not take for granted its importance

Issues

General principles

A key theme in the submissions received has been the need to ensure that our tax system is both fair, and also seen to be fair. This is essential if taxpayers and businesses, both domestic and based overseas, are to have confidence in the UK as a place to live and do business. We need to continue to make the argument that tax avoidance is unacceptable.

“A Manifesto pledge that all companies who trade within the UK should pay their fair share of VAT, Corporation Tax and all other company related taxes.”

Caerphilly CLP

“Whilst it's true that no-one loves tax what is becoming clear is that people – not just activists, but ordinary people up and down the UK – do not like tax cheats and realise that the time has come to address the problems that they create in the UK economy. The time for a new approach to tax has arrived.”

Unite

We believe that most companies, including major multi-national corporations, make a significant contribution to the UK economy and to the Exchequer through the taxes, National Insurance and business rates they pay, but also indirectly through the jobs and sales they create. In addition, sometimes there will be good reasons why companies pay little tax – some companies invest large sums in research and development, assets and infrastructure, and we should celebrate this.

But we also need to know when companies are stripping their profits out of the UK through artificial schemes.

There is agreement that the tax system cannot discourage good companies from coming to the UK.

“Labour must not deter businesses from operating in the UK and a recognition that uncertain tax law can do just that.”

Unite

However, many submissions have fairly questioned a situation in which a company can make sales of £1.2 billion, describe itself to investors as profitable, and yet report no profit here in the UK. Such a situation risks undermining our tax system as a whole and therefore needs to be addressed.

So we need to look at how UK tax laws can be made stronger in order to deter tax avoidance as well as excessive short-termism by companies. This includes looking at how the UK’s rules on transfer pricing differ to other OECD countries.

Significant concern has been raised about the role of HM Revenue and Customs and the impact that departmental cuts are having on its ability to clamp down on tax avoidance.

“HMRC needs to be properly resourced to combat avoidance.”

Fred Cook

“HMRC should be given the necessary resources to tackle tax avoidance.”

Your Britain event, Cambridge

Earlier this year HMRC had more staff working on administering their child benefit cut than it employs in its ‘offshore co-ordination unit’ and ‘affluence unit’ combined to tackle tax evasion and avoidance. We need to ensure HMRC has the right resources, expertise and the right specialists in different sectors to adequately police this increasingly complex area.

Tackling tax havens and transparency

A recent report by The Economist estimated that the world has between 50 and 60 tax havens which are home to more than two million paper companies and thousands of banks, funds and insurers. The report noted that the Boston Consulting Group has estimated that around \$8 trillion of private financial wealth out of a global total of \$123 trillion sits offshore, but this excludes property, yachts and other fixed assets, and therefore the true figure is likely to be much higher.

The responses to the challenge paper expressed a strong belief that action must be taken to tackle tax havens at both a domestic, EU and international level.

“A much tougher line should be taken on closing down UK tax havens.”

Mick Hills

“Companies registered in so called tax havens should not be allowed to do business in the UK.”

Mangesh Gharfalkar

The Commission agrees that Labour must continue to push for action to be taken on an EU and international level to tackle the problems caused by tax havens.

While there is general agreement that international co-operation on this issue is essential, submissions have also noted the particular role of the UK’s crown dependencies and overseas territories and how there is more scope for the UK to act to ensure these operate to the highest standards of transparency and accountability so that no one can accuse the UK of applying double standards on this issue.

“We shouldn’t forget that we have jurisdiction over many Tax Havens; Bermuda, British Virgin Islands, Cayman Islands, Jersey and Guernsey, The Isle of Man and of course the City of London. We can start by tidying our own backyard.”

Will Porter

“Pressure should continue to be applied on all tax havens for transparency and to opt into international inspection.”

Orpington CLP

A key way to increase transparency would be the requirement for UK tax havens to reveal the identity of British tax evaders hiding money there.

There is widespread acknowledgement that properly tackling tax havens on an international basis will require a long-term strategy, which considers the impact on their economies.

Tackling tax havens requires action at a domestic, EU and international level, looking at the UK’s crown dependencies and overseas territories but also at a wider level.

A Labour Government should prioritise increasing transparency in its crown dependencies and overseas territories, including requiring UK tax havens to reveal the identity of British tax evaders. Leading by example is the best way to make the case for a proper EU regime.

However, such an approach should not be at the expense of working towards international agreement on those important issues. It is essential that work at home and abroad is done in parallel to tackle the issue of tax havens.

Many of the submissions make the argument that greater transparency would help restore public trust, as well as improve enforcement. It would also allow those businesses that do pay a large amount of tax to be recognised for their contribution.

“There could be a ‘Gold Star’ system for businesses who pay their full tax.”

Liz Tams

Concerns have been expressed that the current rules mean it is too easy for a group of companies to set up complex networks of companies within a group, some of which

can be based in tax havens, and move profits between them. This can often make it very difficult to assess the overall amount of tax paid. For that reason an easy way to improve transparency and limit the power of tax havens would be to require multi-national groups to publish the amount of corporation tax they pay in the UK and a clear and detailed statement of why the tax paid is as it is.

It has been suggested that opportunities for tackling these wider issues on tax havens could be provided through the US Foreign Accounts Tax Compliance Act (FATCA), which aims to crack down on tax avoidance by requiring foreign banks to report US account holders to the Inland Revenue Service. As part of its longer term work Labour could consider what the UK can learn from it and whether there is scope to build upon it in the UK.

International co-operation

A general theme throughout submissions to the challenge paper was how co-operation on an international level is absolutely essential to success in tackling tax havens and on the wider tax avoidance agenda. In this respect, concern was raised that the Government’s anti-EU bias could put productive co-operation at risk.

“Big companies today move around and have operations in different countries. The UK cannot tackle tax evasion alone. We need to work closely with the EU and USA.”

Your Britain event, Cambridge

“In a globalised economy tackling tax avoidance requires international cooperation. The UK Government’s hostility to the EU is counter-productive. No one country can achieve much on its own. Productive cooperation is more likely to be achieved within trading blocs.”

Orpington CLP

In addition, we must consider how greater transparency around revenues, profits, and taxes paid could be delivered domestically if international agreement takes time to be reached as well as examine the international lessons on how we can improve transfer pricing rules.

We need to ensure that action to tackle tax havens and tax avoidance is top of the international agenda and One Nation Labour will act.

In considering the submissions received there are a number of principles which Labour's ongoing work on tax avoidance should build on:

The fundamental principle which has guided the UK's approach to business tax, which this policy paper builds on is that businesses should pay their fair share of taxes here because they depend on tax-financed public goods: healthy and educated workforces; good infrastructure; publicly enforced contract law and property rights and a balanced economy in which there is prosperity and demand for goods and services.

The corporate tax system can create incentives that encourage business to invest in the economy and drive further growth, in part through the tax system, for example through reliefs like capital allowances and research and development tax credits.

A competitive Corporation Tax system empowers UK business to compete in the global economy to the benefit of workers, the supply chain and the Exchequer. An uncompetitive tax system risks driving business offshore, jeopardising business tax revenues.

A coordinated approach taken forward in a transparent way with not just our EU and OECD partners but with the Governments of emerging economies as well is required to determine which profits should be taxed here in the UK and which should legitimately and fairly be taxed abroad.

We will take all these factors into account in considering how the tax system should be reformed.

ECONOMY

WORK AND BUSINESS POLICY COMMISSION ANNUAL REPORT

WORK AND BUSINESS POLICY COMMISSION

Membership 2012/2013

HM Opposition

Chuka Umunna MP*
Liam Byrne MP
Rachel Reeves MP
Stephen Timms MP

National Executive Committee

Jennie Formby*
Ann Black
Jim Kennedy
Andy Kerr

CLPs and Regions

Shaukat Ali
Mike Amesbury
Boyd Black
Jackson Cullinane
Deborah Gardiner
Fred Grindrod
Daniel Johnson
Alon Or-bach
Garry Owen
Jayne Shotton
Linda Woodings

Affiliates

Richard Angell
Tony Burke
Karin Christiansen
Ruth George
Paul Kenny

Elected Reps

Andy Sawford MP†
Lord Kennedy
Sharon Taylor
Derek Vaughan MEP

* Co-convenor

† Replaced Julie Hillings, June 2013

POLICY DEVELOPMENT

THE WORK AND BUSINESS POLICY COMMISSION IS CHARGED WITH CONSIDERING HOW LABOUR CAN ENSURE THE UK IS ABLE TO COMPETE IN AN INCREASINGLY GLOBAL ECONOMY. THIS INCLUDES SUPPORT FOR WORKING PEOPLE, PEOPLE LOOKING FOR WORK AND HOW WE CAN HELP BUSINESSES ACROSS A WIDE RANGE OF SECTORS. IT WAS ESTABLISHED IN NOVEMBER 2012 AS A SUCCESSOR TO THE PROSPERITY AND WORK POLICY COMMISSION, FOLLOWING THE REFOUNDING LABOUR REFORMS AGREED AT ANNUAL CONFERENCE.

Annual Conference 2012 tasked the National Policy Forum with prioritising issues around ‘Protecting Workers: including the role of agency workers, the living wage, and the Gangmasters Licensing Authority’ as well as ‘Vocational education, Apprenticeships and the Role of Job Guarantees in Tackling Youth Unemployment.’ The Commission discussed these issues extensively throughout the year, taking evidence from Labour Party members, CLPs, affiliates and external organisations. Our conclusions are included in the policy papers in the annex of this report.

Other issues such as social security and employment rights have been central to the political debate over the last year and the Commission has been keen to discuss these in addition to the policy documents. In addition, the Commission is keen to continue to make the case for an active industrial strategy to build the long-term sustainable economy recovery which the UK needs.

Annual Conference 2012 featured a number of contemporary resolutions submitted within the remit of the old Prosperity and Work Policy Commission. Those of relevance to the new Work and Business Policy Commission included resolutions on the Government’s attack on employment rights, particularly the Beecroft Report, blacklisting and the need to ensure workers are given adequate protection in the workplace. The resolutions reflected concerns among members that creating uncertainty about job security will reduce the ability of employees to benefit from an improvement in the British economy.

Other resolutions of relevance to the Commission related to regional pay bargaining in the public sector, the campaign for a living wage, the importance of tackling child poverty and the need to reform social security to ensure people have adequate living standards and incentives to work. These contemporary resolutions also reflected submissions from Party members and have been discussed in Commission meetings over the course of the year.

The Prosperity and Work Policy Commission held two policy seminars at Annual Conference 2012. In both of these a number of issues were raised in relation to the work of the Work and Business Policy Commission.

Many delegates raised concerns about the impact of the Government’s welfare cuts, particularly on the most vulnerable in society. In particular delegates raised concerns about the management of the Work Capability Assessment and the impact of benefit changes on people with disabilities. The closure of Remploy factories was also discussed. Many delegates argued that the poorest should not be made to bear the biggest burden of deficit reduction. In the living standards seminar at Annual Conference 2012, many delegates also discussed the need for the Labour Party to be central in the campaign for a living wage. Alongside this, many argued that there needed to be greater enforcement to ensure companies paid the National Minimum Wage.

Housing was an issue raised by a number of delegates, with many arguing for more accessible and affordable social and council housing. More generally, delegates expressed support for improved standards and more ‘green’ homes. The need for fairer rents and more secure tenancies in the private sector was also raised. Much of this work is being undertaken by the new Stronger Safer Communities Policy Commission. One delegate expressed concern at the impact of changes to the state pension age, particularly for manual workers who may find it more difficult to have a longer working life.

Youth unemployment was also a key issue amongst delegates. Labour was praised for taking action, even in opposition, to help deal with this problem at a local level through job fairs organised by MPs and local councils. One delegate suggested that the challenges facing many young people are making it harder for them to realise their ambitions, while the decision to treble tuition fees is making it harder for people to go to university.

Delegates at Annual Conference 2012 were worried that the Government’s economic plan would lead to an increase in child poverty and it was noted that the Institute for Fiscal Studies has forecasted that child poverty will rise over the course of this Parliament. Alongside this many delegates were concerned that more and more families are turning to legal loan sharks for support or are relying on food banks to feed their children. There was general consensus that this was unacceptable and that Labour needed to take action to tackle payday loan companies and legal loan sharks.

Other issues raised included the cost of childcare, the implementation of the Agency Workers’ Directive (including the use of the Swedish Derogation to undermine equal pay provisions), and health and safety in the workplace. The need to support economic recovery across the regions, harnessing the

potential of our cities, and the role of Local Enterprise Partnerships can play in working with business was also discussed.

In November the Commission held a conference call to discuss the format of the ‘challenge papers’ which the Joint Policy Committee had tasked the Commission with drafting. This included discussing the various questions which the papers should pose as part of the consultation exercise on the new ‘Your Britain’ policy hub website. The Commission agreed that the ‘Protecting Workers’ challenge paper should make the case that fairness in the workplace must be a priority for a Labour Government in 2015. A Labour Government will need to address this and build a One Nation economy where prosperity is fairly shared, with good, well-paid jobs and fairness and security in the workplace. The challenge paper also expressed concern that many working people in our society often do not get paid enough to look after their families and plan for the future in the way a fair and just society should ensure. It recognised the need for strong representation at work, including union membership, as well as a new industrial strategy to help ensure we secure more and better paid jobs for the long-term.

The ‘Vocational Education, Apprenticeships and Job Guarantees’ paper sought to build on Ed Miliband’s speech to Annual Conference about the ‘forgotten 50 per cent’, those young people who do not go to university, and the need to build a high quality skills system in our economy. It also expressed concern about the Government’s record on youth unemployment and the need to ensure our young people are not written off.

The challenge papers were agreed via another conference call and then published on the ‘Your Britain’ website for consultation in November.

Early in the new year the Commission met to discuss submissions received on the challenge papers and to begin to consider the content of the policy papers. Submissions received expressed concern at the Government's approach to collective and individual employment rights and highlighted particularly issues around unfair dismissal, collective redundancies and the Government's 'shares for rights' scheme. The issue of 'pay between assignment' contracts for agency workers was also raised in the submissions and by Commission members. At this meeting there was a longer discussion about how Labour can promote a living wage, with reference made to the various submissions received on this subject. The importance of ensuring work pays was highlighted in a number of submissions as was the importance of transparency and increased information as a way of improving pay. Concern was expressed that enforcement of the National Minimum Wage was not strong enough. The potential role of local authorities in helping to enforce NMW was also discussed. During the meeting there was discussion as to the various ways a living wage could best be delivered in the private sector.

In relation to the Youth Unemployment challenge paper, apprenticeships were discussed with Commission members expressing concern at claims some training activity has been rebadged as apprenticeships. The quality of training within apprenticeships was also discussed, with Commission members agreeing the importance of adequate careers advice in schools and colleges and the need to develop a new skills ecosystem to produce high quality apprenticeships.

At this meeting Shadow Business Secretary Chuka Umunna also updated the Commission on the work of the Shadow Business team, particularly in relation to blacklisting which the team has been keen to raise awareness of. Shadow DWP Minister Stephen Timms also

updated the Commission on the recent work of the Work and Pensions team, particularly in relation to the Government's failing Work Programme, Labour's Compulsory Jobs Guarantee, and the response to the Welfare Upgrading Bill.

The Commission met again in February to set out the framework for the policy documents and to consider further submissions that had been received. On the 'protecting workers' paper there was general consensus on the need to address the issue of pay-between-assignments in relation to the issue of agency workers. There was further consensus on the need to strengthen enforcement of the National Minimum Wage and that this should be discussed in the policy paper. On the living wage there was a broad discussion on the approach needed to deliver a living wage in the private sector. Other issues raised in the context of protecting workers included zero hours contracts, with concern expressed about their impact. Commission members agreed that the document should make reference to the positive role trade unions play in relation to employment rights. On the extension of the Gangmasters Licensing Authority there was general agreement that the principles of this should be extended into other areas of the economy, such as construction and the care sector.

Discussion on the Youth Unemployment paper focused on the importance of good quality apprenticeships, proper pay and conditions, life-long learning and the positive role job guarantees can play. There was consensus that the policy paper should focus on the need for good quality work experience that provides proper training for young people and is not just a source of cheap or free labour. The Commission also discussed the inclusion of 'options' in the papers to be consulted on.

At this meeting Shadow Treasury Minister Cathy Jamieson updated the Commission on the recent work of the Treasury team, including the recent statements on the reintroduction of a 10p tax band and a mansion tax on homes worth over £2 million. She noted that the focus of the Treasury team's work in the months ahead would be on living standards, contrasting Labour's offer with the Government's decision to cut taxes for millionaires. Shadow Business Minister Ian Murray also updated on the work of the Shadow BIS team. In particular he noted the work he and his colleagues have been doing in scrutinising the Government's attack on employment rights. He specifically spoke about the ongoing work in relation to blacklisting.

The Commission then discussed recent developments with the shadow ministers present, focusing not just on living standards and employment rights but also asking about Labour's response to the Heseltine report, as well as manufacturing, investment, regional growth and social security changes, including the Government's decision to cap the uprating of benefits and tax credits at one per cent.

Following a conference call to amend and sign off the policy documents, both were published on the Your Britain website for consultation.

In early June the Policy Commission met with the two other 'economy' Policy Commissions to discuss the options posed in the policy papers in relation to the submissions received and to ensure that all five policy documents under their remit fitted together in a coherent way. This meeting also provided an opportunity for the Commissions to discuss the recent statement in Ed Balls's speech around winter fuel payments and child benefit for wealthy families. Members discussed the importance of universalism in our welfare system while it was also acknowledged that difficult decisions would need to be made.

At the National Policy Forum in June representatives discussed the papers in detail, including the options for consideration. Details of the final papers are included in the annex. More broadly, there was general consensus about the impact of zero hours contracts on vulnerable workers and it was agreed that this should be further referred to in the document, while acknowledging that a blanket ban is unlikely to work as people could simply be moved to short hour contracts instead. There was widespread concern about the impact the abolition of the Agricultural Wages Board will have on low paid workers employed in agricultural and rural communities and a strong call to ensure a future Labour Government provides proper protection for these workers.

In relation to vocational education and youth unemployment, there was broad agreement on the need for Labour to talk about a gold standard of vocational education and that this should be emphasised in the paper. All representatives agreed that the paper should focus on the need for high quality apprenticeships. There was also general consensus around the importance of adequate careers advice for young people and that this should be reflected in the amended paper.

Furthermore, NPF representatives at the economy sessions of the NPF were keen to discuss the issue of employment rights beyond those covered in the policy papers. There was also interest in discussing the future of pensions, particularly private sector pensions, and what a Labour Government could do to ensure future pensioners have adequate savings for retirement. Reform of social security was also a key issue for representatives.

Following this, the Commission met again in July to discuss the issue of social security, particularly in relation to Ed Miliband's speech on this issue, which took place the month before, and to consider the submissions

received on this issue. At the time of the speech the Commission also held a conference call with Liam Byrne to go through the issues raised. The Commission discussed the issue of getting the balance right between universalism and means-testing in welfare, how to strengthen the contributory principle in the welfare system and how to better support disabled people, including those who require support to work.

The Commission has now agreed its work programme for the rest of the year and intends to hold meetings on support for business and employment rights in the months ahead.

Through submissions from Party members, affiliates and the wider public and as a result of discussion at June's National Policy Forum we have identified a number of priority issues which are set out below.

Current issues

Industrial strategy and support for business

Labour is clear of the need to create a new economy to deliver the jobs and growth of the future - an economy more resilient, competitive and with fairer outcomes, which enables us to pay our way in an ever more globalised world, and helps ensure we secure more and better paid jobs for the longer term.

We need more people setting up, leading and working in business. This private sector growth needs to be supported by an active government approach, investing for the long-term and enabling businesses to grow. Supporting UK exports and attracting more inward investment is a key part of the route to returning the economy to sustained and balanced growth.

To build the economy of the future Labour has been clear of the need for government to play an active role in securing the skills,

the finance and the infrastructure that business needs. This is a theme that has been raised on many occasions at meetings of the Commission, by the NPF and in submissions. Government needs to provide the strategic leadership that allows firms in a particular sector to come together to solve common problems they face – from technologies and materials to supply chain development, to skills and access to export markets.

Labour's industrial policy must support growth and skills across sectors, and across and within regions. This is an approach which sets a strategic direction and then works with industries to understand the particular problems they face.

The Commission has been clear of the need to develop an industrial and manufacturing strategy that will promote UK manufacturing and rebalance the economy in an effective manner. As part of this the Commission has discussed the lessons that can be learned from Germany in this respect and how Labour can adopt positive strategies based on support for manufacturing, skills and a future for our young people.

The Commission has also discussed submissions relating to the need for strong representation at work, including union membership and collective bargaining.

Other submissions have expressed concern at the challenges facing small businesses, particularly in getting access to finance from banks, and this is clearly an issue which Labour needs to address.

Social security

Numerous submissions to the Commission have expressed concern with the approach the Tory-led Government is taking to social security reform, particularly in relation to support for families, children and disabled

people. Ongoing concerns about the Work Capability Assessment have been discussed as have concerns about the delivery of Universal Credit.

Submissions have also expressed concern about the impact of these changes on child poverty. The Institute for Fiscal Studies has forecast that there will be 1.1 million more children living in relative poverty by 2020. Figures published in June showed that the number of children living in absolute poverty increased by 300,000 between 2010-11 and 2011-12.

Ed Miliband's recent speech on social security set out how a Labour Government will need to be laser focused on how we spend every single pound, including social security spending. Central to the approach set out by Labour is the need to overcome worklessness, reward work and tackle low pay, invest in the future and recognise contribution.

Labour has been clear that work for everyone who can work, must be the starting point for social security reform. We also need to change our economy so that welfare is not a substitute for good employment and decent jobs. Investing in building homes again will also be central to Labour's approach, as will restoring people's faith in the system by rewarding the years of contribution they make. Ed Miliband has also set out how Labour would cap structural social security spending to help control costs.

The content of Ed Miliband's speech was discussed by the Commission on a conference call on the day of the speech and at a specific meeting on social security. This also included discussion of the announcement that Labour would not pay winter fuel payments to wealthy pensioners. This is a tough decision and the Commission discussed the issue of universal benefits, which Labour remains committed to. It was also noted that at a time when money is tight our priority is unlikely to be paying

a benefit to the wealthiest in society. The need to balance universalism, means-testing and the contributory principle is an area the Commission will look to discuss further.

The bedroom tax has been a key issue for Labour Party members over the past year and this has been reflected in submissions to the Commission and raised at meetings and the NPF. Labour's campaign earlier this year opposing the bedroom tax highlighted the impact of the tax on disabled people, carers and armed forces families, among others. There are also serious concerns about the hidden costs of the bedroom tax and the lack of available social housing for people affected to move to.

More generally the Commission has expressed concern at the negative rhetoric used by the Conservative Party to portray people who claim benefits. This is a concern reflected in submissions, which point out that many people who receive working-age benefits are in work. For example, two-thirds of those hit by the Government's decision to cap the uprating of tax credits and benefits at one per cent are working people. In addition, two-thirds of those children living in relative poverty are from working families.

Pensions

Many submissions to the Commission have expressed worries about the future for pensions and whether people are saving enough for their retirement. The Commission has discussed this issue with Gregg McClymont, Shadow Pensions Minister, focusing on issues around pension charges and restrictions on NEST. The Commission has also discussed the work done on this issue as part of the Policy Review.

Issues relating to the raising of the pension age have also been discussed as have concerns about the new single-tier pension and auto-enrolment. The impact of these changes on women has also been discussed.

Unemployment and youth unemployment

The Government's Work Programme is failing, with the latest official figures showing it has failed to meet any of its minimum performance standards. Submissions to the Commission are clear about the need to tackle unemployment, including youth unemployment, and the need for Labour to help get people back into high quality, well-paid jobs.

Labour's proposed Compulsory Jobs Guarantee has been discussed by the Commission and at June's National Policy Forum. This would ensure that all people over the age of 25 who have been out of work for over two years would be provided with the guarantee of a proper, paid job. A similar guarantee would be available for all young people out of work for over a year. This is a tough but fair approach that would help those let down by the Government's failed Work Programme. The Commission is clear that ensuring these jobs are of good quality, with training, rather than a source of cheap labour, is essential.

Employment rights

Submissions to the Policy Commission are clear that fairness in the workplace must be a priority for a Labour Government in 2015. The Government's attack on workers' rights is making it easier to fire, not hire people, and is no substitute for the sustainable growth strategy which the UK needs.

The Government's 'Beccroft Report' recommended a number of worrying measures including no fault dismissal, which was not based on empirical evidence, and concerns about this report have been raised within the Commission. The Government has also proposed some employees give up their employment rights in return for shares in the

business. Other worrying developments from the Government include the abolition of the Agricultural Wages Board, and the impact this will have on agricultural workers.

Submissions to the Commission are clear that preventing exploitation in the workplace must always be a focus for any Labour Government. This includes proper standards in our economy, real protection for agency workers, and action against blacklisting. Submissions have also discussed the role of trade unions in securing individual and collective employment rights for their members, and the need to strengthen collective bargaining including sectoral bargaining.

Significant concerns have also been raised about the impact of zero and short hours contracts and the impact this has on the people who have them. The Commission is clear that this is an issue which Labour needs to look at in further detail to ensure abuse is tackled.

Low pay and the living wage

Labour has been closely involved in the campaign for a living wage. Many submissions to the Commission are concerned that many working people in the UK are not paid enough to look after their families and plan for the future in the way a fair and just society should ensure.

The Commission has also noted how research by the Institute of Fiscal Studies has shown that for every £1 spent in the private sector on getting workers up to the living wage, around 50 pence of that would come back to the Government in savings on tax credits and benefits and in higher tax revenue.

The Commission has discussed the many different ways in which a living wage could be promoted across the economy. As Ed Miliband has said, public procurement and

living wage zones have a role to play, as does increasing transparency about what large firms pay their employees. Other submissions to the Commission have suggested further action is necessary to encourage companies, particularly in the private sector, to pay a living wage to their employees. Many submissions have also highlighted the need to take account of the impact on small businesses and employment. This is an issue which the Commission will continue to explore.

The Commission has also received numerous submissions on the need to strengthen the National Minimum Wage and ensure it is properly enforced across the UK.

Policy Review input

Throughout the year the Policy Commission has been kept informed of the work of the shadow ministerial teams through the Policy Review on issues that fall under its remit. All reports produced as part of the Policy Review process have gone to the Commission as formal submissions.

In February the Commission met with members of the Skills Taskforce, who have been charged by Ed Miliband with providing recommendations on delivering a radical overall of vocational learning and the skills system.

At the social security meeting in July the Liam Byrne discussed in detail the work the Shadow Work and Pensions team has been undertaking as part of the Policy Review process. This included discussion of papers on the ‘Youth Jobs Taskforce’, ‘Making Rights a Reality for Disabled People’, ‘Pensions People Can Trust’, localisation of back to work support and also support for older workers.

The shadow Treasury and Business team have also been considering how to reform our economy for the longer term as part of the policy review. This has included issues

such as the British Investment Bank and the recommendations of the Small Business Taskforce which were published earlier this year. The Commission is also keen to take note of ongoing work in relation to issues such as the low carbon economy and the role this can play in an industrial strategy. All work as part of the policy review will be submitted to the Policy Commission for consideration.

Other submissions

All submissions received by the Policy Commission are circulated to members ahead of the next meeting for consideration as part of our discussions on policy development. Since its launch in November, the Work and Business Policy Commission has received and considered submissions on the following topics.

- 50% target for higher education
- Apprenticeships
- Agency workers
- Agricultural Wages Board
- Bedroom tax
- Career development loans
- Careers education
- Child benefit
- Child poverty
- Child tax credits
- Citizen’s Income
- Collective bargaining
- Core Skills
- Corporate social and environmental responsibility
- Disabilities
- Educational Maintenance Allowance
- Effective work placements
- Employee representation
- Employment rights
- Employment rights for young people
- Entrepreneurship
- Financial education

- Financial services
- Food banks
- Full employment
- Funding for postgraduate education
- Future Jobs Fund
- Gangmasters and Gangmasters Licensing Authority
- Graduate employment
- Health and Safety
- Housing benefit
- Housebuilding
- Income inequality
- Industrial action
- Industrial strategy
- Job creation
- Job guarantees
- Lifelong learning
- Life skills in schools
- Living Wage
- Local Employment and Support Boards
- Low carbon economy
- Making work pay
- Microcredit
- National Minimum Wage
- Payday loans
- Pay ratios
- Pensions
- Polytechnics
- Post Offices
- Powers of regulators
- Protecting workers
- Public sector pensions
- Re-engaging young people NEET
- Recruitment agencies
- Rehabilitation and youth unemployment
- Remploy
- Rent controls
- Responsible pension fund investment
- Retraining
- Royal Mail
- Short hours contracts
- Skills based learning
- Supporting for people with disabilities
- Supporting SMEs
- Social mobility
- Social Security
- State pension
- Student fees
- Superfast broadband
- Supporting entrepreneurs
- Swedish derogation
- Tax avoidance
- Tax credits
- Telecommunications
- Temporary and part-time contracts
- Trade union ballots
- Training
- Training levy
- TUPE Regulations
- Urban regeneration
- Utilities
- Vocational education
- Training for young unemployed
- Universal Credit
- Voluntary National Community Service
- Welfare
- Welfare sanctions
- Winter Fuel Payments
- Whistleblowing
- Work Capability Assessments
- Work experience
- Work Programme
- Working conditions
- Workplace stress and mental ill-health
- Youth unemployment
- Zero-hours contracts

ECONOMY

**WORK AND BUSINESS
POLICY COMMISSION
POLICY PAPER : PROTECTING
WORKERS: INCLUDING THE ROLE
OF AGENCY WORKERS, THE LIVING
WAGE, AND GANGMASTERS
LICENSING AUTHORITY**

PROTECTING WORKERS: INCLUDING THE ROLE OF AGENCY WORKERS, THE LIVING WAGE, AND GANGMASTERS LICENSING AUTHORITY

THIS POLICY PAPER HAS BEEN PRODUCED BY LABOUR'S WORK AND BUSINESS POLICY COMMISSION, FOLLOWING CONSULTATION ON THE CHALLENGE PAPER OF THE SAME TITLE. IN PRODUCING IT WE HAVE CONSIDERED SUBMISSIONS RECEIVED IN RESPONSE TO THE CHALLENGE PAPER AND AN EARLIER DRAFT OF THIS PAPER, AND THIS FINAL VERSION SETS OUT THE DIRECTION OF TRAVEL THAT THE POLICY COMMISSION AND NATIONAL POLICY FORUM CONSIDER APPROPRIATE IN THE LIGHT OF WHAT WE HAVE LEARNED.

Introduction

A One Nation economy is one which recognises the role that all working people play in generating growth, rather than simply rewarding the few at the top. That means ensuring workers have adequate protections and rights, decent living standards and are paid a fair wage.

There is widespread opposition to the approach the Tory-led Government is taking to employment rights, particularly the measures set out in the Beecroft Report published last year. Furthermore, there is widespread concern about the impact the abolition of the Agricultural Wages Board will have on low paid workers employed in agriculture and in rural communities and a strong call to ensure a future Labour Government provides proper protection for these workers.

Responses to the challenge paper have expressed concern that the Government is presiding over a 'race to the bottom' on wages, rights and skills and helping to support an economy increasingly built on low paid, insecure jobs. They have suggested that the Government appears to believe that "workers' rights are a barrier to economic growth and prosperity", arguing that this is based on ideology rather than evidence and experience.

This isn't just a rights issue but also fundamental to the future of our economy. Insecurity at work will lead to lack of economic confidence, which will then translate into a lack of growth in our economy.

The Government is failing to recognise that ordinary people working in firms across our country are also the UK's 'wealth creators'. The Government argues tax cuts for the richest will make them work harder, while at the same time making the least well off more insecure at work.

Many respondents are worried about what sort of situation a Labour Government in 2015 would inherit and welcome the work Labour is doing to challenge the Government's attack on workers' rights, which is vitally important for the millions of poorly paid and vulnerable workers across the UK.

Submissions have argued that Labour should champion the rights of working people to fair, effective employment protection legislation and work to promote a living wage that supports a reasonable, dignified standard of living. This includes working with trade unions to develop a framework of positive employment rights for workers.

"Labour law should promote fairness, dignity and equality in the workplace".

Claygate and Esher Labour Party

"Trade unions have a vital role in safeguarding workers' rights and ensuring fairness and proper conditions in the workplace for all workers."

Cardiff West CLP

Issues

Agency workers

There are approximately 1.5 million agency workers in the UK who form one of the most vulnerable sections of the workforce. Labour has been clear that we must stand up for the rights of agency workers which is why, in government, Labour reached agreement between the TUC and CBI on a British framework for implementing the Agency Workers Directive, giving increased protection to agency workers.

The aim of the regulations are to ensure that after 12 weeks in a job agency workers will be entitled to equal treatment, including on pay, overtime and holiday pay. However, concern has been expressed at the transposition and interpretation of the regulations with some employees avoiding the equal pay provisions via Swedish Derogation. Labour will review the transposition to ensure agency workers receive equal treatment within the spirit of the legislation.

Submissions have reflected concerns that the use of the ‘Swedish derogation’ or ‘pay between assignment’ contracts which avoid equal treatment on pay is against the spirit and principles of the Agency Workers Directive.

“Halt the abuse of Pay Between Assignment agency contracts and low hours contracts where the actual hours worked are much higher.”
East Midlands Labour Party Regional Conference

“As part of this Labour should remove all the loopholes in the Agency Workers Regulations and implement legislation in the spirit of the Directive.”

Unite

The Commission agrees that a Labour Government should close the Swedish derogation loopholes to ensure work practices adhere to the principles of the regulations and that there is no exemption from equal treatment on pay.

There has also been widespread concern about the impact of zero hour and short hour contracts on vulnerable workers. Labour is committed to working to protect workers from any abuses where they occur.

Ensuring equal treatment for all agency workers, including on pay, is both an important policy for Labour to pursue in the interests of a fairer society, and an opportunity to support vulnerable agency workers. Properly regulated, agency work can provide valuable flexibility at work, for both business and working people, and can help people trapped on benefits to get back into the world of work.

Living wage

Families across the UK are facing a cost of living crisis with prices rising faster than wages. Research has shown that real wages have fallen since the General Election as families pay the price of the Government’s economic failure.

The Joseph Rowntree Foundation has | found that more than half of children and working-age adults in poverty now live in working households. Real-term cuts to benefits are set to increase child poverty by 200,000 and according to the Government’s own figures, half of those children will be in working households.

There are almost five million people in Britain who aren’t earning a living wage. These people are helping to build the prosperity on which our country depends but aren’t sharing fairly in the rewards. A One Nation economy needs to be different.

There is widespread support for Labour to work to promote a living wage with suggestions of various different mechanisms government could use to achieve this goal.

“Make sure that all persons in employment have the opportunity to earn a living wage.”

Tees Valley and South Durham Policy Forum

“We submit that the Living Wage should remain a voluntary and non-statutory measure.

“The Living Wage is a mark of responsible business practice on low pay, which has cross-party political support. Implementing the Living Wage is a way of raising standards in responsible procurement.

“It is a campaign owned and developed by civil society – faith, labour and education institutions across the country are involved in campaigning for it and implementing it.”

Citizens UK / Living Wage Foundation

Submissions to the challenge paper have called on Labour to promote a living wage by working with trade unions, charities and other interested groups to help promote a living wage amongst employers.

“The Living Wage movement has mobilised many forces in civil society to campaign against poverty pay. It has already improved the pay of thousands – especially where trade unions have collectively bargained to deliver it.”

Unite

The public sector offers a lot of scope for promoting a living wage. Responses to the challenge paper have reflected ongoing work in this respect and highlighted the need for more to be done.

Currently councils in some areas are using procurement contracts to ensure workers are paying a living wage.

A Labour government should build on this experience to see whether central government can apply this lesson to insist that large firms that get major government contracts commit to being living wage employers.

“Unite believes that recent proposals to use public procurement contracts to push greater inclusion of the Living Wage through Living Wage Zones (IPPR/ Resolution Foundation Beyond the Bottom Line) are welcome. Labour should continue to press hard now to ensure that all Local councils and all other public sector contracts require that all employees and sub-

contractors employees in the supply chain are paid the Living Wage.”

Unite

It has also been suggested that salary increases in public sector organisations could be implemented in a way which helps promote a living wage.

“Can we look at adopting a policy in regard to the public sector whereby any salary increase prioritises the Living Wage. If an identified wage increase of 1 per cent is agreed across the board, instead of paying every employee 1 per cent, take the pool of money as a whole that would make up the 1 per cent, use that pool of money to fund bringing workers up to the living wage level and any surplus thereafter divide equally amongst the whole workforce. This would ensure more people are on a living wage but also help to reduce the ever growing pay differentials between those at the top and those at the bottom.”

Tom Porter

Beyond this, there is general agreement for the need to do more to promote a living wage in the private sector if it is to benefit the vast majority of workers. This creates greater challenges but submissions to the challenge paper have suggested ways in which this could be achieved.

Analysis by the Institute for Fiscal Studies has shown that for every £1 spent in the private sector on getting workers up to the living wage, around 50 pence of that would come back to government in savings on tax credits and benefits and in higher tax revenue. Labour should look at whether it is possible to encourage more firms to pay a living wage by sharing some of those savings that come back to government.

“There could be tax breaks for employers introducing the living wage as their minimum wage.”

Rushcliffe CLP

It has also been noted that businesses which have introduced a living wage say it saves them money, reduces staff turnover and lowers sickness absence. More needs to be done to promote the benefits of a living wage amongst private sector employers.

Many responses to the challenge paper spoke about the need to increase transparency around the living wage, arguing that increased information was a key way of improving pay, allowing consumers to be better informed as well as helping campaigners. This could be another way to help promote a living wage in the private sector.

“The point of this policy is to increase information. Consumers and investors will make better decisions if they are more informed AND campaigners will be able to campaign more effectively.”

Daniel Tomlinson

“It was suggested that there could be a campaign to patronise businesses who pay the living wage – a symbol could be used for display like the investors in people symbol, for example.”

Cardiff West CLP

Labour should examine the case for greater transparency, including large firms publishing the number of employees paid less than the living wage, as proposed by the Resolution Foundation. As one submission said such information would mean that “employees themselves become more aware of how high their pay is relative to those doing similar jobs in different firms.”

Other submissions to the Commission have focused on the importance of stronger enforcement of the National Minimum Wage (NMW).

“The first thing to say about living wage is that we should not neglect the National Minimum Wage. We should be proud of the principles we laid down, an easily understandable rate across the whole country, and effective enforcement.”

Michael Black

The NMW is an important legal standard for wages, but more can be done to ensure it is properly enforced. As of January 2013 just eight employers had been convicted of offences under the National Minimum Wage Act. The Commission has discussed whether local authorities should have a stronger role in helping to enforce the minimum wage, while ensuring that HM Revenue and Customs is properly equipped to deal with abuse. Given that many of the sectors in which there are concerns – such as social care – have a strong local authority link, there may be more that councils can do in helping to identify problems.

And we need stronger penalties for abuse, including the doubling of fines for breaching the minimum wage.

More generally it has been argued that Labour’s industrial policy should be focused to support better job opportunities and progression at the lower end of the labour market. Higher wages and increased living standards can be supported by better skills and business models which a Labour Government should actively pursue.

A Labour Government will need to take action to boost living standards and ensure work pays by building from a minimum wage to a living wage that reaches as many people as possible. This includes promoting and encouraging a living wage in every part of the country without undermining the universal application of the National Minimum Wage. Central to this will be the need to promote a living wage in the private sector.

Measures which could encourage the take up of the living wage in the private sector include sharing some of the savings with firms that move to pay a living wage and increasing transparency around what firms pay their workers. This could include requiring large firms to publish the number of employees paid less than the living wage.

However, there is concern that such measures will not do enough to help low paid workers and Labour will need to do more on this issue. The Commission also notes that trade unions can play a key role in achieving a living wage for their members Gangmasters Licensing Authority

Labour is proud that we established the Gangmasters Licensing Authority in government and it does important work to improve health and safety standards and prevent the exploitation of workers in the agricultural, horticultural and shellfish gathering industries.

There have been concerning developments from the Government about its future, with the Beecroft Report on employment law suggesting its abolition.

Labour is keen to see the principles of the Gangmasters Licensing Authority extended to other sectors of the economy such as construction and submissions to the Commission have supported this.

“Expand the remit of the Gangmasters Licensing Authority to supervise the rights of Agency Workers in all industries, and ensure it has sufficient staff to carry out these duties.”

Caerphilly CLP

“Vast majority felt the GLA has been successful. Widespread support for a similar GLA enforcement/ investigative powers in construction and food manufacturing sectors. However, disagreement as to whether the GLA should be expanded into a new, larger umbrella organisation or whether separate authorities should be created for each sector.”

Cambridge Your Britain Event

The Commission has also noted the suggestion of the Fair Work Commission to establish a Fair Work Ombudsman to bring together the existing enforcement bodies that aim to secure workers their rights, and act as a champion for workers across all sectors while promoting fairness in the workplace. Such a body could

help extend the scope and principles of the Gangmasters Licensing Authority to other sectors of the economy, and help ensure that migrants to this country are neither exploited nor used to undermine other workers.

Labour is committed to extending the principles of the Gangmasters Licensing Authority to ensure vulnerable workers across our economy are given adequate protection.

A Labour Government should look to extend the remit of the Gangmasters Licensing Authority to cover different sectors of the economy, such as construction, hospitality and the social care sector.

ECONOMY

WORK AND BUSINESS POLICY COMMISSION POLICY PAPER: VOCATIONAL EDUCATION, APPRENTICESHIPS AND THE ROLE OF JOB GUARANTEES IN TACKLING YOUTH UNEMPLOYMENT

VOCATIONAL EDUCATION, APPRENTICESHIPS AND THE ROLE OF JOB GUARANTEES IN TACKLING YOUTH UNEMPLOYMENT

THIS POLICY PAPER HAS BEEN PRODUCED BY LABOUR'S WORK AND BUSINESS POLICY COMMISSION, FOLLOWING CONSULTATION ON THE CHALLENGE PAPER OF THE SAME TITLE. IN PRODUCING IT WE HAVE CONSIDERED SUBMISSIONS RECEIVED IN RESPONSE TO THE CHALLENGE PAPER AND AN EARLIER DRAFT OF THIS PAPER, AND THIS FINAL VERSION SETS OUT THE DIRECTION OF TRAVEL THAT THE POLICY COMMISSION AND NATIONAL POLICY FORUM CONSIDER APPROPRIATE IN THE LIGHT OF WHAT WE HAVE LEARNED.

Introduction

Labour is determined to ensure that all young people are given the opportunity to contribute to growth in our economy. Our priority must be to secure focus and prestige for vocational education and apprenticeships if we understand that our recovery and future success will be built by the many and not just the few at the top.

Immediate challenges also require our attention. Youth unemployment remains a persistently worrying problem with almost one million young people out of work. The longer this issue is left unchallenged the greater long-term problems we create in our economy.

The Government's back to work programmes are failing our young people. The flagship Work Programme is not delivering and has failed to meet any of its minimum performance standards. This isn't good enough.

One Nation Labour will need to tackle the issue of youth unemployment, helping our young people back into work, but also ensuring real opportunities for skills and training that provide a real route to good quality, well-paid jobs.

Issues

Vocational education and apprenticeships

Labour's expansion of higher education created new opportunities for the 50 per cent of young people going to university. Now it is time to focus on the 50 per cent who do not go to university. As part of a One Nation economy, their skills and talents need to be developed to make us stronger as a society and economy.

Submissions to the Policy Commission have praised the role that quality vocational education can play in rebuilding our economy so it works for working people, and provides decent jobs for our young people. Central to this, respondents have highlighted the need to raise the status of vocational education to ensure these qualifications are no longer viewed as second best.

"The status of apprenticeships must be elevated and a new balance struck between on the job training and classroom teaching."

Weymouth Your Britain event with Jim Murphy MP

"We need to create courses that meet current national and regional demand and provide a style of learning that ensures the individuals are flexible and creative this will enable them to meet future challenges and opportunities as they arise. These young people need to be competent, self-motivated and hold a common belief in that they can help create growth and opportunity for themselves and future generations."

Andrew Mayes

“... vocational education must be for all, not an alternative route that will have a perceived low status.”

Putney CLP

“Create a first-class inclusive education system fit for the 21st century to meet the needs and aspirations of all students equally.”

Tettenhall Ward Labour Party branch

There is genuine concern about the quality of some of the apprenticeships currently on offer.

“Whilst we have welcomed the increase in apprenticeship numbers in recent years this has not been matched by a rise in quality.”

EEF

While the Government is keen to talk up the number of apprenticeship starts, the underlying picture is more concerning and is doing little to tackle the issue of youth unemployment. Since the Government took office much of the growth in apprenticeships has been amongst the over 24s. Meanwhile, in the last year, the number of apprenticeship starts amongst under 19s has actually fallen.

Evidence also suggests that previous adult training activity has simply been ‘rebadged’ as apprenticeships and is helping to boost these numbers. The Public Accounts Committee, for example, has expressed concern at the number of short training programmes classified as apprenticeships and the “quality and amount of training some apprentices receive”.

Evidence submitted by the Department for Business Innovation and Skills Department to the Low Pay Commission found that just one in five apprentices said they received no training, while 5 per cent said they received no pay.

These are challenges which Labour will need to address if it is to build a One Nation economy that works for all, not just the few at the top. We need a relentless focus on quality, including an end to low skilled jobs being inappropriately called apprenticeships, to ensure a proper gold star qualification.

“Unite strongly supports steps that place vocational education on an equal footing with academic qualifications. If this is to happen there must be rigorous minimum criteria about what constitutes an Apprenticeship.”

Unite

“Apprenticeships are important in training people and offering genuine career/employment opportunities in what is a highly competitive jobs market, as a party we need to construct policy that ensures apprentices are not being used as cheap labour, and that they are getting the training and support they require to achieve their qualifications.”

Jonathan Primett

The Commission has considered how a One Nation skills system would raise the status and quality of vocational education in order to create a clear and improved route to apprenticeships and jobs. Labour should introduce a ‘Technical Baccalaureate’ in schools and colleges, comprising a quality vocational qualification, relevant work experience and English and maths skills to be achieved by age 18.

We need to build a new post-18 apprenticeship and vocational education system that would support stronger partnerships between business, vocational training providers and FE colleges in each sector, region and locality. Good quality apprenticeships should be fairly paid and allow for clear learning and career progression. This includes working together with businesses and trade unions on issues such as funding, standards and in ensuring that proper training happens.

“Ensure a mix of academic and vocational skills are encouraged – so that young people do what suits them best, rather than being forced towards academia and university. Do this partly by educating teachers (and parents) that there are choices other than university for young people.”

East Midlands Labour Party regional conference

“Employers should make a greater contribution to the training of the workforce – both current and future”

Weymouth Your Britain event with Jim Murphy MP

Many employers say that the prospect of trained staff being poached by rival firms deters them from training employees. So Labour needs to ask business what powers they need to ensure they can deliver the expansion in apprenticeships we need to rebuild the economy.

It will then be up to groups of businesses, coming together in sectors, regions or supply chains, which of these powers they will use. These bodies will need to work with employees, trade unions and training providers, helping to build a new skills ‘eco-system’.

The Commission is clear that high quality careers advice in schools and colleges should be a priority. Labour believes this is absolutely essential in ensuring young people are given the information they need to pursue vocational education as a real option. And we need to look at how to develop policies to ensure young women are sign posted into engineering and science apprenticeships and jobs.

“Careers advice and guidance should follow young people throughout their education so they are able to make informed decisions about their future.”

EEF

“Unite believes that a supportive, independent careers service which includes face-to-face interviews with young people and discusses all possible options with them is necessary.”

Unite

Submissions have reflected an opinion that government has a responsibility to encourage business to deliver on apprentices. Many have called on the Government to use the levers at its disposal to boost apprenticeships.

“Labour could reform public procurement rules to allow for compulsory apprenticeships”

UNISON

Every big firm that gets a contract with the Government should commit to training young people for high-skilled. Projects like High Speed 2 present massive opportunities in this respect. Experts say that for every £1 million spent on this type of project, there should be at least one apprenticeship created. This would mean High Speed 2 would create at least 33,000 apprenticeships alone.

A future Labour government must also incentivise the use of apprenticeships beyond simply government funding, working to deliver quality training that meets business needs and is valued by industry. And if employers are to take more ownership of apprenticeship funding it must be clear as to what contribution employers are expected to make to apprenticeship design and investment and what outcomes they are expected to deliver. As noted above, quality needs to be absolutely key.

Job guarantees

Labour recognises the major problem of youth unemployment in our economy and this issue is reflected in many of the submissions received by the Commission.

“Youth unemployment is worrying, and will be an ever increasing catalyst to future problems.”

Peter Bush

Despite the scale of this problem one of the first things the Government did when it took office was scrap the Future Jobs Fund which helped get young people who were on Jobseeker’s Allowance back into paid work. By the time it closed it had helped over 100,000 people and the evidence suggests it was delivering, with analysis from the Department for Work and Pensions showing that society gained £7,750 for each participant through wages, increased tax receipts and reduced benefit payments.

“I worked with a number of Future Jobs Fund candidates and found it an excellent way of supporting young people into work. It gave them experience and

confidence. The organisation I work for later even recruited some of the candidates that applied for permanent positions, one of which has been with us for nearly a year and has proved to be an asset to my team.”

Sahdaish Pall

The evidence suggests that the Government's Work Programme and the Youth Contract are not delivering, and our young people are paying the price.

Labour has said that no young person should be unemployed for over a year and using the funds raised from repeating the last Labour Government's bank bonus tax we have said that all young people claiming Jobseeker's Allowance over 12 months should be given the guarantee of a job, which they will be required to take, paid at the minimum wage and lasting six months. The scheme should be made attractive to small businesses and the voluntary sector.

To ensure that young people get the most out of this experience and are best equipped for the future the job guarantee should include training and assistance with finding a future job once the guarantee is over. It is essential that such a scheme is fair if jobseekers and the wider public are to have confidence in it.

Concern has been expressed at work experience schemes which do little to help young people. It is important that Labour's approach provides valuable training, helping young people to prepare for the world of work, while at the same time placing a responsibility on the young person to do what they can to get back into the jobs market. It is also essential that work experience schemes are designed around what it takes to get jobseekers into work with responsibilities placed on those businesses benefitting from the experience.

Such an approach will also be key in reducing the welfare bill as much as possible. With Labour, no young person will be stuck on the dole for over a year. A Labour Government would take immediate action to tackle the problem of youth unemployment.

A Labour Government will ensure that the guarantee of a paid job, is offered to all young people out of work for more than a year. Alongside this a Labour Government should ensure young unemployed people are provided with decent and good quality work experience placements which offer proper training, mentoring in a safe environment and dedicated help with a job search or ongoing education and training. Fundamental to all of this support is the need for placements to be of good quality and not simply an opportunity to use young people as cheap labour.

ECONOMY

LIVING STANDARDS AND SUSTAINABILITY ANNUAL REPORT

LIVING STANDARDS AND SUSTAINABILITY

Membership 2012/2013

HM Opposition

Caroline Flint MP*
Mary Creagh MP
Maria Eagle MP
Chris Leslie MP

National Executive Committee

Diana Holland*
Ken Livingstone
Martin Mayer
Harriet Yeo

CLPs and Regions

Bill Butler
Bethan Davey
Nick Davies
Colleen Fletcher
Andrew Furlong
Michael Hassell
Jenny Holland
Huw Lewis
Libby Lisgo
Daniel Zeichner

Affiliates

Maria Ludkin
Melanie Smallman
Frank Ward
Steve Warwick
Tony Woodhouse

Elected Representatives

Linda McAvan MEP
Steve Swift
Alan Whitehead MP

*Co-convenor

POLICY DEVELOPMENT

THE LIVING STANDARDS AND SUSTAINABILITY POLICY COMMISSION LOOKS AT ISSUES AFFECTING QUALITY OF LIFE, THE COST OF LIVING, AND OUR ENVIRONMENT. ITS ROLE IS TO CONSIDER HOW BEST WE CAN CREATE A NATIONAL INTEGRATED AND COST EFFECTIVE TRANSPORT MODEL, ACHIEVE SUSTAINABLE GROWTH AND A SECURE, LOW CARBON ENERGY MIX WHILE IMPROVING LIVING STANDARDS FOR FAMILIES AND INDIVIDUALS. KEY TOPICS INCLUDE TRANSPORT, CLIMATE CHANGE, ENERGY, THE ENVIRONMENT, FOOD, AND RURAL AFFAIRS. THE COMMISSION WAS ESTABLISHED IN NOVEMBER 2012, FOLLOWING THE REFOUNDING LABOUR REFORMS TO LABOUR'S POLICY DEVELOPMENT PROCESS.

Before November 2012, the remit of the Living Standards and Sustainability Commission was largely covered by the Sustainable Communities Policy Commission. At Annual Conference 2012, members of the Sustainable Communities Policy Commission took part in the 'Living Standards' policy seminar. This session was chaired by Jennie Formby from the Prosperity and Work Policy Commission and the panel of Shadow Ministers included Liam Byrne, Caroline Flint, Mary Creagh and Maria Eagle.

The main topics relating to this Commission that were raised during the seminar were cuts to bus services, the rising cost of rail fares, high water bills, the abolition of the Agricultural Wages Board, the need for tougher regulation on energy prices, and the benefits of collective energy switching.

A policy ballot was conducted at Annual Conference to set the priorities for the National Policy Forum and the Policy Commission over the next 12 months. Following the ballot, the Joint Policy Commission agreed that the Commission should focus on the topic "Our Buses and Railways: giving communities more of a say". A Challenge Paper of that title was drafted with input from the Sustainable Communities Commission. The paper set out questions around the devolution of transport powers to local bodies, the structure and regulation of public transport, and the affordability and integration of local transport services. The

Challenge Paper was published on the Your Britain website, and submissions were invited in response to the questions posed.

In February, the Commission met for the first time, to discuss submissions in response to the challenge paper 'Our Buses and Railways: giving communities more of a say'. Maria Eagle, Shadow Transport Secretary, attended the meeting to share her thoughts on the paper. Key areas explored by the Commission included the importance of devolving transport responsibilities and providing a more integrated local transport network that could utilise innovations such as the Transport for London Oyster ticketing system, the importance of considering sustainability in the transport network, the need for accountability from service providers, and how providers could harness new technology to improve services for customers. The Commission also considered the fragmented structure of the rail industry and the nature of the franchising system.

The Commission met in March to discuss how the Challenge Paper should be redrafted to reflect submissions received on Your Britain. Maria Eagle also led a discussion of the Policy Review document 'Empowering Communities to Improve Transport'.

There was also an opportunity at this meeting for members to discuss their priorities for the coming year ahead of the drafting of a work programme, which would be circulated for agreement in June. The Commission

acknowledged the substantial amount of submissions that related to the ownership of train operators and agreed that it should be discussed by the Commission at a meeting dedicated to the subject.

Following the meeting in March, a policy paper in response to the Challenge Paper ‘Our Buses and Railways: giving communities more of say’ was drafted to reflect the submissions received and the points raised by the Commission, as well as to include policy ‘options’ for consultation and subsequent discussion at the National Policy Forum. The Policy Paper was agreed in a teleconference before being published on Your Britain for consultation.

In June 2013, Commission members took part in a Joint Economy Policy Commission meeting. This meeting brought the Living Standards and Sustainability Commission together with the Stability and Prosperity Commission and Work and Business Commission to consider the Commissions’ respective policy documents in the context of the wider economy theme.

On the first day of June’s National Policy Forum meeting, a series of workshops were held, in which representatives discussed the options and issues framed in ‘Our Buses and Railways’. The broad consensus was that on both sets of options (around devolution and regulation) neither of the options was mutually exclusive, and the document should be redrafted to reflect this and incorporate both proposals in both instances.

On the second day of the National Policy Forum meeting, the areas covered by the Living Standards and Sustainability Commission were discussed in two broader ‘Economy’ workshops, allowing representatives to consider cross cutting issues in context, and discuss priorities and challenges for the next stage of policy development. There was a discussion on the low carbon economy, green taxes and sustainable growth which considered

issues covered by both the Living Standards and Sustainability Commission and the Stability and Prosperity Commission. Other relevant topics which were discussed included energy policy (including the future energy mix and energy security) and the structure and funding of public transport. The rising cost of living was a common theme across both sessions, with a particular focus on food prices, fuel and energy costs and transport costs.

The Commission met in July 2013 to consider rural affairs, food and animal welfare policy. Mary Creagh, Shadow Food, Environment and Rural Affairs Secretary joined the meeting and gave her thoughts on Defra policy and priorities, including on dangerous dogs, the badger cull, and wildlife crime and protection. She also presented on two relevant Policy Review documents – ‘Feeding the Nation’ and ‘Resource Security: Growth and jobs from waste industries’.

Professor Tim Lang, Professor of Food Policy at City University London’s Centre for Food Policy also joined the meeting, bringing an expert perspective on sustainability, globalisation, production and food standards. Key areas explored by the Commission around food included the need to address the ‘big picture’ with big ideas, rather than fiddling at the edges; the pay and conditions of those who work in the food industry, including, for example, drivers; and the way in which policy levers can be imaginatively deployed to bring real change to the industry.

The Commission’s discussion on animal welfare focused on three main issues. Firstly, the need to build on the last Labour Government’s proud record on animal rights. This was a topic that came up in several submissions. Secondly, the need to come up with innovative alternatives on issues such as bovine tuberculosis and the badger cull, and snaring, in order to be able to present a credible alternative to rural voters. Thirdly, the challenge of addressing issues such as

irresponsible dog ownership with mechanisms other than legislation, which really drive behaviour change. Given the scope of the topic, the Commission agreed to have a separate, wider discussion on rural affairs at another time.

Current Issues

A more affordable and better connected transport system

The Commission received a number of submissions relating to the rising costs of public transport. This year rail fares have increased by as much as 9 per cent and bus fares have increased by twice the rate of inflation.

At the same time, train companies made more than £300million of profit last year despite receiving more money in subsidies from the tax-payer than they returned in franchise payments. In the bus industry the five largest companies made combined profits of over half a billion pounds while being supported by more than £2 billion of public funding.

Submissions have called for Labour to ban train companies from increasing fares above a strict cap and to provide local authorities with tougher powers to set fares, protect local bus routes and bring rail and bus services together within a more integrated network as exists in London.

These issues are dealt with in part by the “Our Buses and Railways: giving communities more of a say” Policy Paper however the Commission will continue to explore these issues over the coming months.

Rail franchising

The collapse of the InterCity West Coast franchise process which was the result of decisions by Ministers to reduce the capacity of the Department and axe external audits of contracts has cost the taxpayer in excess of £55 million. Instead of fixing these problems,

the Secretary of State for Transport has decided to embark on an unnecessary and costly privatisation of the InterCity East Coast service – a directly operated railway that is the only current public sector comparator to the privatised network.

The Commission will continue to look at the rail industry structure, specifically issues such as the fragmented structure of the industry, the extent to which private companies are subsidised to make substantial profits from running services and the long term priorities for investment in the rail network.

Animal Welfare

The Commission has received a number of submissions on animal welfare, covering issues such as the fur trade, hunting with dogs, and the trade in exotic pets. Many of the submissions have cited the need for the Party to build on the record of the last Labour government. The Commission is keen to take forward work on the fur trade. There have been several submissions advocating the banning of the trade to follow up on our ban on fur farming, put in place by the last Labour Government in 2000 with the Fur Farming (Prohibition) Act.

The Commission are also keen to learn from the Environmental Audit Commission’s report into Wildlife Crime, which has been largely disregarded by the Coalition Government. The Commission have received various submissions about wildlife crime and in particular the import of exotic animals, which reflects the ‘celebratisation’ of exotic pet ownership, and could have drastic effects on biodiversity.

Rural Affairs

The Commission have received several submissions on rural poverty, and they have discussed this topic with particular reference to the Agricultural Wages Board (AWB), given the Coalition Government’s abolition of the AWB. Comments from representatives and

submissions from outside the Commission expressed concern that the abolition of the Board would lead to a race to the bottom in rural wages and conditions, and undermine communities already struggling in the face of the rising cost of living.

Given the broad range of the topic, the Commission have also considered rural affairs through the prism of their discussions on other topics such as transport. The Commission has emphasised the importance of public transport for isolated rural communities and explored how the use of new technologies could help rural communities shape their public transport so that it works better for them (for example, the Wigglybus service which alters its route to pick up a scattered population who use technology to alert the driver to their location).

The Commission will continue to consider how best to address issues which resonate with those in rural communities. For example, how to address issues such as bovine tuberculosis (which was raised in a number of submissions) in a credible way, based on science, but taking into account the concerns of those (farmers for example) most affected by the spread of the disease.

Food

Given rising food prices, stagnant wages, and the advent of a nutritional recession in which families are spending more money on less nutritious food, the Commission were keen to consider food policy, and they took evidence from an expert on the subject (Professor Tim Lang from City University) who gave a challenging and thought provoking presentation.

As noted in Labour's Policy Review document 'Feeding the Nation', food policy will be one of the major challenges of the 21st century, and the Commission are keen to take forward work which addresses this 'big picture' in a credible and effective way. Representatives wish to explore what policy levers could be deployed

that would make a real difference to diets and nutrition – for example free school meals, or changes in labelling regulation.

Food policy cuts across the Commission's remit and so members also discussed the subject in the context of climate change. They are keen to explore how food policy can be shaped in a way which reduces 'food miles' and encourages the production and transport of food in a sustainable way.

In addressing the 'big picture', the Commission will also need to consider the challenge of food poverty. The UK is facing a crisis of living standards which has seen a dramatic increase in the number of people using food banks. Although this is an issue which cuts across the remit of several Commissions, any consideration of food policy should take into account the need to recognise the extent of food poverty in the UK and take action to tackle its underlying causes.

Energy Policy

Energy policy, and in particular energy bills, are topics that have come up frequently in submissions to the Commission, as well as at the National Policy Forum meeting in June. The average annual household energy bill has gone up by more than £300 since 2010, and energy policy must be considered in the context of a cost of living crisis that is affecting families across Britain.

Two Policy Review documents on energy policy have been published in the last twelve months. 'Learning from Germany's 'Energiewende'' considers the lessons the UK can take from the rapid growth of renewables in Germany, where a focus by the Government on renewable energy and a willingness to take on the vested interests of the big energy companies has been the driving force behind fundamental changes in a market which was previously dominated by four big energy companies.

The second document, 'Real Energy Market Reform', outlines Labour's proposals for reform of the energy market in the UK. These include the abolition of Ofgem and creation of a tough new regulator; forcing the energy companies to pool the power they generate and to make it available to any retailer; and requiring energy companies to put all over-75s on their cheapest tariff, which could save as many as 4 million pensioners as much as £200 a year from their annual energy bills.

The topic of Energy Market Reform has been addressed in many of the submissions received on the Your Britain website, where contributors have raised issues such as the ownership of energy providers, the effect of renewable energy subsidies on bills and the role of community energy. The Commission has agreed to have a dedicated discussion of energy policy in the autumn.

The Low Carbon Economy

The low carbon economy and green growth are both topics that were frequently raised by representatives during the wider 'Economy' sessions at the National Policy Forum meeting in June, and the Policy Commission are committed to exploring this policy area in detail over the coming months.

In June, the House of Commons voted on an amendment to include a target for the decarbonisation of the power sector by 2030 in the Government's Energy Bill. Such a target had the potential to secure substantial green investment and jobs in the UK, and was backed by the Shadow Cabinet, Trade Unions and local CLPs, as well as wider stakeholders such as NGOs and businesses. Although the amendment was narrowly defeated the wide coalition of support which grew around it demonstrated the importance and potential of green growth and jobs in the UK.

There have been several submissions to the Your Britain website on the subject of the low carbon economy, and contributors have

referred to such questions as the possible role of the Green Investment Bank, and how the Green Deal scheme could be reformed to make it more successful and create more jobs e.g. in the insulation industry. The Commission will consider these submissions in a wider discussion on climate change and the role of a low carbon economy in the autumn.

Policy Review Input

Five Policy Review documents relevant to the work of the Commission have been published over the last year. They include 'Empowering communities to improve transport' which considers how giving communities more of a say over their own transport system could improve that system; 'Resource Security: Growth and jobs from waste industries' which sets out some of the innovative ideas and practices which could help the waste industry play a vital role in securing the economic recovery, creating manufacturing jobs and laying the foundations for sustainable growth; 'Feeding the Nation', which addresses issues around creating a resilient food supply chain that consumers trust; driving jobs and growth; and ensuring a sustainable farming sector in the UK; 'Learning from Germany's 'Energiewende'', which considers what lessons the UK can learn from the rapid growth in renewable energy in Germany; and finally 'Real Energy Market Reform', which outlines proposals for reform of the energy market.

The Commission will continue to draw on the work being undertaken by the Shadow Cabinet through the Policy Review, alongside other submissions and expert evidence.

Submissions

All submissions received by the Policy Commission are circulated to members ahead of the next meeting for consideration as part of our discussions on policy development. Since its launch in November, the Living Standards and Sustainability Policy Commission has received and considered

submissions on the following topics:

- Air passenger duty
- Airport capacity in London and the South East
- Airports
- Animal welfare
- Badger culling
- Barclays Cycle Hire Scheme
- Broadband
- Bus and rail service integration
- Bus drivers, supervisors and managers
- Bus service cuts
- Bus Service Operators Grant
- Bus service subsidies
- Canals
- Car pools
- Carrier bags
- CCTV in slaughterhouses
- Clean household energy
- Concession fares for 14-19 year olds
- Concessionary fares for older people
- Co-operative public transport
- Devolution of transport powers
- Diesel exhaust emissions
- Dissection in schools and universities
- Encouraging cycling
- Energy and infrastructure development
- Energy company profits
- Energy renationalisation or mutualisation
- European driving hours regulations
- Fireworks and Chinese lanterns
- Flooding: defence, insurance, planning and responsibility
- Fracking
- Fur trade
- Genetically Modified foods
- HS2
- Integrated Transport Authorities
- Investment in affordable transport
- Light rail and trams
- Local bus services
- Local transport commissioners
- Microgeneration in new buildings
- National Equine Database
- Nationalisation of shale gas
- Nuclear energy
- Nuclear weapons ban
- Ownership of public transport
- Oyster style cards and pricing
- Packaging of goods
- Protection of bees
- Public transport in rural areas
- Publication of train/bus company profits
- Quality Contracts for bus services
- Rail overcrowding
- Rail ownership
- Rail ticket offices and staffing
- Regulation of bus routes
- Religious slaughter
- Renationalisation of rail
- Renewable energy
- Reopening closed rail routes
- Road Haulage
- Road pricing and congestion charging
- RSPCA Inspectors
- Rural villages
- Savers' Charter
- Season-tickets as tax-free employee benefits
- Speed limits
- Steady-state economy
- Taxi regulation
- Tenancy and disrepair rights
- The Green Deal
- Transport infrastructure and HS2
- Universal Credit
- Waste and recycling
- Wind energy

ECONOMY

LIVING STANDARDS AND SUSTAINABILITY

POLICY PAPER: OUR BUSES AND RAILWAYS: GIVING COMMUNITIES MORE OF A SAY

OUR BUSES AND RAILWAYS: GIVING COMMUNITIES MORE OF A SAY

THIS POLICY PAPER HAS BEEN PRODUCED BY LABOUR'S LIVING STANDARDS AND SUSTAINABILITY POLICY COMMISSION, FOLLOWING CONSULTATION ON THE CHALLENGE PAPER OF THE SAME TITLE. IN PRODUCING IT WE HAVE CONSIDERED SUBMISSIONS RECEIVED IN RESPONSE TO THE CHALLENGE PAPER AND AN EARLIER DRAFT OF THIS PAPER, AND THIS FINAL VERSION SETS OUT THE DIRECTION OF TRAVEL THAT THE POLICY COMMISSION AND NATIONAL POLICY FORUM CONSIDER APPROPRIATE IN THE LIGHT OF WHAT WE HAVE LEARNED.

Introduction

Britain's public transport network suffers from a lack of affordability, accountability and integration. In particular, local communities do not have as much influence as they would like over transport, particularly the vital bus and rail services on which many depend. Bus deregulation outside London has left transport authorities with no ability to control fares or plan a coherent network of routes. The structure of the rail industry that resulted from privatisation has left a lack of accountability with communities unable to influence local services.

In London, where buses have remained regulated and local rail services are increasingly devolved, it has been possible to deliver a more joined-up model of local transport. Passengers consequently benefit from integrated smart ticketing through the Oyster card, enabling them to travel between different modes and operators without the need to pay separate fares or break their journey. Communities across the rest of the country now deserve the same opportunity to improve local transport.

This policy paper intends to address some of the challenges facing communities as they seek to improve the affordability, accessibility and accountability of local rail and bus services, including:

- The need for greater accountability and control over local transport services.
- Increased integration of local bus and rail services.

- Ensuring that local transport is affordable.
- Enabling door to door journeys to be made through integration, and support for cycling and walking.

The Commission has considered submissions received in response to the Challenge paper, along with Labour's Policy Review document titled "Empowering Communities to improve transport".

Issues

Accountability for transport decision making and funding

For too long, too many decisions about local transport provision have been taken in Whitehall, rather than closer to the communities that use the services. Submissions tell us that this has led to services that don't always meet the needs of those who rely on public transport.

"We should be ambitious about what we aim to do in relation to transport policy. More emphasis should be placed on sustainability and sustainable modes of transport."

Dulwich and South Norwood Labour Party

The Living Standards and Sustainability Policy Commission would therefore like to see more decisions about how transport is organised, run, and financed made at a local or regional level.

The Commission agrees that this should be on the basis of transferring responsibilities to elected, accountable transport authorities and partnerships between them. Passengers should

be granted new rights to be consulted over changes to the services on which they depend.

In return we would expect transport bodies to develop and publish transport plans that would result in a more integrated network, including tickets that passengers can use across different types of transport and regardless of the operator. In addition, local transport plans should include strategies for supporting active travel such as cycling and walking. Clear outcomes should include increasing the number of journeys made by bike and improving safety. Transport authorities should also work together, in consultation with Local Enterprise Partnerships, to produce regional transport strategies.

Local rail services

There are already proposals to devolve control over local rail services to local transport authorities and partnerships between them. Plans for the devolution of services across the North of England and West Midlands are well advanced and have been supported by Labour.

Commuter services into London from West Anglia are being devolved to the Mayor of London and Transport for London has set out plans for the devolution of other services that used to make up what was previously 'Network South East'. Labour supports greater devolution of commuter services into London, subject to appropriate democratic accountability through a partnership with local authorities. It would not be acceptable for commuters from Kent and Essex, for example, to be subject to changes to the services on which they rely that had not been negotiated and agreed by their own local authorities. In addition, passengers should be directly consulted on changes to services and on the improvements they wish to see.

Wales and Scotland already have responsibility for rail services within their own borders and Labour has supported their request for additional powers to determine

how best to deliver these services when the existing franchise contracts come to an end. These could include not for dividend and mutual alternatives to the traditional model of franchising.

The cost and accessibility of public transport are among the biggest barriers facing passengers. This year rail fares have increased by as much as nine per cent despite David Cameron's pledge that they would not increase by more than one per cent above inflation. This is a direct result of the decision to give back to the train operators the right to average out the so-called fare cap, enabling them to increase their profits to over £300million last year at the expense of passengers. A number of submissions have called for action to ensure the rising cost of rail travel be brought under control.

"As a University student, I spend a lot of time travelling on Britain's Railways. I have noticed the steady increase of ticket prices over the last few years, and what affect that has on the commuter."

Samuel Mann

The Labour Party has already said we would strictly enforce the cap on annual fare rises on every route, restoring the ban on train companies flexibly applying the fare cap on regulated fares. Labour has opposed proposals by the Government to allow train companies to introduce a new category of 'Super Peak' ticket and make it easier to close ticket offices at stations. The Commission supports going further and introducing a package of reforms to fares and ticketing including a legal right to the cheapest fare, tougher regulation of what constitutes peak time, clearer advice to passengers on the validity of tickets and some additional flexibility on the use of Advance tickets. Commuters have also complained that train companies get around the cap on fare rises by increasing car parking charges at stations they control instead. Labour has said that annual increases in station car parking charges would be brought within regulation.

The proposals in this paper for more widespread use of integrated ticketing and fare systems, similar to London's Oyster card, would be a further way that journeys can become more affordable. In particular, passengers would benefit from the ability of a transport authority to introduce daily, weekly and monthly fare caps across local rail and bus services as exists in London.

“Replication of this [Oyster payment card] model in other cities would be a significant step in replicating one of the main advantages of the London bus and rail network.”

Claire Haigh

The Commission received a number of submissions on wider reform of the national rail industry which, although not within the scope of this document on local transport, demonstrated clear support for reform from a wide variety of stakeholders.

These included concerns about the costly fragmented structure of the industry. Labour has opposed the privatisation of Intercity East Coast rail service, which will have returned £800 million back to tax payers by the end of this financial year while reinvesting all further profit to benefit passengers. Instead Labour backs the retention of a not for private profit comparator to the existing private Intercity franchises. The Commission will continue to consider these issues in its future work.

Local bus services

The deregulation of the bus industry outside London has not served our communities well. While not without its faults and with significant capacity for improvements to be made, the regulated model in London has worked significantly better. London's accountable transport authority is able to make decisions on fares and routes, ensuring bus, tube and rail services are joined-up, in a way that can't easily happen elsewhere. It has been able to lead the way with new technology, such as the Oyster card, which has made travel more convenient for passengers.

However, outside London, transport authorities have little power to influence bus services and fares are set by private operators. Fares are currently going up by twice the rate of inflation on average each year. Operators can axe services with relative ease and set fares in a way that drives out competitors and have refused to cooperate with the introduction of daily fare caps and smart card technology.

The last Labour Government introduced new powers to enable transport authorities to reregulate their local bus network by introducing a Quality Contract, in effect using tendering to award a contract to provide local bus services with the transport authority setting the routes, fares, timetables and quality standards and the private sector delivering the services to a specified contract. However, in reality, transport authorities have found it difficult to make use of these powers, not least because of the complexity of the process and because of significant opposition and threats from some private bus operators.

Submissions received by the Living Standards and Sustainability Policy Commission have supported making it easier for local authorities to choose to re-regulate local bus services.

“The limited regulation of bus services means that transport is not integrated, and people will not use public transport for their whole journeys. Proper regulation of these services would make transport far more accessible, and truly integrated transport network a possibility.”

Pete Firmin

“Communities should have the power to be able to regulate transport in their area. The routes frequency and effectiveness of bus, tram and rails services are of great economic, environmental and social importance to our communities – enabling social inclusion, access to work and public services and other facilities as well as easing congestion/pollution.”

Unison

The Policy Commission agrees that reform is needed to remove the barriers that local authorities face to implementing Quality Contracts.

“In respect of buses, the use of ‘Quality Contracts’, made possible by the Local Transport Act 2008 introduced by the previous Labour Government is a real opportunity to repair some of the damage done by deregulation and give more control to communities. They would also give local authorities the power to set affordable prices.”

Unite the Union

The Commission also accepts that there is a case for new powers for the Government to better support local authorities that wish to pursue re-regulation. Enabling the Secretary of State for Transport to designate an area as a ‘Bus Deregulation Exemption Zone’, triggering a streamlined process, would achieve this goal.

Local authorities should also be free to determine the right model for the delivery of bus services to meet specific local needs including not for dividend, municipal, mutual and community-based options.

The Government should also reform bus funding so that it supports rather than frustrates transport bodies that wish to improve bus services in their area. The rules for Better Bus Area funding should not be used, as at present, to make it harder for transport authorities to pursue Quality Bus Contracts.

But funding itself is too fragmented and it makes little sense for the Department for Transport to be funding bus operators directly, without requiring improvements in the services offered to passengers such as rolling out ‘Oyster-style’ technology across all buses in an area as a condition for funding. In future, all funding for bus services should be delivered through accountable transport authorities and used to secure a better deal for tax-payers and fare-payers from operators.

The Living Standards Policy Commission will continue to investigate how we might promote more affordable transport for young people, specifically recognising how the availability of transport can determine the extent of access to education and training opportunity. Submissions to the Commission supported the extension of the concessionary fares schemes to young people aged 16-19 who are in education or training, ending the postcode lottery over support for travel costs. The regulation of bus services and reforms to funding would provide an opportunity to require operators to work together and with government to deliver this, as is already the case in London.

“...the Government should provide funding to local authorities (or PTEs/TTAs) to implement concessionary bus travel schemes for young people, to help partially offset the cost of lost EMA and to help combat youth unemployment.”

Joseph

It is essential that local transport is accessible to all and there needs to be a much greater commitment, both nationally and locally, on improving accessibility for disabled people. The move to Quality Contracts, reforms to bus funding, and the devolution of local rail services, all provide opportunities to tackle the barriers that exist, including requirements on vehicle design, audible information and training.

Further opportunities for devolution of transport funding and decision-making

The devolution of local rail services and new powers to regulate buses will enable local transport authorities and partnerships between them to plan a coherent local transport network. It opens up the potential for regionally branded networks, with integrated ticketing and timetables.

However, to make a reality of the new regional transport strategies, it is essential that more of the funding for investment is also devolved.

The Government has already announced that some transport funding for investment should be devolved from 2015/16, including Local Authority Major Schemes (LAMs) funding and some of the funding from the Integrated Transport Block (ITB) and the Local Sustainable Transport Fund (LSTF).

However, it is proposed that this funding is transferred to unelected, unaccountable Local Transport Boards (LTBs) and Local Enterprise Partnerships (LEPs) from 2015. Abolishing the Local Transport Boards and ensuring that decisions over investment are made by transport authorities and partnerships between them would deliver savings and restore accountability.

Most investment in transport is delivered through Network Rail and the Highways Agency and there is scope for giving communities a greater say over how this funding is allocated. Too often, decisions on local schemes are made in Whitehall, with little or no role for transport authorities except to lobby which itself consumes time and money.

There is the potential within Network Rail's new devolved model to develop an increased role for transport authorities in the prioritisation of local investment. Similarly, the planned reforms to the Highways Agency should be used to identify the potential for further devolution of responsibility and funding for the non-strategic road network to partnerships of transport authorities. This would enable greater priority to be given to fixing our broken roads and pavements and provide an opportunity to meet the calls for a proportion of the Highways Agency budget to be used to build separated cycling infrastructure, including separated cycle ways and safer junctions and road design, which Labour has supported.

SOCIETY

EDUCATION AND CHILDREN POLICY COMMISSION ANNUAL REPORT

EDUCATION AND CHILDREN POLICY COMMISSION

Membership 2012/2013

HM Opposition

Stephen Twigg MP*
Kevin Brennan MP
Sharon Hodgson MP
Shabana Mahmood MP

National Executive Committee

Mary Turner*
Paddy Lillis
Wendy Nicholls
Peter Wheeler

CLPs and Regions

Judith Blake
Helena Dollimore
Dawn Elliott
Charlotte Hale
Chris Hughes
Nick Ireland
Diane Green
Lara Norris
Stephanie Peacock
Fiona Twycross
John Wiseman

Affiliates

Siobhan Endean
John Hannett
Benjamin Semens

Elected Reps

Bill Esterson MP
Catherine West

* Co-convenor

POLICY DEVELOPMENT

THE EDUCATION AND CHILDREN POLICY COMMISSION LOOKS AT THE WHOLE OF EDUCATION POLICY, SPANNING FROM CHILDCARE AND THE EARLY YEARS TO POST-16 OPPORTUNITIES FOR YOUNG PEOPLE, INCLUDING APPRENTICESHIPS AND FURTHER AND HIGHER EDUCATION. THE COMMISSION ALSO DISCUSSES PRIMARY AND SECONDARY EDUCATION AND HOW TO TACKLE YOUTH UNEMPLOYMENT AND THE NUMBER OF YOUNG PEOPLE WHO ARE CLASSIFIED AS NOT IN EDUCATION, EMPLOYMENT OR TRAINING (NEET).

At the 2012 Annual Conference, the Education and Skills Policy Commission held a seminar with the Shadow Education team titled “A better future for young people”. This seminar was well attended by Commission representatives and gave conference delegates the opportunity to discuss a wide range of issues, including the proposed Technical Baccalaureate qualification, the importance of collaboration between schools to drive improvement and careers advice and guidance for young people. Access to education for vulnerable children, GCSE examinations and qualifications, music in the curriculum, developing apprenticeships, the cost of university tuition and the impact of the Sure Start Children’s Centre closures were also amongst the key issues raised.

Via the Policy Ballot at the 2012 Conference, delegates selected a number of areas for prioritisation by the NPF. The topic, “Childcare: what matters to parents and children?” was prioritised for discussion for the Education and Skills Policy Commission. Through the Priority Ballot, the issue of “Vocational Education, apprenticeships and the role of job guarantees in tackling youth unemployment” was also selected for discussion for the Work and Business Policy Commission.

In November 2012, the Education and Skills Policy Commission published the challenge paper, “Childcare: what matters to parents and children?” This paper set out a number of policy challenges on the issues of ensuring high quality, affordable childcare that works for all parents. The Party and other stakeholders

were then invited to make submissions to this challenge paper through a consultation on Your Britain. Following the refunding Labour reforms agreed at 2012 Annual Conference, the Education and Children Policy Commission was created as successor to the Education and Skills Policy Commission.

When the Policy Commission met in February 2013, representatives focused on the submissions to the Challenge Paper as well as the vocational education section of the paper on youth unemployment being prepared by the Work and Business Policy Commission. Members of the Commission also proposed topics for the 2013 work programme. Following the consultations on the challenge papers, policy documents were then published incorporating the views of the submissions received. The Party and the public were again invited to make submissions to these policy papers.

In June 2013, there was a joint meeting of the three Policy Commissions in the Society strand (Health and Care, Education and Children, and Stronger, Safer Communities), chaired by Shadow Home Secretary, Yvette Cooper. The meeting discussed submissions made in response to the three policy papers produced by the Commissions:

- 21st Century NHS and social care: Delivering integration,
- Childcare: what matters to parents and children?
- The Housing Crisis: House building and a private rented sector that works for Britain’s families

Commission members also considered the options contained in these policy papers in advance of the National Policy Forum. The policy paper on childcare contained options regarding how best to drive up quality in childcare (whether it is better through training or regulation) and how best to focus any additional support for childcare (whether this is better through supply-side or demand-side funding). For both sets of options, the meeting recommended not prioritising one option over the other and this went forward to the NPF for discussion.

Also in June, the Education and Children Policy Commission convened a conference call to hear from Shadow Education Secretary, Stephen Twigg in advance of his speech “No School Left Behind”. The Commission discussed the key elements of the speech, which set out Labour’s approach to the schools system along three key themes; Freedom, Devolution and Collaboration. Commission members also shared their appreciation for The London Challenge, the programme set up under Labour to improve outcomes in low-performing schools in the capital, and their concern around the Government’s lack of planning for school places.

There were three childcare sessions at the NPF in June, chaired by Mary Turner and Fiona Twycross. These sessions were well-attended and allowed representatives to raise points relating to the paper “Childcare: what matters to parents and children?” and talk about policy ideas with Shadow Secretary of State Stephen Twigg and Shadow Minister, Sharon Hodgson. Amongst the key issues discussed were the importance of developing a skilled and stable childcare workforce, how we can ensure that employers are family-friendly and wrap-around provision at schools (childcare provision before and after school or in the school holidays).

When considering the first set of options in the policy paper, the NPF representatives preferred option 1, which proposed ensuring high quality childcare through focusing on the quality and level of training and professional development, including apprenticeships, that childminders and nursery staff receive. There was consensus that this option should include a reference to the importance of regulation and inspection.

For the second set of options, representatives were attracted to the advantages of funding childcare places directly, as per option 1. However, there was also recognition that direct financial support to parents, as per option 2, will always have an important role to play, for example through tax credits. There was a clear consensus from all of the sessions that we should bring these together to create an amended final wording in order to accurately reflect the importance of both supply-side and demand-side funding for childcare.

Representatives also met at the NPF to discuss current issues and priorities for the Commission over the coming months. Amongst the key themes raised were our 16 – 19 offer, including apprenticeships and careers advice services, and the education of vulnerable children in our society, including looked after children. The opportunity to continue the discussion on the principles behind Stephen Twigg’s “No School Left Behind” speech was also put forward.

In July, the Commission met to discuss school structures and the speech “No School Left Behind”, on Labour’s approach to the schools system. The Commission welcomed the content of the speech and the move to end Michael Gove’s centralising free schools programme. The key topics discussed by the Commission focused on the future role of academies, collaboration models for schools and what would remain as core content within the curriculum.

Current Issues

School Structures

The Government has divided and fragmented our education system. Schools that do not change their status are denied freedoms over how they teach and run their schools; freedoms that can help to raise standards. Thousands of schools are now directly accountable to the Secretary of State for Education and are lacking the local oversight needed to ensure that schools have a clear relationship with their community. The Government has prioritised pitting schools against each other, rather than ensuring that they are working in collaboration to spread excellence.

In June, Shadow Education Secretary Stephen Twigg set out how Labour will learn from the best school systems around the world and bring order to the chaos that the Government has created in our school system. Under Labour, a school will not have to change its status to gain the freedoms that drive up standards. All schools will have the same freedom over the curriculum, whilst teaching a core curriculum of English, maths and science. All schools will be able to change their term dates and buy in tailored support to better suit the needs of the local community.

However, where freedoms are damaging standards they will be removed. The Commission and submissions received support Labour's plan to ensure that all teachers should have or be working towards qualified teacher status. In addition, the Commission recognises how important it is for children and young people to have access to healthy food. Under the Tory-led Government, academies and free schools are not required to follow the same regulations on healthy school food as schools maintained by the local authorities. The Commission believes that schools should not be allowed to follow different regulations and welcomes Labour's policy to ensure all schools provide their pupils with healthy food.

In a One Nation Schools system, all schools are valued and deliver for all children.

The Government is trying to run thousands of schools from Whitehall in the face of evidence that shows local challenge is important to drive school improvement. Underperformance and mismanagement in the growing number of academies and free schools are uncovered much too late. Labour wants a stronger local accountability framework for schools, respecting the freedoms that raise school standards that we will expand. The Commission is looking forward to discussing David Blunkett's review into the local oversight of schools at a future meeting.

In addition, the Commission is concerned by the crisis in primary school places, resulting from the Government's failure to adequately plan for school places. It is a scandal that millions have been spent opening free schools in areas with a surplus of places, while children elsewhere face the reality of no school place. The Commission welcomes that Labour would put an end to the free schools programme.

Labour has a successful record on school collaboration, including The London Challenge and School Sports Partnerships, and this is recognised by the Commission. The Government has failed to deliver on their key commitments from the 2010 Schools White Paper to incentivise schools to collaborate. Instead the Secretary of State has encouraged schools to operate as islands. The Commission believes every school has an important role to play in working with the community and other local schools to drive up standards. This local collaboration and coordination will provide a crucial foundation to the freedoms that Labour will expand.

The Curriculum

Over the last three years, the Government has made several attempts to rewrite the National Curriculum. They have ignored the advice of experts, who warned that the drafts were exclusive, narrow and would take our education system backwards. Discussions through the Commission and submissions received echo the concerns of experts, teachers and parents on the Government's proposed curriculum. Rather than a backwards facing curriculum, we need a curriculum that adequately prepares children for the demands of the modern workplace.

While the National Curriculum has played an important role in education in setting clear expectations of pupil achievement, it has been criticised in recent years for being overly prescriptive and limiting the ability of teachers to innovate. Stephen Twigg announced in his recent "No School Left Behind" speech that under Labour a school would not have to change its status to gain the freedoms that drive up standards, such as freedom over the curriculum. The Commission welcomes Labour's commitment to allowing teachers in all schools the freedom to innovate, whilst ensuring a core subject entitlement for all children. As well as English, maths and science, the Commission recognises the importance that children gain knowledge and skills in Citizenship, participate in school sport and learn about relationship and sexual health.

Young people and skills

There are almost a million young people out of work in the UK. The Government's failure on the economy is dashing the hope and aspirations of many young people, as they scramble for opportunities in a climate of severely depleted youth services.

Throughout the year, the Commission and the submissions received have expressed concern at the lack of focus this Government has given to supporting young people in their

education or training. The Government has failed to work with local authorities to ensure that there are enough places and opportunities available for young people to gain skills and stay in education. There has also been insufficient action from the Government on extending maths and English to 18. The duty on employers to ensure that the young people they employ receive training has been removed. There has been a staggering 13 per cent drop in the number of young people aged 16 to 18 starting apprenticeships compared to this time last year and overall participation in education and work-based learning for the same age group has fallen for the first time since 2001.

The Government has transferred the responsibility, but none of the £196 million in funding, for careers advice to schools and removed the statutory guidance on work experience for 14-16 year olds. Only one in six schools have been able to maintain the same level of investment in careers activities and not a single school has increased its level of investment. The Commission and the submissions received recognise the value of high quality careers advice, which provides meaningful guidance on routes into employment and prepares young people for the world of work.

The Commission welcomes the focus given to the young people and skills agenda by Labour's Skills Taskforce. The Taskforce was set up to examine the role of skills policy in offering young people more education and career opportunities and in building a different sort of economy – one based on high skill, technological sophistication and dynamic companies. The Commission agrees that Further Education colleges are crucial to developing a high quality skills system, and supports the Taskforce's call for high standards in colleges.

The Commission identified young people and skills as a priority for the 2013 work programme. Commission members are

looking forward to the future discussion on raising the status of vocational education and increasing the supply of varied and high, quality apprenticeships.

Supporting vulnerable children

The Government has lowered the benchmark for teaching by allowing unqualified teachers to be employed by academies and free schools. The number of teachers has fallen by 6000 since 2010 and the percentage of infant class sizes with more than 30 pupils has doubled in the last year alone. We know that teachers make the biggest difference to educational outcomes. Rising numbers of unqualified teachers in academies and free schools, falling numbers of teachers overall and class sizes getting bigger and bigger risks standards for all children. In particular, the Commission recognises that there are some children who will be hardest hit by the Government's reforms. In large classes and with teachers who have not been properly trained, vulnerable children are unlikely to receive the support they need to achieve at school.

The Government's changes to the curriculum and the examination system also risks leaving vulnerable children behind. Both experts and submissions received to the Commission have expressed their concern over the impact that these reforms will have on looked after children and children with Special Educational Needs or disabilities. In addition, there is no plan for gifted and talented pupils, who are in need of extra stretch and challenge at school. Throughout the year, the Commission has discussed the importance of ensuring that vulnerable children receive a high quality education and are supported in fulfilling their potential.

In the UK, a child's educational outcomes are still largely determined by their family social and economic status. The Commission is deeply concerned that the Government is set to plunge over a million children into child poverty by 2020. The Commission is looking

forward to discussing Labour's approach to closing the gap in our education system and raising the attainment of our most vulnerable children.

Childcare and Early Years

Throughout the year, the Commission has discussed issues relating to the quality, flexibility and affordability of childcare provision. In meetings and in the submissions received there has been resounding support for Labour's record on Sure Start and concern expressed for the parents and children who have lost this vital service, following the closure of more than 500 Sure Start centres under the Government.

Following Government's disastrous plans to increase the number of children that nursery staff could look after and their subsequent U-turn, it is clear that they have no plan to help hard working families with the cost of childcare. The Commission is delighted that Labour's campaign against increasing the childcare ratios was successful and is following the work of Labour's Childcare Commission, which is looking to countries in Scandinavia to explore how we can ensure we have high quality childcare provision that is more affordable to parents.

In the UK, there is a 19-month vocabulary gap at age 5 between children from the poorest and most affluent families. Discussions through the Commission and the submissions received have reflected both the need and appetite for early years education in order to help the development of all children and ensure that they start school on an even footing.

Higher Education

Alongside developing excellent vocational and technical qualifications and access to high quality apprenticeships, we must ensure that those who choose to go to university have the support they need. The Commission has received submissions reflecting the many

young people who have been dissuaded from going to university by the Government's decision to treble tuition fees to £9000.

Under this Government, action on widening participation and access has been lacking and the proportion of state-educated entrants to Russell Group universities and those from poorer backgrounds has fallen. Labour has called for tuition fees to be brought down to a maximum of £6000. The Commission recognises that investing in both skills and knowledge will strengthen our future economy. A crucial part of this is making sure that talented young people from all backgrounds have the opportunity to fulfil their potential, whether at university or through a credible, vocational route.

Policy Review Input

Throughout the year, as part of Labour's Policy Review process, papers on several important issues were submitted to the Commission for discussion. These included The Service Ethos: Helping young people benefit from the values and expertise of our Armed Forces, Services for Young People, Speaking Skills, and Children, food and obesity.

In addition, the work of Labour's Skills Taskforce, an independent group providing advice and recommendations to Labour's Policy Review on raising the status of vocational education, has also fed into the work of the Commission. The Taskforce, led by Professor Chris Husbands, Director of the Institute of Education and comprised of leading business and education experts, is looking into how we can drive up the number of apprenticeships for young people and put businesses at the heart of providing more high quality training and skills.

Submissions

All submissions received by the Policy Commission are circulated to members ahead of the next meeting for consideration as part of

our discussions on policy development. Since its launch in November, the Education and Children Policy Commission has received and considered submissions on the following topics:

- Academies
- Apprenticeships
- Careers education
- Child benefit
- Child poverty
- Child welfare
- Childcare
- Childcare and children's rights
- Childcare for disabled children
- Childcare funding
- Childcare ratios
- Childcare tax breaks
- Childcare quality
- Childcare professionals' pay
- Children's play opportunities
- Children's centres provision
- Company childcare schemes
- Co-operative nurseries
- Early years spending
- Education and ageing teachers
- Education and children with SEN
- Education and disabled children
- Education Maintenance Allowances
- Efficiency of OFSTED
- Equal rights for dads
- Female genital mutilation
- Foreign students
- Free and universal childcare
- Family friendly workplaces
- Free school meals
- Free schools
- Grammar schools
- Higher education funding
- Holiday childcare
- International Women's Day
- Learning at the centre of education

- Looked-after children
- Low wage economy
- Making schools democratically accountable
- Military sponsors for schools
- National educational policy
- Part-time and flexible working
- Performance-related pay in schools
- Progressive taxation to pay for decent childcare
- Providing adequate skills to young carers.
- Provision of childcare for children with special rights
- Public service interaction with families
- Recognising the role of the father in the workplace
- Religion in schools
- School catchment areas
- Schools
- Student loan system and a graduate tax
- Sure Start centres
- National curriculum
- Tuition fees
- University fees
- Unqualified teachers
- Vocational education
- Youth unemployment

SOCIETY

EDUCATION AND CHILDREN POLICY COMMISSION POLICY PAPER: CHILDCARE: WHAT MATTERS TO PARENTS AND CHILDREN?

CHILDCARE: WHAT MATTERS TO PARENTS AND CHILDREN?

THIS POLICY PAPER HAS BEEN PRODUCED BY LABOUR'S EDUCATION AND CHILDREN POLICY COMMISSION, FOLLOWING CONSULTATION ON THE CHALLENGE PAPER OF THE SAME TITLE. IN PRODUCING IT WE HAVE CONSIDERED SUBMISSIONS RECEIVED IN RESPONSE TO THE CHALLENGE PAPER AND AN EARLIER DRAFT OF THIS PAPER, AND THIS FINAL VERSION SETS OUT THE DIRECTION OF TRAVEL THAT THE POLICY COMMISSION AND NATIONAL POLICY FORUM CONSIDER APPROPRIATE IN THE LIGHT OF WHAT WE HAVE LEARNED.

Introduction

To build a strong economy in which everyone can play their part we need to ensure that for every family, being in work pays. Currently, almost a million women are put off working because once the high cost of childcare is factored in, it makes more financial sense to stay at home. At the same time, cuts to the Sure Start budget means there are fewer children's centres and many more have scaled back their services for young children and families.

Today, hard-working families are facing a childcare crisis – there is less financial support from tax credits, higher costs for childcare and fewer places available.

We recognise that childcare is the responsibility of both mothers and fathers. We need a childcare system which is both affordable to all and high quality. David Cameron promised the most family friendly Government ever, but has no answer to the issue of rising childcare costs other than a misguided drive to reduce standards. But Labour believes affordability and quality can be achieved together. We need a one nation approach to children's and families policy so no parent is prevented from returning to work and all children can receive quality care.

Submissions in response to the Challenge Paper on childcare stressed the need to offer flexible childcare that meets the needs of working parents and is easily accessible to families juggling different working hours and with children of different ages with different needs. Submissions also discussed the importance of parent to parent support,

ensuring regulations support quality but do not restrict supply and the benefits of extending the free entitlement.

Issues

Affordability and making work pay

For many families, childcare affordability problems are growing more acute, given stagnating household incomes, less support for childcare through tax credits, and other pressures on family living standards. Therefore, many of the responses to our childcare challenge paper focused on the need to bring childcare costs down so working families feeling the squeeze get the support they need. A focus on allowing more women to re-enter the workplace was also reflected in many of the submissions we received. The Commission agreed that easing the pressure on family budgets and helping women back into the workplace must be key considerations for Labour's childcare policy.

"We need affordable, available childcare to enable future generations to excel. Good quality childcare means that women can have a balanced work and family life."

Essex Labour Women's Event

"A good childcare system is a major factor in influencing the 'gender pay gap' and giving women better access to the labour market. Becoming a mother is still one of the most important factors that explains the gender pay gap. The Resolution Foundation estimates that there are one million women currently not working in part because of the lack of affordable childcare."

Unite

Submissions also stressed that it is not just low income families who are currently struggling with childcare costs:

“Childcare is needed by all population groups and should not be targeted at just lower class families as this reinforces stigma and discourages target families from using services.”

Tees Valley and South Durham Policy Forum

The importance of a flexible childcare system

Families in 21st Century Britain are diverse, with different work patterns, family commitments and local circumstances, so we need to build a system with the flexibility to support this mix of demands. A system which is too rigid could prevent parents going back to work as it can be too difficult to fit childcare around working hours.

The need to develop a childcare system which is flexible and suited to the needs of modern families was an issue raised in many of the submissions received.

The Commission shared the view that a new childcare system must meet the demands of modern family life, so Labour shouldn't offer a one-size-fits-all approach. We need a flexible system to reflect the needs of mothers and fathers who share childcare and work commitments.

“A flexible package of support is what is needed. One which families and childcare providers, alongside other partners such as schools, local authorities and health providers, can use to support the needs of children and families, in a way that is responsive to local circumstances.”

Eleanor Blackburn

Childcare quality

Many submissions also raise the important issue of childcare quality. Quality is vital if parents are to feel confident taking the decision to use childcare and go back to work – they need to know their child is in a safe and

nurturing setting. Good early years education aids child development and gives children a head-start in life so it is crucial that as well as being affordable, childcare is also high quality.

Parents tell us that feeling confident about the quality of care and professionalism of childminders and nursery staff is central to decisions they make when choosing a childcare setting for their child.

It is also vital we ensure that good childcare can be accessed by every family, not just those paying over the odds.

All children should be able to participate in quality learning activities in a safe environment, parents need affordable and flexible childcare, they want to be secure in the knowledge their children are safe and happy whilst enjoying new learning experiences

Aldridge Brownhills CLP

To ensure high quality in childcare Labour should focus on the quality and level of training and professional development, including apprenticeships, that individual childminders and nursery staff receive. We also recognise the important role played by inspections and regulations in driving up standards.

Funding models

There are a number of ways to fund a childcare system. In Government, Labour mixed supply side funding (the free entitlement for three, four and disadvantaged two years olds and the creation and expansion of Sure Start centres) and demand side funding (tax credit support and employer vouchers).

Submissions focused on the usefulness of retaining a mix but some stressed the benefits of moving towards a more supply-side dominated system where funding is targeted at good childcare settings, enabling them to expand and offer more affordable places:

“UNISON would like to see more funding targeted at the supply side of the childcare system to improve

facilities, provision, training, continuous professional development, wages, careers and lowering or eliminating fees.”

UNISON

“It is our experience that demand is most effectively stimulated when people can see locally, or hear from their peers about, the benefits of good quality provision of childcare and Sure Start.”

Mid Sussex CLP

Other models of funding and organising childcare were also raised in submissions, particularly those concerning more parental involvement in the running of a service. A co-operative model of funding was highlighted:

“Co-operative childcare delivers flexibility and responsiveness, as the close relationship between the childcare worker and parent that is inbuilt in the co-operative approach ensures that the business is shaped to respond to the changing needs of the children and parents using the service.”

Co-operatives UK

The importance of Sure Start centres and the services they provide was also raised in a number of submissions. The positive role of Sure Start services in the community as well as the high value placed on their quality childcare provision was a central theme of many of the responses we received. Sure Start centres are under threat under this Government due to cuts to the early intervention grant – 401 centres have closed since 2010 – and this was something the Commission agreed was a big concern for communities.

“Every effort should be made to maintain existing Sure Start children’s centre provision, to help not only with accessing childcare and costs, but also provide employment for childcare workers who are now struggling to find employment with the current cuts to services.”

Hastings Community Childcare event

We recognise the advantages of targeting funding at good childcare settings so we increase the number of free childcare places

for young children and good nurseries and childminders can expand. Targeting funding at childcare settings could give parents an assurance of quality, make childcare more easily accessible and offer a cost-effective means of supporting family childcare costs. Alongside this, direct financial support to parents, for example through tax credits, will always have an important part to play in our childcare system in order to improve affordability and flexibility.

SOCIETY

HEALTH AND CARE POLICY COMMISSION ANNUAL REPORT

HEALTH AND CARE POLICY COMMISSION

Membership 2011/2012

HM Opposition

Andy Burnham MP*
Diane Abbot MP
Liz Kendall MP

National Executive Committee

Keith Birch*
Rachael Maskell
Conor McGinn

CLPs and Regions

Lucy Anderson
Peter Box
Simon Burgess
Nick Forbes
Joanne Harding
Katrina Murray
Douglas Naysmith
Donna Hutton
Sandra Samuels
Denise Thursfield

Affiliates

Neeraj Patil
Martin Rathfelder
Maggie Ryan
Beryl Shepherd
Eleanor Smith

Elected Representatives

Debbie Abrahams MP
Angela Cornforth

* Co-convenor

POLICY DEVELOPMENT

THE HEALTH AND CARE POLICY COMMISSION'S REMIT INCLUDES LABOUR'S POLICY DIRECTION AND THINKING ON HEALTH AND CARE. IT CONSIDERS A WIDE RANGE OF ISSUES, SUCH AS THE REFORM OF SOCIAL CARE, MENTAL HEALTH, INTEGRATION OF HEALTH AND CARE SERVICES AND PUBLIC AND PATIENT INVOLVEMENT IN THE NHS. AREAS FOR CONSIDERATION INCLUDE THE SYSTEM FOR FUNDING OF SOCIAL CARE, THE CARE BILL, HEALTH INEQUALITY AND ACCOUNTABILITY WITHIN THE NHS.

The new Health and Care Policy Commission succeeded the former 'Health Policy Commission' following the reforms agreed in Refounding Labour. The Commission will carry out work prioritised through the policy ballot or as directed by the Joint Policy Commission (JPC), produce challenge papers and policy documents, and undertake on-going policy analysis and discussion on topical issues and submissions from the Party.

Delegates at Annual Conference 2012 prioritised for debate a contemporary resolution on the topic of health and social care. This debate touched on many issues that members felt were important, such as cuts to the NHS budget and NHS services; privatisation; A&E closures, NHS Trusts being placed into administration under the 'unsustainable provider' regime; the Secretary of State's duty to provide a comprehensive health service; PFI charges; regional pay and the need to ensure decent national wages, pensions and conditions for those working for the NHS. As part of the reforms to our policy making process, Annual Conference 2012 held a new Policy Ballot where members chose to prioritise '21st Century NHS and Social Care: Delivering integration', as a topic for the newly formed Health and Care Commission to focus on throughout the year.

The Commission also held a policy seminar at Annual Conference 2012 which provided an opportunity for delegates to discuss a variety of issues with the Commission. The seminar was attended by the Shadow Secretary of State Andy Burnham, shadow ministers Diane

Abbott, Liz Kendall, Andrew Gwynne and Lord Hunt. Much of the discussion focussed on the implementation of the Health and Social Care Act 2012 and the damaging effect that the Government's reorganisation is having on the NHS.

During the seminar many delegates raised their concerns about the role of the private, independent and third sectors in providing NHS services; other topics raised included cuts to nursing posts and the impact that this was having on frontline services. Delegates discussed what lessons could be learned from the Private Finance Initiative model for the NHS and how the national tariff and payment by results system could be reformed to incentivise integration.

There was also a wide ranging discussion on social care. Many delegates raised concerns about the funding of, and the current crisis in social care. Delegates raised discussed the role of formal and informal carers in terms of whether they had appropriate training and support; the Commission noted the issue of formal carers being paid below the National Minimum Wage. Of particular concern was the quality of care that people received in care homes and from home visits. While delegates were keen to emphasise that the majority of care was good, speakers were able to provide a number of examples of poor quality care.

In November the Health Policy Commission met to discuss the drafting of a challenge paper '21st Century NHS and Social Care: Delivering integration' as prioritised by Annual Conference 2012. In light of

submissions received, the Health Policy Commission decided that it wanted to know how physical health, mental health and social care could be better integrated and how to ensure that an integrated service prioritises prevention and intervention; and how to tackle health inequalities. The Commission were also interested in how to provide more personalised care and how to extend access to primary care and give patients and communities a stronger voice.

When it came to social care, many submissions wanted further discussion on how to provide more care in people's homes and communities; better support dignity and choice for older people; how to reform the system of social care funding and how to ensure that a care system focuses on prevention and early intervention.

In November, the Commission published its challenge paper '21st Century NHS and Social Care: Delivering integration' consulting on the issues agreed above. The paper received a large number of submissions via the new YourBritain website from members, affiliates, charitable and independent organisations and members of the public.

In February, the new 'Health and Care Policy Commission' met for the first time to discuss the submissions received so far. The Commission heard from Shadow Health Minister, Andrew Gwynne MP on behalf of the Shadow Health Team. The Commission noted its concern at new regulations on competition and procurement which were known as Section 75 Regulations, tabled by the Government. The Commission were concerned that these regulations would mean that the NHS would be required to competitively tender all NHS services. The regulations required commissioners to enter into competitive processes for the procurement of NHS services in all but the most exceptional of cases. This was in direct contrast to Ministerial assurances given during

the passage of the Health and Social Care Act 2012. The Commission notes Labour's commitment to repeal the Health and Social Care Act 2012.

While the main topic of discussion for this meeting was the Commission's challenge paper, commission members discussed a variety of topical issues, including submissions raised by the Party, members, affiliates and others.

Submissions received reveal that members are particularly interested in hospital reconfigurations. The Commission received a number of submissions expressing concern about the decision to dissolve South London Healthcare NHS Trust and the subsequent decision to downgrade Lewisham Hospital's Accident and Emergency Department. The Commission noted that the decision to downgrade Lewisham Hospital's Accident & Emergency department was based on financial rather than clinical reasons. While the Commission believes that where there will be occasions where there is a strong clinical case for changes to hospital services which will improve patient care, changes that are purely driven by financial reasons are unacceptable. The Commission also discussed and considered the report of the public inquiry into the Mid Staffordshire NHS Foundation Trust.

The Commission met again for a second time in February, where the main business was to discuss and re-draft the Commission's Policy document, in light of the submissions received. The Commission also heard from Andy Burnham about the work of the shadow ministerial health team; Section 75 Competition Regulations and work on Whole Person Care being undertaken as part of Labour's Policy Review which will feed in to the Commission's future thinking.

Commission members discussed the need for better integration of services and care around the patient and the challenge in achieving this. An overriding concern is the need to recognise

that the NHS cannot address all determinants of people's health such as housing quality, employment and the environment and that action beyond the NHS is required to improve health inequalities.

Work on Whole Person Care is looking at how we can best integrate health and care services. At the moment, one person's needs are met through three services: physical, through the mainstream NHS; mental, through a detached system on the fringes of the NHS; and social, through a means-tested and charged-for council service, that varies greatly from one area to the next.

Commission members also noted the differing experiences in Scotland and Wales, noting that Scottish and Welsh health systems do not have an internal market and purchaser-provider split. In light of the report into the Mid Staffordshire NHS Foundation Trust, Commission members noted the recommendations concerning the regulation of Healthcare Assistants, National Institute for Health and Clinical Excellence benchmarks on staffing requirements, and a Duty of Candour to improve openness and transparency.

Two conference calls were convened in March to discuss and agree the Policy Commission's Policy Paper "21st Century NHS and Social Care: Delivering Integration". The paper was then published on Your Britain so that Party members could debate and submit their views.

Prior to the NPF, a joint meeting of the Stronger, Safer Communities Policy Commission, Education and Children Policy Commission and the Health and Care Policy Commission discussed submissions received in response to the policy documents since they were published in March; and, where appropriate, made recommendations to the NPF on options for decision contained within the papers in the light of submissions received. When it came to health, no consensus position on the options was reached.

In June, the National Policy Forum met in Birmingham. The discussions were based on the Policy Commissions' policy papers and the options presented within them. All submissions from members, CLPs, affiliates and independent organisations were provided to NPF representatives to inform their discussions. On Saturday, three workshops took place on the Health and Care Policy Commission's Policy Paper.

Representatives welcomed the thrust of the paper. Issues discussed ranged from the role of Foundation Trusts, internal markets and the lessons that should be learned from Private Finance Initiatives. Representatives discussed the private and third sector, and what role they should play in an NHS where Labour has committed to repealing the Health and Social Care Act.

Representatives' debated submissions received to the paper and in particular, in relation to the Options presented within the paper. Representatives noted that many of the submissions were well considered and many drew upon personal experience, and that there was a high-level of interest in health and social care. In light of the submissions and discussions, the paper was amended to reflect the importance of public health and the wider determinants of health and felt that the paper should emphasise the importance of this issue. Representatives also discussed the importance of a strong inspectorate system for the health and care system.

There were also wide-ranging discussions about the future role of Health and Wellbeing Boards, and what structures will be in place in an integrated health and care system. Delegates felt that the paper should reinforce the importance of effective regulation as highlighted by the Francis Inquiry.

In terms of the options presented within the paper, across all three meetings, there was consensus in support of option A - full integration - as the objective and principle.

There was clear support for Whole Person Care and bringing physical health, mental and social care together into a single service. However, there was also a clear consensus that getting to a seamless system of whole-person care is a long term challenge and that some of the language about the evolutionary nature of change in option B should be reflected in Option A.

On Sunday, the National Policy Forum focussed on new priorities and tough choices in two society sessions. The first session was chaired by Ann Lucas from the Stronger, Safer Communities Policy Commission and the second session was chaired by Keith Birch from the Health and Care Policy Commission. A number of representatives discussed the importance of public health and the wider determinants of health, and argued that Labour should consider how government departments can work together to address them.

Discussions noted that public health isn't the sole responsibility of the NHS. Another future priority should be the role of local government and the links between housing, planning, leisure and social care and what can we learn from the ExtraCare model. Representatives also felt that there should be a further discussion about the idea of NHS preferred provider.

Current Issues

The state of the NHS

A theme across the Commission's discussions is David Cameron's mis-management of the NHS. Submissions to the Commission have expressed concern at the recent crisis in A&E which has resulted in patients being held in the back of ambulances outside of A&E; more people waiting longer in A&E; patients waiting longer to be admitted into hospital and patients waiting longer to be discharged from hospital. The Commission have also expressed concern at the falling number of nurses in the NHS. In April 2013, there were almost 5,000 fewer nurses in NHS when compared to May 2010.

The Commission questioned the credibility of the Government's claim that the A&E crisis was caused by the renegotiation of the GP contract in 2004. The Commission noted that the crisis in A&E had happened under the current Government and that prior to this, Accident and Emergency Departments had performed well with 98 per-cent of people seen within four hours. The Commission referred to the views of independent experts and bodies such as the Royal College of General Practitioners, NHS England and Monitor who cited reasons, such as the problematic implementation of NHS 111, increased emergency admissions, problems with delayed discharges and more elderly people presenting with more complex conditions related to social care.

Submissions have argued that cuts to local authority budgets that pay for social care mean fewer elderly people are receiving support in the community. This has led to an increase in the number of elderly people attending A&E, with many presenting with more complex and long-term conditions.

Cuts to these budgets also mean that many elderly patients are being kept in hospital beds unnecessarily because the home care and support they need to enable them to be discharged is not available.

The Commission noted that official NHS statistics show for the year 2011-12, there was a 66 per-cent increase in the number of over 90 year-olds arriving at A&E via ambulance compared to 2009/10. The Commission were concerned that £1.8 billion had been cut from Local Authority social care budgets since 2009/10. The Commission have also expressed their concern at the Government's implementation of NHS 111 and the problems this has caused for local A&E departments.

In response to the crisis in A&E, Labour convened an A&E Summit, with front-line staff to develop an A&E rescue plan to ease

the pressures on A&E Departments. The commission welcomed proposals that would provide immediate support for social care by using £1.2 billion of the 2012/13 Department of Health under-spend to bolster social care over the next two years (2013/14 and 2014/15).

Other proposals included calling on the Government to review NHS 111 contracts; intervening to ensure all hospitals have safe staffing levels, halting the closures of NHS Walk-In Centres, while we await the review being conducted by Monitor of NHS Walk-In Centre closures.

The Commission have continued to focus on the NHS and have welcomed opportunities to do so. As part of this, the Shadow Health Team have campaigned on issues such as reductions in the number of General Practices offering weekend and evening appointments; restrictions placed on treatments based on cost; the tendering of services under the Government's Any Qualified Provider model; hospitals operating above recommended safe occupancy levels and the use of Zero-Hours-Contracts in the NHS and social care

Social care crisis

Throughout the year, submissions to the Commission have expressed concern about social care. The Commission believe that the growing care crisis is one of the biggest challenges we face as a society. The Commission believes that the Government's measures announced in the Queen's Speech do not go far enough in tackling the crisis in care.

Having considered the Government's recent response to the Commission on Funding of Care and Support, the Commission noted that the Government proposals will not prevent people from having to sell their homes to pay for care. Under the deferred payment scheme, councils loan people money to cover their care costs, which has to be paid back by selling the family home after the elderly person has died.

The Commission also noted that the 'cap' doesn't cap the costs elderly people actually pay for their residential care. The £72,000 'cap' on care costs (£144,000 for a couple) proposals by the Government will be based on the standard rate local councils pay for residential care in their area, which is on average £480 a week. 125,000 pensioners who fully fund their care face weekly bills that are on average £50 - £140 more, and far higher in some areas. This extra amount will still have to be paid by elderly people and won't count towards the 'cap'.

The Commission further noted that pensioners will not get their care for free if they have income or assets worth up to £123,000. Elderly people will still only get free care if they have income or assets under the lower means-tested limit, which will be £17,500 in 2017. Pensioners with income or assets between £17,500 and £123,000, will get a sliding scale of support from councils. But due to the way this sliding scale works, pensioners on average incomes with modest second pensions won't get any council support, even with the new increased upper means-tested limit.

While the Commission believes that the Care Bill is a step towards a better system, they are concerned that it will not help the thousands of older and disabled people and their families to get the support they need. The Commission believe that the Government need a far bigger and bolder response to tackle this crisis and ensure a decent and fair system for the future.

The Commission noted the recent Kings Fund report and welcomed its call for a single strategic budget for the NHS and social care. The Commission believe that we need a genuinely integrated care system which helps older people stay healthy and living independently in their own homes for as long as possible and which supports families to care for their loved ones.

Mid Staffordshire NHS Foundation Trust

In February, Robert Francis published the report of the public inquiry into the Mid Staffordshire NHS foundation Trust. The Commission emphasised that what happened at Stafford has no place in any NHS hospital and we must ensure that it does not and cannot happen again. The Commission noted that the report made clear that former Ministers could not be held responsible for the failings at the Trust. The commission also welcomed the opportunity to respond to the report, and were keen to emphasise that the NHS represents the best values of this country, and that what happened at Stafford was not typical of the NHS. The Commission noted that failings at Mid-Staffordshire were primarily caused by a serious failure on the part of the Hospital Trust Board. It did not listen sufficiently to its patients and staff or ensure the correction of deficiencies brought to the Trust's attention.

The report highlighted the lack of communication between agencies and particularly the two regulators, the Care Quality Commission and the regulator of Foundation Trusts, Monitor. The report stated that the structures for enabling patients to speak up had failed. It also criticised the Government's new local patient voice body, Healthwatch, for not having a ring-fenced budget and so funds risk being diverted.

With regards to responding to recommendations of the report, the Commission noted that regulation, while critically important, on its own will not be enough to prevent another mid-Staffs. The NHS needs skilled, caring staff, competent, accountable managers, strong local governance, and patients with a strong voice. We need a confident NHS working collectively to give great care all the time. The Commission also felt that the best way to prevent these failures happening again is to make sure staff and patients' voices can be heard.

Submissions to the Commission note that there have been many previous initiatives to improve the training of Healthcare Assistants, but without registration national standards have proved hard to guarantee and that the Government has rejected a key recommendation to register Healthcare Assistants. The Government have also ignored the recommendation on benchmarks on staff numbers and skills mix on hospital wards, which is vital to ensuring Healthcare Assistants can be properly supervised and trained. The Government has also rejected the recommendation for a full duty of candour in the NHS.

The Commission note that alongside the publication of the report into Mid-Staffordshire NHS Trust, the NHS medical director, Professor Sir Bruce Keogh, was asked to conduct an investigation into hospitals with the highest mortality rates.

The Commission believes that the Keogh review contained a challenging but accurate picture of care standards and failings at those hospital trusts investigated. The Commission believes that the problems identified in these hospitals are not typical of the NHS or of the care given by NHS staff. We should seek to learn from this report and not use it to tarnish the many doctors, nurses and NHS staff who look after us in our NHS. The Commission notes that the vast majority of doctors and nurses working in the NHS perform to a very high standard day in, day out, but everyone in the country will be worried that some hospitals are letting people down.

Policy review input

A variety of work streams are being undertaken as part of Labour's Policy Review, which will be submitted to the Health and Care Policy Commission. In April, Ed Miliband launched an independent commission which will help inform Labour's Health and Care Policy Review. The new Independent Commission on Whole Person

Care is chaired by Sir John Oldham OBE. The Commission will work to produce effective proposals on how our vision of meeting people's physical, mental and social care needs together in one system could be achieved in practice.

In addition, the Shadow Ministerial health team are holding regional events and roundtables across the country to engage with patients, users, their families, the public and staff who work in the NHS and social care to seek their views on our vision. The Parliamentary Labour Party Health Committee has also undertaken a Health Inquiry to feed into the policy review process. The inquiry explored the effectiveness of different health systems in delivering high quality and equitable healthcare.

At the beginning of the year, a policy review paper was published on the YourBritain website, on children, food and obesity. This paper highlights some of the options for a new approach to food which could help parents improve their children's diets and considers whether the introduction of legal limits on sugar, fat and salt would be beneficial for food that is aimed at children

In October last year, Ed Miliband launched a taskforce On Mental Health in Society. It will look at how we can support fuller integration into the wider community of those affected by or recovering from mental health problems, across a variety of work streams such as schools, communities and the workplace.

Submissions

All submissions received by the Policy Commission are circulated to members ahead of the next meeting for consideration as part of our discussions on policy development. Since its launch in November, the Health and Care Policy Commission has received and considered submissions on the following topics:

- 21st Century NHS
- Access to health and care records
- Accountability and value for money in health and care services
- Adult social care costs
- Adult social care quality
- Aerobic Exercise
- Autism
- Care for the most vulnerable
- Carers allowance
- Carers Pay
- Children with cystic fibrosis
- Civil Service Pensioners' Alliance
- Co-operative role in service delivery
- Dementia
- Designing outpatients' clinics around the needs of older patients
- Dilnot report
- Electronic cigarettes
- Eligibility
- Equality of treatment in the NHS
- Food safety
- Free prescriptions for long-term conditions
- Funding Health Service, Mental Health and Social Care
- Funding the demography of health and social care
- GP surgeries as nodes in a network of integrated services
- Inflammatory arthritis
- Integrate to create a whole-person system
- Integrated commissioning and collaborative provision of services
- Integrated guidance from NICE
- Integrated information flows
- Integrating health and housing policy
- Integration of health and care services
- Integration of mental health services
- Marketisation
- Marmot Review
- Mental healthcare provision

- National Care Service
- NHS constitutional statute
- NHS contact charge
- NHS employment
- NHS funding formula
- NHS privatisation
- NHS staff pay
- Outsourcing of NHS services
- Palliative care for children
- Pandemic preparedness
- Personalisation
- Plan for Medway
- Philosophy and values of care
- Prevention
- Primary Care
- Private sector consultation
- Public/private partnership
- Remote Hospital Locations and transport
- Residential care
- Shift working for GP practices
- Social care funding gap
- Substance misuse treatment
- The Health and Social Care Act
- The issue of loneliness
- The Peckham Experiment: Pioneer Health Centres
- Theory and models of care
- Together for Short Lives charity
- Very local services
- Whole person care

SOCIETY

HEALTH AND CARE POLICY COMMISSION POLICY PAPER: 21ST CENTURY NHS AND SOCIAL CARE: DELIVERING INTEGRATION

21ST CENTURY NHS AND SOCIAL CARE: DELIVERING INTEGRATION

THIS POLICY PAPER HAS BEEN PRODUCED BY LABOUR'S HEALTH AND CARE POLICY COMMISSION, FOLLOWING CONSULTATION ON THE CHALLENGE PAPER OF THE SAME TITLE. IN PRODUCING IT WE HAVE CONSIDERED SUBMISSIONS RECEIVED IN RESPONSE TO THE CHALLENGE PAPER AND AN EARLIER DRAFT OF THIS PAPER, AND THIS FINAL VERSION SETS OUT THE DIRECTION OF TRAVEL THAT THE POLICY COMMISSION AND NATIONAL POLICY FORUM CONSIDER APPROPRIATE IN THE LIGHT OF WHAT WE HAVE LEARNED.

Introduction

Demands on the NHS are changing. If the NHS is to be fit for purpose beyond 2015, the organisations involved in providing health and care services will need to work together to better understand the needs of patients and the public and ensure that changing demands are met.

In 2015 Labour could inherit a health system that is deeply fragmented due to the Government's costly and disruptive reorganisation of the NHS. Meanwhile, people will be living longer, more people will be living with long-term conditions, chronic disease and mental health problems.

As a result, the NHS will be increasingly addressing complex problems for which its traditional structures will be ill-suited. Our core health needs will still be met by three separate delivery systems where our physical health, mental health and social care needs are treated separately.

Undoing the damage

Many submissions acknowledged and supported Labour's commitment to repeal the Health and Social Care Act 2012(England). However, many also agreed that a future Labour Government should avoid a large scale reorganisation of the NHS. Key to the future of the health and care system is a period of institutional stability.

"Our members are very clear: we must avoid another major structural reorganisation of the health service"
NHS Confederation

Many submissions were supportive of policies that promote the integration of the health and social care system; in particular submissions welcomed the concept of 'whole person care'.

"We welcome measures to improve integration between health and social care, and the 'whole-person care' approach. Integrating care will have a positive effect on patient experience and outcomes"

Macmillan Cancer Support

"Greater integration of NHS services"

Hampstead & Kilburn Labour Party

Competition and the internal market

A key theme amongst submissions was the role played by competition in the NHS. Many submissions stated that for a health and care system to be integrated, the focus of the health service must be on cooperation and collaboration, as opposed to competition between healthcare providers.

"The next Labour government should ensure the re-establishment of a national integrated health service, in which cooperation and collaboration are reinstated as the guiding principles – in place of competition and fragmentation."

Unison

Many submissions felt that the use of competition and internal markets led to fragmentation of services and some submissions questioned the role of the internal market in the NHS;

"Move away from marketisation, competition, top-down specifications and crude targets, and

move towards smart targets agreed with staff and stakeholders as drivers for quality of care, improvement and change.”

Reading and District Labour Party

In undoing the damage, Labour has stated, as a first step that the NHS should be the preferred provider of health services, rather than the Government’s ‘Any Qualified Provider’ approach. However, there is a recognition that there is a role for the third sector and other organisations in providing health and care services, for example:

“The NHS locally may choose to use competent private sector clinical skills in clearly defined circumstances, for example where these offer novel services otherwise unavailable, to remedy persisting inadequate standards, or to meet peak service pressures when NHS capacity is not immediately available”

Socialist Health Association

Crucially, members were very concerned about the levels of privatisation that is already taking place in parts of the NHS. For example, through the forced tendering of health services through the Government’s ‘Any Qualified Provider’. Submissions from CLPs and members made it clear that the NHS should not be privatised.

“All members were very concerned about the increasing part privatisation of the NHS”

Leek Branch of Staffordshire Moorlands CLP

“We affirm that the Labour Party must reiterate it’s commitment to a universal comprehensive free public health care system, oppose privatisation and make its position known to the general public.”

Orpington CLP

Labour has already made clear that our commitment to repeal the Health and Social Care Act includes the removal of Part 3 of the Act that forces competition throughout the NHS in England.

The goal of integration

Many submissions discussed what integration should look like in a future health and care system, with a range of submissions focussing on how to define integration. Submissions acknowledged that the needs of patients are complex and cross physical health, mental health and social care. There should be a focus on integration and prevention. Submissions also discussed what an integrated service could look like. Many submissions took the view of the individual when defining what an integrated service could or should look like. For example;

“A system should only be regarded as ‘integrated’ if it is perceived to be integrated (or ‘joined up’) by the user”
Independent Age

“Many patients have multiple complex needs, few have a single episode of care, and we need a system which recognises this. Social care, physical and mental health, must work together in the patient’s interest, offering “integrated care”.

Socialist Health Association

Changing demands require organisations involved in providing services to work together to better understand the needs of patients and the public in order to deliver the kind of services they require. Submissions discussed the important role that prevention has to play in a future health and care system.

“There needs to be recognition that people need preventative services throughout their lives as a means to stay well and prevent ill health. The NHS is ill-equipped to deliver this model of care. The service has become one which focuses on an ill-health and medical model where contact is made only when someone becomes ill. A preventative and social model takes a totally different perspective.”

Unite

Many submissions also spoke about the role that an effective public health system should play in reducing health inequalities through early intervention and prevention.

“Much more emphasis on public health, early intervention and healthy lifestyles.”

Reading and District Labour Party

Submissions noted the importance of promoting public health and tackling health inequalities in improving people’s health. As people live longer and our population grows, demand for healthcare will rise, and it will rise faster if we don’t help people to live healthier lives as they live longer – we need to add more years of ‘healthy life’ to the extra years that we are all living.

The long-term capacity of the NHS to treat everyone who needs it will be at risk without a focus on prevention and early intervention as well as cure. Future policy towards tackling health inequalities needs to reflect the fact that 60 per cent of a person’s health is determined by a range of factors beyond the influence or control of the NHS.

Submissions identified that the current fragmented system of health and care is difficult to coordinate and plan because there are often a number of points of contacts and agencies. A benefit of greater integration would be better coordinated care:

“There are, even now, too many agencies and points of contact so that patients do not know who to contact.”

Blackpool South CLP

“We suggested that one person should be assigned to an individual who could assess and co-ordinate all the health and care needs of that individual.”

Erewash CLP

Delivering integration

For an integrated health and care system to be successful, patients need to be fully involved in the planning of their care. A future health and care system should strike the right balance between national entitlements and local flexibility to plan and deliver health and care.

“NHSPN understands very well that as a society we cannot tackle the increasingly complex needs of patients unless we prioritise prevention and early intervention.”

NHS Partners Network, NHS Confederation

One key to successful integration is breaking down the organisational and cultural barriers between those involved in providing, commissioning and planning care. This could be done through creating incentives for joint working.

“We should introduce incentives for joint appointments, joint budgets, co-location, information sharing, and shared services across the NHS local authorities. Initiatives such as “year of care” and “programme budgets” must be encouraged to incentivise joint working”

Socialist Health Association

In particular, submissions noted the importance of a ‘change in culture’ for integration to be successful. For example, if it is to be successful in mental health then ‘Whole person care will need a serious mind set change from all areas of care’.

“Whole person care will need a serious mind set change from all areas of care professionals and a serious rethink of how mental health is viewed by the caring services”

Leslie Bowring

The role of local government in delivering integration

The Health and Care Commission is asking whether local government could take a more prominent role working in partnership with Clinical Commissioning Groups on commissioning with a single budget. Submissions noted that organisational definitions which separate different areas of care are all unhelpful to the patient:

“The NHS needs to work seamlessly with social care and other local authority services which contribute very significantly to the health of the population. Excellent care needs to give the

patient a sense of control over their health and their treatment, including palliative care.”

Socialist Health Association

A number of submissions supported a greater role for local government in the planning and delivery of health and care. Some submissions suggested that local government should be more involved in strategic planning and that Health and Wellbeing Boards should have more power:

“The local authority should play a strategic role not only in public health but in developing an integrated health and social care service.”

Hackney North CLP

“We already have Health and Wellbeing Boards. Maybe we could extend their remit and give them real power to sign off investment plans.”

Erewash CLP

Accountability of the people and organisations responsible for delivering and commissioning health and care services is also important. In particular, submissions raised concerns about whether Health and Wellbeing Boards and Local Health Watch would be able to undertake their roles of holding services to account and scrutinising decisions. Members also felt that a future system should have structures in place that are accountable.

Wider issues to delivering integration

The Health and Care Policy Commission have previously discussed the importance of housing as a determinant of people’s health and a number of submissions received in response to the Challenge Paper echoed these views. Many submissions identified the link between housing and a good quality of life, and how good housing enabled people to live independently at home. In particular, the National Housing Federation pointed out that housing must be seen as part of an integrated health and care system.

“Better integration would see housing considered at every stage of service planning, commissioning and delivery. Properly joined-up services would seamlessly help people to manage their illness or long-term health condition independently”

National Housing Federation

Linked to better housing, submissions also noted the importance of providing more care closer to or in people’s homes. For example, the London Labour Policy forum noted that:

“If more families could be supported in looking after elderly and unwell relatives at home, this would be a good thing, although there could perhaps be cultural barriers to this as well. It was also pointed out that decisions as to whether residential care is appropriate for someone were often very complicated and sensitive.”

London Labour Policy Forum

Submissions also noted that individuals should be informed in terms of what services they need and can access, and that they should feel confident about managing their own care needs, within a system of national entitlement, but also a system that allows flexibility for local innovation.

“Patients, service users and carers should feel actively confident in managing their own personal care within an integrated care service, where their care experiences and needs are met at the highest standard. Integrated services need to operate to nationally agreed standards, regulations and enforcement framework and be flexibly designed locally to promote people, dignity, health and wellbeing”

Unison

“Achieving a vision of ‘whole person care’ depends on tackling unnecessary fragmentation and achieving significant public health improvements requires action across populations. We believe that successful and sustainable healthcare systems seek to balance universalism and consistent provision with localism, reciprocal trust and innovation”

Boots

This stage of the consultation has raised a number of issues upon which further consultation would be beneficial. Submissions have made it clear that we need to repair the damage caused by the Health and Social Care Act. Therefore, a key question concerns the best way to do this while avoiding another costly and disruptive top-down reorganisation.

Other issues include how to ensure that national entitlements to NHS care are enforced in a whole-person NHS. And given the changes currently being made to the NHS, what can be done to shield the NHS from the full force of competition law?

Recent events have demonstrated the need for effective regulation, and submissions highlighted that we should consider how an integrated health and care service should be effectively regulated.

There are important questions concerning Commissioning. Should Health and Well-Being Boards take a more prominent role in the Co-ordination and Commissioning of services, working closely with Clinical Commissioning Groups and Local Government to achieve this integration of services? Could District general hospitals evolve over time into integrated care providers and shift the focus of services towards prevention?

Taking on board the issues raised in submissions on how to deliver integration, we must consider how best to integrate the health and care system.

We will fully integrate health and social care services into a system of ‘whole person care’, bringing together three separate, fragmented services into a single service coordinating all of a person’s needs – physical, mental and social. However, we recognise that the integration of services will evolve over time and that different areas will develop different models.

The future of social care

The current social care system is the worst of all possible worlds and it needs to change. The Government commissioned Andrew Dilnot to develop proposals for social care funding provision on a sustainable basis. Andrew Dilnot’s Commission called for a ‘cap’ on the overall amount people pay for their care, an increase in the means-test threshold as well as standardised eligibility criteria.

The Government recently announced that there will be a £75,000 cap on care costs. We believe that this fails the fairness test and the cap has been set too high – not at Dilnot’s recommended level of £35,000. This benefits almost 2 million fewer pensioners and will not protect the average home in large parts of the country.

The Government’s announcement only addresses one part of the problem facing England’s care services. More than £1.3 billion has been cut from local council budgets for older people’s social care since the election and care charges are spiralling upwards. These proposals will not do anything for those who are facing a desperate daily struggle to get the care and support they need right now.

Submissions have noted that although funding is a crucial factor in resolving the social care crisis, the social care crisis cannot be solved without greater integration.

“The social care crisis cannot be solved without both greater integration between health and social care, and a sustainable funding solutions”

NHS Confederation

Submissions noted the importance of ‘One Nation’ as a basis for approaching social care so that a future system would ensure that older and disabled citizens are able to live with the security and dignity we all expect for ourselves.

“Ed Milliband has described ‘One Nation’ as meaning that common decency and British values should be the basis for running our country. Social care is the key

public service through which we ensure that older and disabled citizens who need society's support the most are able to live with the security and dignity we all expect for ourselves."

Colin Slasberg

In terms of how a future social care system should be funded, Labour's Policy Review work on health has suggested that there are two basic choices – a voluntary or all-in approach.

Submissions have pointed out that Dilnot does not provide all of the answers and only forms part of the solution. There are other ways of funding and delivering care, for example, personal care is available without charge for everyone in Scotland aged 65 and over who has been assessed by their local authority as needing it.

Many submissions supported a cap on social care cost contributions as this would give individuals the security in terms of the cost of their overall care. This, however, should form one part of the changes required.

"A cap on social care costs is important to give individuals security on the overall cost of their care. However, it will only work as a long-term solution if the other recommendations of the Dilnot Review are implemented, including a national minimum eligibility standard and integration of funding streams"

National Housing Federation

Submissions noted the complexity of the debate surrounding how the system of social care funding should be reformed. The submissions below provide an idea of the range of ideas when it comes to reforming social care funding:

"Health and social care should be integrated in order to ensure vulnerable people are protected, which is locally focused with local involvement, influence and control."

Blackpool South CLP

"Unite supports the introduction of a National Social Care Service based on the same principles of the NHS, universalism, publicly funded and owned, accountable free at the point of delivery and delivered on the basis of need and not the ability to pay."

Unite

It is also important that when considering the future of social care and integrating health and care that we do not forget the huge role that carers play. Submissions noted the challenges faced by carers.

"Carers allowance is paid to someone who cares for a person for 35 hours in reality a carer can look after someone every hour and every day week in and week out all for £58.00 a week. This is wrong"

Elizabeth Webbe

As submissions have noted, the debate around reforming social care funding is complex. There is consensus that the status quo is the worst of all possible worlds and it needs to change.

We would like to ask for views on other ways of paying for social care. Submissions have suggested that there are two basic choices – a voluntary or all-in approach. At this stage, we are seeking views on which path people think we should take. Going further than the Government and implementing Dilnot's proposed cap and means-test would help everyone protect their savings. It would mean people only pay as much as they need to, but, in the worst case scenario, could stand to lose a significant chunk of their savings. If people support this option, we would be interested in hearing views on how it could be funded.

One of the problems with the voluntary approach is that it assumes the continuation of two care worlds - one charged for, the other one free-at-the-point-of-use. We would like to ask whether we can move to an all-in system, extending the NHS principle to all care.

People's exposure to care costs in an all-in system would be significantly lower. But, as with any insurance system, people might pay and never end up using the service. As with the voluntary option we would be interested in hearing views on the pros and cons of the all-in principle and options for how this could be done. It is an open question whether a broad consensus can be found on funding social care on either a voluntary or all-in principle

SOCIETY

STRONGER, SAFER COMMUNITIES POLICY COMMISSION ANNUAL REPORT

STRONGER, SAFER COMMUNITIES POLICY COMMISSION

Membership 2012/13

HM Opposition

Yvette Cooper MP*
Hilary Benn MP
Jenny Chapman MP

National Executive Committee

Ann Lucas*
Christine Shawcroft
Keith Vaz MP

CLPs and Regions

Azhar Ali
Bex Bailey
Julie Brookfield
Ann Cryer
Nicky Gavron
Carol Hayton
Jillian Merchant
Brynnen Ririe
Lorna Trollope
Brenda Weston
Mark Whitcutt

Affiliates

Emma Burnell
Gail Cartmail
Paul Liam Evans
Jennifer Elliot
Stephen Murphy
Rebekah Peterson
Margaret Wilkinson

Elected Representatives

Ruth Cadbury
Mary Honeyball MEP
Steve Reed MP †

* Co-convenor

† Replaced Steve McCabe, June 2013

POLICY DEVELOPMENT

THE STRONGER, SAFER COMMUNITIES POLICY COMMISSION IS TASKED WITH LOOKING AT ISSUES AND DEVELOPING IDEAS AROUND OUR COMMUNITIES AND HOW WE LIVE, SUCH AS POLICING, CRIME, JUSTICE, HOUSING, LOCAL GOVERNMENT AND IMMIGRATION.

The Commission was established in November 2012 following agreement of the Refounding Labour reforms at Annual Conference 2012. The areas within its remit previously fell under those of the Crime, Justice, Citizenship & Equalities and the Creating Sustainable Communities Policy Commissions. The Commission is responsible for key issues within the areas of Local Government, Crime, Policing, Immigration, Justice, Culture, Media and Sport.

The Commission took part in the ‘Sustainable Communities’ policy seminar at Annual Conference. This session was chaired by Daniel Zeichner who was joined by Hilary Benn, Clive Efford, Helen Goodman and Dan Jarvis. Issues raised during the seminar included local development plan restrictions, housebuilding, public health provision, anti-social behaviour and the right to buy legislation. The Crime, Justice Citizenship and Equalities Policy Commission held a seminar at Annual Conference on ‘Protecting communities, fighting crime’. The session was well-attended by delegates who spoke to members of the Commission and Shadow Ministers on issues such as anti-social behaviour, violence against women, the Government’s cuts to legal aid and wider issues surrounding access to justice.

A policy ballot was conducted at Annual Conference to decide the priorities of the Policy Commission’s work programme over the next 12 months. Conference selected ‘The housing crisis: house building and a private rented sector that works for Britain’s families’ as a priority issue. The Joint Policy Committee tasked the Stronger, Safer Communities Policy Commission to look at this area.

Conference also debated and passed a contemporary resolution on housing, which covered issues around the collapse of house building, security of tenure and better regulation of the private rented sector.

In February, the Commission met to discuss submissions in response to the Challenge Paper. Jack Dromey, Shadow Housing Minister, attended the meeting to discuss key issues in the housing sector. The submissions received highlighted the need for local authorities to start building homes on a large scale and ideas on how a future Labour Government can address this concern. Other issues discussed included the lack of security in the private rented sector, the need to make housing more affordable, ensuring future housing developments include a mix of all tenures (private, affordable and social) and suggestions that local authorities should take steps to offer programmes to help residents purchase properties.

The Commission met in March to discuss how the Policy Paper should be drafted to reflect submissions received on Your Britain in response to the Challenge Paper. Shadow Home Secretary, Yvette Cooper and Shadow Immigration Minister, Chris Bryant updated the Commission on work being done by the Shadow team on immigration. Britain’s diversity is a source of our great strength as a country but migration needs to work for all and not just for some. The Commission discussed how in the past Labour should have looked more at the impact of immigration, and been ready to talk about problems. Yvette Cooper, as Shadow Minister for Women and Equalities, also announced that the Shadow Team is undertaking a consultation on racial equality issues as part of Labour’s Policy Review which will feed in to the Commission.

The Commission feels that we need much stronger action to tackle exploitation of migrant workers which also undercuts local workers. That means stronger National Minimum Wage regulations, more enforcement and higher fines, and a register to tackle rogue landlords. A One Nation immigration policy means everybody taking responsibility, everybody playing their part and contributing to the country. Points were also raised on problems with UKBA and family visitor visa appeals, training for unemployed people and foreign students.

There was an opportunity at this meeting for members to discuss their priorities for the coming year ahead of the drafting of a work programme. This was circulated for agreement in June. These priorities included crime and policing, justice and homelessness.

Comments were made on the effect anti-social behaviour has on communities, with the lack of control over ASB issues in the private rented sector being one of the particular concerns raised in submissions.

Following the meeting, the Policy Paper was redrafted to reflect the submissions received and the points raised by the Commission, as well as to include policy options to be discussed and voted on at the National Policy Forum. The redrafted version was agreed and then submitted for consideration at the National Policy Forum in June.

In June the Stronger, Safer Communities Policy Commission, Education and Children Policy Commission and Health and Care Policy Commission held a joint meeting. This meeting discussed cross cutting issues relating to the 'The Housing Crisis: House building and a private rented sector that works for Britain's families', 'Childcare: What matters to parents and children?' and '21st Century NHS and social care: Delivering integration' policy papers. The meeting was chaired by Shadow Home Secretary Yvette Cooper MP.

The meeting discussed the Policy Paper in depth. Based on submissions received, the issues raised included temporary accommodation, supply and demand, conditions in the private rented sector, affordability of the housing market and security of tenure. The joint meeting agreed that the options reflected the submissions that were received and reflected the priorities of the Party.

On the first day of June's National Policy Forum representatives attended workshops to discuss the Commission's Policy Paper. There was consensus for looking at potential changes to the planning system, steps to ensure developers build more homes and investigating different models of regulating letting agents.

On the second day of the NPF, the Stronger, the Commission held two workshops focusing on the Party's priorities for future policy development. There was a discussion on building property on greenbelt land, the role of affordable and social housing in driving down the cost of living, co-operative housing models, immigration and domestic violence. These issues will be reflected in the Commission's programme of work over the coming months.

Current Issues

Housing

House building is at its lowest peacetime levels under any Government since the 1920s, The country needs investment now to tackle the biggest housing crisis in a generation and to get our economy moving.

Party members have told us that the lack of house building, the rising cost of rent, increased homelessness and difficulty getting a foot on the property ladder are key issues facing the housing sector.

The number of homes built fell by 11 per cent last year, rents are rising faster than wages and millions of young families are locked out of

the housing market. Social housing waiting lists are at a record 1.8 million high, and 660,000 families in social homes are being hit by David Cameron's bedroom tax.

Submissions have called for more homes across all tenures, for more secure tenancies, for steps to help lower the cost of renting and to help young people saving to buy their first property.

Labour has set out a number of steps to improve the housing sector and to get the market building again. This includes tackling land banking, which is holding up the development of at least 400,000 new homes, by adopting a 'use it or lose it' approach.

We will create a better private rented sector by establishing a national register of landlords to tackle those that are rogue and we will enforce strict guidelines on the standards that rented properties must adopt to ensure that everyone has access to a decent affordable home.

Localism and local government

Submissions have told us that people feel politics is too distant from them. People worry that many decisions that have an impact on their lives are made in Whitehall, not in their town halls.

However at a time when the Government should be taking steps to empower communities, local authorities are being forced to deliver services under tough conditions while a number of powers are being centralised such as giving the Secretary of State the power to repeal, revoke or apply any duty.

The Tory-led Government claim to champion localism, however the reality is that they have centralised more than 120 powers since taking office, and are taking steps to strip some local authorities of their planning powers, by allowing the central planning inspectorate to take decisions on their behalf. Many local planning departments are facing cuts and an increase in the demands on their

time. However if they fail to respond to the majority of applications within 13 weeks, or a number of their decisions are overturned by appeal, then they will lose control of the planning process – reducing the opportunity for residents to be involved.

Submissions have called for Labour to look at creating a new deal for all local authorities. Submissions suggest that devolving some powers such as transport and housing would lead to better services, supply meeting demand in pinch points and most importantly could deliver a locally led economic recovery.

Crime and safety

In the face of Government action such as cuts to 15,000 police officers by 2015 and rushed plans to privatise the Probation Service, the Commission is keen to maintain a focus on the effect the Government's actions are having on the safety of our communities and the criminal justice system.

Submissions have been made on the Government's reforms to the justice system, including access to justice, legal aid and changes to the prison and probation system. The Commission is concerned about the risk to public safety and restricted access to justice that these could produce. The Commission is worried by reports that there has been a massive increase in the number of serious and violent crimes, such as domestic violence dealt with just by community resolution ever since the police cuts started, breaking all the expert guidance and promises from the Government.

The Commission believes that much more needs to be done to tackle the hidden scourge of violence against women and girls and it supports calls for compulsory sex and relationships education in schools, and proper national minimum standards for tackling violence against women and girls. The Shadow Home Secretary has raised concerns about the 'hollowing out' of the criminal justice system.

Crime and anti-social behaviour (ASB) remains a key issue for the Party. Submissions have included concerns that instead of supporting people suffering from the blight of anti-social behaviour the Government is weakening powers and making victims wait for the help they deserve. At the Police and Crime Commissioner elections in November 2012, Labour candidates stood on a platform of prioritising a strong and swift response to ASB and our Labour PCCs and police forces are now working with police forces across the country to ensure this is delivered.

Immigration

Britain has benefited over many centuries from the amazing contributions of immigrants welcomed to our shores to build businesses large and small, sustain our NHS and win Nobel Prizes. And immigration will be even more important in future in a globalised economy.

But it is because immigration is so important that it needs to be controlled and needs to work for all. And right now many people in Britain think it does not.

The Commission has received submissions saying that one of the things Labour got wrong in the past was not talking about people's concerns over the immigration - especially the unequal impact it had. At the same time neither should we enter into an arms race of rhetoric on immigration, and the Commission welcomes the sensible policies being put forward on stronger action to tackle exploitation of migrant workers that also undercuts local workers, such as stronger National Minimum Wage regulations, new rules to prevent overcrowded, poor housing being used to undercut wages, more enforcement and higher fines, and a register to tackle rogue landlords. The Commission has discussed the need for proper training programmes to help the young unemployed for the sectors that are recruiting most from abroad - like the Care First scheme that the Government abolished.

Because of their focus on the net migration target, the Tory-led Government is not doing enough to tackle illegal immigration and is failing to deport, failing to prevent absconding, and failing to take action to stop employers using both illegal and legal migrants to undercut wages. This is the sort of immigration the public worry about rather than international students at our universities, or the number of British citizens leaving or coming home.

The Commission believes that diversity makes Britain stronger. Ed Miliband has celebrated the success of a multi-ethnic Britain and committed Labour to a One Nation agenda of working for closer integration. We need to build common bonds - including more emphasis on speaking English and an integration policy for communities. Measures should include combating housing and workplace segregation, as well as ensuring migrants can learn English and that people in public-facing occupations and jobs in key services meet required language standards. At the same time we need to counter racism where it rears its head. Strong campaigning against extremist voices such as the BNP in Barking has been shown to work and the Commission will examine the content of Shadow Equalities team's forthcoming race equality consultation at a future meeting.

Policy Review Input

Documents published as part of the Policy Review have fed into the Commission's work over the past year. They include 'Helping our High Street' which focuses on what Labour can do to help make high streets vibrant places at the heart of communities and three papers on private rented housing that focus on tackling unscrupulous letting agents, ending rip-off charges, providing stability and affordability for renters and improving standards.

Labour set up the Independent Commission on the Future of Policing led by former Metropolitan Police Chief Lord Stevens to set out the role and purpose of policing in our communities for the 21st century and the reforms that are needed to deliver it. Reports produced by the Stevens Review will go to the Policy Commission as submissions for consideration and the next report is expected in the next few months.

Labour's Policy Review is also exploring the potential for an overhaul of the criminal law to increase the number of prosecutions for white collar crime and the severity of the penalties. We need to take lessons from other jurisdictions, such as the US, on how to sentence companies and individuals in a way that is a real deterrent and changes corporate culture. Labour has always believed that white collar crime should be treated very seriously and the 'Tackling Serious Fraud and White Collar Crime Policy Review Paper' will feed into the Policy Commission's work looking at crime and justice issues.

Submissions

All submissions received by the Policy Commission are circulated to members ahead of the next meeting for consideration as part of our discussions on policy development. Since its launch in November, the Stronger, Safer Communities Policy Commission has received and considered submissions on the following topics:

- 20mph speed limits
- Affordable housing
- Airport expansion
- Alcohol licensing
- Anti-social behaviour
- Bedroom tax
- British nationalism
- Brownfield site
- Children and the internet
- Civil liberties
- Community development
- Community rights
- Community savings banks
- Community safety
- Co-operative Housing
- Cost of housing
- Council tax
- Counter terrorism
- Credit unions
- Criminal justice system
- Dangerous dogs
- Devolution
- Domestic violence
- Drugs
- EDL
- Elitism in football
- Empty homes
- Energy efficiency rating
- Energy regulations
- Environment of house construction
- Failure to properly maintain leased accommodation
- Family migration
- Fire Service
- Fireworks
- Garden cities
- Greenbelt land
- Hate crime
- Health links to housing
- Help for first time buyers
- Homelessness
- House building
- House prices
- Housing and the economy
- Housing associations
- Housing benefit
- Housing development agencies
- Housing Revenue Account borrowing

- Housing supply
- Housing waiting lists.
- Human trafficking
- Immigration and asylum
- Internet provision
- Justice
- Land ownership
- Land value tax
- Legal Aid
- Living Standards
- Local government
- Local government referendums
- London greenbelt
- Mis-advertising of properties
- Modern disrepair rights
- Mutual mortgage providers
- National centres of sporting excellence
- National Development Bank
- New towns
- Minimum tariffs
- Multiculturalism and community cohesion
- Planning system Police and Crime Commissioners
- Policing
- Private investment in social housing
- Private rented sector
- Private shared equity model
- Privatisation
- Probation service
- Provision of a safe environment for tenants
- Racism
- Rent control/capping
- Rent deposit schemes
- Right to buy
- Rogue landlords
- Social housing
- Social mobility
- Stamp duty
- Stay where you learn
- Student accommodation
- Tenancy agreements
- Tenant's rights
- Violence against women and girls
- Violent crime
- Welfare

SOCIETY

**STRONGER, SAFER COMMUNITIES
POLICY COMMISSION
POLICY PAPER: THE HOUSING CRISIS:
HOUSE BUILDING AND A PRIVATE
RENTED SECTOR THAT WORKS FOR
BRITAIN'S FAMILIES**

THE HOUSING CRISIS: HOUSE BUILDING AND A PRIVATE RENTED SECTOR THAT WORKS FOR BRITAIN'S FAMILIES

THIS POLICY PAPER HAS BEEN PRODUCED BY LABOUR'S STRONGER, SAFER COMMUNITIES POLICY COMMISSION, FOLLOWING CONSULTATION ON THE CHALLENGE PAPER OF THE SAME TITLE. IN PRODUCING IT WE HAVE CONSIDERED SUBMISSIONS RECEIVED IN RESPONSE TO THE CHALLENGE PAPER AND AN EARLIER DRAFT OF THIS PAPER, AND THIS FINAL VERSION SETS OUT THE DIRECTION OF TRAVEL THAT THE POLICY COMMISSION AND NATIONAL POLICY FORUM CONSIDER APPROPRIATE IN THE LIGHT OF WHAT WE HAVE LEARNED.

Introduction

A safe, secure, and affordable home is something all families deserve. For too many people in Britain today, however, this is something that they either have to struggle for, or is not available to them at all.

The construction of new homes is simply not keeping up with demand. The Government's own figures state that 232,000 houses need to be built every year to meet demand; however in the 12 months to December 2012 only 98,280 homes were started. They have failed to deliver the homes that communities need.

This lack of new homes being built combined with the biggest squeeze on living standards in a generation has meant that home ownership has moved out of reach for many families. Because they can't raise a mortgage or afford the deposit, reliance on the private rented sector has increased significantly in recent years. This has in turn led to big increases in the cost of renting. Last year the number of people renting privately overtook the number of people in social housing for the first time in nearly half a century.¹

This increased reliance on the private rented sector has highlighted some of the problems associated with the sector, particularly around charges, security of tenure and quality.

These problems are likely to become more acute in the years ahead, as this Government

has overseen a collapse in house building and refuse to recognise that the private rented sector is failing to meet the needs of those living in it. There are now more than one million families with children living in the private rented sector.²

"In 2015, Labour is likely to inherit a housing market still suffering the deepest crisis in a generation with house building down, would be first time buyers unable to secure mortgages, homelessness and rough sleeping on the rise."

Orpington Labour Party

In considering these challenges, the Commission drew upon the work carried out for Labour's Policy Review, in particular the "Private Rented Housing: Providing stability and affordability for renters and families" and "Private Rented Housing: Tackling unscrupulous letting agents and ending rip-off charges" Policy Review papers that were submitted to the Commission.

Issues

House building

There is a large gap between the demand for housing and the current level of supply. Last year the number of new house starts was 11% down on 2011 and starts have been lower in every quarter under the Coalition than the one when Labour left power. There was a consensus in submissions to the Commission that taking action to address this is crucial.

¹ <http://www.ons.gov.uk/ons/rel/census/2011-census/key-statistics-for-local-authorities-in-england-and-wales/stb-2011-census-key-statistics-for-england-and-wales.html#tab--Accommodation-and-tenure>

² English Housing Survey: Headline Report 2010-11, 9 February 2012: <http://www.communities.gov.uk/publications/corporate/statistics/chs201011headlinereport>

“[There was] broad agreement that more housing [is] needed, with councils lacking resources to meet demand and concern that ‘affordable’ is now out of reach for most young people in high-cost areas like Cambridge.”
Cambridge Your Britain event

Labour recognises that there is a need for more affordable homes. The amount of resources available to build these homes has been cut resulting in a decline of their availability. That is why we called on the Government, before the Autumn statement, to use part of the income from the 4G mobile phone spectrum sale to build 100,000 affordable homes across the country. This is in addition to the 25,000 social homes that Labour would build if it were in Government now funded by the Bankers Bonus Tax. Recently Ed Balls said that if the entire infrastructure boost of £10 billion recommended by the International Monetary Fund was spent now on housing it would allow the building of around 400,000 homes across the country and support over 600,000 new jobs in construction, including 10,000 apprenticeships. This would make a real difference now to stimulating the economy, creating jobs, and providing homes for families.

Submissions have also raised the issue of land banks.

“...developers have huge land banks on some of which planning permission has already been granted. [Labour should] find a way to make private developers build where they have planning permission”

Rosemary Boughton

Labour is looking at ideas to tackle unnecessary and damaging landbanking and bring forward development on sites which have planning permission but which have not been completed, or in some cases even started, by an agreed time. The Government have wrongly blamed the planning system for their failure to deliver enough homes but

their own figures show there are enough sites with planning permission not being developed to build as many as 400,000³ properties right now. We are looking at how to ensure that these sites are developed quickly and in line with the wider community’s needs and aspirations.

There are also a few developers that hold on to sites around the towns and cities which most need new housing, which would be well located for development.

The Commission will look at how we can ensure that these sites are used to deliver homes and jobs rather than lying redundant. We want to work with developers, local authorities and communities on how best to do this. We also want to look at the principles of Garden Cities to form a framework for future development that puts sustainable development, infrastructure and place building at the forefront.

We also want to look at steps to ensure that development benefits communities and not just developers. We want to look again at the myriad of planning gain levies and development incentives to ensure that they are effective, easy to understand and provide real benefits to communities in delivering infrastructure, affordable housing and other community benefits in line with locally-led strategy.

In addition, Labour is looking at ways to open up unused or non-developed local authority and public land for building badly needed homes, believing as we do that a crucial element in dealing with our housing crisis is a new generation of Social Homes.

Several submissions also raised issues around local authorities’ ability to borrow.

³ http://www.local.gov.uk/web/guest/media-releases/-/journal_content/56/10171/3704026/NEWS-TEMPLATE

“Raising the local authority debt cap could help realise the full potential of council housing finance reforms. This would maximise the local investment in new homes, increasing supply and pumping money back into the local economy.”

National Housing Federation

The Commission is considering this issue, and what impact it would have on the building capacity of councils and on borrowing.

The Commission has received a number of submissions relating to the right to buy legislation. Since April 2012 around 3,500 social homes have been purchased by their current tenants at a discount of up to 70 per cent of the market rate. Very few of these properties were replaced with new home starts⁴. The Commission wants to see that wherever possible house sales should raise sufficient capital to fund a replacement property.

The National Housing Federation has told us that the majority of people in the country believe that there is a need to build new homes, but many said that they do not think that these are required in their own communities. This often means that plans for new homes meet significant local opposition and much-needed homes are not built.

“We need to involve the public and engage them in the process of planning for the housing needs of a borough. The analysis of what is required to meet the housing needs of a borough should be done by the Housing Board – a good example of localism at work.”

Weaver Vale CLP

The Commission believes that winning consent is key to ensuring that much needed homes are built. We need to explore ways to build constituencies of support in favour of local development. It is important that local authorities take a leading role in making the case for housing in their areas. This could

include providing information on housing demand to communities where housing need is not necessarily obvious. Finally, crucial also will be communities seeing real benefits from development. From the ability of sons and daughters to get homes through, to jobs and apprenticeships, and work for small to medium sized companies.

The private rented sector

The private rented sector has an important role to play in meeting the housing needs of communities. However submissions pointed to too many examples of the sector not working for families, from rogue landlords providing homes with poor standards to real concerns about lack security of tenure for families.

Labour local authorities are leading the way in the battle against sub-standard rented accommodation. Labour-led Newham Council has introduced a mandatory licensing scheme which requires landlords to provide a minimum standard for quality and space, timings for repairs, and adequate periods of notice for any rent increases and termination of tenancies.

Labour will establish a national register of landlords and provide powers for local authorities to drive up standards in the private rented sector and tackle those that are rogue operators.

A Citizens Advice Bureau survey of letting agents found the 94 per cent imposed additional charges on tenants on top of the tenancy deposits and rent. It also found variations in the size of these charges.

There are around 4,000 managing and letting agents operating in the UK. Letting agents are entirely unregulated and are not required to belong to any voluntary bodies.

⁴ <https://www.gov.uk/government/publications/right-to-buy-sales-in-england-2012-to-2013>

“I think as a party, Labour should consult with reputable letting agencies, housing officers from local authorities and tenants themselves to establish a set of regulation which are fair to landlords but also fair to tenants and offer them much better protection than is currently available.”

Jonathan Primett

The voluntary accreditation schemes have failed and Labour should assess the different models of regulating letting agents.

The Stronger, Safer Communities Policy Commission is investigating different models that a Labour government could implement to regulate letting agents, and stop the confusing and unfair system of fees that are charged to both landlords and tenants by agents.

In the foreseeable future the private rented sector will continue to grow and play an important role in meeting housing need. The sector allows a considerable amount of flexibility which some of the 8.5 million people who rent privately value. But nearly a third of private renting households are families with children, and almost half are aged over 35, and for many of them, the sector does not provide the stability that they need. All too often private renting leaves renters feeling insecure about tenure, particularly families with children.

“Longer secured tenancies- one reason people want to buy is that short-term tenancies give no long term stability;”

Martin Phillips

The Commission is looking at different models that will support renters and families who want the security of longer-term tenancies in private rented homes but will also benefit responsible landlords who invest for the long term.

Labour will seek to remove the barriers that stand in the way of landlords being able to offer long term contracts to tenants, for example around the terms of buy-to-let mortgages. This would provide greater stability for families and also allow renters to effectively plan their financial future. Longer term lets would also benefit landlords by reducing the number of vacancies within properties and removing the frequency of letting agent fees.

The Commission is also keen to explore giving renters, including families, greater stability; for example by incentivising landlords to offer longer term tenancies linked to predicatable rents through direct payment of housing benefit. We will consult on a range of steps that could be taken to create a market that better meets the needs of people, ranging from exploring a voluntary incentive based system, to – if incentives alone do not work – an approach that grants greater rights in law.

Housing in Multiple Occupation

Houses in Multiple Occupation are a major issue in many parts of the country and attract a disproportionate number of problems – many of which can be linked to poor management, exploitation, and poor condition stock. The Commission are looking at issues affecting those who reside in HMOs and will learn from leading Labour Authorities, such as Oxford City Council, which is the only local authority in the UK to require every HMO throughout its area to be licensed.

POLITICS

BETTER POLITICS POLICY COMMISSION ANNUAL REPORT

BETTER POLITICS POLICY COMMISSION

Membership 2012/2013

HM Opposition

Sadiq Khan MP*
Baroness Jan Royall
Jon Trickett MP

National Executive Committee

Johanna Baxter*
Callum Munro
Dennis Skinner MP

CLPs and Regions

Ruth Davies
Maria Fyfe
Annabelle Harle
Simon Henig
Emma Hoddinott
Sally Hussain
Karen Landles
Ann Trafford
Darren Young

Affiliates

Tom Burke
Collette Cork-Hurst
Sen Kandiah
Pauline McCarthy
Nicholas Russell
Barbara White

Elected Reps

Teresa Pearce MP†
Claude Moraes MEP
Michael Ross

* Co-convenor

† Replaced Kate Green June 2013

POLICY DEVELOPMENT

THE BETTER POLITICS POLICY COMMISSION IS TASKED WITH LOOKING AT ISSUES AND DEVELOPING IDEAS ON EQUALITY, CIVIL SOCIETY AND PARTICIPATION AND ENGAGEMENT IN OUR POLITICAL SYSTEM. THIS INCLUDES ELEMENTS AT THE HEART OF BUILDING A BETTER POLITICS, RENEWING TRUST, AND DEEPENING AND EXTENDING DEMOCRACY SO THAT EVERYONE IS ABLE TO INFLUENCE THE DECISIONS THAT AFFECT THEM. IN ADDITION, THIS YEAR FOLLOWING THE DECISION OF ANNUAL CONFERENCE, IT HAS BEEN TASKED BY THE JOINT POLICY COMMITTEE WITH LOOKING AT THE TOPIC 'YOUNG PEOPLE AND POLITICS: MAKING A FRESH START'.

The Commission was established in November 2012, following agreement of the Refounding Labour reforms at Annual Conference. Its remit previously fell under that of the Crime, Justice, Citizenship & Equalities Policy Commission.

At Annual Conference 2012, a policy seminar was held on equalities, citizenship, and constitutional reform. Many delegates attended and took the opportunity to contribute to a lively discussion with members of the Commission and Shadow Ministers on issues such as diversity of representation and social class, disability hate crime, Same-sex marriage, trade union equality representatives, and concern about the effects of the Government's benefits changes on disabled people. Nick Clegg's announcement over the summer that House of Lords Reform was to be abandoned and the reduction in the number of MPs and changes to parliamentary boundaries would not be implemented was also discussed.

A policy ballot was conducted at Annual Conference 2012 to decide on priority topics for the NPF and Policy Commissions' work programmes over the following months. One of the topics chosen was 'Young people and politics: making a fresh start'. Following the ballot it was agreed by the Joint Policy Committee that, once convened, the newly created Better Politics Policy Commission should focus on the issue of how to better engage young people with politics.

Party members have told us that engaging the next generation in the democratic process must be a key part of rebuilding Britain, but too many young people feel disconnected from the political process. In November, the Crime, Justice, Citizenship and Equalities Policy Commission drafted a Challenge Paper entitled 'Young people and politics: making a fresh start' to look at changes we can make to get younger people more involved in our political system now and in the future. This paper was published on Your Britain for consultation with the wider party and other external stakeholders. The Commission encouraged submissions through an introductory video on the Your Britain site, in their discussions with CLPs and through social media.

The Better Politics Policy Commission met at the beginning of February. The main part of discussion was on submissions received via the Your Britain website in response to the Challenge Paper on the priority topic of young people and politics. The Commission noted that citizenship education in schools and comments around lowering the voting age were recurring themes in submissions received.

Shadow Equalities Minister, Kate Green, gave an update to the group on the Marriage (Same-Sex Couples) Bill that had been voted on at Second Reading, and passed by a majority in Parliament that week even though more Conservatives had opposed it than voted for it. The majority of the public

and the majority of MPs support same sex marriage. During the discussion that followed points were raised on civil partnerships for heterosexual couples. It was also noted that without Labour campaigning on Same-sex marriage and Labour votes in Parliament, this momentous progress could not be achieved. This Bill has since been passed into law.

Shadow Justice Secretary, Sadiq Khan, delivered an update on the work of the Shadow Justice team including the then recent vote on constituency boundaries where the Government's proposals had been defeated. Submissions to the Commission on its wider remit such as House of Lords reform and methods to encourage greater diversity in representation were also discussed.

The Commission held a meeting in February to take evidence from external experts and consider further submissions to the Challenge Paper in advance of drafting the Policy Document. James Cathcart, Chief Executive of the British Youth Council, Mark Kidson, a BYC Trustee, Dr Ruth Fox, Director and Head of Research, and Michael Raftery, Head of Citizenship Education both of the Hansard Society attended.

During the session members and guests discussed the need for improvement in the way politics seeks to engage with young people, and agreed that the issue needed to be taken seriously as while the wider population appears to be getting increasingly disengaged from traditional political institutions, evidence from the Hansard Society shows the problem is growing among young people at an accelerated rate. It was argued that young people in general are not apathetic, and can often be very engaged with issue-based politics and more needs to be done to take this into account. The issue of trust and the impact of promises being broken by politicians were discussed and it was noted that this was also an issue raised in several submissions.

The British Youth Council spoke about the different way young people engage and the importance for political parties of keeping up with the increasing use of technology. Some young people feel shut out of local governance and community groups and feel their contributions are not given the same weight as older people's which can reinforce a retreat from traditional modes of political activity.

The Hansard Society set out the work their political research charity does on citizenship education. While statutory citizenship education as a National Curriculum subject was supposed to get the subject of politics into schools, there have been issues around a lack of specially trained teachers. This has contributed to varying standards in the way citizenship education is taught in schools.

There was also a discussion of other submissions received by the Commission including the recently published 'Counting Women In' report on declining levels of women in positions of power and influence and cuts to youth services. This fed into a discussion on priorities for inclusion in the Commission's work programme.

In early March the Commission agreed the Policy Paper following which they published 'Young People and Politics: Making a fresh start' setting out what had been learned from submissions received. The Paper contained two sets of key policy options for consideration. The first set of options focussed on the best way to deliver increased citizenship education in order to increase participation and the second set of options on lowering the voting age.

Subsequent to its discussions in earlier meetings the Commission finalised its work programme in May. Having focussed on the priority topic of young people's engagement in politics in earlier meetings the Commission was keen that the agenda for future meetings would include other topics that had been raised by people in submissions via the Your

Britain website. It was decided that these would include equalities, constitutional reform and the role of the third sector.

The Commission met in early June for a discussion focussing on equalities issues. Shadow Minister for Disabled People, Anne Maguire, was invited to discuss the ‘Making rights a reality for disabled people’ report produced by the Shadow Work and Pensions team. Members of the Work and Business Policy Commission were invited to attend this meeting. The Commission’s discussion included the effect of benefit changes on disabled people, the need to challenge stereotypes, the Access to Work scheme and what more can be done to encourage workplaces to employ disabled people and make the reasonable adjustments that would enable those people to work.

Submissions the Commission had received on all areas of equalities were examined and discussion focussed on what further steps must be taken to ensure we can build on our work and advance equality for all, as well as ensuring that the Government’s actions do not take us backwards. The Commission spoke of the importance of ‘equality-proofing’ all our policies and welcomed the decision of the JPC to have equality champions on each Policy Commission to ensure that the impact of policy ideas on equalities is considered throughout the process of development.

Jon Trickett, Shadow Minister for the Cabinet Office, gave an update of the work his team have been doing looking at the diversity of the political establishment as part of the better politics agenda. He argued that as well as looking to increase the diversity of MPs we also need to look at the composition of the civil service, which at the most senior levels does not mirror the diverse characteristics of Britain.

The Commission welcomed Mike Sani, co-founder of Bite the Ballot, an organisation set up to promote young people’s participation in politics, who gave a presentation on its work

and findings. Bite the Ballot had recently attended the ‘Policy Den’ session at the People’s Policy Forum engagement event in Birmingham in March. The Commission was excited to hear his ideas and the positive work his organisation had been doing on the important work of making politics more accessible and encouraging young people to register to vote.

The Commission discussed submissions in response to the Young People and Politics policy document; most notably responses to the two sets of options presented in it on the best way to deliver education that would increase participation and around lowering the voting age. The Commission recommended to the JPC that on the first option it did not wish to exclude or recommend either option over each other as they were not mutually exclusive. On the second set of options it recommended that Option 3 on retaining the current age of majority should be removed. Submissions pointed to broad support for an option that combined votes at 16 with improved citizenship and political education and opportunities for young people.

At the National Policy Forum in Aston, workshops were held on the ‘Young People and Politics’ Policy Paper. Discussions across the sessions showed that on the first set of options in the Paper around increased education leading to increased participation, there was a strong feeling that Labour should prioritise both improving formal citizenship education in schools, and examining how to provide more opportunities to be educated about civic participation outside of formal education.

On the second set of options around lowering the voting age, there was a clear consensus that we should lower the voting age to 16, but also that we should be improving citizenship and political education at the same time. There were also discussions on political engagement being about more than just voting and the

need to look at different ways of voting to modernise the system in a way that better reflects the way people live their lives.

In seminars on the Sunday of the NPF meeting, the Commission heard from representatives on their priorities for examination in the Commission's remit over the next year. Issues raised during the discussions included tackling the inequalities that remain in our society, ensuring better governance at all levels and the issue of representation and engagement in an era of political disengagement. This will be reflected in the Commission's programme of work over the coming months.

Current issues

Engaging people in politics

Many of the submissions the Commission received in response to the consultation on young people and politics made reference to the need for enhanced political engagement and participation regardless of age. The Commission believes there is a need to address what some see as a growing disengagement that comes in part from mistrust in politics and politicians, and how they can make a difference to their lives which affects many groups in society.

The Hansard Society's 2013 Audit into Political Engagement reveals a worrying decline in the public's propensity to vote. Just 41 per cent of the public now say that in the event of an immediate general election they would be certain to vote – a decline of seven percentage points in a year; and 20 per cent of people say they are certain not to vote. In addition, the Commission is concerned that moving to a system of individual electoral registration without the proper safeguards in place risks millions of eligible voters dropping off the list of those registered to vote.

The Commission believes that while increasing people's propensity to vote in elections is of vital importance, proper efforts to increase political engagement must go wider than this alone. One Nation politics is about changing the way that power and politics works, rebuilding people's trust and confidence in it, and giving people influence over the decisions that affect their lives. The Commission believes Labour must continue to work to address this issue, including by looking at how our own Party structures engage with people.

In his speech on building a better politics in July, Ed Miliband spoke about how we must start by building a Party that is truly rooted in every community and every walk of life. As part of this he proposed opening up our politics, including consideration of primaries for selections. The Government recently announced that due to no agreement being reached between the three parties on beginning party funding reform, reforms will not go forward this Parliament. Ed Miliband has said that the big money should be taken out of politics and we should consider a £5,000 cap on donations. Only with reforms such as these can we build a One Nation politics, a better politics that is open, transparent and trusted.

Diversity of representation

The Commission notes submissions that have been received on barriers to participation in standing for elected roles and the need for all levels of governance to be more reflective of our country. Submissions argued that it is still too difficult for many people to stand for these positions and, for example, there are still too few women, BAME, LGBT, disabled and working class candidates.

The Commission talked about ways to encourage more diversity in representation in Parliament. It believes we should look at encouraging more diversity at all levels of

governance including for school governors, councillors and members of Parliament. It notes that David Cameron has cut the number of women in Cabinet posts, leaving just four women out of a Cabinet of twenty five, and five departmental teams without a single woman. It also notes that this Cabinet with three times more men than women is making women pay almost four times as much to bring the deficit down, even though they still earn less and own less than men.

Equalities

The issue of equality in our society is of fundamental importance to our Party. The Commission strongly welcomes steps forward in the area of equal marriage for same sex couples which are an important step forward in the fight for equality in Britain. It believes that it should be recognised that this would not have been possible without Labour's campaigning on this issue across the country and the votes of Labour politicians in Parliament. Same sex marriage builds on Labour's successes in government which include the repeal of Section 28, equalising the age of consent, the introduction of civil partnerships and changes to the rules governing adoption.

Submissions have raised concerns about Government plans to scrap equality impact assessments and water down the Equalities Act, which risks undermining the progress we have made in advancing equality. The Commission is also concerned that the economic policies of this Government are unfairly impacting certain groups in society. For example, research has shown that women are now paying almost four times as much as men to bring the deficit down: of the £14.4billion raised in 2014/15 through additional net direct tax, benefit, pay and pension changes announced since the General election, £11.4billion – or around 79 per cent - is coming from women and £2.9billion is coming from men. Analysis published by

the TUC last year showed the unemployment rate amongst young black men is now 50 per cent but the Government continues to fail to address this problem. And as a consequence of government decisions, disabled people are carrying a heavier load than bankers in bringing down the deficit. In the final year of this Parliament, cuts to disability benefits will be 40 per cent more than the amount taken off banks.

Policy Review input

In April, Angela Eagle announced the launch of a 'People's Politics Inquiry' to explore our political culture, democratic engagement and how we can reconnect people with parliament. The panel will be made up of disillusioned voters from across the UK who will join us for a conversation about how we can build a better politics. The work of the People's Politics Inquiry and its findings will feed into the Better Politics Policy Commission and help to inform us as we continue to examine how to increase people's political engagement and build a politics where everyone has a say and where everyone believes that politics is there to serve them.

Older women tell us they are overlooked – in the media, the workplace and as they look after their families. Labour has launched a Commission on Older Women to ensure public policy properly considers the lives of women in their fifties and onwards, many of whom are balancing work with caring responsibilities across the generations within their families. We want to analyse the issues that affect women as they reach their fifties, and in the longer term find policy solutions. The next report by this Commission will be published at Women's Conference and its findings will be fed into the Better Politics Commission.

The Making Rights a Reality for Disabled People discussion paper produced by the Shadow Work and Pensions team is designed to generate debate about the priorities for disabled people here and now, and in the

next Parliament. The Commission examined this paper at their meeting in June and will continue to look at what more can be done to ensure equality for disabled people as part of their on-going work.

One Nation Labour is determined that nobody should be left behind in tough times, and that we each share fairly in the recovery. We are determined to build on our proud history of fighting discrimination, disadvantage and racism. The Commission believes that more must be done to advance equality in all areas and looks forward to examining the Shadow Equality team's forthcoming Racial Equality Consultation looking at this important issue at a future meeting.

Submissions

All submissions received by the Policy Commission are circulated to members ahead of the next meeting for consideration as part of our discussions on policy development. Since its launch in November, the Better Politics Policy Commission has received and considered submissions on the following topics:

- Access to politics
- Age of majority
- All BAME shortlists
- All young-person shortlists
- BAME representation in politics
- Citizenship and political education in schools
- Civic policy forums
- Deliberative or discursive democracy
- Disability and work
- Disability awareness
- Disabled people in politics
- Electoral reform
- Electronic, online and SMS voting
- Encouraging participation and turnout
- Ethics and honesty in politics
- Federalisation of the United Kingdom
- Five-year terms
- Funding for the Royal Family
- House of Lords reform
- Job sharing for MPs
- LGBT people's representation in politics
- Manifestos
- Nations and the Union
- Parliamentary debate
- Party funding
- Party reform
- Police and Crime Commissioners
- Political Education
- Polling day at weekends
- Polling stations in colleges for students
- Proportional representation in the House of Lords
- Regional government
- Representation of all socio-economic backgrounds
- Restorative justice
- Right of recall over MPs
- Secular state
- Social media and political engagement
- Social projects
- The justice system
- The media in the political system
- The Union Flag
- Volunteering and civic responsibility
- Voting age
- Voting systems
- Women's representation in politics
- Working class candidates and selections
- Youth councils
- Young people in local government
- Youth Work and Youth Services

POLITICS

BETTER POLITICS POLICY COMMISSION POLICY PAPER: YOUNG PEOPLE AND POLITICS: MAKING A FRESH START

YOUNG PEOPLE AND POLITICS: MAKING A FRESH START

THIS POLICY PAPER HAS BEEN PRODUCED BY LABOUR'S BETTER POLITICS POLICY COMMISSION, FOLLOWING CONSULTATION ON THE CHALLENGE PAPER OF THE SAME TITLE. IN PRODUCING IT WE HAVE CONSIDERED SUBMISSIONS RECEIVED IN RESPONSE TO THE CHALLENGE PAPER AND AN EARLIER DRAFT OF THIS PAPER, AND THIS FINAL VERSION SETS OUT THE DIRECTION OF TRAVEL THAT THE POLICY COMMISSION AND NATIONAL POLICY FORUM CONSIDER APPROPRIATE IN THE LIGHT OF WHAT WE HAVE LEARNED.

Introduction

One Nation politics is about creating a country where everyone has a stake. In an era of difficult choices it is more important than ever that politics is a collective endeavour, that power is distributed fairly, that vested interests are tackled, and that people are given influence over the decisions that affect their lives.

Too often people in Britain have felt that politicians do not listen to them, and are out of touch with those they seek to represent. We need to take action to prevent the current cynicism around our political system from becoming a full blown crisis in political engagement.

Our model of representative democracy seeks engagement from all its citizens. A strong, healthy system requires all to be involved, whatever their age, gender or background.

Submissions the Policy Commission received in response to this challenge paper demonstrated that there is an increasing sense that we need to change the way that politics works to rebuild trust and confidence.

Taking action to increase young people's engagement in our political system forms a crucial part of this. Labour must work to deepen and extend democracy so that everyone is able to influence the decisions that affect them.

There was widespread support in the submissions for the idea that political education and the wider topic of citizenship is a prime factor in engaging young people in politics.

There is widespread recognition that young people are not universally apathetic about or disengaged from political issues, as recent examples such as tuition fees have demonstrated. Submissions have demonstrated that young people care about issues, whether it is housing, jobs or education, to name but a few. Yet they are increasingly disengaged from traditional political structures. We need to change our way of doing things to address this. This includes looking at the issue of lowering the voting age to sixteen and other methods of involving young people in the decision-making processes that affect them.

Issues

Barriers to participation

One of the key themes that the Commission has heard about was perceived barriers to participation. An evidence session with the Hansard Society and British Youth Council discussed this issue and the Commission has considered to what extent the make-up of MPs and how our system works is a barrier to involvement.

"Increasingly those elected to represent us are being drawn from a narrower pool. This begs the question, when young people look at politics, do they see their interests, identities and communities represented; in short, does politics feel like a place for them? The answer, not just for young people but for the majority of society is 'no'."

Electoral Reform Society

People have argued that young people are increasingly engaging with issues outside of the traditional party political system and formal political systems.

“Most young people feel that mainstream politics are not relevant to their concerns because too often it is not. Mechanisms need to be set up to engage young people from all sectors of society in the decisions that affect what goes on in their lives. These mechanisms need to involve young people in a flexible and creative way to reflect their varying interests, aspirations and current abilities.”

John Rose

Some responses focussed on the need to address what some see as a growing disengagement that comes in part from mistrust in politics and politicians which affects many groups in society. This could be seen as partly born of the recent expenses scandal and vote on tuition fees.

“Most MPs are diligent and hard-working people, but the mistrust of politicians and the political process is so dire and so entrenched I think radical measures need to be taken. Above all, the public is angered by politicians making promises and not keeping them. Whether this was the Conservatives promising no top-down reorganisation of the NHS, Labour promising a referendum on the EU Constitutional Treaty, or the Lib Dems promising to scrap university tuition fees, people today feel that a commitment from a politician is not worth the paper it is printed on.”

Daniel Wood

These are issues the Commission wish to prioritise as we consider how to bridge the gap between young people and traditional politics. The Commission notes that though the focus is on young people, many of these issues extend to the rest of the population and we are keen to look at this further in future meetings.

Increased education leading to increased participation

There was widespread agreement in the responses to the challenge paper that political and citizenship education plays an important role.

“I personally feel that the problem starts at school as I feel not voting until eighteen and poor levels of citizenship education, leads to a lack of understanding regarding the

work of local and national political systems and how to become politically active.”

Scott Nicholson

Some groups felt that more time spent studying these topics in schools was the key to empowering young people to become more engaged; others felt that whilst education was needed, increasing the focus on this in schools could prove counter-productive and drive young people further away. It was also argued that increased provision was not necessarily the answer; we need to ensure the quality of these lessons is of a high standard across the board and that it is seen to be worthwhile. The value of taking part in mock elections and school councils was also raised.

“The implementation of a politics class is NOT the way forward, to force something on young people is to force them to do something, this is not the best way forward. It is much better that young people get involved in politics firstly because they want to and secondly because they have an interest in what is happening “

Peter Bush

The Commission believe that measures must be taken to engage with all young people, not just those who go to university. One of the strengths of formal citizenship education in schools is that every young person has access to it and any proposals that Labour looks at in this area should seek to be as inclusive as possible.

We should consider how best to ensure that young people are better educated about their civic role. Labour needs to further examine the form citizenship education takes and the way it is accessed.

Labour will examine whether there is a need for an increased emphasis on encouraging formal citizenship education in schools and building capacity for better quality citizenship education. In addition, we will look at how best to ensure that young people have more opportunities to become better educated about their civic responsibilities outside of formal education through volunteering, mentoring schemes

that encourage democratic participation and involvement in civil society.

Lowering the voting age and increasing involvement in the decision-making process

Many respondents to the challenge paper made reference to lowering the voting age. There was a high level of support in the submissions for lowering the voting age to sixteen although some groups felt that this should happen alongside increased citizenship education.

“Labour must be relevant, must give young people a real voice, and should lower the voting age to 16”

UNISON

It was argued that low turn-out of younger people at elections might be addressed by engaging them earlier in the political process and forming a voting habit at a young age. The current situation with the lowering of the voting age to 16 for the forthcoming Scottish referendum both sets the scene for Labour to bring forward proposals in this area but also demonstrates some of the issues around its implementation. The Labour Party must ensure that when examining this issue that it learns lessons from the experience in Scotland.

Some submissions have suggested that young people should have a greater opportunity to be involved in the decision-making processes that affect them, at local and national level. It has been raised in submissions to the Commission that the best way of learning is through doing and we should promote active citizenship as an everyday occupation. Lowering the voting age would allow young people to exercise what they have learnt and close the gap between political education at school and reaching the age of majority.

Submissions suggested non-traditional ways of engagement should also be examined. Voting methods have not changed for decades but people’s lives have changed considerably. Technology is broadening all our horizons;

giving opportunities to engage beyond traditional community structures. With access to relatively inexpensive technology people can talk to people on the other side of the country, or even the world, without leaving their home. It is important that we keep pace with these advances in technology and changes to the way people live and take part in communities.

“There is no single answer to this issue and in years to come it will almost certainly show that we have all been asking the wrong questions, with out-dated language and modes of thinking. How could it be otherwise? But in the meantime I suggest that by engaging young people as real citizens earlier in life and including them in decision making that affects them at an early age is the starting point or at least a foundation from which to build.”

Louise Rice

The Commission believes the Labour Party should also promote other levers which bring down barriers to participation and encourage more active citizenship from young people and all age groups such as mock elections and youth and school councils.

“Youth Councils, both at a local and national level, are a great way to engage young people in the political process and get their views heard by those in power. However, they do lack financial clout, meaning they cannot spend money on youth relating things within their jurisdiction and therefore are no more than consultation boards.”

Mark Scarborough

Ed Miliband has spoken in favour of lowering the voting age to 16 and called on the Party to debate the issue. The Commission recognises the powerful signal that lowering the voting age would provide young people and believes that other barriers to participation and engagement that have been raised in discussion should also be examined as part of our work in this area.

Labour in Government would lower the voting age to 16 for all UK elections whilst at the same time taking steps to improve citizenship and political education and opportunities for young people.

INTERNATIONAL

BRITAIN'S GLOBAL ROLE POLICY COMMISSION ANNUAL REPORT

BRITAIN'S GLOBAL ROLE POLICY COMMISSION

Membership 2012/2013

HM Opposition

Douglas Alexander MP*
Ivan Lewis MP
Jim Murphy MP

National Executive Committee

Ellie Reeves*
Susan Lewis
Glenis Willmott MEP

CLPs and Regions

James Adams
Fiona Farmer
Glyn Ford
Sam Gurney
Alex Mayer
George McManus
Clare Moody
Rory Palmer
Lucy Seymour-Smith
Nick Wallis

Affiliates

Billy Hayes
Mary Hutchinson
Gloria Mills
Dave Quayle

Elected Reps

Richard Howitt MEP
Roger Lawrence
Bridget Phillipson MP†

* Co-convenor

† Replaced Gisela Stuart, June 2013

POLICY DEVELOPMENT

INTERNATIONALISM LIES AT THE VERY HEART OF THE LABOUR PARTY AND IS REFLECTED IN OUR CORE VALUES OF SOCIAL JUSTICE, EQUALITY AND OPPORTUNITY FOR ALL. IN A GLOBALISED WORLD, WE REALISE THAT WE MUST WORK WITH OTHERS IF WE ARE TO TACKLE THE VAST ARRAY OF COMPLEX AND INTERCONNECTED CHALLENGES WE FACE. BRITAIN'S VOICE SHOULD BE HEARD ON THE INTERNATIONAL STAGE – LEADING BY EXAMPLE, PROMOTING OUR VALUES AND DEFENDING OUR NATIONAL INTERESTS. THE BRITAIN'S GLOBAL ROLE POLICY COMMISSION DEALS WITH ISSUES RELATING TO FOREIGN POLICY, DEFENCE AND INTERNATIONAL DEVELOPMENT. IT SUCCEEDS THE BRITAIN IN THE WORLD POLICY COMMISSION FOLLOWING THE REFOUNDING LABOUR REFORMS AGREED AT ANNUAL CONFERENCE 2012.

The Britain's Global Role Policy Commission began its year with a policy seminar at Annual Conference 2012 which was attended by Jim Murphy MP, Shadow Secretary of State for Defence, Douglas Alexander MP, Shadow Foreign Secretary, Ivan Lewis MP, Shadow Secretary of State for International Development, and Glenis Willmott MEP, Leader of the European Parliamentary Labour Party. A significant number of delegates participated, contributing to a lively debate. Owing to the wide remit of the Commission's work, the discussion covered a range of topics. Britain's role in Europe was discussed at length, with delegates stressing the need for a positive economic and social case for UK membership to the EU alongside a credible European reform agenda.

The UK's defence capabilities and Armed Forces were also afforded great attention. It was argued that the Government's Strategic Defence and Security Review (SDSR), carried out in 2010, and the subsequent changes to the configuration of our Armed Forces have left considerable gaps in the country's military capability. This, together with the changing nature of the security threats faced by the UK, led delegates to question what future role Britain would play in defending and promoting international peace and security. In this context, the deteriorating situation in Syria was discussed, along with recent interventions in Libya, Sierra Leone, Iraq

and Afghanistan. Several delegates raised the issue of Trident with relevance to the security climate and austerity. Owing to the proximity of NATO's 2014 drawdown plan in Afghanistan, plans for returning British soldiers were an issue of concern and interest, as were the prospects for a positive and durable peace in the country following the withdrawal of international forces. In particular, securing a political settlement to the conflict and protecting the improvements made in women's rights were considered a priority.

In under two years' time, the deadline for achieving the Millennium Development Goals (MDGs) will pass. The progress made in global development since their launch in 2000 has been significant but improvements have been uneven across issue areas, regions and gender. Delegates discussed the various ways in which Labour can build upon the positive reputation it gained in international development while in government. The importance of achieving the 0.7 per cent aid target was highlighted, as well as the need for ensuring effectiveness and value for money in the delivery of UK aid programmes. They also discussed the opportunity presented to the UK Government to significantly shape and lead global policy in this area by virtue of David Cameron's co-chairing of the UN High Level Panel on the post-2015 development agenda and the UK's G8 Presidency in 2013.

In addition to the policy seminar, delegates made use of the opportunities presented at Annual Conference to attend a range of international receptions and meetings which were relevant to the remit of the Policy Commission. They also met with a number of diplomats from overseas and various representatives from sister parties worldwide.

In line with the Labour Party's Agenda 2015 policy development process, a Policy Ballot was held at the Annual Conference 2012 in order to prioritise issues for consideration in the year to follow. On this occasion, no international issues were selected through the Ballot. As a result, the JPC invited the Commission to recommend a priority for their work in 2012/13. Given the topical nature and importance of the subject matter, the Commission selected Britain's Role in a Post-2015 Development Vision as their chosen priority, with the JPC approving their selection.

In November, the Britain in the World Policy Commission agreed a Challenge Paper on the priority topic. The Paper provided background on the current landscape of international development policy and set out a series of thought-provoking questions for consideration. These touched upon the best ways of addressing the world's remaining poverty and other development challenges; the new trends and developments that are shaping the nature and extent of global deprivation; and the ways in which we can ensure that the inclusion of new vital issues in a successor framework doesn't detract from those issues that are being neglected in the current framework. The Challenge Paper was published on the Your Britain website, with individuals and organisations alike invited to respond with their comments via online submissions. These were then discussed at length by the Commission in the various meetings held throughout the year.

The Commission met in early 2013 to examine the submissions received to date and set their work programme for the year. The latter was informed by delegates at Conference, together with the views expressed by CLPs, affiliates and individual members through submissions. At this meeting the Commission also welcomed Shadow Secretary of State, Ivan Lewis MP, who outlined the work he and his Shadow Ministerial team had undertaken in recent months to help develop Labour's post-2015 development vision. Acknowledging the changing nature of the challenges the developing world will face in the next twenty years, he explained how a new global covenant must be rooted in Labour's values. The Commission agreed that any new framework that doesn't have a focus on inequality and sustainable growth will lack credibility and be viewed as tinkering at the edges at a time when radical, structural change is needed.

The Commission met again in March to hear expert evidence from CAFOD and Oxfam. The Commission discussed the possible inclusion of growth and decent employment in the new framework, together with the relative merits of targets and goals. They also agreed that accountability and transparency need to underpin any new development agenda, and discussed the various means of ensuring this. Other topics of discussion included environmental sustainability, social protection, land security and progressive taxation. The Challenge Paper and submissions were discussed at length, especially those relating to decent work, jobs and growth, women's rights and a green economy. The evidence presented, along with the submissions received and the discussions held, informed the various policy options that were included in the draft Policy Paper which was agreed by the Commission in late March. This document was to be discussed at the National Policy Forum in June, with delegates voting on the policy options presented. Once consensus is reached, the final draft of the Policy Paper, including the

chosen policies, will be presented for approval at the Annual Conference in September.

We want to see a strong, confident Britain taking a lead internationally through our membership of the EU. In early June, the Commission met to discuss our role in the EU. The Commission welcomed Emma Reynolds MP, Shadow Europe Minister, as well as the UCL European Institute and the Centre for European Reform, who provided expert evidence. The Commission discussed the Conservatives' promise to hold an in/out referendum by 2017 and the upcoming 2014 European elections, agreeing that Labour needed to build a positive argument around the benefits of EU membership – one that would resonate with the electorate and their priorities. The Commission also called for a viable EU institutional reform agenda.

Labour has a strong history of internationalism, which we are proud of. In a second session of the commission in early June, UK defence, procurement and security dominated. Jim Murphy MP, Shadow Secretary of State for Defence, opened the proceedings, before expert evidence was heard from several guests. These included the Royal United Services Institute, BAE Systems, Lord George Robertson and Jeremy Corbyn MP. The Commission agreed that the threats to our national security differ greatly to those we faced fifty years ago. Consequently, our defence policy needs to adapt to rise to new and evolving challenges. Focusing on the issue of the UK nuclear deterrent, the Commission debated the utility of this capability in the modern world and the industrial and economic implications of any changes to the nuclear deterrent.

During the National Policy Forum meeting in late June, three Britain's Global Role sessions were held on the Saturday to allow representatives to discuss the 'Britain's Global Role in a Post-2015 Development Vision' Policy Paper. Sam Gurney, Glenis Willmott

MEP and Richard Howitt MEP chaired the sessions, taking contributions from the floor and allowing Shadow Cabinet Ministers, Ivan Lewis MP and John Spellar MP, to respond as and where appropriate. The main issues raised during the course of the day centred on the need to build a positive narrative around the 0.7 per cent aid target, trade and taxation, human rights, and the role played by the private sector in international development. With regards to the options presented in the Policy Paper, broad consensus was achieved. On the first set of options, it was agreed that a post-2015 framework which focuses on ending extreme poverty but also on an expanded mandate was preferable to a framework that is narrow in scope (Option 2). On the second set of options, delegates indicated that the new framework needed to include accountability and delivery mechanisms that reflect the role of all actors, including all countries, civil society and the private sector (Option 2). On the final set of options, delegates felt that there exists a need for sustainability targets to be integrated into the process of developing a successor to the MDGs (Option 1).

On Sunday, two policy discussions took place on international issues, providing delegates with an opportunity to voice their opinion on which areas and issues they believe the Britain's Global Role Policy Commission should focus in the coming year. Ellie Reeves and Clare Moody chaired the sessions, with Shadow Cabinet Ministers, Jim Murphy MP, John Spellar MP and Glenis Willmott MEP, in attendance to respond to comments. Representatives discussed the UK's defence capabilities, in particular the nuclear deterrent. Defence capability was deemed particularly important in light of the changing nature of the global security threats facing the UK today and the current economic climate. European issues were also widely discussed by delegates. All agreed that the UK should stay in the EU but that there needs to be greater emphasis on protecting and highlighting the benefits of a social Europe, as well as the need for reforms

to ensure institutional effectiveness. Finally, delegates agreed that a clear strategy for fragile and conflict-affected states was needed, citing the conflicts in Syria, Libya and Mali.

In July, a meeting was held following the publication of the Government's Trident Alternatives Review. Shadow Defence Secretary, Jim Murphy MP provided an overview of the review process, together with the main conclusions. The Commission discussed the credibility of various postures and looked at the range of ways in which a Continuous At-Sea Deterrent could be retained. The cost-effectiveness of Trident Alternatives and a reduction in the number of submarines was also discussed, along with the significant industrial and economic consequences that would arise from their implementation. Labour has said that we are committed to a minimum, credible independent nuclear deterrent, which we believe is best delivered through a Continuous At-Sea Deterrent. It would require a substantial body of evidence for us to change this belief, and the Government's Trident Alternatives Review does not appear to offer such evidence. Later in July, the Commission met again to discuss the issues of human rights and democracy. John Spellar MP, Shadow Minister for Foreign and Commonwealth Affairs, provided an update on the work of the Shadow Ministerial Team. Human Rights Watch and the International Trade Union Confederation also provided expert evidence. The Commission remains committed to promoting human rights abroad, recognising that human rights provide the basic rules for a world in which we can all live in peace and dignity.

Current Issues

Europe

Last summer, President of the European Central Bank, Mario Draghi, pledged to do 'whatever it takes' to save the euro. Almost a year on, financial conditions have improved but Europe remains mired in the longest recession

in the history of the Eurozone. In May, the European Commission announced that GDP in 2013 is forecast to shrink by 0.1 per cent in the EU and by 0.4 per cent in the euro area. Labour markets across the region continue to be significantly affected, with the number of unemployed reaching 19.4 million in June. Young people are bearing the brunt of Europe's jobs crisis as nearly one in four 16 to 24-year olds across the 17 nations in the single currency is now out of work. These figures show that austerity has proved to be far more damaging to the economy than many early estimates suggested, forcing governments to focus more on stimulation of growth. There were also protracted negotiations around the EU's Multiannual Financial Framework 2014-2020 which proved particularly difficult, with the final agreement resulting in the first ever real-terms cut in the budget, capping it at €960bn.

The Prime Minister's much delayed Europe speech in January 2013 served to undermine Britain's influence in European decision-making and further alienate key European allies. His pledge to hold an in | out referendum on Britain's membership of the European Union by the end of 2017 has more to do with trying to keep his party together than getting the country back on track. The importance of European issues was reflected in the high number of submissions received on the topic and the fact that it was discussed at length by the Commission. Increasingly, the challenges we face – from national security, to climate change, to economic development – transcend state borders. In a globalised world, the Commission believes that the rationale for the European Union is clear. Yet this is not to say that we should accept the status quo. The Commission believes that an agenda for change in Europe should start where the need is most urgently felt – and so the economy should be the focus. Rescue of the currency, protections for the single market, promotion of decent work and revival of the prospects for growth should be Europe's priorities.

The rise of scepticism among the electorate towards the institutions of the EU is also matched with a favourable view towards close working in specific key areas. The most obvious areas are those around global public goods such as climate change, international security, development, and completion of the single market. The Commission agrees that the EU not only needs to change but it needs to be seen to change by the public, and reform of the way the EU itself works is relevant to achieving this. The Commission also discussed the positive case for UK membership to the EU and the negatives that would arise from withdrawal, arguing that Labour should not shy away from making the case for Britain when our interests are being challenged in specific policy areas. The Commission agrees that Britain's role in Europe must be an extension of Labour's One Nation vision at home – to promote our national interest, secure growth and champion our core values of equality, social justice and opportunity for all. When the priority for the country should be fixing the economy, committing now to an in/out referendum by 2017 would put growth, investment and jobs at risk. In the face of economic stagnation, the Commission believes that the UK Government should take bolder action to raise living standards and stimulate the economy. Recent free trade negotiations with the US, Canada and a host of other countries highlight the opportunity that EU membership holds for the UK. Now is not the time to shy away from the European debate but to stand up and make Britain's voice heard to ensure a more effective Europe.

Defence and Our Forces

Labour has a long history of a progressive approach to defence. We will forever be indebted to the service and dedication of the Armed Forces and their families who sacrifice so much for our nation. As such, many of the submissions received by the Commission dealt with issues related to UK defence policy and the Armed Forces. The current economic

climate, along with the changing nature of the national security threats faced by the UK, undoubtedly called for a re-evaluation and a reconfiguration of our defence capabilities. The Government's rushed Strategic Defence and Security Review (SDSR), however, was a missed opportunity. It focused too heavily on cuts and not enough on strategic priorities. The fact that Britain's contribution in Libya and Mali relied on capabilities that the Government had planned to scrap is testament to this.

The security threats facing the UK today are varied and ever-evolving. Fragile and conflict-affected states provide an environment in which terrorism, organised crime and corruption can flourish, undermining efforts to promote democracy, good governance, and economic sustainability. Natural disasters can have devastating effects on both local and national populations, reversing years of development and growth. Countries, such as North Korea and Iran, who continue to develop nuclear power risk invalidating the significant gains made in multilateral disarmament and non-proliferation over the past fifty years. Increasingly sophisticated cyberattacks have the capacity to bring a nation's critical infrastructure to a standstill. The list goes on. The Commission recognises that as the threats to our national security change, so too must our responses.

With the 2016 deadline for procuring and replacing Britain's submarine-launched nuclear deterrent looming, this aspect of the UK's defence capability has been a significant matter of discussion in Commission meetings. The Commission has debated the merits of retaining a minimum, credible, independent nuclear deterrent given the nature of the threats we face in today's world. The fact that other countries continue to seek this capability was considered, as were the industrial and economic consequences of any changes to the UK nuclear deterrent. The Commission noted the publication of the Government's Trident

Alternatives Review in July and discussed its conclusions. The cost-effectiveness and credibility of retaining a Continuous At-Sea Deterrent was discussed, as well as the implications of lowering the number of Vanguard-class submarines. The Commission remains a strong advocate of the nuclear Non-Proliferation Treaty and supports its three pillars – non-proliferation, disarmament and the right to use civil nuclear power peacefully – which constitute the framework within which Labour constructs its policy in this area. Owing to the high number of submissions received on the UK's nuclear deterrent, the Commission welcomed the opportunity to discuss this issue and will continue to address this in Commission meetings and through the Labour Party's policy-making structures.

The Government's SDSR, together with its wider budgetary controls, continue to have profound implications for our service personnel. Under the current Government, the Armed Forces have had £250 million slashed from allowances, war widows' pensions cut, 30,000 service personnel redundancies, aircraft carriers that will be without aircraft for a decade, and military jets and vessels sold for well below their worth. The Commission considered these issues, together with the likelihood that, as 2014 approaches and the majority of our remaining troops return from Afghanistan, the situation is going to get worse.

The Commission supports Labour's policies which aim to enhance the well-being of service personnel. Labour is the first and only party to write the Military Covenant into its constitution, and to offer a cut-price £1 membership for members of the Forces. From Labour's Veterans Interview programme, to Veterans' Champions for local authorities, to our campaign to end discrimination against the service community, Labour continues to fight for our Armed Forces, treating them with the respect they deserve.

International Development

The Millennium Development Goals (MDGs) have set the benchmark for global development policy since 2000. In 2015 the current set of MDG targets will expire, with policymakers and practitioners alike participating in the lively debate on what development framework should come next. The MDGs have undoubtedly prompted global progress. The proportion of people living on less than \$1.25 per day fell from 47 per cent in 1990 to 24 per cent in 2008 - a reduction from over 2 billion to less than 1.4 billion. Between 1990 and 2011, under-five mortality declined by 41 per cent, from an estimated rate of 87 deaths per 1000 live births to 51. There have also been gains in reducing girls' exclusion from primary education, with the female share of out-of-school children in developing countries dropping from 58 per cent to 53 per cent between 1999 and 2010. Yet the challenge ahead remains significant. Even at the current rate of progress, estimates indicate that about 1 billion people will still be living on less than \$1.25 a day in 2015. Nearly 870 million people, or one in eight in the world, suffer from chronic undernourishment. Almost half of the population in developing regions - 2.5 billion - still lacks access to improved sanitation facilities.

Given that international development was a priority for the Commission's 2012/13 work and in light of the policy review undertaken by the Shadow Ministerial team, many of the meetings held and the submissions received have focused on this area. The Commission agreed that Labour has a positive international development legacy, having long-championed the UK's commitment to spend 0.7 per cent of GNI on ODA. While the Government has publically made this commitment, it has been suggested that future UK aid will be used to replace cuts to the defence budget and promote British trade interests. The Commission expressed opposition to this idea, believing that the UK should abide strictly by OECD

rules which limit ODA funding to be used for peace-making and peace-building, not core military activities. While security is essential to development and more can be done to foster an integrated approach, militarising aid is not only contrary to defined global standards, it also risks the safety and effectiveness of our aid workers in often very challenging environments. The Commission also discussed the role the private sector can play in supporting jobs and growth in developing countries. However, it was recognised that certain criteria and safeguards are required to ensure responsible capitalism. Sustainability, fair taxation and decent labour standards were considered key in this regard. Labour will continue to hold the Government to account on value for money, aid effectiveness, aid transparency and the values underpinning their development agenda.

In May, Ivan Lewis MP outlined his Equality 2030 agenda and the set of ten goals required to achieve Labour's international development objectives. These include: decent jobs and social protection; access to universal health and social care; universal access to basic utilities; quality primary and secondary education; protection of ecosystems and biodiversity; basic food security and eradication of hunger; women's empowerment and equality; freedom from violence and the fear of violence; good governance; and active and responsible citizenship. The Commission welcomes this vision and agrees that while these goals should be universal, every country should be able to adopt and publish their own plan to achieve them.

This year the Government was presented with the opportunity to spark a mass global movement for real change. With the UK holding the G8 Presidency, the Prime Minister entered the Leaders' Summit in June 2013 with tax, transparency and trade as priorities for discussion. The current flawed system of global taxation not only has a profound impact on our revenues but it also disproportionately hits the poorest in

developing countries. Recent figures reveal that African countries lose an astonishing \$50bn a year to illicit tax flows. The Commission welcomed the Prime Minister's attention to these issues; however, it expressed disappointment in his efforts to achieve fundamental changes. The G8 agreement on the sharing of tax information is ambiguous about developing country involvement, running the risk of 'locking out' such states. Similarly, the final agreement only commits the UK to a private registry of UK companies, with vague promises of action from other G8 nations and the Crown Dependencies.

Human Rights

On 9 October 2012, 15 year-old Malala Yousafzai was shot in the head by a Taliban gunman. She was targeted for promoting secular education in an otherwise oppressive community through blogs and documentaries. This single incident drew worldwide attention, encapsulating the struggle for human rights, equality and justice borne out by millions of others across the globe. On the eve of the 65th anniversary of the adoption of the United Nations Universal Declaration of Human Rights, a disgraceful number of governments continue to use national interests, national security and public security concerns as a means of justifying human rights violations. While social media is increasingly used to shine a light on these acts and often serves as a call to arms, many suffer in silence.

A number of submissions were received on the issue of human rights, including women's rights, LGBT rights, workers' rights and the human rights situation in specific countries. The Commission attaches great importance to the issue of human rights and the plight of those denied them. From Colombia to Sri Lanka, the Democratic Republic of the Congo to Burma, from Zimbabwe to the former Yugoslavia, the Commission believes that human rights are universal in scope, providing an essential foundation for a peaceful and

dignified world. The UK should lead by example in this regard, upholding our legal and moral obligations at home and supporting the development of free societies abroad.

Human rights should also be a consideration in our bilateral relationships with other countries, including our aid relationships and in trade between countries. The Commission believe this should also apply to the negotiations on the Free Trade Agreement between the EU and Colombia.

The Middle East and North Africa

Several submissions have been received on the current situation in the Middle East and North Africa, and the Commission maintains a strong interest in developments in this region. After more than two years of violence and unrest across the Middle East and North Africa, the ripple-effect of the Arab Spring is still being felt across the region. The constellation of forces in this part of the world has shifted dramatically and stability remains elusive. In the immediate aftermath, many countries seemed to be on the march to democracy. In June 2012, Egypt held its first free presidential election, which saw Mohammed Morsi of the Muslim Brotherhood elected. Yet little over a year later the country is once again in the raptures of popular uprising, with President Morsi ousted from power.

In other countries, such as Libya, despite the immediate gains made by the military operation in 2011, long-term peace and security has not yet been achieved. The country remains plagued by bloody clashes and militia skirmishes. The post-Gaddafi outpouring of arms has served to fuel terrorism, illicit trade and conflicts elsewhere in the region. Much of Libya's weaponry is thought to have made its way into the hands of Islamist rebels in Mali, enabling them to push the national army out of the north of the country, declaring the independent state of Azawad, before

attempting to push southwards. Although the French military intervention in January proved decisive in reversing the rebel advance, the Malian conflict underscores the complexity and interconnectedness of the post-Arab Spring landscape.

In Syria, what started as a popular uprising in March 2011 has now descended into full-scale civil war, with Syrian government forces pitted against a wide range of militias in a bloody battle for state control. Recent UN estimates state that, as of June 2013, as many as 4.25 million Syrians have been internally displaced and more than 1.6 million Syrian refugees have fled to neighbouring countries. As the situation on the ground continues to deteriorate, the death toll rises, with over 93,000 people killed in Syria since the conflict began. These disturbing figures underline the urgent need to find a political settlement to the conflict. The Commission believes the use of chemical weapons on any scale by the Syrian government constitutes a clear breach of international law and should be comprehensively condemned by the international community.

Following the failure of numerous peace initiatives, including the lack of progress at the G8 Leaders' Summit in tackling the crisis in Syria, hopes for meaningful peace negotiations now rest with the US and Russia-led Geneva-II conference. The Commission believes that securing support for this renewed initiative, bringing all the warring parties in Syria to the negotiating table, should be the priority of the international community. Domestically, the Commission welcomes the fact that the Government has now conceded that any decision by the UK Government to intervene directly in Syria, potentially through the transfer of lethal military equipment, will be subject to a parliamentary vote on a substantive motion – even if this means parliament has to be recalled over Summer Recess. Labour continues to believe that Syria today is replete with

arms and that the continuing loss of life underlines that fact that Syria needs de-escalation, not further violence.

Policy Review

The Shadow Defence Ministerial team continue to evaluate and develop new thinking in defence policy as part of Labour's Policy Review. With five different strands, ranging from 'defence and multilateralism' to 'future of the military covenant', Shadow Ministers are looking at the key long-term issues facing our Armed Forces and UK defence policy. The team frequently update the Commission on their work in order to inform the Commission's discussions on defence, security and procurement issues. Labour aims to secure a strong, high-tech Armed Forces equipped for the challenges of the 21st Century and supported by a vibrant defence industry and a generous support system for service personnel and their families. The review is open and consultative, with numerous meetings held with academics, industry representatives, ex and current military figures, trade unions, Labour Party members and the general public through visits to each region of the UK.

Following a number of consultation sessions with stakeholders, in May, Ivan Lewis MP, Shadow Secretary of State for International Development, outlined his post-2015 development vision, building on the existing MDGs but reflecting the radical changes which are necessary if the scale of our ambitions are to match the scale of the challenge ahead. The Shadow International Development team have suggested a set of ten goals to replace the current MDGs. Further work is required on the specific targets and indicators relating to each goal which should be used to measure and define progress. This work continues to be fed into the Commission, informing its work in the area.

Submissions

All submissions received by the Policy Commission are circulated to members ahead of the next meeting for consideration as part of our discussions on policy development. Since its launch in November, the Britain's Global Role Policy Commission has received and considered submissions on the following topics:

- Afghanistan
- Aid
- Armed Forces
- British Aerospace
- Britain in Europe
- Britain's foreign policy
- Collectivism
- Colombia
- Commonwealth
- Conflict in the Middle East
- Conflict resolution
- Corporate sustainability
- Defence cuts
- Defence policy
- European membership
- European referendum
- Falkland Islands
- Foreign Aid
- Human rights
- Inequality
- International development
- International relations
- International trade
- Iran
- Iraq
- Israel and Palestine
- LGBT rights
- Libya
- Mali
- North Korea

- Nuclear deterrent
- Population
- Post-2015 development framework
- Poverty
- Protectionism (UK interests vs. Global concerns)
- Public services
- Sustainable society and environment
- Syria
- Tax avoidance
- Terrorism
- Unemployment
- Utilising global poverty organisations
- Women's rights
- Workers' rights
- Zimbabwe

INTERNATIONAL

BRITAIN'S GLOBAL ROLE POLICY COMMISSION POLICY PAPER: BRITAIN'S ROLE IN A POST-2015 DEVELOPMENT VISION

BRITAIN'S ROLE IN A POST-2015 DEVELOPMENT VISION

THIS POLICY PAPER HAS BEEN PRODUCED BY LABOUR'S BRITAIN'S GLOBAL ROLE POLICY COMMISSION, FOLLOWING CONSULTATION ON THE CHALLENGE PAPER OF THE SAME TITLE. IN PRODUCING IT WE HAVE CONSIDERED SUBMISSIONS RECEIVED IN RESPONSE TO THE CHALLENGE PAPER AND AN EARLIER DRAFT OF THIS PAPER, AND THIS FINAL VERSION SETS OUT THE DIRECTION OF TRAVEL THAT THE POLICY COMMISSION AND NATIONAL POLICY FORUM CONSIDER APPROPRIATE IN THE LIGHT OF WHAT WE HAVE LEARNED.

Introduction

In 2000 world leaders met to adopt the Millennium Declaration and commit themselves to achieving eight Millennium Development Goals (MDGs), which galvanised the global fight against poverty. We have made great progress in the last decade to fight global poverty; however with only three years to go until the deadline for the Millennium Development Goals (MDGs) and nearly one billion people still living in poverty, the challenge remains huge. Until the target date of 2015, attention will quite rightly focus on how to make the most progress possible before the deadline.

The last Labour Government was at the forefront of establishing the MDGs and global efforts to meet them; therefore it is paramount that we continue to lead on what comes next. The current goals were developed to solve a specific global problem – that of the persistence of poverty in the world. In order for a new agreement to work after 2015, it has to be rooted in a good understanding of the new trends and developments that are shaping the nature and extent of global deprivation and lessons learnt from the previous global initiatives and agreements.

In the post-2015 development challenge paper, the Commission sought evidence on the best way to address the world's remaining poverty and other development challenges, what a global agreement should look like and what new trends and developments mean for the substance of a future global framework.

In response to the challenge paper the Commission received submissions from a number of external organisations, members, CLPs and affiliates, including oral evidence from CAFOD and Oxfam.

Issues

The Millennium Development Goals

The end of the MDG period provides an opportunity to shape future development, consider how we address future challenges, galvanise action at the international level and ensure accountability at a national level.

Despite perceived limitations of the goals highlighted in submissions, the balance of evidence suggests that the MDGs were a positive influence on international development.

The MDGs have been successful. Who would have thought at the end of the Cold War, that through global cooperation we would have lifted 600 million people out of poverty? Or that we would have helped 56 million more children go to school? Or that an extra 14,000 children would escape death every single day?
Save the Children

There has been modest to significant progress on nearly all the goals, albeit in a patchy and uneven way, and the framework prompted significant improvements in monitoring and data collection against key indicators.

An international framework can inspire and impact across borders. One positive effect of the MDGs was they provided a platform from which member states could be galvanized to take action. When one country

leads by meeting international commitments, it enhances the credibility of that government and incentivises other countries to do the same.

CAFOD

The MDGs have had an impact on mobilising interest and resources for international development. They were a powerful tool for advocacy, mobilisation and unifying international priorities.

Post MDG roundtable discussion with Ivan Lewis MP

Given this view of positive influence of the MDGs, the Commission preference is for a renewed set of goals as part of the post-2015 framework contributing to achieving a safe, just and sustainable world.

Post-MDG framework

There is broad consensus that the central objective of any new post-2015 agreement is to maintain efforts to eradicate poverty, and in doing so, to finish the job set out in the UN Millennium Declaration.

There was a request from most submissions to ensure that any framework following the MDGs is centred on a rights based approach with values and principles at its core, which the Commission endorse. It was particularly highlighted that there should be a continued focus on the Millennium Declaration's fundamental values including freedom, equality, solidarity, tolerance, respect for nature and shared responsibility. A number of different approaches were taken in submissions on how broad a post-2015 agenda should be, and how deeply should it go into the different factors which drive poverty and development.

Save the Children's suggested post-2015 development framework champions universal and equitable development, with human rights as its guiding principle and evidence as a foundation for its approaches. Human rights principles such as universality, equality and inalienability must underpin everything that is agreed. And, unlike with the MDGs, these principles must be visible in the targets established.

Save the Children

The TUC favours a set of goals articulated around four key pillars – economic, social, environmental and institutional. Which places decent work at centre of achieving targets under all four pillars.

TUC

Oxfam believes there are a number of critical issues which must be in the framework and have concrete propositions on how these are treated. These include: the meaning of global goals, inequality, integrating environment and development, health and education, gender, resilience, finance and accountability. This list is non-exhaustive and there are other areas, such as poverty-reduction in conflict-affected and fragile states, which are vital for post-2015.

Oxfam

On the substance of the framework, submissions primarily focused on the need to tackle inequality and injustice, eradicate extreme poverty, promote human rights, champion sustainable development, tackle environmental problems and ensure we reach the poorest and most marginalised.

Christian Aid is calling on world leaders, including High-Level Panel members to ensure that tackling inequality is right at the heart of a post-2015 framework. As set out in the Universal Declaration of Human Rights, we believe that there is a strong moral case for tackling inequality and that no-one should be discriminated against on the basis of gender, ethnicity, caste, age, religion or any other category.

Christian Aid

We believe that the Sustainable Development Goals being discussed following Rio+20 should be fully integrated into the process of developing a successor to the MDGs at an early stage and be part and parcel of the post-2015 development agenda. The incorporation of SDGs in the new framework will make it possible to rectify some of the shortcomings in MDG 7, promote green jobs and ensure poverty eradication with minimal impact on the environment.

TUC

Unite believes that the Labour Party should commit firmly to tackling global environmental problems. Unite

believes “that there is a climate emergency and that the catastrophic destabilisation of global climate represents the greatest threat that humanity faces”. This problem requires global agreements and solutions, while also including firm commitments in the UK.

Unite

Systems of social protection, universal healthcare and compulsory education, a decent home and living environment and access to basic utilities such as clean water, sanitation and light provided through sustainable means were also themes explored through the submissions. The creation of decent work, including jobs with a minimum wage and decent labour standards, were also highlighted as critical for human and economic development.

Full and decent employment is necessary for the global South to eradicate poverty. Over 200 million people were unemployed in 2012, including 75 million young people. Even those who have jobs often suffer from insecurity resulting from underemployment or casual and vulnerable employment. Workers in the informal economy often lack access to health care, retirement pensions, maternity leave and other benefits. Strengthening the ILO and the work of trade unions also encourages decent work.

UNISON

Unemployment and underemployment is a huge concern worldwide, and youth unemployment in particular destabilises developing economies while the talents of the most productive segment of the population goes to waste. Work continues to be the most sustainable and dignified route out of poverty; income generation not only provides a better quality of life for the individuals concerned but also serves to build a tax base for government as well as generating domestic demand, thus helping to ensure long-term sustainable development.

Labour Campaign for International Development

Implementing social protection floors is the simplest and most comprehensive way to stabilise peoples' livelihoods, stabilise economies, contribute to social cohesion and peace, and build people's resilience to economic and environmental shocks.

UNISON

In addition to aid, submissions raised the increasingly important role other forms of finance will play in supporting development such as a global financial transaction tax.

Labour will continue to press for the UK to contribute 0.7 per cent of gross national income (GNI) in aid and for this commitment to be enshrined in law, and apply pressure to other donors to match the UK's commitment. However we also need to better explore other sources of revenue such as the financial transaction tax.

Crucially, to meet its objectives, the Commission decided any international framework also needs support and compatible action from actors who impact, often significantly, on development outcomes but sit outside of the state or civil society. Given this, it is vital that any new framework must be developed through authentic partnership between developing, developed and middle income countries, donor and recipient countries, multilateral organisations, charitable foundations, the private sector and civil society.

Underpinning this submission is a belief that just and fair solutions to global development challenges can only be delivered through the democratic participation and decisions of the people affected. There is no “one size fits all” model of development that can be imposed from above at a global level. Often such impositions are the very factors driving outcomes contrary to the needs and wishes of the people being “developed”. Britain's best contribution to this agenda would therefore be a commitment to do no wrong itself while helping to open up and democratise global power structures that are driving poverty and other development crises.

Unite

Policymakers and leaders from both north and south should work together in partnership through the UN to draw up the framework and to reconcile opposing views. There will be a need to pursue new goals having full regard to the specific needs of individual countries as well as overarching international development.

Orpington CLP

From the submissions we have received it is clear that any new development framework should remain firmly focused on human development. It should highlight areas where an international agreement can make a difference, and it should retain a limited number of measureable goals.

Global goals to measure progress on development within the post-2015 framework should focus on ending extreme poverty, but also on an expanded agenda including other objectives in an MDG plus agenda.

The aim of the current MDGs is to encourage development by improving social and economic conditions in the world's poorest countries. The goals do not specifically set out or include roles for other actors that have an impact on poverty alleviation around the world.

The accountability and delivery mechanisms for the new framework should consider the role of all actors including all countries, civil society and the private sector.

Since 2000 little has been achieved in improving the long-term sustainability of the natural resource base, despite the fact that human health and prosperity is dependent upon it. Much more is now known about environmental sustainability than at the turn of the millennium. The MDGs did not address sustainability in a serious way, but submissions agree that it must underpin any new development consensus.

Sustainable targets, such as the Sustainable Development Goals being discussed following the United Nations Conference on Sustainable Development Rio+20, should be integrated into the process of developing a successor to the MDGs.

APPENDICIES

APPENDIX 1 – NATIONAL POLICY FORUM MEMBERSHIP

(CLP) East Midlands region	Julie	Brookfield
(CLP) East Midlands region	Dawn	Elliott
(CLP) East Midlands region	Andrew	Furlong
(CLP) East Midlands region	Mark	Glover
(CLP) Eastern region	Jenny	Holland
(CLP) Eastern region	Alex	Mayer
(CLP) Eastern region	Lorna	Trollope
(CLP) Eastern region	Daniel	Zeichner
(CLP) Greater London region	Nicky	Gavron
(CLP) Greater London region	Alon	Or-bach
(CLP) Greater London region	Alice	Perry
(CLP) Greater London region	Fiona	Twycross
(CLP) North	Nick	Forbes
(CLP) North	Brynnen	Ririe
(CLP) North	Liz	Twist
(CLP) North	Nick	Wallis
(CLP) North West region	Azhar	Ali
(CLP) North West region	Mike	Amesbury
(CLP) North West region	Theresa	Griffin
(CLP) North West region	Joanne	Harding
(CLP) Scottish Labour Party	James	Adams
(CLP) Scottish Labour Party	Maria	Fyfe
(CLP) Scottish Labour Party	Ian	Miller
(CLP) Scottish Labour Party	Katrina	Murray
(CLP) South East region	Simon	Burgess
(CLP) South East region	Deborah	Gardiner
(CLP) South East region	Karen	Landles
(CLP) South East region	Martin	Phillips
(CLP) South West region	Glyn	Ford
(CLP) South West region	Clare	Moody
(CLP) South West region	Douglas	Naysmith
(CLP) South West region	Brenda	Weston
(CLP) Wales Labour Party	Nick	Davies
(CLP) Wales Labour Party	Annabelle	Harle
(CLP) Wales Labour Party	Donna	Hutton
(CLP) Wales Labour Party	Darren	Williams
(CLP) West Midlands region	Shaukat	Ali
(CLP) West Midlands region	Stephanie	Peacock
(CLP) West Midlands region	Sandra	Samuels
(CLP) West Midlands region	Lucy	Seymour-Smith
(CLP) Yorkshire region	Ann	Cryer
(CLP) Yorkshire region	Emma	Hoddinott
(CLP) Yorkshire region	George	McManus
(CLP) Yorkshire region	Denise	Thursfield
(CLP-YTH) East Midlands region	Bex	Bailey
(CLP-YTH) Eastern	Sarah	Rae
(CLP-YTH) Greater London	Sally	Hussian
(CLP-YTH) North region	Daniel	Johnson
(CLP-YTH) North West region	Chris	Hughes

(CLP-YTH) Scotland	Darren Young
(CLP-YTH) South East region	Helena Dollimore
(CLP-YTH) South West region	Bethan Davey
(CLP-YTH) Wales Labour Party	Pearleen Sangha
(CLP-YTH) West Midlands	Charlotte Hale
(CLP-YTH) Yorkshire region	Ruth Davies
(TU) ASLEF	Rebekah Peterson
(TU) BFAWU	Pauline McCartney
(TU) Community	Richard Angell
(TU) CWU	Billy Hayes
(TU) CWU	Beryl Shepherd
(TU) GMB	Tom Brennan
(TU) GMB	Mary Hutchinson
(TU) GMB	Paul Kenny
(TU) GMB	Maria Ludkin
(TU) MU	Barbara White
(TU) TSSA	Frank Ward
(TU) UCATT	Stephen Murphy
(TU) UNISON	Margaret Wilkinson
(TU) UNISON	Dave Prentis
(TU) UNISON	Eleanor Smith
(TU) UNISON	Steve Warwick
(TU) Unite	Tony Burke
(TU) Unite	Gail Cartmail
(TU) Unite	Collette Cork-Hurst
(TU) Unite	Siobhan Endean
(TU) Unite	Steve Hart
(TU) Unite	Maggie Ryan
(TU) Unite	David Quayle
(TU) Unite	Jennifer Elliott
(TU) Unite	Tony Woodhouse
(TU) Unite	Len McClusky
(TU) Bectu	Paul Liam Evans
(TU) USDAW	Ruth George
(TU) USDAW	John Hannett
(TU) USDAW	Fiona Wilson
(R) East Midlands	Rory Palmer
(R) East Midlands	Linda Woodings
(R) Eastern Region	Fred Grindrod
(R) Eastern Region	Lara Norris
(R) Greater London region	Sam Gurney
(R) Greater London region	Lucy Anderson
(R) North region	Simon Henig
(R) North region	Jayne Shotton
(R) North West region	John Wiseman
(R) North West region	Ann Trafford
(R) Scottish Labour Party	Jackson Cullinane
(R) Scottish Labour Party	Jill Merchant

(R) South East region	Michael	Hassell
(R) South East region	Carol	Hayton
(R) South West region	Nick	Ireland
(R) South West region	Libby	Lisgo
(R) Wales Labour Party	Diane	Green
(R) Wales Labour Party	Mark	Whitcutt
(R) West Midlands region	Gerard	Coyne
(R) West Midlands region	Colleen	Fletcher
(R) Yorkshire region	Judith	Blake
(R) Yorkshire region	Peter	Box
(LG) Association of Labour Councillors	Ruth	Cadbury
(LG) Association of Labour Councillors	Roger	Lawrence
(LG) Association of Labour Councillors	Angela	Cornforth
(LG) Association of Labour Councillors	Steve	Swift
(LG) Local Government Association	Bryony	Rudkin
(LG) Local Government Association	Steve	Bullock
(LG) Local Government Association	Sharon	Taylor
(LG) Local Government Association	Catherine	West
(LG) COSLA	Michael	Ross
Socialist Societies	Emma	Burnell
Socialist Societies	Melanie	Smallman
Socialist Societies	Martin	Rathfelder
BAME Labour	Gloria	Mills
BAME Labour	Sen	Kandiah
BAME Labour	June	Nelson
BAME Labour	Neeraj	Patil (Dr)
Parliamentary Labour Party	Andy	Sawford
Parliamentary Labour Party	Julie	Elliott
Parliamentary Labour Party	Barry	Gardiner
Parliamentary Labour Party	Teresa	Pearse
Parliamentary Labour Party	Bridget	Phillipson
Parliamentary Labour Party	Debbie	Abrahams
Parliamentary Labour Party	Bill	Esterson
Parliamentary Labour Party	Steve	Reed
Parliamentary Labour Party	Alan	Whitehead
European Parliamentary Labour Party	Derek	Vaughan
European Parliamentary Labour Party	Linda	McAvan
European Parliamentary Labour Party	Richard	Howitt
European Parliamentary Labour Party	Mary	Honeyball
European Parliamentary Labour Party	Arlene	McCarthy
European Parliamentary Labour Party	Claude	Moraes
Labour Students	Benjamin	Semens
House of Lords	Roy	Kennedy
House of Lords	Margaret	Wall
Northern Ireland	Boyd	Black
Labour International	Keir	Fitch
LGBT Labour	Tom	Burke
Labour Party Disabled Members Group	Nicholas	Russell
Scottish Policy Forum (chair)	Margaret	McCulloch

Scottish Policy Forum (vice chair)	Bill	Butler
Scottish Policy Forum (vice chair)	Fiona	Farmer
Welsh Policy Forum (chair)	Garry	Owen
Welsh Policy Forum	Huw	Lewis
Shadow Cabinet	Ed	Balls
Shadow Cabinet	Hilary	Benn
Shadow Cabinet	Stephen	Twigg
Shadow Cabinet	Douglas	Alexander
Shadow Cabinet	Jon	Cruddas
Shadow Cabinet	Andy	Burnham
Shadow Cabinet	Rachel	Reeves
Shadow Cabinet	Rosie	Winterton
Shadow Cabinet	Yvette	Cooper
Co-operative Party	Nick	Crofts
Co-operative Party	Linda	Gilroy
Co-operative Party (General Secretary)	Karin	Christiansen
National Executive Committee	Peter	Wheeler
National Executive Committee	Johanna	Baxter
National Executive Committee	Margaret	Beckett
National Executive Committee	Keith	Birch
National Executive Committee	Ann	Black
National Executive Committee	Steve	Rotheram
National Executive Committee	Angela	Eagle
National Executive Committee	Sadiq	Khan
National Executive Committee	Harriet	Harman
National Executive Committee	Diana	Holland
National Executive Committee	Jim	Kennedy
National Executive Committee	Andy	Kerr
National Executive Committee	Paddy	Lillis
National Executive Committee	Ken	Livingstone
National Executive Committee	Ann	Lucas
National Executive Committee	Ed	Miliband
National Executive Committee	Bex	Bailey
National Executive Committee	Eleanor	Reeves
National Executive Committee	Christine	Shawcroft
National Executive Committee	Dennis	Skinner
National Executive Committee	David	Sparks
National Executive Committee	Jennie	Formby
National Executive Committee	Wendy	Nichols
National Executive Committee	Mary	Turner
National Executive Committee	Keith	Vaz
National Executive Committee	Jon	Ashworth
National Executive Committee	Martin	Mayer
National Executive Committee	Glenis	Willmott
National Executive Committee	Andy	Worth
National Executive Committee	Susan	Lewis
National Executive Committee	Harriet	Yeo
National Executive Committee	Conor	McGinn
National Executive Committee	Rachael	Maskell

APPENDIX 2 – SUBMITTING ORGANISATIONS

SINCE THE LAUNCH OF YOUR BRITAIN IN NOVEMBER 2012, WE HAVE RECEIVED OVER 1500 SUBMISSIONS TO THE AGENDA 2015 POLICY DEVELOPMENT PROCESS. SUBMISSIONS CAN BE MADE TO THE COMMISSION OF YOUR CHOICE, OR IN RESPONSE TO A SPECIFIC PAPER, BY LOGGING IN AS AN INDIVIDUAL OR ON BEHALF OF YOUR ORGANISATION.

Through the consultations on Challenge and Policy Papers we have received many submissions in response to the priority selected by Annual Conference 2012, commissions have also received and considered submissions across many topics within their remits. Topics on which submissions have been received and considered are listed at the end of each commission's Annual Report.

Below is a list of the Party units, Your Britain meetings, affiliates, and external organisations that made submissions to over the past year. Although all are listed only once, many have made multiple submissions in response to various Challenge and Policy Papers and to different Policy Commissions. We have in addition received several hundred submissions from individual Party members and members of the public who are not listed below.

CLPs, branches and Labour Party units

Adel and Wharfedale Branch
 Alway Branch of Newport East CLP
 Alyn and Deeside CLP
 Aycliffe North West Branch
 Bath CLP
 Beechwood Branch (Newport East CLP)
 Bitton and District Branch
 Blackley and Broughton CLP
 Blackpool South CLP
 Bolsover CLP
 Bolton South East CLP
 Bracknell CLP
 Brentford & Isleworth CLP
 Bridgend CLP
 Bristol South CLP
 Burgess Hill CLP
 Caerphilly CLP
 Cardiff West CLP
 Cathcart CLP
 Ceredigion CLP
 Cheshire East Campaign Forum
 Chiswick Branch
 Claygate & Esher Branch
 Labour International CLP
 Colchester CLP
 Cynon Valley CLP
 Derby North CLP
 Disley and Poynton Branch
 (Macclesfield CLP)
 Dulwich and West Norwood CLP
 East Midlands Labour Party Regional
 Conference
 Erewash CLP
 Exeter CLP
 Finchley & Golders Green CLP

Gedling CLP
 Hackney North and Stoke Newington CLP
 Hampstead & Kilburn CLP
 Harpenden CLP
 Hastings CLP
 Hitchin and Harpenden CLP
 Huddersfield CLP
 Keighley CLP & Keighley TUC
 Kingswood CLP
 Lee Green Ward Labour Party
 Leeds North West CLP
 Leek Branch of Staffordshire Moorlands CLP
 Loughborough CLP
 Macclesfield North Branch
 Manchester Gorton CLP
 Maryhill / Springburn CLP
 Mid Sussex CLP
 Monmouth CLP
 NE Derbyshire CLP
 Nether Edge Branch
 Newcastle East CLP
 North Beds Branch (N.E. Beds CLP)
 North East Bedfordshire CLP
 North East Derbyshire CLP
 Northern Ireland CLP
 Orpington CLP
 Oxford East CLP
 Oxford West & Abingdon CLP
 Pendle CLP
 Penistone and Stocksbridge CLP
 Perry Vale Branch
 Peterborough CLP
 Peterborough Local Campaign Forum
 Plymouth Sutton and Devonport CLP
 Putney CLP
 Reading and District Labour Party
 Richmond Park CLP

Rushcliffe CLP
 South East Cambs CLP
 Sevenoaks CLP
 Sheffield Central CLP
 Sheffield Heeley CLP
 Slough CLP
 Solihull and Meriden CLP
 South Leicestershire CLP
 South Ribble CLP
 South West Central Branch (Oxford)
 South West Devon CLP
 South West Hertfordshire CLP
 Stretford and Urmston CLP
 Stroud CLP
 SW Herts & Hemel Hempstead CLPs
 Tettenhall Wards Branch (Wolverhampton SW CLP)
 Tewkesbury CLP
 Twickenham CLP
 Uxbridge & South Ruislip CLP
 Vale of Glamorgan CLP
 Wallasey Branch
 Wealden CLP
 Weaver Vale CLP
 Whalley Range Branch
 Wickersley Branch
 Winchester CLP
 Wirral West CLP
 Wrexham CLP

Local and regional Your Britain events

Blackpool South Your Britain event with Gordon Marsden MP
 Brighton and Hove Your Britain event
 Cambridge Your Britain event on Housing
 Corby Your Britain event on childcare
 Dover 'question time' event
 Essex Labour Women Your Britain event
 Gloucester Your Britain event with Jim Murphy MP
 Gloucestershire Your Britain event, Tewkesbury
 Harlow Your Britain event with Dame Tessa Jowell MP
 Sefton Central Your Britain event with Angela Eagle
 Hastings Your Britain event on childcare with Angela Eagle MP
 Ipswich Your Britain event
 London Labour Policy Forum
 Manchester Withington Your Britain event
 Medway Your Britain event
 North West Youth Policy Forum
 Northampton Your Britain event
 Peterborough Mums event

Reading West Young People and Politics Discussion
 Reading West Your Britain event on housing
 Stafford Community event
 Suffolk Women's Network
 Suffolk Your Britain Event, Ipswich
 Tees Valley and South Durham Policy Forum
 Thurrock Mums voice
 Twickenham Childcare Consultation
 Welsh Women's Forum
 Weymouth Your Britain event with Jim Murphy MP

Affiliated organisations

Christian Socialist Movement
 CWU Greater London Combined Branch submission
 LGA Labour Group
 GMB Migrant Workers Branch in Yorkshire Region
 South Tyneside Fabian Society
 Socialist Health Association
 TSSA
 UNISON
 UNITE
 UNITE Manchester and Salford Branch
 USDAW

External organisations

Action on Hearing Loss
 Adecco Group
 Affinity Sutton
 Alzheimers Society
 Amnesty International North East and Yorkshire region
 ASDAN
 Association of Town and City Management
 Aviva
 Barnardos
 Big Lottery Fund
 BioIndustry Association
 Black Country Chamber of Commerce
 BMA
 Boots UK
 British Property Federation
 British Youth Council
 CAFOD
 Campaign for a Democratic Upper House
 Campaign to End Loneliness
 CBI
 Centrepoint
 Cerner
 Chartered Institute of Environmental Health
 Christian Aid

Circle Housing Group
 Citizens UK
 Co-operatives UK
 Council of Mortgage Lenders
 Democratic Living
 EEF, the manufacturers' organisation
 Equality Trust
 ERS Electoral Reform Society
 Independent Age
 Leicester Child Poverty Commission
 Library Research and Consultancy
 Little Hearts Matter
 Living Wage Foundation
 Macmillan
 Marie Curie
 National Federation of Occupational Pensioners
 National Housing Federation
 NHS Confederation
 Newcastle upon Tyne Housing Group
 Novartis, Roche and Sanofi
 Novo Nordisk
 Oxfam
 Oxford Sexual Abuse and Rape Crisis Centre
 Parenting Together
 Personal Finance Education Group
 Pharmacy Voice
 Prince's Trust
 Prior
 Recruitment and Employment Confederation
 Roche Products Ltd
 Royal College of Surgeons
 Rushmoor Borough Council
 Save the Children
 Salvation Army
 South Hampshire Rail Users' Group
 Stonewall
 The Association of Residential Lettings Agents
 The Chartered Insurance Institute
 The Children's Society Charity
 The Maple Group
 The Medical Magazine
 The Votes at 16 Coalition
 TUC
 Tunstall Healthcare Group
 UK Youth
 UK=OK campaign
 YMCA

