

Women's Budget Group submission to Labour National Policy Forum: Rebuilding a just social security system

The Women's Budget Group (WBG) recognises the need to dramatically repair, restore and expand the social security system from the damage done since 2010 as fundamental to the work of a Labour government. It is this area of work, in partnership with investment in public services, that holds the most potential for improving on gender equality particularly for BAME, economically disadvantaged and disabled women. For this reason, we have supplied an extensive submission to this paper accompanied by a shorter summary of policy recommendations.

Rebuilding a just social security system: the Women's Budget Group response

Before we answer some of the specific questions in this consultation, we believe that there are some overarching principles that should be seen as the foundation for a just social security system.

The aims of social security

Social security is part of the glue helping to bind society together. Everyone has a stake in the operation of a system which provides mutual insurance against risk, shares additional costs and enables all members of society to have enough income to be able to live with dignity and agency throughout their life course.

The aims of the social security system should be to:

Prevent poverty and improve life changes for all

- It should prevent poverty, not just relieve it, while enabling those who are living in poverty to move out of it
- Provide adequate levels of support for those with additional costs, e.g. those associated with disability
- o Ensure all children are well supported to be able to thrive and participate equally in shaping their future
- o Improve life chances in the long term and not just meet immediate needs

In doing so it should

- Ensure that all adults have access to an independent income adequate to live with dignity and agency
- Aim to provide stability, predictability and security of income across the life course and during times of change as a foundation for flourishing
- Provide mutual insurance against risk

• It should also, in conjunction with other policies, help to reduce inequalities

- between households
- o between individuals within households and
- between different groups in society, including in relation to gender, race, disability and age-based inequality The social security system should be designed to help eliminate such inequalities in the long run, while at the same time recognising the unequal positions that people are currently in.

Social security in a wider context of social protection

To achieve these aims, people need not only income, but also care. The social security system should work to help share caring and the costs of care for those who need it more widely both between women and men and across the whole of society. Social security works in combination with other parts of the social protection system, including public services, and needs to be evaluated as part of that system as a whole and the taxation system that funds it, including for equality impact.

Women's rights within the social security system

Our current social security system in the UK is failing to meet these aims. It is failing to prevent poverty and destitution, as shown by the rise in homelessness and food bank use, failing to enable people to improve their life chances as shown by rising inequalities in nearly every social indicator, and failing to allow people to live with dignity by inadequate levels of support and a harsh and inflexible sanctions regime.

All these failings particularly affect women because, due to an unequal division of caring responsibilities, women are more likely to rely on the social security system for some or all of their income at various periods in their life course.

The need to have enough income to be able to live with dignity and agency applies to all women and men as individuals, irrespective of their family situation, so that all can achieve financial autonomy over the life course. That is why the WBG argues for basing social security rights on the individual rather than the family as far as possible. To do so provides the basis for more equal relationships. Additionally, household-based means testing creates disincentives for second earners (mainly women) which threaten their long-term economic independence.

Many of the problems of Universal Credit are to do with the inadequate level of support it provides, its conditionality regime and its household means testing. All produce perverse incentives and adverse outcomes for claimants. Although there are ways to make Universal Credit less punitive, it has to be recognised that any system that incorporates household means testing and such strict behavioural conditionality inevitably reduces individual rights. In particular, means testing on household income can leave individuals without any income of their own and/or without sufficient gains to employment to make it possible to escape their predicament. Most of those so affected are women.

Social Security as an investment

The social security system is part of the infrastructure of society, whose existence underpins the economy and everyone's life course. It has public collective benefits as a system that all can use, and most do at some stage in their lives, in the same ways as the more widely recognised public good benefits of physical infrastructure (such as a transport system). The WBG has made a similar case for seeing public services as part of the social infrastructure of society. Our living standards are determined not only by our (post-tax) market incomes but also by the public services and social security benefits that we receive. Indeed, the value of public services and social security benefits make up more than half of the living standards of the poorest households and those of many households in which women predominate.

Like other forms of infrastructure, the social security system requires investment. This is because spending on it has long-term implications. For example, children living in poverty are less likely to stay in education, and more likely to have physical and mental health problems and reduced healthy life expectancy. The financial costs of child poverty in Britain were estimated to be £25 billion in 2008, with roughly half of these costs the effects on GDP of the diminished productivity of adults who had lived in poverty as a child, and the other half the cost of public spending on the services dealing with the more short- and medium-term consequences of child poverty. Using IFS estimates and projections of child poverty rates, these costs were estimated in 2013

¹ These costs remain whether or not the requisite services are provided. Where services have been cut the direct cost to the state may have fallen, but the true cost of child poverty has not diminished. Rather, some of that cost is being shifted to those whose needs for help are not being met and, through failing to prevent more serious problems developing, is likely to result in more costs to the state in the future.

² Donald Hirsch, 2008, *Estimating the Cost of Child Poverty*, York: Joseph Rowntree Foundation; Blanden, J., Hansen, K. and Machin, S. (2008) *The GDP costs of the lost earning potential of adults who grew up in poverty*, York: JRF; Bramley, G. and Watkins, D. (2008) *The public service costs of child poverty*, York: JRF.

to have risen to £29 billion and were then projected to rise by 2020 to £35 billion (equivalent to about 3 per cent of GDP) (Hirsch, 2013).

And these are only the effects of child poverty. But, as the WBG has repeatedly pointed out, children live in poverty because their mothers do so, and the effects of living in poverty for women can include not only the direct effects of reduced prospects and productivity but also the indirect effects of making decisions in the short term driven by poverty that harm their long-term prospects (for example, by the combination of childcare costs and means-testing of in-work benefits reducing the gains to employment). It is important that the social security system does not rely on women sacrificing their own longer-term prospects to enable their family to escape immediate poverty.

In general, women are more likely to rely on social security and receive more of their individual and household income from the social security system than men. This is because they are more likely to be the carers for other people at various stages in their life course and, partly as a result, have generally lower earnings from employment. As a result, decisions about the shape and generosity of the social security system and about the public service provision of care are particularly important for women.

The current system of social security has pushed many people, both in and out of employment, into poverty. It is a punitive system displaying a lack of compassion and respect for people's needs that inevitably has the worst effects on those with the greatest need of support from wider society, for example, those with disabilities and lone parents. It has also had bad effects on the structure of employment, and by forcing people to take unsuitable employment has encouraged the creation of insecure, casualised, poor-quality jobs of low productivity. Most of the people in such jobs are women.

We believe that these principles and the key concerns that they raise should be at the core of the Labour Party's consideration of the future of the social security system. Below, we respond to the specific questions posed in the consultation document.

Questions

1. Funding

1a. To what extent should social security be means-tested, contributions-based, reflect people's particular needs and/or universal, i.e. for everyone?

Discussion about reforms in the recent past has focused too much on simplification and incentives and insufficiently on the unit of entitlement (individual or household/benefit unit) and the route to entitlement (means testing, contribution or category of beneficiary etc.). We believe that there should be more discussion about these two issues, in particular because policy decisions on them always have gendered implications

Means testing has the disadvantage of disproportionately reducing the gains to earning for those on means-tested benefits. This is particularly disadvantageous when means testing is based on household (benefit unit) income, as it is for Universal Credit and most means-tested benefits that exist in the UK system. This forces partners into mutual financial dependence and particularly affects women, who are likely to be the lower earner in couples, reducing their gains to employment, and sometimes making it not worthwhile to take employment and thus increasing their dependence on their partner. This can have disastrous consequences for women (and their children) on separation or divorce, or whenever they need to re-enter employment. It can also lead to financial dependence and in some cases financial abuse. It is possible to partially individualise means testing, as in the Australian system. But a simpler system of as far as possible having individualised benefits in a non-means-tested system avoids these problems.

The argument for means testing is that it can target benefits on those perceived to need them most (i.e. those having a lower income at that particular time). It is also said to save "the tax-payer" money. However, the

savings due to means-testing a type of benefit are simply paid for by those with higher incomes eligible for that benefit, whose payments will then be reduced by means-testing. It is fairer to spread the cost of that saving more equitably through the income tax system among all with higher incomes.

The Women's Budget Group would therefore recommend that we move towards a social security system based as far as possible on non-means-tested benefits. It is particularly important that benefits that are designed to pay for additional costs, such as those for children and disability, are not means-tested. The purposes of social security are far wider than just the relief of poverty after it has already affected people. As well as preventing poverty, the social security system also needs to be a means of mutual sharing of risks to livelihoods, compensating people for additional costs (such as children or disability related), and ensuring that individuals have access to an alternative source of income, so as to be able to refuse degrading forms of employment. For the economy as a whole, this last has been an important way of improving working conditions and pay, and achieving higher productivity, now being put at risk by the universal credit system.

All social security systems are *contributions-based* in a sense, in that we all pay into them, whether this is done through separate National Insurance contributions or through direct and indirect taxation. However, that does not mean that individual eligibility or levels of payment must depend on that individual's contributions alone. The problem with entitlement being calculated in that way alone is that some people are able over their life-course to make higher financial contributions than others. In particular, because of caring responsibilities, women are likely to have lower lifetime earnings and therefore make lower "contributions" than men.

One way to avoid this is to enable people to contribute in other ways, for example, to earn credits when involved in caring even when earning below the contributions threshold (as currently is the case for those in receipt of child benefit or getting carer's allowance). Without such allowances, and even with them if the amount of credit is too small or eligibility conditions too restrictive, a contributory system will inevitably benefit women less than men.

However, the advantage of contributory systems is that hypothecation can increase how much the population as a whole feels that they have a stake in the social security system, and therefore support it being more generous; most of our continental European neighbours have contribution-based systems that are indeed more generous than ours.

Given the above, it is important that if contribution-based systems are retained they have more inclusive conditions for qualifying for benefits, and that wider ideas of contribution are considered, such as caring and potentially also voluntary work. As with our National Insurance system, an element of revenue from general taxation can be used to make benefits more inclusive as well. It is also important to challenge the gendered division of labour which often underlies differential labour market presence over the life-course.

Any effective social security system should be able to be described as *universal* in principle, in that it provides the basis for everyone to be secure in the knowledge that their needs will be met. It should therefore be *categorical*, in the sense of being designed to reflect people's *particular needs*, rather than providing the same payments to everyone at all times, because people falling into particular categories (notably, parents and/or those with a disability) have additional costs in reaching any given standard of living.

In addition, we should not expect the social security system to solve all social problems on its own. Indeed, the combination of market and means testing that is prevalent in the UK (for example, in subsidising housing costs through housing benefit, or childcare costs through financial assistance) is not in our view the best way to deal with these. There are strong arguments in these cases for considering public provision, subsidies to the supply side and/or controls on costs, rather than always trying to address the issues through paying more

benefits. Of course, it should go without saying that subsidies should not be reduced or withdrawn before costs are reduced and/or free provision is created.

1b. Should social security assistance have regard to a minimum income standard and how could we measure what a household needs?

We understand this question to be about the level of means-tested benefits (social assistance). There are a few methodologies that have been developed to calculate certain income thresholds, with the MIS research (conducted by Loughborough University) leading the way in the UK. Any such calculation should take into account access to and availability of public services. In other words, if someone has to pay for essential needs out of their income, rather than this being provided free of charge as a public service, this should be recognised.

It is usual to reduce the amount of benefit per person when more than one adult is in the household, to take account of economies of scale. But that practice can be queried. If we gave the same amount for personal needs for all individuals, irrespective of whether they were living with someone else, this would mean that partnership and cohabitation decisions were separate from issues about financial support. This is the case already with non-means-tested benefits, which are now awarded on an individual basis, but is not currently the case with the increasing range of means-tested benefits – another reason to prefer the former.

1c. How can we ensure the social security we need is adequately funded?

The social security system needs to be adequately funded. This is at its heart a question of political will. We would hope that the Labour Party would find that will. However, it is clear from international and historical experience that social security systems are more likely to receive public support and be well-funded when people as a whole feel that they have a stake in the system and that benefits are relevant to everyone, rather than 'us' paying for 'them'. In the past in the UK, a different tack was taken. Recent Labour governments in particular sometimes justified increases in conditionality in part as efforts to ensure that the public saw claimants as 'deserving', and as fulfilling their responsibilities in return for rights to benefits, in order to safeguard or increase levels of funding for social security. In our view, this is not the best approach. Instead, we need to ensure willingness to pay for a more generous social security system by making benefits relevant to the population as a whole. This will, however, be in tension with the need to make good the drastic cuts to benefits for those on the lowest incomes - unless a large enough investment is made in the social security system. This will be one of the most difficult challenges faced by a new Labour government.

In presenting its Fiscal Credibility rule (FCR), the Labour Party has said that it will borrow to invest in projects that will pay for themselves in the long run. As we argue above, some at least of the costs of the social security system should be seen an investment in the future. Not to carry out such investment because of a lack of willingness to fund them would be a short-sighted false economy and contrary to Labour Party policy. If current revenue is insufficient, the case should be made for funding such investments by borrowing within the FCR. This will involve changing the discourse on social security.

The remaining cost of the social security system will need to be paid for by general taxation. The coalition and Conservative governments successively raised the personal tax allowance and higher rate thresholds, rendering income tax, the fairest and most redistributive tax we have, far less effective in raising revenue. By 2020, £19bn of revenue will be given away annually by those rises, in each case regressively to those who earn above and not those who earn below those thresholds, most of whom are women³. This policy trajectory of cutting income tax needs to be reversed. Improvements in social security and/or public services could also be paid for by new taxes, for example, on wealth, as exist in many other European countries.

³ See 2018 WBG Briefing: Tax and Gender https://wbg.org.uk/analysis/2018-wbg-briefing-tax-and-gender/

As far as funding goes, the WBG urges the Labour Party to make a commitment to conduct a review of the tax and social protection (social security and public services) systems *together*. Such a review should:

- First, recognise that a large proportion of our standard of living comes from public services and therefore
 the need for social security benefits depends on access to and the quality of public services. Some services
 are better provided collectively rather than bought by individuals on the market. In many cases, there are
 good reasons for providing universal high-quality public services, including care services, rather than social
 security benefits.
- Second, investigate how much of social protection should be seen and funded as an investment (by at the very least calculating the long-term costs of not having such social protection).
- Recognise that public services and the remaining cost of social security would have to be paid for by progressive taxation.

It is therefore imperative to review the taxation system at the same time as social protection spending. Men disproportionately benefit from promises not to raise tax, while women disproportionately benefit from spending on both social security and public services. Not to be prepared to reform the tax system sufficiently to fund the social security system would build in a strong gender bias to Labour policy that in its impact would outweigh the many other policies that the Labour Party is proposing to reduce gender inequalities. This would not be in line with Labour's commitment to "ensuring the equalities agenda is embedded across government".

1d. How can we ensure the social security system reinforces a living wage and is not effectively used by employers to subsidise low pay?

It is important to continue the recent efforts to improve low pay levels. However, there will still be the need for a robust social security system because the wage system inevitably cannot provide for all needs. In particular, it is not adapted to varying family sizes and to the extra costs of disability. It is not only reasonable but desirable that the state should contribute generously to these costs.

Further, a 'living wage' will not provide enough for those unable to work full time, so it is also important to consider income from paid employment in relation to other responsibilities. Low hours of employment are often to do with caring responsibilities that are not shared equally within households or with wider society. As well as providing more help with such responsibilities, persuading employers to provide more support, and encouraging more equal sharing within households, there may be a case for considering how the social security system can help those who still cannot work full time. As noted above, these issues cannot be resolved by a 'living wage' alone, however helpful it has been to raise the profile of the issue of low pay in the recent past.

1e. From what sources should social security be funded?

From borrowing, to fund the investment element of social security (see our answer to 1c above), and progressive general taxation (including new taxes, e.g. on wealth). The 2017 Labour Manifesto promised to review the social security system and allocated an amount for its reform well below the amount that has been taken out (and partially given to income taxpayers by the coalition and Conservative governments — see above). This will not fund an adequate social security system that conforms to the principles advocated in this document. Instead, the social security and tax systems need to be reformed together as a package (see our answer under 1c above).

Making promises to the vast majority of taxpayers that they will not pay more income tax, while failing to protect social security recipients from the continuing implications of austerity cuts, would be to favour the better off over those on lower incomes, and men over women. Gender impact assessment of manifesto commitments should be undertaken to ensure that this perspective is taken seriously.

The need to rebuild the social security system will require progressive increases in income tax, as well as other forms of taxation, and new policies on wealth taxation. The tax system can be made more progressive at the same time as raising more revenue so that those below median income do not pay more tax, but sufficient funding will not be found from the top 5% of incomes alone. Nor should it be, since the whole of society should contribute, according to their means, to funding our social security system and public services that are together vital to our collective well-being.

Any review of social security and taxations should also consider National Insurance contributions (NICs). Under current legislation, revenue raised through NICs can only be used on certain benefits (as well as an element of the total going to the NHS). The National Insurance system is a mix between an insurance scheme and taxation and the balance is delicate. Some thought therefore needs to be given to the incidence and impact of NICs (e.g. at what levels and on what kinds of income they should be levied). The aim should be to make NICs as progressive as possible whilst still ensuring that people feel they are contributing to insuring (at least a slice of) their regular income.

2. Sanctions and conditionality

2a. The current system sanctions people if they don't complete an online journal saying how they are looking for work for 35 hours a week or for missing an interview or for failing to apply for a particular job. Is this right?

No. It is important that people are treated with dignity and respect by the social security system. Sanctions undermine this. Most people would agree that the harshness of the current sanctions system is counterproductive, as well as cruel (e.g. lasting even when people have started to fulfil conditionality again). We welcome the recent decision to reduce the maximum length of sanctions from 3 years to 6 months, but this does not go far enough.

If benefits for those out of work are to remain conditional, there needs to be some system for backing up conditionality. The issue is how to design such a system. We would suggest here that the principles of coproduction are key, and that benefit claimants should be involved in designing this. One promising initiative of Oxfam in Wales is the Sustainable Livelihoods Approach, that has been used with Jobcentre workers to help them understand how to build on the strengths and coping strategies of those on benefits, rather than using a 'deficit model' of claimants. This could be rolled out more widely across the UK. There are also some important initiatives in the way in which the social security system is being reformed in Scotland, including the principles of dignity and respect on which it is based.

An important issue in designing conditionality systems, including any appropriate sanctions, is how to take account of caring responsibilities. Currently, for example, in Universal Credit, one partner in couples is named as the lead carer and therefore treated as though they are a lone parent, with modifications to their conditionality, if they have children of certain ages; their partner is treated as though they do not have children at all, and usually has to look for work for 35 hours per week. This is not conducive to the kind of sharing of parenting that would promote better outcomes for children and reduce gender inequalities, which other government policies are actively encouraging. There needs to be a much more flexible attitude to taking caring responsibilities into account, and the easements for those with children and/or with others to care for should be in statute (rather than, as they are now, in guidance).

2b. Do you think that setting work-related or training conditions helps people get a job?

The sanctions system, by forcing people into whatever employment they can find, enables employers to reduce working conditions and treat workers badly. It also relieves employers of the pressure of having to

raise productivity to improve working conditions. This question is therefore inseparable from any new government's plans for tackling labour market insecurity and precariousness and improving productivity. People should be encouraged and given help to train or find employment or other worthwhile activity when appropriate because it is good both for them and for society that they should do so. However, this is quite different from a system of sanctions that seems to be designed to try to catch people out, and so does nothing to help them find suitable employment or train for the future.

What many women report is that, whilst they may find it helpful to discuss their plans with the work coach at the Jobcentre, there is often insufficient support, in particular for training or further education. The UK's 'work first' approach is particularly unhelpful for women returning to the labour market following a period of caring, who may need or wish to change direction. There is now more policy focus on women in low-paid and low-skilled roles, and on women returners; but there needs to be more funding for lifelong learning in particular to fulfil many women returners' aspirations.

2c. Does the answer to the above differ depending on the type of benefit (e.g. sickness or disability) or the type of claimant (e.g. single parents)?

There will be circumstances in which people are better off not in employment or training, e.g. during periods of exceptional care needs in their family. In general, one would hope that public services might enable such periods to be short. We should also not assume that everyone wants or should want to work full time.

3. Disabled people

3a. How could support for disabled people's independence be improved?

Recognising the ways in which we are all "interdependent" is key to developing a social security system that enables us all to meet our potential. We do not think that "independence" should be the aim for disabled people either, but rather supporting them in improving their capabilities. Such support could be provided by better public services, together with non-means-tested payments that recognise the true additional costs of disability, on the one hand, and by income replacement where needed, on the other. The changes to the help for disabled people in employment through Universal Credit have been particularly detrimental to their efforts to gain paid work (because the work allowance can only be accessed through a work capability assessment which assesses incapacity to work, and because it gives less support than tax credits do); these changes should be abandoned, and more generous and constructive financial support given instead. We are not experts on disability benefits, so have confined ourselves to answering this part of Q3; we would highlight the need to consult disability rights organisations on these questions.

4. Design and administration of social security

4a. Is wrapping up benefits into a single payment as happens with Universal Credit a good idea in principle? Should some elements be paid separately?

The answer to the first question is no; everyone needs to have some payments made to them as individuals, so that they are not completely financially dependent on their partner (see answer to 4c below). Evidence shows that redistribution within families is not reliable enough to ensure that with a single payment no-one is left without access to money.

The Women's Budget Group has done detailed work on how paying benefits through a single payment can exacerbate financial abuse and domestic violence. But even in relationships without problems of abuse, it is still important for individuals to have access to income. We would therefore argue strongly against a single payment of benefit.

However, with means-tested benefits, independent access to income from benefits is not really possible, since one person's access to benefits and their level depend on their partner's presence, actions and resources. So there is no way in which completely independent incomes can be achieved within means-tested benefits, or within Universal Credit, as it has brought together a range of means-tested benefits with differing purposes, and has also made conditionality for couples highly interdependent.

The single payment of universal credit is also not conducive to committed coupledom, since it provides considerable risks for those considering entering cohabiting relationships. They may not yet have a joint account or wish to set one up. They therefore need to decide which one of them is to receive virtually all the income for the household. This does not seem to be a recipe for encouraging entry into committed relationships. There is also some evidence that women are more likely to enter partnerships if they know they have some independent income before doing so.

Amalgamating different benefits with different purposes, as in Universal Credit, introduces policy rigidity which is unhelpful, as well as ensuring that for claimants all their eggs are in one basket, so if something goes wrong virtually the whole of the household's income is put at risk. Because they are the only secure and separate payments being made to individuals, there is evidence that non-means tested benefits, notably child benefit and carer's allowance, are ironically acting as a last resort safety net when waiting for universal credit, or when it goes wrong. This is another reason to underline the crucial importance of maintaining and increasing these non-means-tested benefits.

4b. How often should benefit payments be made?

Claimants could be offered a choice of frequencies. Most countries in continental Europe pay benefits monthly. But in this country, this has not been the usual arrangement; and we have more pay arrangements that are weekly or fortnightly or 4-weekly etc. In addition, unless benefits are more generous, it is difficult for many people on low incomes to make money stretch for a longer period.

4c. Should payments be made to households or individuals? How can we ensure women's incomes and financial independence are not put at risk, as they are under Universal Credit? How can we ensure people escaping domestic violence are protected?

See our response to 4a above. In principle, payments for individuals should be made to the individual who qualifies (e.g. for additional costs of disability). Payments for children should be made to those who pay for those children's day-to-day needs (which could in principle be split). Payments for disability and children should in principle not be means- tested and, if they were not, could be taken out of the UC system and paid to the relevant individual.

Means testing makes paying benefits to individuals more difficult, since the amount paid to an individual will depend on their partner's income as well as their own. UC should at least be split between partners (as the default), perhaps paid in what proportion they jointly choose, although there are other options. In order to do this, UC would in practice need to become a very different system. It is difficult to see how the current arrangements for exceptional split payments can protect people escaping domestic violence, or from financial abuse; but it is essential that whatever future arrangement is made for the majority, there is also still a possibility of split payments or the equivalent in certain circumstances.

'Nudging', to try to ensure that all of UC is paid to the main carer, as the Secretary of State has suggested recently, whilst helpful in some cases, has two drawbacks. The most obvious is that it solves nothing for couples without children. The second is that the compulsory nomination of 'main carer' is (as noted above) incompatible with the principle of encouraging a less rigid gendered division of labour, and cannot be protected from abuse in any unequal power relationship within the couple. The result may be in some cases

that one partner has all the money and no conditionality, whilst the other has no money and all the work conditionality to fulfil; this does not seem the most obvious route to domestic harmony. It is difficult in the current system to pay the children's elements of UC to a 'main carer' - another reason for taking payments for children out of UC and increasing Child Benefit, which is not means-tested.

Whatever decisions are made about this, it is crucial to retain independent income in the form of non-means-tested benefits, both for individual adults (carer's allowance, contributory jobseeker's allowance and employment and support allowance etc.) and for children (child benefit). In particular, the level of ESA for those not in the support group should be increased again, rather than being reduced to the level of JSA (which itself should of course be improved as well); and ESA for the work-related activity group should always be non-means-tested (and not only for a year, as at present). The Scottish government's initiative to increase carer's allowance to the same level as JSA should be implemented throughout the UK - or (better) be improved upon.

4d. Should people be able to have the choice of having the housing element of their benefit paid directly to the landlord?

This would be desirable on a wider basis than at present, since payments for joint expenses should ideally go to whoever will use them to the end they are intended - e.g. payments for rent should go to whoever pays the rent (or landlord, if preferred). This is possible when housing benefit is paid separately. But for means-tested benefits that are supposed to meet several ends, such as Universal Credit, this is difficult to achieve, since there is in principle no specific portion of UC that is clearly intended to be the housing element. In practice, of course, this is circumvented in the current alternative payment arrangements, with the housing element paid direct to the landlord; but this does then create problems when the award as a whole is reduced (e.g. because of the taper applying to net income from earnings).

4e. How should people be able to make and manage claims? Online? Face to face? If face to face, where should this happen?

In 2012 the UK government made a commitment to digitalising social security. We can see the many benefits of this in terms of cost and efficiency. However, we are concerned that the drive to digitalise public services and social security is leaving some behind. Evidence from the UN Special Rapporteur on Extreme Poverty and Human Rights and the Northern Irish Human Rights Commission⁴ indicates that the introduction of digital technologies is having an adverse impact on categories of people including persons in receipt of social security, persons with disabilities, women and migrants. By assuming that all Universal Credit users are digitally adept, in reality, "UC has built a digital barrier that obstructs access to benefits, and particularly disadvantages women, older people, people who do not speak English and persons with disabilities".⁵

Internet access is a primary concern: disabled people are four times more likely than non-disabled persons to be offline. Research also shows that non-internet users are likely to be female and not in paid work. Then, there is the issue of verifying identity – the Public Accounts Committee in 2019 found that only 38% of UC recipients were able to verify their identity due to lack of a digital footprint. Universal Credit claimants with limited English language skills face additional difficulties. Interpretation can be provided at the point of Universal Credit claim, but completing the online journal in English requires regular language support, which may be difficult to obtain.

⁴ http://www.nihrc.org/publication/detail/sr-on-extreme-poverty-human-rights-report-on-digital-technology-social-prot

⁵ https://undocs.org/A/HRC/41/39/Add.1 - page 14

⁶ Public Accounts Committee, 'Accessing public services through the Government's Verify digital system' (PAC, 2019) at para 16.

The needs and experiences of disabled people and migrants who may face digital exclusion ought to be taken into account at every stage of social security design.

4f. How should the social security system tackle in-work poverty?

See answer to 1d above.

Improving hourly gross pay levels can be part of the solution to 'in-work poverty'. But decent pay cannot be the only answer. Even the designation 'in-work poverty' locates the problem with the individual in paid employment and suggests that either improving their earnings or providing in-work benefits ostensibly to subsidise these is the best way forward. Of course, improving low pay is valuable in itself and indispensable for women in particular, given how many find it hard to escape low pay and progress in employment. But this should be done regardless of whether a low-paid earner lives in a household designated as being 'in poverty'.

In addition, however, because wages can never match a worker's circumstances precisely, we need additional social security and other policies to achieve this. So the extra costs of children should be fully covered by non-means-tested benefits, as should the additional costs caused by disability. Employers should also be called upon to recognise caring responsibilities more fully in their policies for supporting their workforce. Adequate levels of non-means-tested benefits for partners who are out of the labour market for reasons of ill-health or unemployment are also an essential part of the solution to so-called 'in-work poverty', which often affects one-earner couples in particular (as the IFS has shown). Better-paid parental leave is clearly also part of the necessary policy mix. The TUC has also recently called for social security policies specifically to support those who need to work part time for a variety of reasons, in particular because of caring responsibilities.

4g. How has the localisation of certain social security payments affected the ability of the system to provide a safety net?

The devolution of elements of the discretionary Social Fund (crisis loans and community care grants) to the smaller nations and local authorities has resulted in the safety net being undermined drastically, for two reasons. The first is that devolution to local level has resulted in a plethora of different schemes (with some only providing in kind help, and/or no provision for loans), together with no oversight or evolution of principles of good practice and investigation of decisions, as there were when these payments were part of the discretionary element of the national level Social Fund. The second is that the funding was reduced and now is no longer ring-fenced, meaning that many hard-pressed local authorities have given up providing this kind of emergency and community care help at all. The schemes in the smaller nations are more robust and their governance is much sounder. But overall this development has been negative and should be reversed, with a national system of last resort help restored as a matter of urgency.

5. Children and families

5a. How can we address child poverty through the social security system?

By increasing the level of benefits for children and removing the higher income child benefit charge, and some other changes as suggested above. There should also be a reversal of the cuts made since 2010 to the benefits system, many of which have disproportionately affected families with children (and often lone parents in particular). This includes, but is not limited to, the two-child limit; the benefit cap; the bedroom tax; the reductions in local housing allowance; the removal of the family element from tax credits; and the 4-year freeze (and previous freezing and 1% uprating) of most working age benefits, including child benefit.

The Scottish government has shown the way on child poverty in several respects. Not only does it have a target for reducing child poverty, which is time-specific. It has also introduced Best Start grants to help those on low incomes having a child and is going to pay a low-income supplement to increase the value of certain benefits.

Parental employment is also key to addressing child poverty. See above for comments on the ways in which UC extends conditionality whilst reducing incentives for 'second earners'; this is counterproductive in relation to tackling child poverty. Recent policies on child care have also simultaneously tied support to being in paid work (e.g. the additional hours of free child care for 3- and 4-year-olds) and made the system much more complex. See under 5c below on this. Focusing on supply side support instead is the best way forward.

5b. How can the social security system ensure that it meets the needs of different types of families, for example single parents or parents who foster and large families?

Again, a proper level of child benefit would help, and certainly removing the two-child limit from other benefits. See above for other suggestions. Investing in children is one of the ways in which support for the social security system is likely to be sustained.

5c. How can we ensure our social security system meets the needs of those with childcare and caring responsibilities?

The need to pay childcare costs several weeks before being reimbursed in Universal Credit has undermined the extension of (somewhat) more generous help which UC has brought about. Now several Select Committees are suggesting that the funding of some other forms of help with childcare costs should be reduced, in order to help finance improvements to the arrangements in UC. Improvements should of course be made. But this way of financing them should not be pursued – everyone should pay for this, not just other families with children.

Instead, the 30 hours of free child care for 3- and 4-year-olds should be built on, but not linked to parental employment. And more generally childcare provision should be prioritised more and treated as a public service for all children. Imposing an employment condition on childcare provision is not the right way to go about encouraging parental employment. High quality child care should be provided and seen as a right for children, not a cash subsidy to their parents.

Neither the wage system nor the social security system alone can meet all the needs of those with caring responsibilities, whether for children or adults. High quality child and social care services are a must, to underpin higher pay for low-paid people and social security support for those with additional caring responsibilities. This has become more urgent with the increase in women's state pension age from 60 to 65 years, starting in 2010.

This was justified in the light of the increased life expectancies for women as well as men, together with the significant growth in their employment rates, especially in the past twenty years and including older women. However, *healthy* life expectancies have not kept pace with overall life expectancies across all income groups and there are differences in the former of over 14 years between men and 15 years between women in the poorest areas and those in the richest.

The social security system recognises, albeit insufficiently, that ill-health and disability may keep people out of the labour market but provides very little for those who care for them, and then only if their earnings are very low and the person needing their care is receiving relevant disability benefits. There are 6.5 million carers in the UK. Half are aged over 55, including 1 million aged over 65. One in five women and one in eight men aged between 55 and 64 are informal carers, many of whom are providing care for at least 35 hours per week. However, Carer's Allowance has remained one of the lowest allowances in the benefit system, worth only 40%

of the basic state pension. As noted, the Scottish government is increasing Carer's Allowance to the same level as jobseeker's allowance – itself inadequate, but this is a start. Not surprisingly, as women's state pension age has increased, the average weekly income of the women unable to claim their state pension at age 60, some of whom then remained on Carer's Allowance, has fallen and the proportion in poverty increased to 21% in the first three years. Women are far less likely than men to have a private pension to call on in such circumstances.

Where care needs are particularly acute, an increased, non-means-tested, carer's benefit sufficient to live at a reasonable standard of living should be available (not time-limited in practice, but in general people should not be encouraged to devote long periods of their life exclusively to caring for another without adequate support and respite from public service provision in the community). This should be underpinned by high quality care services available to all who need them. The latest English Longitudinal Study of Ageing shows that women over 50 years of age are more likely to give up employment rather than reduce their hours once they are caring for more than 10 hours per week unless formal care services are providing daily personal and respite care. There is also a lot more that could be done by employers for those in employment who are also caring, as well as to enable carers to be able to access employment.

6b. Should employment support be independent from the administration of benefits?

Yes. In particular, many women wishing to return to employment after a period spent caring for their families need training and support in preparing for employment. But they may not be eligible for benefits. It is short-sighted to concentrate employment support on those currently in receipt of benefits, rather than on creating a skilled labour force for the future more broadly.

7. Women and Equalities

7a. How should the new Department for Equalities work in practice?

Foregrounding the Public Sector Equality Duty (PSED)

As the consultation paper rightly points out, public service cuts have hit women and BAME groups hardest. To stop this happening again, the Women's Budget Group highlights that comprehensive Equality Impact Assessments as per the Public Sector Equality Duty (PSED) are needed as a mandatory part of *designing* policy. This should be one of the key roles of the Department for Equalities: to ensure that holistic, cross-departmental and skilled equality impact assessments are undertaken on all reforms. Currently, the PSED is failing to stop marginalised groups suffering most. The aim of the duty was to bring about a transformative approach to equality by going beyond simply outlawing discrimination to tackle inequality at a structural level. The duty has failed to fulfil this aim. In particular, there is still a failure to consider gender equality in a meaningful way. If the PSED is to fulfil its potential, there is a need for:

• Stronger specific duties for England including duties relating to gender equality and a duty to carry out equality impact assessments: currently in England, There is no duty to set out steps to meet equality objectives, no duty to consult or involve, no duty to publish specific information on the pay gap and no duty to consider equality in procurement. As a result, there has been a reduced focus on gender equality since the PSED replaced the Gender Equality Duty. The removal of the duty to consult or engage makes it less likely that the public will be able to hold public bodies to account. The previous specific duties covering race, gender and disability all included a requirement to consult or consult and involve. The Gender Equality Duty also included a specific duty to address the gender pay gap. Both Scotland and Wales have more extensive specific duties.

- Strengthening the capacity of the EHRC to share best practice, monitor and enforce implementation of the PSED: If the PSED is to fulfil its potential this requires on increase in the role and resources of the EHRC to educate, monitor and enforce, both of which have been cut since 2010.
- Commitment at a senior level of Government: Leadership on the PSED from the top of Government and from powerful departments such as the Treasury can have a powerful impact on the priority given to the PSED across the public sector.
- **Restore the socio-economic duty**: The socio-economic duty provided an important opportunity to ensure that the impact of policies on economic inequality was considered and should be restored.
- Improvement in the understanding and capacity of public bodies to meet the requirements of the PSED and meaningful engagement with civil society including women's organisations during policy development

New specific duties should be developed for England along the line of those introduced in Scotland and Wales. These should include:

- A duty to have due regard to SDG5 (relating to women's equality)
- Duties to develop and report on plans to meet equality objectives
- A duty to carry out equality impact assessments of policies, and for on-going monitoring of the equality impact of policies and practise.
- A duty to consult and involve affected groups in the development and implementation of policy
- A duty to ensure proper training and resourcing for those responsible for equality

7c. How should the Department for Equalities best work with other government departments, and what responsibilities should it assume from other departments?

As above we emphasise the need to work across departments on equality impact assessments.

8. Pay Gaps

The Women's Budget Group recognises unequal pay as one of the enduring barriers to women's equality – a Labour government must take serious action to end the pay gap by tackling it's causes which include the unequal distribution of unpaid care work and the lack of women in senior roles. Rebuilding a social security system and public services that work for women is an integral part of closing the gap. And, it is not just pay inequality which must be tackled: women are overrepresented in precarious contracts – including zero hours – and part time work which contributes to in-work poverty, the pay gap and the gender pension gap. Therefore, data is needed on working hours and employment status as well as wages or salary.

8a. What criteria should be used to determine government certification of a company's or institution's gender equality practices?

In the public sector, the PSED sets out some necessary requirements for compliance reporting and target setting. As above, we recommend the reform and additions to the PSED to improve these requirements so that they truly measure an institution's commitment to gender equality. Better compliance and diligence of the PSED is also needed. All organisations tendering for public contracts ought to be subject to the same scrutiny. For the private sector, better regulation is required to ascertain gender equality practices: 'naming and shaming' larger companies through mandatory reporting is a good first step but we have seen in 2019 that it has not done enough to tackle the problem, in fact the pay gap grew in 2019. Mandatory action plans ought to be published in addition to annual reporting, monitored and evaluated throughout the year. The new Department for Equalities along with the Equality and Human Rights Commission should play a key role is supporting organisations to close the pay gap by offering, or even requiring, training for all large organisations and public sector bodies.

This must be part of a robust process of mandatory targets to reduce the gap to zero over a set time period.

8b. What penalties should be in place for when companies or institutions fail to attain government certification of their gender equality practices?

We do not have the data to support a particular penalty here, research is needed.

8c. Should mandatory government certification only apply to companies with 250+ employees or should the threshold be lowered? What additional support may smaller employers need if these requirements are extended to include them?

Initially, better engagement with companies with 250+ employees is needed before extending the threshold – as above we need to see mandatory action plans and data disaggregated by ethnicity and disability Larger organisations must be held to account and lead by example first. Nevertheless, once genuine change begins, medium sized organisations with 100+ employees ought to be enrolled in the same process, then 50+ until the pay gap is eliminated in all small, medium and large organisations. The priority however is to combat unequal pay in large organisations who have more resource to contribute to the process and ultimately, less excuses. Smaller employers will require training and support on how to report on, take action and close the pay gap. This is something that the Equality and Human Rights Commission is well-positioned to provide.

8d. Would the Equalities Department take responsibility for the certification and auditing of gender pay practices?

The responsibility for the auditing and certification of the gender pay gap should rest with the Equality and Human Rights Commission (EHRC) with enhanced powers. The Department for Equalities ought to ensure that it is properly resourced to do this and ensure that the EHRC's independence is protected in law. There is a risk if the Department takes on this responsibility that it could be removed by future governments, an independent body provides authority and safeguarded longevity.

The Equality and Human Rights Commission is the body responsible for monitoring and enforcement of the PSED. It has had both its budget and remit cut since 2010. Taken together these cuts to budget and changes to its role significantly reduce the power of the EHRC. Although all the mechanisms for enforcing the PSED and other parts of the Equality Act remain in place, the cuts to its budget means that the EHRC now has far fewer resources with which to carry out this work, including work to close the pay gap. Reinstatement of remit and budget as well as protection in law is needed to ensure the EHRC can provide the necessary training, auditing and certifying to help close the gender pay gap. It should be the role of the Department to support this process.

8e. How should we identify, and tackle ethnicity pay gaps and disability pay gaps?

HM Revenue and Customs should gather data through PAYE and Self-Assessment forms on gender, age, ethnicity, disability status, industry and working hours. This should be anonymised and published to allow researchers to develop a comprehensive understanding of the relationship between gender, race, age, disability status and pay.



Women's Budget Group submission to Labour Policy Forum consultation Local economic development

Local government

The Women's Budget Group recognises local government and local public services as crucial to improving the lives of women. Our core asks from the Labour party would be to improve:

- 1. Democracy and accountability in local government by removing barriers to entry for women, BAME and working-class groups.
- 2. The devastated state of local government funding which has been cut by 49% on average since 2010 and needs reinvestment to repair, restore and advance
- 3. Pay and conditions for all local government staff, who are more likely to be women.

There remain substantial barriers for women entering local authorities and the majority of those in senior roles are white men: <u>97%</u> of councils are male dominated Just 4.2% of councillors are from BAME communities. This is unacceptable and means that women's voices and needs are not heard within local government or reflected in local and national economic strategies or expenditure.

The problem is further compounded by the fact that women are sadly lacking from leadership positions within local government: Just 17% of council leaders are women. All of the elected mayors in combined authorities are men, as are twelve of the fifteen elected mayors in single local authorities. Just three of the eleven Labour mayors out of that group are women. When women's voices are not heard, our experiences and interests are not represented at the political level. This is a real problem in local government because it is often devolved public services which are closest to citizens and, that women rely on most.

The Women's Budget Group would like to see Labour tackle some of the key institutional barriers for women. This might include hours, rates of remuneration, childcare and social care support and parental leave for councillors. Additionally, we believe that there needs to be structures in place to ensure civil society engagement so that policies reflect the genuine needs and experiences of local communities.

How can councils use insourcing to support their local economy?

The Women's Budget Group believes that insourcing must be a central part of Labour's national economic strategy and that local government is well positioned to bring services back 'in-house' as part of it. Insourcing is proving to be successful as one component of 'community wealth building strategies' in Preston and other UK and 'Fearless Cities' globally, which are turning to alternative local economic models based on harnessing local wealth and public sector 'capital' for local people and local enterprises, rather than outsourcing to multi-nationals.

We believe that public money should be put to the best possible use and that privatisation does not represent best economic or social value. We recognise that many councils have lost the capacity and infrastructure to return all services to councils overnight and that capacity and organisational intelligence will need to be re-built in order to in-source. However, we believe that all core and personcentred local services should be provided by local authorities wherever possible.

What role can Community Wealth Building techniques play in the development of

local economies?

The Women's Budget Group is supportive of the community wealth building approach, but believes that it must be part of a national economic strategy which seeks to ensure an end to poverty, discrimination and inequality across the country, including in rural and remote areas for which community wealth building might not be as appropriate or beneficial. We are also concerned to ensure that a focus on the development of co-ops and small businesses under the guise of 'democratisation' of the local economy does not result in the further outsourcing or fragmentation of local government services.

The increase in the number of UK councils and others worldwide which are adopting Community Wealth Building strategies is well documented by APSE, CLES and others. The establishment of Labour's Community Wealth Building Unit is welcome in that context. Using Preston's pioneering work as a model, Manchester, Birmingham, the London boroughs of Islington and Southwark and others are engaged in developing strategies to 'lock in' local wealth to the maximum benefit of local residents and stop 'leakage' to unaccountable multinationals, which invest precious public spend outside of their communities.

These initiatives centre on insourcing services and also using the purchasing power and strategic importance of public sector 'anchor' institutions to re-focus public spending on local businesses to strengthen their local economies.

We would also want to emphasise the points made under the 'Local Government' section above about the under-representation of women as councillors and 'leaders' of all kinds within local government. Community Wealth Building will only be successful if women, BAME, disabled and other discriminated against groups are actively represented on councils, as council 'leaders' and as community participants.

How can councils use the planning system and other instruments to support local high streets, for example, by bringing empty commercial properties back into use?

The Women's Budget Group believes that the planning system can – and must – be mobilised to support progressive local economic strategies through first rate provision of local data, local spatial intelligence and quick and effective responses to local development.

Given the downturn in the retail sector, the Women's Budget group also believes that careful planning is needed to ensure that local economic strategies and 'regeneration' are not focussed on large retail developments, the purchase of real estate and infrastructure development, but also focus on local community needs — such as play space, nurseries, public green space, sports facilities, libraries, museums, community centres and other public amenities. If investment in social care and childcare were to become part of national and local economic strategies for instance, then empty shop and commercial spaces could be re-assigned as nurseries and day centres.

Councils' planning capacity has been undermined by privatisation of planning functions and the high vacancy rates for planners across local government. This needs to be rectified if the planning system is to be fully utilised to support the development of local economies.

Should Labour retain LEPs as a key body for defining local priorities and directing local economic development? If yes, how could they be reformed? If no, what should replace them?

LEPs have the potential to understand and prioritise local needs, argue for local public investment, bring in private investment and improve the chances of people in their areas. Some such mechanism is probably desirable, but *only* with adequate democratic control.

LEPs are designed to be Business-Lead, or at least to be strongly influenced by business, where business invariably means private sector and usually involves locally powerful individuals. The Boards they establish to run them consist mainly of white men with interests that sometimes counter those of the inclusive community. Only 20% of LEP's have women in one third of their seats. 30% of them are reported to be 'unwilling' to meet that target by the deadline of 1 April 2020. This is unacceptable and compromises the effectiveness of LEPs. For this reason we would like to see LEPs – or some such model – retained but the focus must be on recognising the value of social infrastructure (health, education and social care) as well as increasing accountability and diversity of LEPs.

The local partnerships include both LEPs and regional Mayoral-based combined authorities; the latter have devolved funds from central government via 'deals' agreed to deliver specific functions normally delivered centrally.

The most important policy the Labour Party could introduce is that Boards of local delivery mechanisms should be representative of the populations they have been established to serve – meaning the people of the locality, rather than only the employers. In particular, the mechanism for appointment of Board Members should be made more transparent and open to civil society and the general public, and there should be a requirement for a minimum percentage of women, preferably 50%.

The remit of LEPs needs to be significantly rethought to emphasise inclusivity, so that women and minority groups are included in the benefits of investment and development. GDP growth is not the only (or indeed the main) criterion for sustainable and inclusive growth – a reduction in local inequalities should also be a criterion.

Lastly, our experience is that the differential needs of women and men are not understood by LEPs, and that their Public Sector Equality Duties under Equality Act 2010 are not being met. In particular, the Duty to promote equality (rather than 'just' avoid discrimination) is largely ignored. We recommend that their terms of reference are modified to include promotion of equality (including as between women and men) as a performance measure. We also recommend that LEP Boards are widened to include civil society representation and that their requirement to consult is broadened to include stakeholders and the public.

How can Labour councils in different parts of the country work together to build mutually-beneficial economic ties?

Combined Authorities are responsible for developing Local Industrial Strategies (LIS). Given that individual Authorities each have separate growth or economic strategies it would make sense if the LIS starting point were a combination of these, rather than starting from scratch. It is often not clear who has been invited to participate in any consultation and local women's organisations are often absent.

The Labour Party document rightly highlights disparities between different parts of the country, stressing the north south divide, but areas such as the West of England (held up as a relatively well-off place) have within them very large disparities both geographically and between different communities of interest.

Combined authorities are a good idea, yet they inconsistently upheld and delivered across the country. This is often to the detriment of citizens themselves. For example, funding local public services like social care through council tax or local business rates deepens regional inequalities as the local authorities with the greatest demand for services are those that are able to raise the least through local taxation. This is a policy the Women's Budget Group would like to see reversed.

Regardless of structure, local government needs to be properly funded. Local services are responsible for providing or funding many of the services and local infrastructure crucial to the daily lives and wellbeing of women and those they care for – children, families and vulnerable adults. Central government funding for local authorities fell by over 49% between 2010/11 and 2017/1819 with councils in the most deprived areas suffering the greatest cuts. Local governments need substantial reinvestment – particularly in social infrastructure – to repair the damage done since 2010.

The impact of these cuts since 2010 on housing, education, social care, childcare, transport, leisure and youth services has been destructive and debilitating for women – whether as primary users themselves, or as mothers and carers of users.

Local government funding needs to be urgently restored to a level which enables councils to meet their statutory obligations and also provide the preventive, non-statutory services which are vital to the wellbeing of women, children and those in need of care. Adequate funding should come from taxation/central government to meet the need for local services.

Housing

Housing is one of the most urgent public policy issues in the UK. Our housing system is in crisis and the causes and impacts of that crisis are gendered. Women's lower incomes relative to men's means they are less able to afford housing. A forthcoming report from WBG shows that there is no region of England where a woman on median earnings can afford to rent or buy an averagely priced home. In addition women's caring responsibilities mean they have specific needs when securing a suitable home for themselves and their children.

We recommend that:

- Central government should invest in social housing to spread the benefits of the housing safety net more widely and save billions of pounds in housing benefit.
- The government should make it easier for local authorities to build and invest in housing, including by scrapping the HRA borrowing cap.
- Housing funding pots for local authorities should be streamlined.
- Cuts to local government funding should be reversed and deprivation included in funding formula by central government.

EU structural funds

Of the £9.3bn allocated to the UK through the European Structural and Investment Fund between 2014-2020, more than half (5.55bn) is linked to objectives that focus on equality issues. One of the priorities of the fund is 'to promote social inclusion and combat poverty and any discrimination.

We recommend that:

- Equality principles and requirements should be an integral part of all programmes funded by the Shared Prosperity Fund
- The application and reporting processes should be made less bureaucratic, so that it is easier for the voluntary sector to apply for the funding and use it to help communities facing disadvantage and discrimination.
- Local strategies should be based on objective evidence of barriers faced by local people and informed by their views.
- These strategies also need to make sure that there is investment in social infrastructure (health, education, early years) as well as physical infrastructure

Public transport:

The Women's Budget Group welcomes Labour's promise to reinvest in buses. This is because:

- Travel by public transport is highly gendered. In 2017 across England, a third more women
 than men travelled by bus and a third more men than women travelled by rail. On average
 men made 17 journeys by London bus, 33 journeys by local buses (not London) and 24
 journeys by rail (excluding London Underground). By contrast, on average, women made 18
 journeys by London bus, 42 journeys by local bus and 18 journeys by rail.
- Overall, expenditure on UK public transport (2016/17) was £29.1bn. This includes spending on national and local roads, local public transport (e.g. buses and local trains) and national rail. 54% of this was spent on rail, compared to 8% on 'public transport' including local buses.2
- Local Authority funding for buses across England has been cut by 46% since 2010/11, and by nearly £20.2 million in 2017/18 alone; in Wales, there has been a cut of 39% since 2010/11.
- Across the UK (excluding London), public spending on 'local public transport' including buses,
 was £2.3million, whilst spending on railways was £15.7m. This equates to about £249 per
 person per year in England, compared to £8 per person per year for buses.4
- Bus fares increased by 3.3% in England between September 2016 and September 2017; rail fares increased by 3.4% between January 2017 and January 2018.
- The vast majority of politicians and policy makers involved in high level decision making about public transport are white men. To improve the quality of public transport for all citizens in the long run, improving the diversity of these decision makers is key, in parallel to our earlier point about local democratic accountability and representation.



Women's Budget Group response to Labour National Policy Forum consultation Rebuilding a public NHS

The Women's Budget Group welcomes the Labour Party's commitment to an adequately funded, publicly provided NHS. We also welcome the recognition that social care has to be considred alongside health policy. The split between health and social care can seem arbitary, is dysfunctional and unfair to the workers and users of each service.

Inadequate funding has led to a strained health service and a care system in crisis. Women – as the majority of patients, those receiving care, health and care staff and unpaid carers – have borne the brunt of these impacts. Labour policy needs to reflect the gendered nature of health and care and consider the impact not only on those needing health or social care, and the paid workforce, but on unpaid carers who fill the gap when public provision fails.

The WBG recommends:

- Spending on health and social care should be recognised as an investment in social infrastructure, which is as important to society as the physical infrastructure of roads, rail and telecoms.
- Priority should be given to investment in public health and community-based care
- The establishment of a National Care Service that provides carefree at the point of delivery and integrated with the NHS and is funded from general taxation at the national level to avoid the entrenchment of regional inequalities.
- Substantial and longstanding investment in the training, career development and pay progression of both social and health care workers so they have equal standing. To achieve this social care needs the equivalent of Health Education England with a statutory duty to direct training and workforce planning. Only then will consistent and rising standards be achieved. Common training in the first year would help to establish collaboration between the two services.
- Greater recognition and support for unpaid carers without whom formal social care services would be unsustainable.
- Regulation should ensure that conditions of employment for everyone should be compatible with reasonable care responsibilities and disabilities, which should not disadvantage people in their careers.
- Returning direct provision of both domiciliary and residential care services back to local authorities
 in order to end reliance on private-for-profit providers of social care, starting with private equity
 firms and hedge funds which should have no place in the provision of social care.
- Increased funding by both local and central government to restore and develop local services including public transport, libraries, parks and other community leisure facilities which are so essential to the health and wellbeing of all young and old.

Funding for the NHS

Impact of funding shortfalls

The devastating effects of the shortfalls in funding for the NHS are well-documented (see for example WBG Briefing 2018). Women have been affected by in a number of ways. For example, admissions to hospital to give birth is the single largest cause of admission to NHS hospitals in England. Nearly half of England's maternity units closed to new mothers at some point in 2017. Capacity and staffing issues was the most common reason. The Royal College of Midwives reports a shortage of 3,600 in the profession.

Women have also been affected by cuts to funding for primary health services which fell by 4% between 2010/11 and 2016/17.⁵ Among other things, this is associated with a fall in GP numbers by 5% in the decade to 2016.⁶ Women use GP services more than men with a consultation rate that is 32% higher, in part due to reproductive-related consultations.⁷

Women have also suffered from reductions in funding for public health services. The 2013 transfer of responsibility for public health services to cash-strapped local councils was associated with major cuts and public health funding is expected to be reduced by 14% between 2015 and 2020.8 In 2015 responsibility for health visiting was transferred to local authorities. Since then the workforce is reported to have fallen by 20%. The Royal College of Nursing has expressed serious concern about cuts to local authority children's health services with falling numbers of health visitors and school nurses.9

Need to invest in public health and community based services

We therefore recommend that public health and community-based services receive immediate attention. We are concerned that the transfer of responsibilities for public health to local authorities has resulted in wide regional disparities in provision. For example, the proportion of 6-8 week reviews completed for new born children varies from only 57% in London to over 90% in the North East and in some areas is as low as 10%. 10

There is evidence to indicate that the strain on acute hospital services can be reduced by strengthening community provision for health and social care. ¹¹ The last 8 years have seen a steady growth in all areas of hospital activity. Emergency admissions have risen by 14% since 2008/09. ¹² Evidence indicates that up to 50% of hospital beds are occupied by people who could be cared for in community settings. ¹³ Cuts to health and social care services simply lead to increased costs for emergency interventions.

However, an evaluation of the ongoing transformation initiative has raised concerns about implementing such a profound transition in health services at a time when the NHS is experiencing the greatest funding constraint in history, social care is being dismantled while demands on the health service are increasing due to demographic and other factors. Despite the rhetoric around the shift to community based care, this has not been backed by resources. In the nine years to 2012/13 the proportion of NHS funds spent on core hospital services increased from 46% to 48% while the proportion spent on community and primary care services combined fell from 36% to 34%. ¹⁴ Measures to avoid hospital admissions and accelerate discharges require there to be sufficient capacity and funding of alternative forms of care in the community. Lack of

community provision in the context of reducing the shareof hospital care raises many risks, including the potential burden on unpaid care.

Women are more likely than men to be carers. We are concerned that an increase in community based care that is not matched by sufficient resources will put greater demands on women both as patients and as carers. For this reason we would like to see community health services prioritized before a shift to greater community care. There is more on social care and women below.

A publicly delivered NHS

We agree that the adverse outcomes of privatization should be reversed. In particular profiteering of private equity investors from the privatization of social care needs to be addressed.¹⁵

However, our position is that reforms need to go beyond ownership to reconsider some of the internal management mechanisms within the NHS such as Payment by Results and other finance-based rewards for meeting targets within the health system. These have been shown to be ineffective and to have adverse effects: "history suggests a degree of pessimism about using financial levers to achieve complicated, longer-term aims like increases in the standard of care." ¹⁶ The methods by which financing is organized within the health system needs to be reviewed.

Funding for Social Care

Impact of the funding crisis

Social care is in crisis, exacerbated by nearly a decade of austerity together with increased privatisation. In England, ¹⁷ 1.4 million people over 65, one in seven, now have unmet needs for help with tasks such as getting up, washed and dressed ¹⁸. This is a 20% increase in just two years. Despite growing numbers of older people, spending on adult social care fell by 8% in real terms between 2009/10 and 2016/17¹⁹ and an estimated 400,000 fewer older people received publicly supported social care as the eligibility criteria were tightened in response to insufficient resources. ²⁰

At the same time, many people are having their opportunities in life restricted by giving long hours of unpaid care, preventing the numbers with unmet needs rising even higher. Between 2000 and 2015, men and women over 50 increased the time they spent on unpaid care by 15% and 21% respectively. ²¹ Long hours of care-giving not only restricts carers' own life chances, but also generates significant gender inequalities in the labour market, because women take on unpaid care responsibilities more readily than men.

Care markets

The social care market is fragmented and dysfunctional. Almost all (97.5%) of domicilary care is provided in the independent sector and it receives 80% of its funding (including Direct Payments) from the public sector. This contrasts with the residential care sector in which 41% are self funders whose fees, in the more affluent parts of the country can help make up the deficit arising from the increasingly inadequate fees paid

by local authorities. The market comprising almost 8,000 domiciliary social care services in 2017,is itself unstable. The Care Quality Commission (CQC) registration data suggest that in 2016-17 2,000 new domiciliary agencies registered and 1,600 deregistered. The CQC does not record the size of the agencies they manage. Such 'churning' of the workforce *and* their employers is not desirable when continuity of care is an essential dimension of good care. Vacancy rates more than doubled between 2012-13 and 2017-17 to 9% and among nurses working in social care it tripled in that period to 12%

The size of residential care providers varies hugely and there is considerable and long standing concern about standards of care as well the working conditions of the staff. The five largest residential care providers account for a fifth of all residential care places and are based on a business model totally unsuited to the provision of residential care. WBG support policies which would end the heavy dependence on the private sector, starting with stopping hedge funds and private equity firms from owning care homes which contribute to the instability in the care sector. "Financial engineers and junk bond opportunists should not not be the natural owners and funders of large care home".²²

These complex multi-level corporate structures based abroad undermine any kind ofaccountability, avoid paying any UK corporate tax and bring returns of 12% to their investors at the same time as complaining about the rise in the minimum wage and low fees paid by the local authorities. The Care Quality Commission needs greater powers to regulate local authority commissioning practices. Meanwhile, WBG welcome Unison's Ethical Care Charter and Residential Care Charter supported by the Housing, Communities and Local Government Select Committee. ²³ These have subsequently been adopted by some local authorities as a way of improving standards for care workers

Funding gap under-estimated

One effect of the current underfunding of social care has been to shift norms towards an acceptance of poor standards of care. Current calculations of the size of the social care "funding gap" give estimates of the amount needed to maintain provision at the 2015 level (£1.5 billion in 2020/21 and £6.1 billion by 2030/31), and sometimes of the amount needed to return to the higher levels of provision in 2009/10 (36% more than is currently being spent, with future funding gaps estimated to be far larger). However, those making such estimates no longer tend to note that even in 2009 social care was widely seen as poor quality and underfunded. Indeed, in 2006, the Wanless report found "areas of significant shortfall in what [the social care system] achieves. Some of this is the result of poorly delivered services, but it is also caused by limited funding and other resources". ²⁵

Spending on social infrustructre should be seen as an investment

The benefits of spending on social care are widely ignored, largely because it is seen as welfare spending the long-term effects of which are rarely assessed, and a cost rather than an investment. National accounting rules enshrine that bias, by counting expenditure on physical assets alone as investment from the capital account, while all expenditure on care, even though it builds up human and social capital, comes from the current account.

To remove the bias against investment in social infrastructure, all investment should be evaluated in the same terms. This will require developing new accounting methods to guide public policy. Although the public

are not necessarily particularly interested in accounting methods, it would be important to explain why they are being adopted and to incorporate them, not the SNA classification, in any revised Fiscal Credibility Rule.

Massive investment in our social care infrastructure is now needed. Not only will the country gain the future benefits of such investment, it will also gain in the short-term by employment and growth being created. Investment in social care has long term benefits, but it also leads to far greater employment benefits in the short-term than investment in physical infrastructure. For example, research by the Women's Budget Group has shown that up to 1.5 million jobs would be created in the UK if 2% of GDP was invested in the care sector, compared to 750,000 for an equivalent investment in construction, the typical focus of physical infrastructure investment.²⁶

Even though employment rates are currently high, many people are not employed for as many hours as they want or in jobs that fully use their skills. So there remains an argument for stimulus spending to give workers more bargaining power and to boost employment prospects. And if projections for the levels of unemployment that will be created by Brexit or by technology replacing workers in the future are correct, such stimulus will continue to be needed. Given the projected shortage of care, it is much more sensible that people be employed to deliver high quality care than be left unemployed.

Indeed, the care industry is, and is likely to remain, one of the few growth industries. Investing to ensure that the care provided is of high quality, and thus sustainable in terms of social relations and the environment, can only be a good thing. Because the labour demands of good quality care will remain high, more and more of us will be spending our time providing care in any desirable and sustainable future.

Further, unlike most other forms of investment spending, investment in care also increases the labour force, by enabling those currently doing unpaid care to increase their level of employment. Thus, even in times of near-full employment, investment in care expands the economy and thus its tax receipts. Even though expansion of the economy and increased tax revenue should not be the ultimate gaol of care provision, or indeed of any policy, these two effects counter the unwarranted criticism that investment in care is unaffordable.

Creating new institutional structure for the care industry

A new National Care Service (NCS), working closely with the NHS, is needed. The NCS should provide care and other forms of support free at the point of use to all who need them. It should also be charged with developing policy and making investments so that people of all ages and abilities retain, and hopefully enhance their capabilities.

Putting that into practice will entail what has been called "co-production". This includes "professionals and citizens shar[ing] power to plan and deliver support together, recognising that both have vital contributions to make in order to improve quality of life for people and communities". ²⁷ Such an idea differs from current practice in that: decision-making power is shared, not just users consulted; support is planned, not just reactive to immediate needs; users contribute to that support in whatever way they can, so that others do not just "do for" them; the aims are not only to benefit individuals but also the community as a whole; and it is recognised that even those with reduced capabilities can contribute to that. Co-production methods are

thought to be particularly suitable for developing preventative strategies, such as investment in retaining capabilities into the future. ²⁸

In a care system made up of private-for-profit providers, consumer choice cannot adequately guarantee the quality of care provided by profit-seeking institutions, because cost competition will dominate quality considerations. For the market to police quality, consumers need to be well-informed, able to make choices and put them into practice, and mistakes need to be rectifiable at no cost. None of these conditions are satisfied for care. Instead, the quality of relationships is hard to assess without experiencing them, choices are often made in emergency situations with a limited set of available alternatives, and changing providers is always costly since new relationships need to be built. The key conditions for the successful exercise of consumer sovereignty are simply not met when it comes to the market for care. As a result, care that is produced for profit tends to be of poor quality, and the scandals that regularly occur in the current system are not so much exceptions as the tip of an inevitable iceberg of systemic failure.

This is not to say that all existing for-profit providers are delivering low quality. Some do an excellent job in poor conditions. But they do so despite the need to make a profit, rather than because of it, and they are often private-for-profit enterprises only because that is the only institutional form currently available to most small providers. Although they often provide higher quality, small providers have difficulty competing financially in an industry that is increasingly dominated by large chains that cut costs to achieve high rates of return in an essentially low risk industry where large providers are simply too big to fail.

Delivering high quality care through the principles of co-production will require repudiating the profit motive and developing new institutional forms for care provision. The National Care Service would be in essence a public sector institution; however to foster co-production and innovation it should be open to collaborations with other non-profit oriented enterprises and co-operatives. In transitioning to such a system, the large chains should be brought into the public sector but smaller providers that can demonstrate high quality, good employment practices and a willingness to adapt should be offered grant funding provided they become non-profits and work to locally set objectives. Excellent work by the Labour Party in developing new forms of ownership might be very relevant to solutions here.

Currently social care is largely provided in people's own homes. Any transition to residential care then comes so late, and in response to such extensive care needs, that no-one would willingly choose to make it. Other countries have a wider range of housing possibilities for the elderly than in the UK, some that enable a relatively seamless increase in care support. New institutional forms of housing should therefore be developed to make such housing a reality in the UK.

This should enable more coordinated, collective forms of care too. For example, local care centres could be set up that include a day centre, sheltered housing and a residential home, from which domiciliary services are run so that people can seamlessly receive the level of care they need and retain/develop capabilities and relationships in their own community. Such centres, if made sufficiently desirable, should have the side effect of freeing up under-occupied accommodation and so contribute to reducing the housing shortage. They should also help with keeping people active longer, safe in the knowledge that the level of care that they need in the future will always be available without disrupting their current social relations and support.

The NHS workforce

Rising unfilled vacancies

Women make up 77% of the NHS workforce²⁹ with more female nurses alone than male staff in every category combined.³⁰ We are acutely concerned about the conditions facing the NHS workforce as reflected in the rising numbers of unfilled staff vacancies. There are suggestions that the number of staff vacancies could rise from the current level of around 100,000 NHS staff vacancies (1 in 11 NHS posts are unfilled) to 250,000 by 2030.³¹ The highest numbers vacancies are in nursing and midwifery, with 38,000 vacancies. Women make up 89% of staff in these categories.³² Meanwhile the numbers of consultants (two thirds of which are men³³) has increased by 64% since 2004.³⁴

Staff shortages are due to both fewer numbers entering health services and staff leaving the NHS, with a "worrying" number leaving at younger ages. There has been a failure to train sufficient numbers of staff with a large decline in the number starting nursing after the early 2000s. ³⁵ A loss of bursaries led to an 18% drop in applicants for nursing places between 2016 and 2017, the biggest fall in nursing applicants on record. ³⁶ The number of nurses in training are low by international standards (half that of the USA or Australia). ³⁷

The number of health visitors and nurses leaving the NHS increased by 25% from 2012 to 2018 (from 27,300 to 34,100). ³⁸ Brexit has worsened the situation with a net inflow of nurses from the EU to the NHS becoming a net outflow by 2018. ³⁹ Restrictions on non-EU immigrants have also affected recruitment. ⁴⁰ Furthermore, the nursing workforce is aging with nearly a third of qualified nursing, midwifery and health visiting staff over 50 years old. One in three is expected to retire in the next 10 years. ⁴¹ Numbers of GPs are also falling despite an NHS had a target to increase the number of FTE GPs between 2014 and 2020 by 5,000. ⁴²

We are concerned for the effect that lack of staffing has on sustainability of services. A 2017 staff survey showed that less than a third of staff (31%) felt there were not enough staff to do their job properly with 29% of staff and 50% of consultants saying they had witnessed errors, near misses or incidents that could have hurt patients and service users. 43

Lack of staff retention reflects the underlying working conditions for the (predominantly female) workforce. Staff are leaving due to increasing workload and declining morale. A 2017 staff survey reported that 38% of staff had felt unwell during the previous 12 months due to work related stress and 58% of staff are working additional unpaid hours. ⁴⁴ Lack of staffing and resources more generally is contributing to staff burnout.

When clinical professionals leave they are not easily or quickly replaced. The workforce crisis is regarded by commentators are just as critical as the financial one.⁴⁵ While funding is required to boost staffing levels, there are calls by some for improvements in staffing planning. The lack of a "credible workforce strategy" has been described as the biggest internal threat to the sustainability of the NHS, posing a real risk that the additional funding proposed under the current government (up to £10.5bn by 2023/24) will go unspent if healthcare providers lack the staff to deliver the care.⁴⁶ Commentators point to failings in planning and short termist approaches. Wage restraint has led to staff to work as agency staff to increase their earnings with adverse effects not just on NHS costs but also on workplace continuity and coherence.⁴⁷, ⁴⁸ Less stable

staffing is associated with lower productivity performance in NHS acute hospitals.⁴⁹ Given the long lead times for training new staff (it takes up to nine years for a new medical student to finish GP training⁵⁰) it is vital that attention is focused in the short term on improving working conditions to improve retention.

Focus on nursing and midwifery

We therefore support the Labour Party's call for a sustainable health and social care workforce. We would want this to be focused on the areas that are seeing the greatest need in terms of unfilled vacancies – nursing and midwifery. Attention is needed not just to staffing numbers but also to the demands on NHS staff and to pay levels. We deeply regret the impact that Brexit and immigration policy has had on the NHS workforce. While we welcome medical staff from overseas, we caution against recruitment drives which will risks creating staff shortages abroad. ⁵¹, ⁵²

Need to address equal pay in the NHS

In 2017 the overall basic fte gender pay gap for the NHS was 8.6% in favour of men, equivalent to an earnings gap of £207 over that month (compared with a gap of 9.1% across all economic sectors according to the ONS). ⁵³ Nine out of 10 NHS organisations in England had a median hourly pay gap that favoured men. However this varies across staff grades. For the 88% on AFC bands, the pay gap is 3.9% in favour of women. And varies according to age. For younger age groups, the pay gap favours women but this reverses between the ages of 30 and 34 and continues to widen across older age groups. In the NHS as elsewhere the main reason for the pay gap is occupational segregation. Senior doctors and senior managers are the top earners in the NHS and 15.4% of all male staff work in these occupations compared with 3.2% of female staff. Meanwhile a slightly higher proportion of women than men (37.4% compared with 32.9%) work in the five lowest paid staff groups within the NHS.⁵⁴

Higher pay bands with a disproportionate share of men in each band have a (small) pay gap in favour of men. But for the 12% of NHS staff outside afc the overall pay gap is 47% in favour of men. This group comprises junior doctors on relatively low pay and consultants and others on relatively high pay. So for the NHS as a whole a small group of highly paid men outside the afc is affecting the pay gap. Research by the Nuffield Trust shows that the reason for the pay difference is due to "additional pay" – time spent on call, overtime and additional work. This is more likely to be done by men. And the pay gap becomes most pronounced for women in their 30s and 40s. Main likely cause is the negative impact on pay of having children. This will lead to part time working and less likelihood of promotion ⁵⁵, ⁵⁶

The proportion of female GPs exceeded male GPs in 2014 and the share of women has continued to increase. For GPs, the gender pay gap is more significant, with male GPs earning 33% more than female GPs in 2019.⁵⁷ We would like to see a commitment to working practices that are supportive of the demands on women and where family responsibilities are not an obstacle to career progression.

The social care workforce

Low pay and high turnover

In 2018 the care sector was made up of 1.6 million jobs for 1.47 million people in the UK. Women made up 85% of the 840,000 care workers, home carers, and senior care workers. Half of domiciliary care workers and 18% of registered nurses were on zero hours contracts. The pay is poor, there are long standing disputes over travel costs and pay for sleep-ins. It is not surprising that the turnover rate in 2017-18 was nearly a third. Although they do not all leave the care sector: one third of recruits to a job in the sector come from within the sector, vacancy rates more than doubled between 2012-13 and 2017-17 to 9% and among nurses working in social care it tripled in that period to 12%.

Professionalising paid care

To lead fulfilling lives, people need more than to be able to get washed and dressed, they need to be helped to exercise a full range of human capabilities, to meet others and to contribute to society. But under current conditions, care workers cannot do much about that; they are trained only to do limited tasks as quickly as possible before rushing off to the next client. Despite "personalisation" policies meant to give clients control over spending on their care, limited budgets mean that neither clients nor care workers have any effective say in what care they receive, how it is delivered and by whom, and collectively delivered services have effectively been killed off.

As well as failing to deliver care that really enhances capabilities, the paid care industry is having difficulties recruiting and retaining staff (difficulties that will only be made worse by Brexit). In the face of women's improving qualifications and opportunities to enter other careers, more will need to be done to attract both men and women willing to learn and deliver good quality care into the industry.

To ensure that care is valued properly and leads to the long-term benefits, the notion of what care is for needs to be transformed. Instead of its limited current ambitions, which are largely focused on bodily needs, its focus should be on enabling everyone to reach their maximum potential, with help where necessary, across the full range of capabilities. Care workers should become capability facilitators, work that requires among other skills:

- knowledge of the likely progression of capabilities with age and health conditions, the forms of help that can restore and preserve capabilities and the social resources available to support those in need of such help;
- imagination in finding solutions to meet individual needs; and
- the ability to learn from experience to improve performance.

All these skills can be learned, but they are far more extensive than those that are currently required of care workers, who are seen as simply doing for people what others can do for themselves. It is that view that leads to care being seen as unskilled work – just doing what the rest of us do anyway and/or women do unpaid for others in the family – even though in practice many care workers acquire unrecognised skills and do much to enhance capabilities.

Training and Career structure in paid care work

The Women's Budget Group has long advocated for *a substantially increased and sustained* investment in developing the skills and career paths which careworkers need, not only so social care becomes an attractive occupation, but also to improve the quality of care provided. As above this will also deliver for the economy.

Employers currently invest very little in training their staff. Social care workers should have much longer training courses, similar to those for nurses as well as the opportunity to acquire new skills as they progress in a career. Three year training courses for care workers should be developed, based on a different idea of what care should achieve, enabling people to live their lives in the way that they want, rather than simply doing things for them. This would require a complete overhaul of training, so that care workers could draw on the broader set of skills and knowledge needed to care in these ways. The first year could be shared with nursing training as happens in Germany for example. This would improve the much needed collaboration between health and care services, which is much needed. WBG welcome the Labour Party's commitment to re-instating nursing bursaries. A similar scheme should be introduced for social care students. These are particularly important if older women are to be attracted to these courses, especially if part-time study is also possible.

The quality of care is linked to the very low level of training social care workers receive and therefore the skills they develop. Half have no relevant care qualifications and only a third had achieved or were working towards their Care Certificate. This was introduced in 2015, is not mandatory and only designed to train new care workers in the basic skills needed in their day to day work. Dementia care was only included in two fifths of the recorded training categories completed and medication, safe handling and awareness was included in only half. Lack of training in these key areas have immediate consequences for the NHS because one in ten older people's admissions to hospital are linked to their medicine intake, the majority thought to be avoidable.

The shortage of nurses in care and nursing homes also exacerbates the problem of lack of training in medication among care staff. In the 17,000 residential care and nursing homes where the health of the 400,000 residents is more fragile residents are prescribed an average of seven medicines a day, costing the NHS an estimated £250 million each year. Altogether these residents accounted for 250,000 emergency hospital admissions and it is estimated that 30-40% of these admissions would be avoidable with better care and support. In 2019, NHS England as part of their NHS long term plan are trialing a scheme to recruit 200 clinical pharmacists and pharmacy technicians to reduce over-medication in care homes. However it is hard to see how effective they will be without properly trained care workers to support them.⁵⁸

Improving the conditions of unpaid care

Health and sociall care policy should include consideration of the needs of unpaid carers. The professionalisation of paid care described above should greatly improve standards and, provided it is universally available, should relieve the necessity of anyone having to do unpaid care. However, paid care will always work in tandem with the care that families and friends freely provide. Such care, providing that it

does not become burdensome, can be life enhancing for both carers and those they care for. But to remain part of the mix without causing unacceptable demands on some individuals, it will need to be better supported by good quality reliable professional services and better employment regulation. Women continue to provide unpaid and paid care and the numbers doing so are growing. In 2011 there were 6.6 million unpaid carers in the UK increasing to over an estimated 7.6 million in 2017.⁵⁹ At this time there were 1.5 million adult care workers of whom over four out of five were women. The value of the care provided by unpaid carers, three out of five of whom are women, including half aged over 55years, is estimated to have grown to between £100 and £132 billion/year. This compares with local government spending on arranged residential and domiciliary care totalling £20.4 billion.

It is estimated that the number of people aged over 65 who need informal care will grow by more than a million in the next 20 years . Forms of support both for those needing care as well as for carers of all ages include benefits and services. In addition, the demands of paid work, education and training need to be made more compatible with time needed to care.

Timid steps have been made and carers have the right, after working 6 months for the same employer, to request flexible hours and five days paid leave a year. There are no figures on the numbers of requests made or granted. The earnings sacrificed by carers who give up or reduce their employment has been estimated to be £17.5 billion/year. The Social Care Act 2014 gave carers the right to have their need for support and respite assessed. However, social service departments have not had the resources to promptly assess the minority who sought support let alone to provide any help. Only one in six of those seeking help received any respite care and most received advice only.

With this in mind, employment should be regulated around the assumption that everyone is both a worker and carer (of children or of adults) and that many in receipt of care are also workers.

Regulations should focus on ensuring that:

- 1) Conditions of employment for everyone should be compatible with reasonable care responsibilities and disabilities, which should not disadvantage people in their careers.
- 2) Where they can, employers should be required to adapt conditions to specific circumstances.
- Individuals should have rights to take leave, without loss of income, for unpredictable or exceptionally high care demands

The first of these would require making normal working hours compatible with caring responsibilities, by regulating the length of the working day and specifying the notice that has to be given of when workers are needed. Rigorous enforcement of working time regulations without exception is essential because any type of work exempted from such regulation would be less open to those with caring responsibilities (and those in need of care).

Currently such people are more likely to be women, perpetuating gender inequality. But even if that were not the case, closing off opportunities to those with caring responsibilities sends the wrong signal about the place of care in society. No job should be considered so important that it cannot be combined with carrying out the normal duties of a carer, or be done by a person with a disability. Nor should those with care responsibilities have to pay for the conditions that they need in lower wages.

Employers should also be required to adapt working conditions to specific circumstances, primarily to accommodate specific disabilities and when a carer has specific needs, for example to make phone calls. Resources should be made available to help with the cost of such adaptation where they are needed just for specific individuals, rather than could reasonably be provided for everyone.

Workers also need individual rights to take time out of employment at times of exceptional caring responsibilities or when existing care arrangements need modification. Paying such leave at wage replacement rate is not only fair but will ensure that income considerations do not influence its take up. Payments should be reimbursed from a dedicated national insurance fund.

Making having caring responsibilities the norm, by assuming all workers to be carers, should encourage an expectation that those without current family caring responsibilities would take up volunteering opportunities, perhaps to provide care or other forms of support to those lacking it from family. A system for organising such volunteering should be developed in local areas.

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Women's Budget Group Submission to Labour National Policy Forum Consultation: Building an effective criminal justice system

Since the Labour Government commissioned the Corston report in 2007 it has been recognised that the Criminal Justice System (CJS) is significantly gendered:

- women are a tiny minority around 5% of the prison population
- Most are convicted of crimes of poverty (shoplifting for food,¹ unable to pay TV licence fines) or related drug abuse - often, supporting someone else's addiction).
- 69% suffer from mental health problems, and 60% have histories of experiencing male violence.

The Women's Budget Group welcomes the commitment made by the Labour to mainstream gender into all policy making and think about women in the CJS. We hope that the manifesto will reflect these commitments. For the purposes of this submission we will focus on two core policy recommendations for the Labour party:

- The importance of comprehensive understanding of how violence against women and girls (VAWG) and crime intersect and therefore, the need for properly funded VAWG services in early prevention work
- 2. The funding of non-custodial alternatives for women offenders

How can courts work more closely with local authorities, health service, probation providers and other public bodies, as well as the third sector, to address underlying behaviour?

The Women's Budget Group welcomes Labour's commitment to early intervention as an integral part of building an effective CJS. However, it is important to recognise the intersection of age with other factors, particularly income, gender and race in peoples experience of the criminal justice system as victims, offenders and employees. Our particular focus is on gender inequality: it is important that an early intervention strategy reflects the different situation and needs of young women and men. We would like to see consideration of these needs in discussions about how local authorities, health services, probation providers and other public bodies can help with early intervention.

In thinking about prevention it is important to consider the links between crime and all forms of violence against women and girls (VAWG) – domestic and sexual violence and abuse, forced marriage, honour based violence, female genital mutilation, and the costs, as well as the return

¹ In 2017, shoplifting accounted for 43% of adult females sentenced for indictable/triable either-way offences. Female Offender Strategy, 2018,

on investment of prevention². This requires a stronger analysis of the sex discrimination and inequality of women and girls that drives VAWG. VAWG is a cause and consequence of women's inequality: women are more vulnerable to VAWG because they are poor; women are poor as a result of CSA and VAWG. The link between economic autonomy and violence is clear:

- Women living in households with an income of less than £10,000 were more than four times as likely (14.3%) to have experienced partner abuse in the last 12 months than women living in households with an income of £50,000 or more (3.3%).
- Women living in social housing (11.1%) were nearly three times as likely to have experienced partner abuse in the last 12 months than women who were owner occupiers (4.1%).³

Prevention is even more important for women as they lack trust in CJS so do not report (for example, only 17% report rape.) It is important to increase trust but realistically, as this reporting rate has remained intractably low over many decades, prevention is even more important to protect women and girls, coupled with parallel justice systems to help women and girls rebuild their lives after years of abuse.

Some groups of people, for instance women offenders or people from a BAME background, are much more likely to receive a custodial sentences for a first offence.

What can we do to tackle underlying biases within the criminal justice system so sentencing is applied fairly?

The previous Labour government began this process in part by setting up specialist courts to deal with domestic violence, recognising that there are biases in the courts arising from the fact that judges and lawyers may not develop expertise in VAWG through hearing general cases and are more likely to treat repeated offences as 'one-offs'. These have been important in making the CJS more effective in dealing with these crimes.

Multi agency working, such as MARACs, has also helped to offer more effective protection but the real problem of failing to fund the women-lead, community-based services like Rape Crisis and Women's Aid has not been solved. Home Office figures show that the overall costs of domestic violence alone, in England and Wales alone, are £66 billion.⁴ Central government

² We note that the latest Crime Survey for England and Wales (CSEW) estimated that approximately 700,000 adults aged 16 to 59 years had experienced sexual assault in the 12 months prior to interview. This is equivalent to 2.1% of the population aged 16 to 59 years. The majority of victims were women, with approximately 560,000 female victims and 140,000 male victims. Women were nearly four times as likely as men to have experienced sexual assault in the last year (3.4% compared with 0.9%).²

³ Women most at risk of experiencing partner abuse in England and Wales: years ending March 2015 to 2017 https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/articles/womenmostatriskofexperiencingpartnerabuseinenglandandwales/yearsendingmarch2015to2017

⁴ Home Office, The economic and social costs of domestic abuse Research Report 107 Rhys Oliver, Barnaby Alexander, Stephen Roe and Miriam Wlasny, 2019

investment in £100m through to 2020 for rape support centres, national helplines, and FGM and Forced Marriage Units.⁵ Early intervention for women and girls must be part of a wider move to properly fund the VAWG sector and stop the cycles violence and crime that impact women. This therefore also relates to queries regarding re-offending.

The current government has also recognised that female offending cost £1.7 billion in 2015/2016, promising to invest £5 million over 2 years in community provision for women. We note with disappointment the huge gap in the reality of what was promised and what was delivered i.e. £3.25 million a year. We would welcome a recommitment to this prevention strategy from the Labour party.

With these figures in mind the economic case for sustainable funding of a national network of Women's Centres delivering holistic, women-centred, services, is very strong. The services will vary according to local need but will typically include support for the major drivers of women's offending: mental health, housing, employment, substance abuse, and domestic and sexual violence and abuse. These should be single sex services, in recognition of the histories of male abuse most of these women have suffered.

It is not in the interest of society or the individual for persistent low level offenders to serve very short sentences in prison, further exacerbating problems of overcrowding, and reducing their chances of rehabilitation. How can sentencing be rationalised to address these issues?

If there is a presumption against short sentences, how can we ensure community based alternatives, command the confidence of the public and the criminal justice system, as well as provide a chance for effective rehabilitation?

The Women's Centre's described above could be one alternative to short term custodial sentences which are costly for the government and for women themselves who are more likely to lose their homes and children while serving short sentences than men.

Which public services beyond the criminal justice system should be included in offender management?

VAWG services – as above.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/772180/horr 107.pdf

⁵ Women most at risk of experiencing partner abuse in England & Wales: years ending March 2015 to 2017, para 7, https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/articles/womenmostatriskofexperiencingpartnerabuseinenglandandwales/yearsendingmarch2015to2017#what-is-the-uk-government-doing-to-tackledomestic-abuse



Submission to the Labour National Policy Forum Consultation: Brexit

WBG believes that Brexit will be damaging to the UK and that women will be negatively impacted as workers, consumers and users of public services.

We <u>support calls for a Citizens' Assembly</u> to come up with new proposals for a way forward on Brexit. This assembly should take evidence from women's civil society groups and consider the gender and other equality impact of different proposals. Following the Citizens' Assembly, it may be necessary to hold a second referendum. In such a referendum WBG would support remain..

1. How should Labour respond to the Prime Minister's deal in Parliament?

WBG is opposed to both the Government's proposed deal and a no deal Brexit.

Britain's exit from the European Union will have a negative impact on the UK economy, whatever the form of the final deal, with a 'hard' Brexit having the most <u>serious impact</u>. IPPR analysis¹ of the Prime Minister's deal says ongoing uncertainty will result in economic downturn due to rising inflation, decreased investment and confidence. Women will be affected in differently from men due to women's different positioning in the economy and labour market and, their greater responsibility for unpaid care work. The Prime Minister's deal will have an adverse effect on sectors where women are overrepresented including the public sector and textiles manufacturing.

If the current government responds to this downturn as the Coalition and Conservative Government did to the 2008 financial crisis this will have a serious impact on women. Women – particularly the poorest women, BAME women and disabled women – and violence against women and girls (VAWG) services cannot take any more cuts having borne the brunt of 86% of cuts since 2010. A spiralling economy is unlikely to provide the reinvestment needed to repair the damage done since 2010.

Of particular concern is the care sector where 1 in 8² people over 65 already have unmet needs. An impending end to Freedom of Movement has already seen thousands of nurses and carers from the European Economic Area return home. Alongside with debilitating budget cuts, the care sector faces a severe staff shortage and it is women's unpaid labour that will be forced to plug this gap.

In addition a poor trade deal with the EU would put the UK in a weaker position to resist pressure from countries which are likely to require greater access for their companies to

¹ IPPR (November 2018) 'The Brexit Withdrawal Agreement: a first analysis' (https://bit.ly/2Tk9Lds)

² Age UK (9 July 2018) 'New analysis shows number of older people with unmet care needs soars to record high' (https://bit.ly/2TXWTto)

tender to deliver public services in the UK as the price of a trade deal. Trade deals with non-EU countries could include provisions that would give overseas companies the power to sue the UK government if it took action that would damage the profitability of these companies such as increasing the National Living Wage or bringing services that have been privatised back 'in house'.

In contrast to this crisis the European Union is making plans to implement 5 days of statutory paid carers leave in 2019³. Being a member of the European Union has undoubtedly benefited women. It is the European Union that has encouraged the United Kingdom to implement:

- equal pay for work of equal value,
- part time working rights for parents,
- shared parental leave,
- paid holidays and,
- the rights to equal treatment and anti-discrimination.

In fact, by leaving the European Union we are losing the only standalone clause that legislates against anti-discrimination in the workplace, enshrined in the Charter of Fundamental Rights. Today, European Courts provide supranational protection to defend and uphold these important rights.

There is concern that the negotiated Withdrawal Agreement and legally non-binding Political Declaration do not once mention women or gender equality and therefore do not contain sufficient guarantee that the Equalities Act will be protected in post-Brexit Britain. A no deal scenario would be even worse with the economic impact drastically increased and, the possibility of a 'race to the bottom' to secure global trade deals at the expense of workers and women.

2. What steps can the Party take to continue to follow and build on the Brexit motion passed at Labour Conference?

We applaud the emphasis placed on workers' rights in two of Labour six tests. However, we continue to think that protection of these rights will be harder to achieve outside the European Union. The evidence available currently leads us to think that staying in the EU would be the best option to protect the rights of both women and men as workers, consumers and users of public services.

Brexit has also highlighted the continued exclusion of women from decision making processes. Women's voices were largely absent from media debates in the run up to the referendum.⁴ The UK's Brexit negotiating team has been dominated by white men⁵ and the political and media debates have paid little attention to the significant gender impact of Brexit or the impact on other equality groups.

³ European Commission (2019) 'Work Life Balance' (https://ec.europa.eu/social/main.jsp?catId=1311&langId=en)

⁴ http://blogs.lse.ac.uk/brexit/2016/05/25/stop-relegating-womens-views-on-brexit-to-the-gender-silo/

⁵https://www.huffingtonpost.co.uk/entry/brexit-david-davis-women-gender uk 5947b8c5e4b0f15cd5bca4aa

There is an urgent need to extend the negotiation period and to develop deliberative mechanisms to involve a wider range of voices, and in particular the voices of women and other marginalised groups.

We <u>support calls for a Citizens' Assembly</u> to come up with new proposals for a way forward. This assembly should take evidence from women's civil society groups and consider the gender and other equality impact of different proposals.

Following the Citizens' Assembly, it may be necessary to hold a second referendum. WBG believes that this process of deliberation, followed by provision for a referendum should form the basis of the Labour manifesto for the European Elections.

How can we ensure a strong future relationship with Europe that protects jobs, rights and the economy?

Although the Women's Budget Group believes British women are better off in the Union, we would also like to see improvement and reform at the European level to improve protection for human rights, including workers rights and for the environment. We suggest that the European Council should go further in collecting, keeping and publicising gender and other equality statistics relating to the outcomes of all EU projects and funding programmes. We urge Labour to encourage Europe to assess the gendered impact of all structural and social funded projects.