



I want to start by thanking you for taking the time to respond to this consultation.

Coronavirus is the biggest crisis our country has faced in a generation. It is a health crisis, an economic crisis and – for many – a personal crisis.

Our immediate attention must be on responding to the pandemic and ensuring the health and safety of people across the country. In this context, it is appropriate that our policy-making in response to coronavirus is swift and responsive to the circumstances.

But this is also an important moment of change for our country. The decisions made over the next five to ten years will fundamentally alter people's lives for generations to come.

It is therefore right that we pause and consider the context and values of our policies, as we look to build our policy platform over the coming years ahead of the next General Election.

The Labour Party is an incredible and powerful force for good. But we've just lost four elections in a row. It is essential that we use the next few years to reconnect across the country, to re-engage with our communities and voters, to establish a coalition across our towns and our cities, regions and nations, to speak for the whole of the country. Policy development is central to that aim.

I want this consultation to engage all parts of our Party in a broad discussion about our beliefs and principles, and the issues we all connect on. Although we are not starting from scratch, these are important issues that deserve careful and considered deliberation; they will be the starting point for us to rebuild our society.

This year's consultation covers eight areas, all relating to the current coronavirus crisis. It asks questions about how we can rebuild our economy, environment, public services, international relations and political system once the pandemic has passed.

Over the course of the consultation we will be running a programme of activity to connect and engage with as many people as possible. Although we would never have chosen these circumstances, the current context offers us the opportunity to begin exploring new methods of engagement. This must be an inclusive process, where we are actively making sure everyone can participate on an equal footing.



I recognise that our policy-making processes are due for review. New developments and new movements have presented us with an opportunity to consider how we engage with one another, both within and beyond our membership.

I want us to use this consultation process to learn and assess the strengths and weaknesses in our own structures. I want us to build on the work that has already been done and consider how we can gain wider public support for our policies, while also ensuring that our policy making processes provide genuinely meaningful, democratic policy engagement. To win again, we need to connect with the voting public on the issues they care about most, inspire them with our vision of the future, and build the case for why supporting Labour meets their everyday concerns.

I hope that you look at these consultations as an opportunity to re-shape the future of both our country and our Party. Please use them to engage with your fellow members and supporters and submit your ideas to the National Policy Forum, whether individually or as part of a collective group.

Thank you again for taking part, I very much look forward to hearing your insight and ideas on how we can re-shape our policy platform to win again so that we can ensure a fairer Britain for all.

Yours,



Keir Starmer
Leader of the Labour Party

Thank you for taking part in the Labour Party's 2020 National Policy Forum Consultation. Through this consultation, and the wider policy making process, we want to work with our members, supporters and stakeholders to discuss issues which impact on people's everyday lives to help shape our policy platform.

This booklet is one of eight policy documents published by the Labour Party as part of our consultation this year.

Each document outlines the background of the consultation topic, followed by a set of questions. You do not need to answer every question, nor is there a specific way to answer them. We suggest using the questions to stimulate and develop your thoughts on what you think are the main issues in the consultation's policy area.

Once you have written up your response, you can submit it to us through Labour Policy Forum: www.policyforum.labour.org.uk. For more information on how to make a submission, see <https://www.policyforum.labour.org.uk/consultation-submission-guide>.

On the website you will also find guides on other ways to get involved in the consultation, as well as information on the programme of online events we will be running.

There are seven other documents that might interest you covering different policy areas, which you can also find online. If you have an idea or issue you would like to talk about that is not covered in this year's consultation, you can submit these to us too.

Whether you are a Labour Party member, supporter or stakeholder, we want to hear your views on the issues which impact on people's everyday lives.

Want to know more about how Labour makes its policy?
You can learn more about how Labour develops its policy, find further information on the 2020 Consultation and see our programme of online policy events on our website www.policyforum.labour.org.uk.

ACCESSIBLE MATERIALS

The Labour Party is an inclusive member-based organisation that prides itself on being accessible to all who share its values. If you would like an accessible version of the consultation documents please email us at **policydevelopment@labour.org.uk** to discuss how we can best accommodate your requirements.

The future of social security after coronavirus

The social security system in the UK is facing unprecedented demand. The outbreak of coronavirus has had a fundamental impact on our everyday lives, with impositions on our personal freedoms, restrictions on travel, and the closure of non-essentials shops and businesses. As entire sectors began to shut down, thousands of people faced uncertainty over their jobs and livelihoods.

The Labour Party believes in a just social security system that provides a safety net for people when they face such uncertainty and hardship. Yet the coronavirus crisis has exposed fundamental weaknesses in a system severely damaged by a decade of ideological cuts and mismanagement.

Universal Credit, the Conservatives' flagship welfare policy, has been plagued by constant problems and delays, and was already failing those who rely on it to get by. The Labour Party has consistently highlighted how Universal Credit has failed in its core objectives of making work pay, reducing poverty and simplifying the system, but the current crisis has exposed the true extent of its failings.

The system struggled to cope with the unprecedented demand from new applicants for Universal Credit. Many then faced significant waiting times and online queues of up to 130,000 people. Other key aspects of the system's design, including the five week wait, the benefit cap and the savings limit, have pushed people into hardship by delaying their payments or disqualifying them from making a claim.

Others continue to be overlooked by the government. Employees who have been unable to work due to illness or self-isolation face a Statutory Sick Pay rate of just £95.85 per week, the second lowest rate in Europe and far below the recommended Living Wage. Those receiving Carer's Allowance and others remaining on legacy benefits, including disabled people moving on to Universal Credit from Employment and Support Allowance, have also been left out of increases to their weekly allowance and risk falling into hardship.

The crisis has also revealed the lack of protection for the five million self-employed workers in the UK, who were unfairly excluded from the government's initial job protection scheme. The Self-Employed Income Support Scheme (SEISS) has offered a welcome temporary protection for some, but many self-employed people will not qualify. As self-employment becomes an increasingly prominent aspect of the UK labour market, the need for a more long-term solution has become clearer.

Within just a short space of time, we have already begun to see the impact. Foodbanks across the country have reported a surge in demand, as reports have found that food insecurity has more than quadrupled since the start of the crisis. Children's charities have warned of a pending child poverty crisis, where already high levels of child poverty would soar to record levels.

The Labour Party believes Universal Credit should be scrapped and replaced with a social security system fit for the 21st century. Until then, we must fight to reduce the damage caused by this deeply flawed system.

The challenges

Before the crisis, it was estimated that 7 million claimants would be on Universal Credit by the end of this parliament. The coronavirus crisis has the potential to dramatically increase this number. In the first six weeks of the crisis, applications for Universal Credit increased by almost five times more than the equivalent period in 2019. Rebuilding the social security system without impacting the income of millions of existing claimants will be an important priority for the Labour Party in government.

It is already clear that the crisis will have a significant long-term impact on the UK economy. Statistics show that one-third of private sector employees have been made unemployed or put on furlough without a guarantee of returning to work, while economic activity is falling faster than during the 2008 financial crash. As businesses continue to scale back operations and thousands of jobs are lost, the challenge for the social security system will be to reflect this significant change in the labour market. It must complement efforts to get people back into employment, supporting increased numbers for potentially significantly longer periods of time as the economy recovers.

Although inequalities in the system were apparent before the crisis, these have been exacerbated at an alarming rate. Reports show that women face a significantly higher risk to their earnings, due to the disproportionate number working in industries impacted by the lockdown, including retail and hospitality. Many also take on a higher share of unpaid family care at home. Evidence also shows a disproportionate impact on Black, Asian and Minority Ethnic (BAME) communities in the UK, young people and those with disabilities. We must consider how social security can be used to alleviate inequalities.

It is equally important that the social security system addresses the rising levels of in-work poverty. Even before the crisis, the Labour Party had warned of the rising levels of in-work poverty brought about by insecure work, soaring housing costs and a slow growth in earnings for lower paid workers. In addition to supporting those out of work, the social security system has an important role to play in preventing working families from falling into poverty.

Above all, the crisis has exposed the flaws in the Conservatives' response to the previous financial crash. We can clearly see that the deep and damaging cuts to welfare provision after 2010 undermined the ability of the system to deal with the outbreak of the pandemic. We must create a system that not only supports people when they need it, but is resilient enough to withstand future crises.

The way forward

Social security in the UK needs rebuilding in response to the coronavirus crisis and the weaknesses it has exposed. In government, Labour will ensure that its core values of fairness, equality and social justice are at the heart of the system.

The coronavirus crisis is beginning to alter perceptions of social security. More people than ever before have been brought into contact with the system, many for the first time in their lives, reminding us that anyone can be vulnerable. Rather than being viewed as a burden on the taxpayer, there is an opportunity for social security to be seen once again as a fundamental public service.

We believe the social security system should be a source of national pride, held in the same esteem as the health or education services. After the crisis, its workers should be recognised for the contribution they have made, working long hours under immense pressure to cope with the unprecedented demand on the system.

Staff at the Department of Work and Pensions (DWP) and in Job Centres across the UK should feel proud of the role they play in providing social security; not forced to carry out assessments and impose unfair rules on claimants. Labour believes in a system that genuinely supports those in need, and rejects the Tories' punitive sanctions that unfairly stigmatises claimants.

To ensure that nobody is left behind, it is vital that any future system is made accessible for all. This must include additional provisions for those that require them, including improved means of communication and support for claimants with disabilities.

Labour also recognises that social security has a key role to play in addressing inequalities exacerbated by the crisis. Whenever necessary, a forward-looking system for the country should provide additional support to tackle inequalities and promote fairness, particularly in light of the disproportionate impact of the virus on women and BAME communities.

This consultation will look at how to rebuild the system in response to the crisis to ensure a social welfare system that is fit for the future.

Questions:

1. What has the crisis taught us about the role of social security in protecting the most vulnerable in society and the gaps in the current system?
2. To what extent has the crisis changed public perceptions of social security? How can we build on any changes to ensure wider public support for the system?
3. To what extent should social security be a universal entitlement available to all?
4. How can social security support self-employed workers?
5. What role can social security play in addressing inequalities and poverty in society?