



NATIONAL
POLICY
FORUM
2021
Work,
Pensions
and Equality

MEMBERSHIP 2021

HM Opposition

Jonathan Reynolds MP*

Marsha de Cordova MP

Matt Rodda MP

NEC

Diana Holland*

Joanne Cairns

Shabana Mahmood MP

Ellen Morrison

Carol Sewell

CLPs and Regions

Shelly Darwin – Eastern Region

Dan Dobson – South East Region

Seán Duffy – Scottish Labour Party

Joe Morgan – West Midlands Region

Jen Smith – Welsh Labour Party

Tony Tinley – East Midlands Region

Agnes Tolmie – Scottish Policy Forum

Steve Turner – North West Region

Sophie Clarke-Vale – East Midlands Region

Affiliates

Rohit Dasgupta – LGBT+ Labour

Kate Dearden – Community

Fran Springfield/Simon Lydiard – Disability Labour†

Andrew Harrop – Socialist Societies

Paddy Lillis – Usdaw

Susan Matthews – Unite

Liz Snape – UNISON

Elected Representatives

Baroness Ruth Lister

*Co-convenor

† Denotes Job Share



The work of the Work, Pensions and Equality Policy Commission

Policy development

The Work, Pensions and Equality Policy Commission met ten times over the course of this policy cycle in addition to hosting five specific roundtable events on equalities issues. Across each of the meetings, evidence sessions and roundtables, the Commission considered the disproportionate impact of Covid-19 and years of austerity on women, Black, Asian and Minority Ethnic communities, disabled and LGBT+ people as well as the intersectionality of inequalities, including in discussions on social security and workers' rights.

The Policy Commission met for the first time during this policy cycle in May 2020. The Commission welcomed two new members of the Shadow Cabinet – Jonathan Reynolds MP, Shadow Secretary of State for Work and Pensions and Marsha de Cordova MP, Shadow Secretary of State for Women and Equalities.

In the Commission's first meeting, Jonathan Reynolds MP highlighted Labour's commitment to replace Universal Credit with a new system and the need to take a wider approach to eradicating child poverty. Marsha de Cordova MP highlighted the impact of Covid-19 on women, Black, Asian and Minority Ethnic communities, disabled people and LGBT+ people, and emphasised the need for an independent inquiry into the disproportionate impact of the pandemic.

Commission members also discussed the impact on employment and the equalities impact of Covid-19 as well as the need for investment in the economy and how pre-existing inequalities had been exacerbated by the crisis.

Future of social security

In **June**, the Commission met twice in addition to holding a roundtable event, which gave members an opportunity to contribute to Labour's policy development on the future of social security after Covid-19. The Commission's first meeting in June was held following the publication of the consultation document on the future of social security. Representatives discussed the submissions that had been received, including those on trade union membership and the future of work.

The Commission also discussed motions and references back from Annual Conference 2019, including on the terrible hardship caused by Universal Credit, which has been exposed by the changes the Government has been forced to make in response to Covid-19. It was noted that the motion agreed from Women's

Conference included the development of policy to end and replace Universal Credit.

Representatives also raised the threat of major redundancies across different regions of the UK, the clear evidence that Statutory Sick Pay (SSP) is not fit for purpose, the pension injustices faced by women born in the 1950s, the need to support older workers who have been laid off and ways to tackle job insecurity and to secure decent jobs.

Universal Credit and child poverty

During the second meeting in **June**, the Commission received oral evidence on the consultation topics from the Resolution Foundation, the Child Poverty Action Group and the TUC. A key recommendation from the Resolution Foundation was to ensure the crisis does not also become a living standards crisis, highlighting the impact of the Government's upcoming £20 per week cut to Universal Credit.

This was echoed by the Child Poverty Action Group (CPAG) who pointed to increased use of foodbanks and rising levels of poverty. CPAG also called for the Two Child Limit to be abolished as it is unfair on families and is leading to higher levels of child poverty. They also stressed that the wider social security system was not doing enough to tackle poverty.

The TUC gave evidence showing that two million people were not eligible for SSP due to their low earnings and called for an increase to SSP. They highlighted aspects of Universal Credit that are causing hardship, including the five week wait and the system of advanced payments. They also gave evidence on the disproportionate impact of Covid-19 on women and on Black, Asian and Minority Ethnic communities.

Ten principles of social security

After the first consultation period had ended, the Policy Commission met again in **October** to discuss its response, which was set out in an Interim Report outlining ten key principles for social security. Those ten principles included, among others, poverty prevention, inclusivity, accessibility, dignity and respect.

The Commission also discussed the range of submissions received since the last meeting, with an acknowledgment of the important role that this Commission had to play in improving workplace issues. The group focussed on a submission outlining poverty as a key equalities issue and discussed the urgent need to outlaw "fire and rehire" tactics.



Jonathan Reynolds MP gave an update to the Commission in which he outlined how Universal Credit was not adequate and reiterated Labour's demands for reforming the social security system. He also raised the success of Marcus Rashford's recent campaign on Free School Meals, inadequacies with the Government's Kickstart scheme – which was failing to create jobs for young people on the scale needed – and how Labour had helped secure key amendments to the Pension Scheme Bill.

Jobs and employment support

In **December**, the Commission discussed the United Nations Day for Disabled People and evidence showing how badly disabled people have been treated by the Government during the pandemic. This was reiterated in a number of submissions received from members, including around Employment and Support Allowance, assessments, sanctions, Personal Independence Payments and the Government's refusal to uprate legacy benefits.

The Commission also heard oral evidence on employment from the Institute for Employment Studies and the Women's Budget Group. The Institute for Employment Studies said that one million people have lost paid work and employment is down more than half a million. That has been driven by big falls in part-time work for women and full-time self-employment for men.

In terms of the Government's response, they said it needs to hang together as an offer. They showed that the level of the contracted-out employment programme is small relative to previous years and needed scaling-up quickly. They also said that the Government needs to do more for skills and re-training to support the most disadvantaged and to boost hiring and demand.

The Women's Budget Group said the Government needs a gendered approach to the economy, stressing the inter-relationship between paid and unpaid work. They said that women are often in low-paid and insecure work because of caring responsibilities and suggested a "care-led recovery" to the pandemic, which would create jobs and lead to higher economic multiplier effects.

In response to issues raised by Commission members, both the Women's Budget Group and the Institute for Employment Studies gave further evidence on training, the contributory elements of social security, underemployment and the need for a Jobs Guarantee. During the discussion, Commission members also highlighted the vital role of trade unions and the impact of Long Covid.

Disproportionate impact of Covid-19

In **January 2021**, the Commission took oral evidence on the disproportionate impact of Covid on Black, Asian and Minority Ethnic communities, women, disabled people and LGBT+ people. The Runnymede Trust said the Government had failed to protect Black, Asian and Minority Ethnic communities. They referenced research showing that the death rate from Covid-19 is three times higher for black males, emphasising that underlying health conditions don't explain away inequalities.

The TUC then gave evidence to the Commission, saying the impact of Covid on LGBT+ communities was not well recognised because it isn't captured in Government data. They outlined evidence of bullying and harassment for LGBT+ people as well as LGBT+ people being targeted for redundancies during the pandemic. They said there have been increased levels of LGBT+ phobia and a detrimental impact of the mental health of LGBT+ people.

The Fawcett Society said the pandemic has revealed how precarious the situations are that many women face. They said women are bearing the brunt of caring responsibilities and many are struggling to feed their children. They gave evidence showing more women than men have been furloughed, highlighting that more than a third of young women work in the retail and hospitality sectors.

Inclusion London said that disabled people had been put off applying to Access to Work because assessors lacked the knowledge to help them. They also raised the £20 per week uplift to Universal Credit that has not been applied to legacy benefits and said that many disabled people were still living with the threat of sanctions. They also gave evidence outlining that access to advice had become much harder for disabled people during the pandemic.

Future of work

In **March**, the Work, Pensions and Equality Commission held a roundtable event on the Future of Work in which members discussed how Labour can build a better future for working people along with Shadow Work and Pensions Secretary, Jonathan Reynolds MP, and Shadow Employment Minister, Seema Malhotra MP.

During the roundtable, members discussed the impact of Covid-19 on working people, including the impact on women, in particular balancing childcare and flexible working, the impact on younger workers, including many who are on insecure and Zero Hour Contracts, the need for a guarantee of work for young workers and the need to fix the broken system of Statutory Sick Pay.



Members also discussed how the next Labour government can build a better future of work. They raised a number of suggestions including the need for a Jobs Promise, the importance of thinking inclusively about employment support programmes, investment in our social infrastructure – especially caring and the economic multiplier that would bring – and strengthening employment rights to enable people to better manage the combination of paid work and caring responsibilities.

Pensions and support for older people

The Commission next met in **April** where members heard evidence from the TUC and Age UK about pensions and support for older people. Age UK spoke about the importance of social security for older people, especially for single pensioners for whom it makes up around half their income.

They said the UK's state pension is not high by international standards and that means-tested benefits have a role to play as well as universal benefits, highlighting the importance – but low take-up rate – of Pension Credit. They also spoke about the importance of the Triple Lock being a much-needed boost for pensioners and future generations of pensioners.

During the evidence session, the TUC also reiterated their support for the Triple Lock and spoke about the State Pension age and the need to challenge the idea that people “work until they drop”. They raised international comparisons, saying that the UK relies more heavily than other countries on occupational pensions and said other countries are looking at ways to supplement retirement savings.

Commission members also discussed the topic for the summer consultation, which would look at how the next Labour government can build a more equal society by tackling record levels of in-work poverty and giving people greater security over their household incomes.

Building a more equal society

In **June**, the Policy Commission held a members' roundtable event on its consultation “Building a More Equal Society”. The roundtable heard from Shadow Secretary of State for Work and Pensions, Jonathan Reynolds MP, before going into breakout rooms to discuss different sections of the consultation.

The breakout rooms covered the economic inequalities that have been exposed by Covid-19, how to rectify gaps in social security and workers' rights that have

been evident during the pandemic and how the next Labour government can give families greater security over their household incomes.

Some of the main themes emerging from the discussions centred on how interconnected we all are, the importance of strengthening workers' rights – especially around flexible working and tackling insecure work – the need to address gender, disability and racial inequalities, plans to reduce wider economic inequalities around pay and strengthening social security. Further discussions were held on Personal Independent Payments, the Government's sanctions regime, replacing Universal Credit, ending the Two Child Limit and tackling child poverty.

Following the closing of the consultation, the Policy Commission met again in **July** to discuss the submissions that had been received throughout the consultation period from members, CLPs and organisations. Representatives also discussed the content for the NPF Annual Report 2021.



Principles

1. A strengthened social security system should sit with enhanced workers' rights to ensure Britain is the best place for working people.
2. Social security should aim to prevent and relieve poverty in all its forms, including child poverty, pensioner poverty and for families and individuals both in work and out of work.
3. The social security system should provide genuine financial security.
4. Social security should be non-discriminatory, should help to counteract inequalities faced by women, Black, Asian and Minority Ethnic communities, disabled people, LGBT+ people and due to class, and should promote individual autonomy within households.
5. An effective social security system is there for us all and should provide timely support when it is needed.
6. A strong social security system treats claimants with dignity and respect, not suspicion and punishment.
7. A strong social security system links closely with other public services, including access to lifelong learning and education.
8. An inclusive social security system should be as straightforward as possible to claim so that it is accessible for all at every stage of the process.
9. The social security system must support all types of workers, including the self-employed.
10. Although structural inequalities must be tackled across all government departments, social security can provide additional support to address imbalances in society.

Building a more equal society

To build a more equal society, Labour will bring forward a strong policy offer in all of the areas covered by the eight Policy Commissions, including on vital issues of fairness such as taxation and access to public funds for immigrants and asylum seekers. During this policy cycle, our Commission specifically focussed on how the Government has allowed pre-existing inequalities to be exacerbated and how social security and workers' rights can work to build a more equal Britain.

Our consultation responses made clear that Britain was already an unequal country going into the pandemic. The evidence we've heard is that these inequalities have been amplified and entrenched as a result of Covid-19 and the Government's failure to address them. Without action, the unequal impact of the pandemic risks rolling back decades of progress that has been made in closing inequalities.

Inequalities in our society cut across race, sex, gender, gender identity, sexual orientation, disability, faith, age, class, location and employment status. They intersect to all but determine the impact that Covid-19 has had on the majority of people across the country. That is a damning indictment of the Government's failure to tackle these inequalities as they became increasingly apparent during the last eighteen months.

To address this, Labour recognises the importance of intersectionality and a cross-departmental approach towards building a more equal society. In the first instance, there needs to be a greater emphasis on gathering data and evidence by intersecting inequalities and on jobs, health and education inequalities, pay gaps and proper Equality Impact Assessments of Government policy.

That data must inform targeted interventions that close inequalities, such as Labour's plans to implement a Race Equality Act in order to tackle structural racial inequality at source, plans to incorporate the United Nations Convention on the Rights of Disabled People into law and plans to introduce stronger laws to protect new mothers against redundancy discrimination.



For Britain to be the best place to work, individuals and families must feel secure at work and secure at home and they must also be treated equally and with dignity and respect. That means a child poverty strategy, a strengthened system of social security to tackle in-work poverty alongside enhanced employment rights that provide genuine financial security. That is why Labour will replace Universal Credit with a fair and compassionate system that offers security for all and bring forward a new deal for workers.

It also means a Labour government that helps to create good, well-paid jobs across the country with proper access to training and employment support. The scale of the crisis facing young workers shows that small-scale and slow-moving employment programmes such as Kickstart and Restart are not enough; a real guarantee, as with Labour's Jobs Promise, is what's needed to tackle long-term unemployment.

It is imperative that financial security endures into older age and through retirement. As a vital part of our social security system, pensions have a crucial role in correcting lifelong injustices and inequalities. That is why women born in the 1950s have been so badly let down by successive Conservative Governments who firstly accelerated their State Pension age without adequate notice and then have done nothing to address the hardship many have suffered as a result.

With increasing pressure reportedly being put on the Triple Lock on state pensions by this Government along with growing evidence of the inadequacy of Auto Enrolment, it is essential the next Labour government brings forward policies to ensure security and dignity in retirement for older people today and future generations.

Submissions to the consultation

Updated ten principles of social security

In light of the evidence and submissions received by the Policy Commission, the ten principles of social security set out in the Interim Report have been updated to reflect an emphasis on how social security should help tackle poverty and inequality in all forms. Submissions have made clear that women, Black, Asian and Minority Ethnic, disabled and LGBT+ people faced huge inequalities going into the pandemic and these pre-existing inequalities have been exacerbated over the last eighteen months.

Many of the submissions emphasised the crucial relationship between social security and workers' rights and an amendment has been made to reflect how the two must sit together to work effectively. A further amendment has been made to emphasise how social security should provide genuine financial security. This has been especially pertinent over the last year as the Government plans to cut £1,040 from six million families through cuts to Universal Credit, causing great uncertainty and worry.

Inequality before Covid-19

Many submissions demonstrated how Britain had become increasingly unequal in the decade leading up to the pandemic, thanks to successive Conservative Governments making cuts to social security and public services. It is clear that Britain was left exposed going into the pandemic with record levels of in-work poverty, rising inequality and growing levels of financial insecurity.

"We should not forget that millions of people have been faced with the constant pressure of not having enough money to live on long before Covid-19 arrived. The virus is now shining a light on how unfit for purpose our system of welfare is."

FINANCIAL INCLUSION COMMISSION

Submissions demonstrated the importance of tackling the "Poverty Premium", which has been shown to exacerbate poverty before the pandemic and which has become even more pronounced since Covid-19. The additional costs of living in poverty were emphasised by a number of the submissions as a contributing factor to long-term deprivation, making it even more difficult to break the poverty cycle.



“People on low incomes pay more than better-off consumers for a range of products. This includes energy [...] credit [...] and insurance. This is known as the poverty premium and it is paid by almost every single low income household. It costs an average £490 a year and at least £780 for more than one in ten.”

FAIR BY DESIGN

“Tackling the poverty premium is a clear and simple commitment that will make a difference to people's lives. Not just the 14.5 million people in poverty but those on the fringes, as well as everyone who is one job loss or illness away from an income shock.”

THE BIG HELP PROJECT

The unequal impact of Covid-19

Along with the specific programme of equalities roundtable events and a dedicated evidence session, the Commission has received substantial evidence outlining the disproportionate impact of Covid-19, particularly on women, Black, Asian and Minority Ethnic, disabled and LGBT+ people. Submissions received to our consultation further demonstrate the failure of the Government to address these inequalities during the course of the pandemic.

“The pandemic has highlighted how women, BAME and disabled people are hardest hit by inequality. The impact of legislation on increasing inequality needs to be considered and laws must be enforced.”

DENNIS YORKSHIRE & THE HUMBER

Many submissions outlined the risks to gender equality arising from Covid-19 and the need for a gendered response to the crisis, including the reinstatement of Gender Pay Gap reporting, affordable childcare and flexible working. Many pointed to the work of the Women's Budget Group showing that investment in a caring economy would be hugely beneficial to the economy and towards tackling inequalities of pay and social care provision.

“The Labour Party must fully recognise the negative impact the pandemic has had on gender equality. This is partly explained by the fact that many frontline jobs are carried out by women and as increased caring responsibilities (including as regards home schooling) still disproportionately fall to women. As a practical step, gender pay gap reporting needs to be restored and businesses must be required to publish their data.”

PROGRESSIVE BRITAIN

“Women's work in the caring economy has been laid bare by the pandemic: in the home, healthcare, childcare, social care, education, women are at the heart of the social infrastructure. In the pandemic, reliance on the care economy becomes evermore critical, whilst exacerbating gender inequalities.”

BRISTOL WEST WOMEN'S FORUM

Submissions also showed how the Government has failed to prevent and address inequalities facing Black, Asian and Minority Ethnic people, especially the fact that a disproportionate number of Black, Asian and Minority Ethnic people have died during the pandemic and a disproportionate number of have become unemployed. Many welcomed Labour's plans for a Race Equality Act to tackle structural racial equality at source and policy suggestions were made around Section 14 of the Equality Act in order to tackle dual discrimination and intersecting inequalities.

“Recent research reveals that over 1,500 health and social care workers died from COVID-19 in the UK, a majority of frontline Black workers, without access to PPE and sick pay.”

BAME LABOUR

“Implement Equality Act 2010, Section 14 on dual discrimination e.g. addressing maternity care where Afrikan mothers are 5 times more likely to die and their babies 50% more likely.”

GLOBAL AFRIKAN CONGRESS UK

Along with this submission on Section 14 of the Equality Act, a number of submissions raised the importance of enacting Section 1, the socio-economic duty, of the Equality Act in order to address inequalities.

Many submissions outlined the issues that disabled people have faced during the pandemic, including the impact on mental health from being less connected, the inadequacy of sickness and absence policies, the disability pay gap, the continued threat of sanctions, an assessment process that is not fit for purpose and the Government's failure to uprate legacy benefits by the £20 per week increase that was made to Universal Credit.



“Disability – the assessment for disabled people is not fit for purpose. Financial insecurity and the threat of sanctions, often without good cause, should be replaced with a process which supports rather than penalises the applicant.”

ROSALIND SOUTH EAST

“Shaw Trust is a member of Disability Benefits Consortium and supports their call for the current temporary £20 uplift in Universal Credit to be made permanent, and to be applied to all legacy benefits.”

SHAW TRUST

Submissions also reflected the evidence session and roundtable events that were held on the impact of Covid-19 on LGBT+ people. Issues that were raised included growing levels of harassment and bullying especially against those in insecure work, the impact on mental health, the need for specialist LGBT+ services, the need for a full ban on conversion therapy, progressive changes to the Gender Recognition Act and action to close the LGBT+ pay gap.

“A YouGov survey for LinkedIn measured the LGBT+ pay gap at £6,700 pa or 16% of annual earnings in summer 2019. Not only does this pay gap need addressing, so does the situation facing trans and non-binary people.”

BRIGHTON PAVILION CLP

Strengthening social security

A large number of submissions demonstrated how social security needs to be strengthened in order to build a more equal society. In particular, submissions showed how Universal Credit is failing to tackle poverty and financial insecurity. Many outlined how the initial five week wait is creating hardship and causing people to fall into debt by their being forced to either take out an advance loan or run down any available savings.

“When someone initiates a new claim for Universal Credit they have to wait at least five weeks for their first regular payment. This wait makes it harder for families to rebuild financial security after a crisis as, during those five weeks without income, they run down any available savings or take out an advance loan and fall into debt.”

CHILD POVERTY ACTION GROUP

There was a clear view from submissions that the Government must cancel its planned cut to Universal Credit, which will leave six million families £1,040 a year worse off and push hundreds of thousands of children into poverty. Submissions also welcomed Labour's plans to replace Universal Credit with a fair and compassionate system that offers security for all (and called, in particular, for the Two Child Limit and the Benefit Cap to be removed). Many submissions also pointed to the broken system of Statutory Sick Pay, both in terms of the coverage and level of sick pay.

"We must keep the Universal Credit uplift, which was introduced during the pandemic because it was clear that current benefits are not adequate. We must work to replace UC with a fairer system but in the meantime we must abolish the cruel two child limit on UC and tax credits."

ELIZABETH NORTH WEST

In response to our question about gaps in social security, many submissions pointed to the situation that has been faced by self-employed workers throughout the pandemic. In October, self-employed workers face the end of the Self-Employed Income Support Scheme, the reintroduction of the Minimum Income Floor and the £20 per week cut to Universal Credit. Submissions called for stronger employment rights for self-employed workers, especially around Sick Pay, Holiday Pay and Parental Leave.

"A substantial safety net for the self-employed needs to be implemented, from scratch, including a fair rate of sick pay, increased maternity allowance and the creation of paid paternity and parental leave for self-employed workers. It's clear that proper sick pay is essential to stop people from working when ill and infecting others, as the pandemic has shown."

COMMUNITY

Question four of our consultation asked about the role of pensions in social security as a way of providing financial security. Since then, the Government has sought to undermine the Triple Lock on state pensions and it has come under increasing threat of being either abolished or suspended. Many submissions emphasised how the Triple Lock is crucial not just for older people today but for future generations and is making up for low levels of retirement provision by international standards.



“UNISON believes the triple lock is not only fair to younger generations but essential especially for those that will have to rely on the State Pension for a high proportion of their retirement income when they reach retirement. The removal of the triple lock would mean the relative value of the State Pension would start to decline again as it did between 1980 and 2003 when it was only linked to price inflation.”

UNISON

Submissions also outlined how Auto Enrolment needs to be more inclusive if it is to provide financial security on the scale needed. In particular, the submission from Usdaw made clear suggestions about how Auto Enrolment can be reviewed and changed so that it covers more workers and leads to the necessary level of retirement savings.

“Auto-enrolment must be reformed to be more inclusive. We need to see: the age threshold reduced to 18, [...] the earnings trigger of £10,000 to be reviewed [...] contributions should apply from the first £1 of pay [and] there should be a mechanism for contributions to continue to increase over time.”

USDAW

Addressing our question about how to reduce reliance on means-testing, a number of submissions emphasised the potential role of Universal Basic Income. Other submissions suggested that a “mixed” system of contribution-based, means-tested and universal social security can help to ensure financial security. A number of submissions also spoke of the economic and equality benefits of public investment in social infrastructure, reiterating the evidence the Commission had heard earlier in the cycle from the Women’s Budget Group and their specific example of a “care-led recovery”.

A new deal for workers

The pandemic has brought into sharp focus the need for a package of enhanced workers' rights in order to reduce poverty, tackle inequalities across society and to empower workers. Many submissions outlined current inadequate employment rights and how new ways of working will mean greater protections are needed in the future.

“Unite believe the Covid-19 crisis has, and will continue to, expose how inadequate the rights and protections workers in this country have – with women, BAME, disabled and LGBT+ workers the most likely to endure this. Unite are clear that people's ability to raise issues at work and to assert their rights at work is inextricably linked to their security at work.”

UNITE THE UNION

Alongside Labour's taskforce of affiliated unions and the Economy, Business and Trade Policy Commission, evidence received by our Policy Commission has contributed to the development of Labour's plans for a new deal for workers. That plan includes full rights from day one, a new right to work flexibly and strengthened trade unions along with a Jobs Promise for young people, a Real Living Wage of £10 an hour and outlawing “fire and rehire” practices.

“If we allow practices such as ‘fire and rehire’ to spread and escalate it will become normalised, undermining all of our pay and working conditions, damaging our society and people's lives. It will deepen poverty even further and accelerate our obscene wealth inequalities. It is harmful to people's mental health and their ability to spend time with their families and plan and build their futures.”

BANBURY AND BICESTER CLP