

one nation

FINZ

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One Nation Fizz

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All problems and inconsistencies etc are of course our own.

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Introduction

*Roberta Blackman-Woods, Diana Johnson,
Barbara Keeley*

We have called this book *One Nation Fizz*. It came about when a group of us decided to act on Ed Miliband's exhortation to think outside the box and come up with new inspiration for policy development – to fizz with ideas. It represents our contribution to the debate and is intended to stimulate discussion about our future policy direction.

Today more than ever we need a political agenda that really resonates with public concerns, and this is the spirit in which we have put together this collection of chapters covering key aspects of Labour's policy challenges. Each of our contributors sets out Labour policies in areas that affect people's everyday lives, such as the quality and type of care that is available to us, the kind of houses our children will live in, the nature of the education and skills training that our young people receive and our responses to people's fears on immigration and policing.

We write as a group of Shadow Ministers and Parliamentary Private Secretaries, who are not only participating in a wider policy review but are also, in

our constituencies, and on a daily basis, seeking to understand the growing disconnect between politicians and the public. This means that we appreciate the vital need for an agenda that is bold enough to cut through this disengagement but is at the same time something we can deliver. It also means that all of us have an ongoing opportunity to test the ideas presented here with our constituents. That two-way process needs to be a real one, and we therefore welcome feedback on the ideas presented in our chapters and suggestions for ways in which our policy deliberations can be improved.

All of us recognise the divisions that are being created or exacerbated in our society as a result of the Tory-led government's policies. But we also know that the next Labour government will have to be different from the previous one in many respects. Not least we will still face a financial deficit, so that a large increase in resources is out of the question. We thus recognise the need first and foremost to be honest with people about what is possible, but, once we have acknowledged the difficulties, we can start to use departmental budgets more imaginatively, and to share and pool resources. We will also seek to procure services in ways that as far as possible benefit local people and local communities.

Beyond this of course we need an economy that works for the many and not the few. Our contributors

represent a wide range of constituencies throughout the country, and therefore know the importance of rebalancing our economic base to strengthen manufacturing. This rebalancing will involve rolling out an industrial strategy to champion all areas of the country and their specific strengths, whilst providing opportunities for apprenticeships and the development of start-up businesses and supply chain clusters. We will also make room for knowledge transfer from our universities and colleges. When Labour was in government we set up the Technology Strategy Board to promote knowledge exchange and support new businesses. We need to focus on this initiative again, in order to grow high value and high quality jobs in our economy. Too many of the jobs that have been created under the present Tory-led government are low value, and feature zero hours contracts. Britain simply must do better.

Similarly we need a seismic shift in how we provide care services so that older and vulnerable people no longer face uncertainty about the quality of care and how it will be delivered, or face the possibility that they will lose all their assets in funding it.

Securing economic growth is crucial, but ultimately the biggest challenge we face is tackling growing inequality in our society. The policies put forward in this collection – which include better early years

provision, support for families, the enhancement of skills, more house building, protection from crime and anti-social behaviour and the provision of more business and work opportunities at every level – should start to do just that.

This book has four main themes. The first is an exploration of ways to improve the delivery of NHS services to reduce health inequalities, and start to address the difficult issue of providing high quality social care. The second theme focuses on the changes that need to be made to education and family support at all levels – in early years and school education, further and higher education and life-long learning – if we are to provide opportunities for everyone regardless of their background. Thirdly we look at the changes that need to be made in work and employment patterns; this includes reducing social inequalities through looking at the ways people interact with the benefit system, and assisting businesses to both thrive and be more socially and environmentally sustainable. The fourth theme is how to build resilient communities: through more and better housing; wider access to digital and cultural services; and greater community control over energy costs and supply.

A common feature of a number of contributors is an emphasis on the need for more powers to be returned to local communities and local councils, so that they have

more say over what happens in their area, and fewer difficulties arising from Whitehall centralism.

A brief summary of chapters and key arguments

In Chapter 1 Andrew Gwynne discusses the need to reverse some of the recent damaging organisational change to the NHS. He also argues for re-establishing policies that recognise the link between health determinants and wider policies, for example through tackling unemployment (as argued by Nia Griffith) and improving educational opportunities across the board (as argued by Nic Dakin, Paul Blomfield, Sharon Hodgson and Kevin Brennan). Ultimately this means addressing the huge public health challenges we are facing, and returning to a focus on providing the world class care for which the NHS is famous.

In Chapter 2, Barbara Keeley argues strongly for providing Whole Person Care, which integrates NHS and social care services – though this on its own will not solve the funding challenges facing the current and future delivery of care services. She also argues for a covenant with carers.

In Chapter 3, Sharon Hodgson makes a strong argument for directing our scarce but vital public resources towards the prevention of social problems rather than responding to their consequences. She addresses the

need to target resources towards early years provision in order to tackle the embedded (and longstanding) cycle of deprivation; and she shows how communities can be empowered (in a similar vein to the arguments put forward by Diana Johnson and Roberta Blackman-Woods) to shape services and support in their area.

In Chapter 4, Kevin Brennan demonstrates clearly that the quality of our education system will be a vital part of a future One Nation Labour government's strategy for addressing our country's economic, social and cultural future. He draws on personal experience to show the overwhelming influence of background on which universities people attend, and indeed on whether or not they can access one at all. He makes a strong argument for investing in teachers, acknowledging their value and supporting their development. He also totally rejects a market-based approach to schooling and school provision.

In Chapter 5, Nic Dakin and Paul Blomfield argue for a recognition of the value of a highly skilled workforce; they argue against seeing post-16 solutions in binary terms, and instead note that university, college and workplace learning are not alternative routes but interweaving opportunities, which can be navigated in different ways at different times in a person's lifetime journey. They stress that all types of education and learning need to be valued, including apprenticeships.

In Chapter 6, Gordon Marsden sets out Labour's commitment to a learning strategy for every stage of life. This will mean renewing our commitment to lifelong learning and supporting more flexible forms of provision, particularly for adults. He argues strongly for the need to plan for skills development to match the priorities of our industrial strategy. This will also require policies that better address the rehabilitation of offenders, offer greater support for care leavers, and tackle skill imbalances at sub-regional levels.

In Chapter 7, Nia Griffith identifies measures Labour will take to reduce income disparities, including through restoring the value of the minimum wage and promoting a living wage. She also addresses the need to tackle geographical and structural inequalities through a fairer distribution of wealth.

In Chapter 8, Iain Wright, while recognising the huge strengths of our business sector, shows how One Nation Labour would do more to tackle long-term structural weaknesses in our economy. Our ideological approach also differs from the Tories in its greater recognition of the need to improve employment rights (echoing the points raised in Nia Griffith's chapter); and our business strategy would help Britain respond better to global opportunities. Labour's dual approach seeks both to raise productivity and to ensure that the gains from growth are more fairly shared, with policies that

promote innovation, long-term productivity and competitiveness.

In Chapter 9, Roberta Blackman-Woods puts forward the evidence that Britain is facing a housing crisis. Whilst being absolutely clear that Labour must support a major uplift in housing numbers to at least 200,000 per year by the end of the next parliament, she also argues that this will be done by creating new communities and place-making, and with a greater focus on the types of environment people want to live in. Finally, Labour is committed to a much bigger role for community consent, so that people can be involved in decisions about where new houses go, what they look like, the extent and nature of supporting infrastructure, and potentially greater area benefits from development.

In Chapter 10, Helen Goodman makes the case for everyone having access to the internet, and argues that digital roll-out needs to be speeded up, particularly in rural areas. She also makes a strong argument that everyone should have the opportunity to enhance their wellbeing through participation in sport and cultural activities, should they wish to do so.

In Chapter 11, Alan Whitehead sets out One Nation Labour's strategy for decarbonising our power supply. This would include supporting do-it-yourself local energy production and an increase in the numbers of community owned and managed wind and solar farms. Most of all,

Labour wants to freeze energy prices and tackle the broken energy market, in order to address our future energy needs and increase energy security.

In Chapter 12, Diana Johnson discusses how to build a society that is inclusive, empowering and localist, and argues that in order to do so we need to build communities that are more resilient. To do this will require tackling the sexual exploitation of children and adults, providing better sex and relationship counselling, getting to grips with licensing that is genuinely community-based, and working with communities to end drug abuse.

In Chapter 13, David Hanson tackles the subject of immigration and how One Nation Labour would make the system work for everyone, not just for some. This means recognising the benefits of immigration to this country, whilst also putting measures in place to reduce exploitation and undercutting in our labour markets; secure our borders; and protect the integrity of our benefits system. He outlines a series of measures, from enforcing the minimum wage to upskilling our population and reform in Europe, that could help control immigration and its impact.

1. A One Nation Health Service fit for the twenty-first century

Andrew Gwynne

The principle of sharing the burden of illness as a community is absolutely central to the idea of One Nation. The NHS was founded in a period of immense uncertainty and fiscal restraint. It was created despite hostility and opposition because of the strength of its founding principles; and those principles are just as resilient today. And while the economic and social challenges facing the National Health Service today would probably not be recognisable to Nye Bevan if he was still here, the political assault on it from a Conservative-led government certainly would be.

Labour has led the opposition throughout the current government's widespread programme of marketisation and reorganisation, which are putting the health service on a fast-track to fragmentation and privatisation. The government's damaging reorganisation has wasted £3billion, thrown services into turmoil, and damaged morale. In 2015, an incoming Labour government will face

Accident and Emergency departments in chaos, collapsing social care, and longer and longer waits for seeing GPs. The NHS is under pressure more than ever before.

All of this will make a One Nation approach more important than ever.

Inequality

It is our job to look at the bigger picture, and to re-situate health determinants within their wider policy context.

Why do men in Blackpool live, on average, for 74 years, yet men in East Dorset live to 83? We need to understand that almost every government policy has an impact on health. Bevan understood this as Minister of Labour and National Service. Unemployment has a critical impact on health, but it is so often easier to assume that the two are distinct and divisible. In fact health is linked to almost every other policy area in this book. Quality education is essential for improving long-term health prospects.

Support in the early years is crucial for reducing health inequalities that last for decades. Opportunities to work and stronger communities are absolutely necessary in the fight against both mental and physical health problems.

Recognising the links between these different areas of life is at the heart of One Nation Labour. Reducing the divisions between these services will be a crucial part of improving opportunities and outcomes for people. The

realities of people's lives are not divided up into different policy areas. And we cannot expect everybody to be able to navigate the myriad organisations that make up our health and care system. We must join up services – and Labour's Whole Person Care agenda is one way of doing it.

The Conservatives have worked hard to build Two Nations, having jettisoned the intellectual traditions of Disraeli. But a Labour government will prioritise tackling health inequalities.

A further issue of concern for an incoming Labour government will be the public health challenge. Rates of obesity and alcohol-related illnesses have increased in recent years, contributing even further to health inequalities. A greater emphasis on public health and prevention, and supporting families to ensure that every child gets the best start in life, will therefore be vital in supporting the least privileged. So too will ensuring that mental health is given equal priority with physical health. For a One Nation government, reducing health inequalities will be a key consideration in everything we do.

Access to services matters too. Everybody should have the right to quality and timely care, regardless of where they live or how much they have in the bank. Our promise to guarantee patients a GP appointment within 48 hours – paid for by redistributing funds away from spending on competition lawyers and towards frontline care – is one way of achieving this. Evidence suggests that timely access

to primary care is essential to health outcomes. Ensuring that more people can see a doctor in a timely manner will thus mean that more problems are identified before they become prohibitively advanced. This policy could therefore have a transformative impact on the large differentials in early diagnosis rates across the country.

Trusting people

Labour will ensure that patients are involved in decisions about the future of their local hospital right from the outset. We will make sure they have a formal role in drawing up and deciding on proposals for changes to maternity wards, A&E units or any other health service, before they get to the consultation stage.

Since coming to power, the Tory-led government has on too many occasions ignored patients and made unilateral decisions on local health services far away in Westminster. Too often, ordinary people are locked out of meaningful discussions on the future of local hospitals. For example, those that rely on my local hospitals, such as Tameside General and Stepping Hill, need a greater voice in decisions on its future.

Labour's proposals will give local people more of a say, help people understand the available options as well as the clinical case for any proposed change, and help build confidence in such proposals. In contrast, the current Tory

Secretary of State has the power to close hospitals or trigger reconfigurations without adequate public consultation. A One Nation Labour government would trust local people to take decisions regarding the future of their health services.

To this end, a One Nation Labour government will put an end to the ability of the Secretary of State to change services across whole regions without proper consultation. And we will ensure that patients are involved in any changes being discussed and considered. Furthermore, when a change is proposed, an independent body will be charged with consulting the local community – rather than the organisation proposing the change.

Protecting NHS values

We must defend the NHS from the constant attacks made by the Conservatives, which are often contrived. The NHS symbolises health care of the people, for the people, by the people. In 2012, Danny Boyle featured it as a shining example of our national character in his Opening Ceremony for the London Olympics. It is still one of the most revered institutions in Britain.

A poll carried out by IpsosMORI in 2013 found that people were more proud of the NHS than of any other British institution; it ranked above the monarchy, Team GB and the BBC. Some 72 per cent of respondents agreed that ‘the NHS is a symbol of what is great about Britain

and we must do everything we can to maintain it'.¹

Worryingly, however, there seems to have been some inter-generational erosion of social solidarity, with fewer young people being proud of the NHS. This attitude can partly be attributed to the campaign of mistrust that the Conservatives have fought since 2010 – and is one of the reasons we must challenge them.

A recent Commonwealth Fund survey covering eleven leading industrialised nations found that the British had the highest levels of confidence in the affordability and effectiveness of their treatment – scoring higher on this count than Sweden, Switzerland, Germany, France and Canada, amongst others.² This does not mean that we cannot improve the NHS – of course we can. But the reality is that the last Labour government rescued the NHS after eighteen years of Tory neglect: in 1997 public satisfaction was at a record low, and by 2010 it was at a record high – though it has fallen once again under the Tory-led Government.

The next Labour government will help our health and care services meet the challenges of the twenty-first century by bringing together physical health, mental health and social care under one banner, organising services around the needs of patients, not patients around the needs of services. As part of this, we must repeal the Health and Social Care Act, and put the right values back at the heart of the NHS.

The previous Labour government's improvements in waiting times for hip replacements and cataract surgery came about partly as a result of the extra capacity that we could bring in from the private sector when necessary. Where existing services have consistently under-performed, alternative providers can be an important way of turning things round. These can include organisations from within the third sector and mutuals, as well as private sector organisations. Unfortunately, the result of the Conservative decision to import into the NHS the principles on which Thatcher based the privatisation of the utilities is that our healthcare is 'bogged down in a morass of competition law'— to quote the former chief executive of the NHS. Hospitals wanting to integrate and co-operate with one another are stopped from doing so. NHS hospitals are now allowed to earn half of their income from private patients. And service changes to improve care can be vetoed by competition lawyers and economic regulators. Tackling this extreme culture of privatisation is at the heart of One Nation Labour, and it is more important in healthcare than in any other policy area.

Conclusion

Nye Bevan believed in acquiring power for the long-term purpose of giving it away. He believed in giving every group in the land a voice at the top table, not to engender

conflict but to ensure that decisions were made with everyone in mind, not just the richest. Are these not distinctly One Nation principles?

One Nation Labour will tackle unaccountable power. It will ensure the system works for patients, not lawyers and bureaucrats. It will guard the NHS from outrageous attacks on its core precepts. It will ensure all policy areas play their part in improving health and reducing health inequalities. And it will ensure patients are consulted before decisions are taken about them and their services.

As one of the world's most advanced economies, we cannot be satisfied until all have world-class care. That is why One Nation Labour is forming a solid agenda for guiding the NHS through the twenty-first century. If we have learned anything since 2010, it is that the Conservatives cannot be trusted with the NHS. Only a One Nation Labour government that believes in NHS values will be able to build a health service truly fit for the future – through bringing services together around the patient to meet today's health and care challenges, and rejecting the divisive attitudes propagated by the Conservatives.

Notes

1. www.ipsos-mori.com/Assets/Docs/Polls/BritishFuture_2013_topline.PDF.
2. www.commonwealthfund.org/Surveys/2010/Nov/2010-International-Survey.aspx.

2. Whole Person Care and a new covenant with carers

Barbara Keeley

In 2015, an incoming Labour government will inherit an NHS facing a crisis of funding, and a social care system that has been scaled back so far that in most areas adult social care is only available to those with the highest levels of needs. The NHS has had no real-terms growth since 2010, once allowance is made for funding transfers to social care. One in four NHS foundation trusts is forecasting a deficit for 2014, as is one in three of the NHS organisations yet to become foundation trusts.¹

One Nation Labour's vision for health includes the provision of Whole Person Care, which will integrate NHS and social care services. Such integration will make a crucial contribution to tackling future funding pressures – though it will not be enough in itself to tackle the underfunding of social care, or the funding issues in the NHS.

In the first four years of the current Conservative-led government, the reduced funding settlement for local government led to a rapid fall in funding for adult social care. By March 2014, local authority spending on adult

social care had fallen by £2.68 billion in four years, a fall of 20 per cent. Nine out of ten local authorities now set their eligibility for social care at substantial needs or higher, whereas less than half of local authorities set it at that level in 2005/6.

Fewer people are getting help through publicly-funded social care: the number of people receiving care has fallen by 280,000 since 2009/10.² And one consequence of the resulting failure to meet need through publicly-funded care is that more of the care workload is falling on to unpaid family carers. In 2011 there were 6.5 million people in the UK providing unpaid care for family members or friends (5.4 million carers in England alone).³ Between 2001 and 2011, the proportion of men and women who were caring rose in all age groups aged more than 55 years.⁴

Carers UK predict that the ever-increasing need for care and support within our ageing population will outstrip the number of family members able to provide that care. They also point to the dramatic growth (35 per cent over ten years) in the number of over-65s providing care; while for women aged 60-64 there was a 48 per cent increase in the number of carers (against a population increase of just 33 per cent). Among carers aged 60 to 64, 54 per cent of men and 36 per cent of women were in paid work. Pressures on men and women trying to juggle work with caring have intensified.⁵

Given the increasing pressures on unpaid family carers, One Nation Labour is developing a policy of Whole Person Care, which recognises and supports the pivotal role of the UK's 6.5 million carers. It has been argued that without these unpaid carers, and the 3 million people who take on voluntary roles, 'health and social care would collapse'.⁶

Can government strategies for carers meet their needs?

Before I was elected as an MP in 2005, I worked with a national charity on the largest ever survey of carers. The Labour government had launched the country's first National Carers Strategy in 1999, and the survey – of 4000 carers – was undertaken to provide feedback on its implementation. The project also aimed to ask carers about their needs, priorities and issues.

Meeting and talking to so many carers in the course of that project opened my eyes to the issues people faced in providing care to family and friends. Many had heavy caring commitments (with 1 in 10 caring for more than 50 hours a week). Carers told of the pressing need to be directed towards better sources of information, advice and support. And they felt GPs were more likely to understand the carer's role, while NHS consultants and other NHS staff were less likely to do so. More than 8 out

of 10 carers said that caring had had a negative impact on their own health. One key recommendation from the project was that NHS bodies should encourage GP practices to develop carer support initiatives.

After being elected as an MP, I spoke frequently about the need for GPs to identify carers, and to ensure they got the advice, help and support they needed. I put this measure forward twice in 10-Minute Rule Bills. In 2012 I had the opportunity to put forward a Private Member's Bill, and chose to bring forward a Bill to ensure that local authorities had a duty to report on the Sufficiency of Social Care, as well as a duty on the Identification of Carers. This would have ensured that NHS bodies had procedures in place to identify carers, promote their health and well-being, and ensure that they received appropriate information and advice.

Such Bills have played a vital role in the development of rights and support for carers in the past. In 1995, the Carers Recognition and Services Act was introduced by Malcolm Wicks, which required Social Services to assess the needs of carers. In 2000 Tom Pendry introduced the Carers and Disabled Children Act, which enabled services to be provided to carers. The Carers (Equal Opportunities) Act 2004, led by Hywel Francis, ensured that social services should consider a carer's right to work, lifelong learning and leisure when they were completing a carer's assessment.

Previous Labour and Conservative governments have backed Private Member's Bills such as these which give new rights to carers, but the Coalition government did not back my Bill. The reason given by the Care Minister was that the government had its own draft Care Bill pending. This eventually completed its passage through Parliament in May 2014, but dates for the implementation of its provisions vary from 2015 to 2017.

I believe that this major piece of legislation on social care missed real opportunities to make life better for carers. Under the new Act, local authorities will have a responsibility to assess a carer's needs for support. Then, once the assessment is complete, they must decide whether the carers' needs make them 'eligible' for receipt of local authority support. The authority can also charge both the cared-for person and the carer for any support provided. This legislation fails carers in two main ways. Firstly, the new rights it gives carers to assessment and support are of little value in light of the dwindling of available support, through increased charges and eligibility thresholds being set higher. As a result of recent reductions in adult social care services I have seen carers losing much of the support that previously gave them a rest or a break. Secondly, a right to a local authority assessment of needs will not be much help to those carers who have little or no contact with their local authority. Macmillan Cancer Support report that only one in three carers of people with cancer

had heard of a carer's assessment and a mere 5 per cent had actually had one. As there are close to a million carers of people with cancer, this is a significant finding.⁷

A survey of more than 2000 carers for Carers Week in 2013 found that over 70 per cent of carers come into contact with health professionals (including GPs, doctors and nursing staff) during their caring journey. Yet health professionals identify only one in ten carers, and GPs only 7 per cent.⁸ The need for NHS bodies to identify carers and ensure that they are referred to sources of advice and support was raised at all stages of the debate on the Care Bill in the Commons, but was ignored by the Care Minister. Labour moved clauses to ensure that NHS bodies were required to identify carers and ensure that carers received advice and support, but these were voted down.

Labour's vision for Whole Person Care

Labour's Whole Person Care proposals tie in strongly with the principles of One Nation. Integrating NHS and social care services in the interests of patients and social care users makes the principles of collaboration and co-operation central to its operation, rather than competition and fragmentation.

Whole Person Care would bring together three fragmented services (NHS, mental health services and social care) to form a single service co-ordinating all of a

person's needs – because, increasingly, people's needs are a mix of all three. We envisage that this integration of services will deepen over time, and that different areas will develop different models.

Supporting carers will be central to these proposals, as they provide so much of the care that is needed. A 2011 report published by Carers UK put the economic value of the unpaid care provided by family carers in the UK at £119 billion per year.⁹

Time for a Covenant with Carers

I believe it is time for national government to make a Covenant with Carers, which would show that society values their caring and intends to support them in continuing to care. Such a Covenant would address flaws in the Care Act, widen the definition of carer and address the additional burdens that have been placed on carers by the Coalition government's welfare reforms. Initial ideas being considered as part of Labour's policy review include the following proposals:

- a duty for NHS bodies to identify carers; GPs and hospital staff to signpost carers towards the help and support they need.
- NHS bodies to ensure that the health of carers is supported, including through relevant health checks

- the definition of carer to be widened to include young carers and parent carers (who currently have rights defined in Children and Families legislation but not the Care Act)
- schools and colleges to recognise the needs and rights of young carers and put procedures in place to identify young carers; more generally, government to protect children and young people from inappropriate caring responsibilities
- the abolition of benefit withdrawal for the ‘extra rooms’ needed by carers for their caring responsibilities (the Bedroom Tax currently affects 60,000 carers and Labour will abolish it)
- the ‘carer-proofing’ of any future legislation, to make sure that it does not negatively affect carers’ ability to care.

The Labour government’s 2008 Carers Strategy stated that ‘carers will be respected as expert care partners’; and that they will have access to the ‘integrated and personalised services they need to support them in their caring role.’ A new Covenant with Carers, alongside Labour’s Whole Person Care, would help move us closer to that goal.

Notes

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- Health and Social Care in England*, The King's Fund, 2014: www.kingsfund.org.uk/sites/files/kf/field/field_publication_file/commission-interim-new-settlement-health-social-care-apr2014.pdf.
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 5. Ibid.
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3. Involving communities to support child development

Sharon Hodgson

Ora na-azu nwa – It takes a village to raise a child

Igbo proverb

In a recent speech to the New Local Government Network, Jon Cruddas stated that a core part of Labour’s One Nation vision for government in 2015 is a shift of focus for public services, towards preventing problems from arising rather than dealing with the consequences.¹

We know that a poor first couple of years can have a significant impact on a child’s health, educational and developmental outcomes in later life; it means they are more likely as adults to struggle to hold down meaningful relationships or jobs. This in turn means that they themselves are less likely to be able to give their own children a better chance at life. And thus the cycle of poverty, poor life chances and wasted human potential persists, and becomes ever more entrenched.

For me, as someone drawn to the Labour Party because of wanting to do something about the wasted

human potential I saw all around me as I grew up in the North East, breaking that cycle is reason enough to prioritise prevention. But even the most out-of-touch Tory should also see tackling all of these problems as an absolute priority. A recent report from the Child Poverty Action Group estimated that it costs councils £11,000 a year for each child in poverty whose life is not turned around.²

Unfortunately, while everyone pays lip service to early intervention, there have been clear differences between the practices of the last Labour government and those of the current Tory-led regime, who have not put their money where their mouth is.

The last Labour government were rightly proud of the improvement they made to outcomes for children and young people from all backgrounds. The results of their policies were clearly visible – and included better educational outcomes, higher rates of further and higher education enrolment, and falling crime. And one of the innovations we can be most proud of was the creation of Sure Start – a new stratum of our public and social infrastructure designed solely to support families. When it is working well, Sure Start doesn't just improve lives, it saves them.

But despite pre-election promises from both David Cameron and Nick Clegg that Sure Start would be safe in their hands, in reality it has been devastated. In 2013 a

report from The Children's Society exposed a cut in funding of 50 per cent over the lifetime of this Parliament, and it is clear that this government does not view Sure Start as a priority.³ They are content to see the Sure Start programme wither away. At the last count there were 576 fewer children's centres operating across the country, and the numbers of closures are rising. The loss of these centres is significant, but what is more important is the loss of the work that goes on inside them – and that staff do in their local communities. At a time when parents are feeling the full force of David Cameron's cost of living crisis, they are also seeing cuts to the universal services they used to be able to access – if they are not withdrawn altogether.

If children's centres cannot offer attractive and non-stigmatising services to encourage parents through the front door, the Sure Start model – low-level services for all, helping to identify the families who need greater help – falls down.

Community involvement

Reversing this damage means increasing engagement from the whole community.

This is why initiatives such as promoting greater patient involvement in the shaping of health services – as Ed Miliband advocated in his recent Hugo Young lecture

– are so important.⁴ If we see people simply as passive receivers of services or quasi-consumers, we will never be able to harness their potential – not only to design the services they want but also to participate in delivering them and driving improvements.

This kind of approach is not new in early intervention work: successful children’s centres are characterised by their strong networks of volunteers and the active involvement of parents in governance roles. Research by Action for Children has demonstrated that volunteers bring extra capacity, and provide an informal, reassuring presence for other families using children’s centres.⁵ They can act as role models to the local community, and contribute unique skills and experience in shaping how services are delivered.

The Cowgate Family Support Volunteer Project, supported by Action for Children, trains volunteers and matches them with families, whom they visit in their homes, in order to provide support and help with access to services. Local volunteers are often well placed to know and understand the challenges facing their neighbours, and they can quickly gain the trust of families who might initially shy away from meeting professionals in more formal settings. They complement professional expertise, rather than in any way removing its importance. Such a model can strengthen links between the children’s centre and the local community,

increase the use and reach of children's centres, and provide invaluable opportunities for volunteers, including as a route to employment or training.

These findings are mirrored by the work that the Innovation Unit has been doing as part of their Transforming Early Years programme – bringing communities together to examine the challenges they face and then design the solutions to those challenges, using volunteers and peer-to-peer networks to ensure that the hardest to reach families have access to the support they need.⁶ As a result of that work, there were average savings of 25 per cent on services, while the number of families the services reached doubled. This demonstrates that when communities participate in services, everyone benefits.

The role of local government

Ed and Jon are also right that people from local areas can be the drivers of radical change, and that Labour should devolve the powers they need to fulfil that role.

As IPPR's recent publication on the relational state argues, we need to trust local areas with the powers to lead change, and to tackle the tendency for local agencies to operate as silos, which leads to money and efforts being replicated, to limited effect.⁷ The first report of Labour's Local Government Innovation Taskforce

identified potential savings of between £9.4bn and £20.6bn over five years if this kind of approach was adopted across the country.⁸

These ideas too are shared by a number of organisations and initiatives. Labour's Total Place initiative pioneered the 'whole area' approach to delivering better public services for less; Frank Field's report recommended greater co-location of services within children's centres;⁹ community budgets and greater devolution of powers have long been championed by Graham Allen; and the Children's Zones currently being developed by Save the Children take these ideas even further, bringing together professionals and residents to improve outcomes for children at a community level.¹⁰

One simple way local agencies could work together much more effectively is through the sharing of information. There is at present nothing stopping the NHS sharing information on live births with children's centres and family workers, so that the latter know which doors to knock on. That so many areas nevertheless do not do this is a symptom of the bunker mentality that exists in many areas of the public sector.

Similarly, the location of other services for new and prospective parents within the same buildings as children's centres – such as birth registration and midwifery appointments – can help to ensure that all

parents have the initial contact with children's centres; this could be the first step in a sustained engagement, and consequently in improved outcomes for their child.

Stronger families

Some changes we can make are smaller, but can make huge differences to children's lives. People say that nobody teaches you how to be a parent, but in reality the vast majority of us – whether we like to admit it or not – will parent in the way we were parented ourselves. People who have not been parented well are less likely to know how to themselves provide a stable and nurturing environment.

But we don't have to wait until someone is struggling before we help them become the parents they want to be. There are many ways in which we can help strengthen family life – as Jon Cruddas set out in his Civitas speech.¹¹ This includes asking both employers and the government to be much more sympathetic to the demands that parents face.

This is another area in which the previous Labour government made great strides. Between 1997 and 2010 it introduced Statutory Paternity Pay, and increased both Statutory Maternity Pay and Maternity Allowance from 18 weeks to 39 weeks; it introduced the right to request flexible working, and brought in measures to prevent

companies from punishing parents for using these new entitlements. All of these measures (and many more) were adopted in recognition of the importance of the bonds that parents and their children make in those first few months, and therefore the need to support parents to spend as much time as possible with their new baby.

I know from speaking to employers about young families as part of Labour's policy review that businesses who appreciate both the demands of parenthood and the value of retaining and attracting talented parents can do a great deal to help parents balance work and family life. For example, Ford gives mothers a year's maternity leave on full pay, and offers parenting classes, on-site childcare and facilities for breastfeeding, because they know that having women in positions of influence over their products and marketing gives them a competitive advantage.

Strong families are the bedrock of a strong society, and it should be one of the most important duties of government to support parents in providing a stable and loving environment, in which the citizens of tomorrow can flourish. While some families need more outside support than others, the old Nigerian proverb remains as relevant to communities in Britain as it is in African villages.

We want to ensure that our children are able to take advantage of all the opportunities available in the modern

world, as also argued by Kevin Brennan in this volume. To help achieve this a One Nation Labour government will embrace the power of communities – people in partnership with public services and employers – in order to support the parents who prepare them to do so.

Notes

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4. Education as an equaliser

Kevin Brennan

I can remember when Labour prime minister Jim Callaghan called for a national debate on education in the late 1970s, when I was a sixth-former in a comprehensive school – and the buzz it caused amongst the teachers. It was of course by no means unique for a politician to believe that education should be at the heart of government policy. And of course he was right: there is nothing more important than the way we educate children and young people, or the rest of the population.

Our country's economic, social, and cultural future depends on the quality of our education system. As Shadow Education Secretary Tristram Hunt has pointed out, when Tony Blair uttered the mantra 'Education, education, education', he was perhaps unconsciously echoing France's most important historian Jules Michelet: 'What is the first part of politics? Education. The second? Education. And the third? Education'.

It was education that opened to me the opportunities that my parents never had – I am the son of an Irish immigrant labourer and a Welsh miner's daughter, both of whom left school at fourteen. Crucial to that education

were great teachers – Mrs Horton, who switched on the light that enabled me to get my grade A in O-level maths, Mr Williams, whose passion for history shone through, and even Mr Bodman, who inspired in me a life-long love of rugby, and a sense of sportsmanship and fair play. I also experienced the impact of poor teaching: I have kept my life-long love of music despite, rather than because of, the music lessons I had in school.

But my chance to study at Oxford University partly came about through an element of good fortune. On A-level results day I telephoned the school to get my grades during my lunch break, from Llanwern Steelworks where I had a summer job. To my surprise I'd done much better than predicted, and when I returned to the gang one of the workers said, 'you ought to go to Oxford'. That was the first time anyone had ever made that suggestion to me.

My own experience instilled in me a passion to ensure that young people from whatever background should receive the best education available to help them reach their potential, and that they should never be the victims of a culture of low expectations. No child should ever be written off. That is the meaning of a One Nation education policy.

That is why I believe that excellent teaching is the fundamental building block of a great education system. Teachers are the architects of our future prosperity and

the conduits of our culture. It is therefore mystifying to me that the current government has lost sight of this in its obsession with market-based school reform.

It is also why the next Labour government will put excellent teaching, and the support and development of the teaching profession, at the heart of its education policy.

Teaching quality

All the evidence shows that the quality of teachers is the most important factor for educational success. Indeed, the variation between teachers within schools is often more important than the variation between schools as institutions. So we need well motivated, highly qualified, professional educators in every classroom. Yet it is increasingly evident that the Coalition government's policy of allowing unqualified teachers to work in our taxpayer-funded schools is beginning to dilute the quality of education.

This is particularly true in free schools and academies, where the most recent teacher workforce survey shows a 50 per cent increase in the number of unqualified teachers in the classroom. This is a deregulation too far. Imagine if the same approach was taken to lawyers or even doctors. Who would want a well motivated amateur to take out their appendix?

The Coalition government clearly does not regard teaching as a profession. Rather it believes that teaching is a craft that can be easily picked up on the job. It is true that there are some exceptionally gifted, inspirational and natural teachers, but none of them would object to learning more about pedagogy and child psychology and development, to supplement their in-depth knowledge of their own subject. Conversely, the most brilliant economists, historians and scientists are not necessarily the greatest teachers, as many university students will attest. Teaching is something that needs to be learned and developed through professional training. Yet our downgraded system is now the most deregulated amongst developed countries. An increasing number of advertised job opportunities – including being a manager in a fast-food restaurant – require more qualifications than are needed to be hired as a teacher in our tax-payer funded schools in England.

Over time the consequences of this policy will be catastrophic for our schools and the children they teach. It is not a coincidence that where this kind of deregulatory experiment has been previously tried out, the consequences have been dire. Sweden, which has experimented with profit-making free schools and unqualified teachers, soon found itself engaged in a race to the bottom. It has plummeted down the PISA international table in recent years in such a dramatic

fashion that its policy on qualifications has had to be reversed.

The employment of well-trained, qualified teachers is not, of course, a guarantee of excellence in itself. We also need to make sure we are attracting the best trained people into the profession, and providing them with excellent initial training and support throughout their careers, with first class Continuing Professional Development.

This is why Labour will work with the profession to support the development of a Royal College of Teaching, and to introduce ongoing revalidation of teaching skills throughout teachers' careers. And it is why we will also take seriously issues of workload and career development.

Too many teachers are leaving the profession within a few years of qualifying, whether that be through traditional routes or new initiatives like Teach First. Too many older teachers are not given the opportunity to use their experience to best effect later in their careers. Teacher morale under the current government is at rock bottom, and recent surveys by the Department of Education itself suggest an unsustainable increase in workload due to a plethora of bureaucratic initiatives.

Teacher morale matters. The OECD has reported that high teacher morale is associated with high achievement – and vice versa. Under Labour, what Ofsted called the 'best generation of teachers ever' emerged. That

achievement was not an accident, and it is now under threat from the market ideology that is undermining the status of the teaching profession.

As politicians we have a responsibility to understand the impact of our policies on schools, the head teachers who run them, the teachers who are teaching in them, and the parents and pupils who use them. I am fortunate enough to have taught for ten years, during which I experienced the introduction of the National Curriculum and GCSE exams. That experience has given me a strong understanding of the need for real consultation, and this means that the next Labour government will continue to listen to those at the front line when developing education policy – to head teachers, classroom teachers, businesses, parents and young people across the country.

School provision

Of course the next Labour government will face a hugely changed landscape of schools. There are now many different types of schools funded by the taxpayer, with different levels of autonomy and freedoms. All the international evidence suggests that school autonomy is very important, but that it should be housed within a framework of collaboration, rather than of damaging and negative competition. A One Nation approach will bring some sense to the current situation. It is ludicrous that the

Tories' solution to the problem of a school that requires improvement is to create an excess supply of places through the Free School programme, in order to slowly kill off the school that needs help. Labour's response is to provide the support, partnership and new leadership that is needed so that the children attending the school experiencing problems do not become victims of the failings of others. When a school fails it is not the same as the failure of a private business: it can mean the loss of opportunity for every child in the school.

That is why purely market-based approaches to schooling are morally bankrupt. When a school fails, children are failed. Failure therefore cannot be tolerated: new leadership and structures may be required, and poor teachers may need to be removed.

Developing a school system

When Labour developed the London Challenge programme it helped to transform London schools from some of the worst performing in the country to some of the best. We will therefore continue to insist on high standards, and to hold schools to account for providing academic excellence and a broad and balanced curriculum; but we will achieve this through collaboration and a sharing of best practice.

All the evidence shows that schools in the highest

performing jurisdictions work together as part of a school system. But the current government has created a bewildering archipelago of schools, with an incoherent sense of their place in the education community. Over half of the secondary schools in England are now run directly from the Department for Education, as are an increasing number of primary schools. They are supposed to be autonomous but are run at the whim of ministers. As one Labour MP put it recently, ‘All schools are set free, but everywhere they are in chains!’

Labour will introduce coherence and accountability to this mess, and give all schools equal freedom over the curriculum. And we will insist that admissions are run fairly, so that every parent and pupil has an equal opportunity to get an excellent education. We have accepted David Blunkett’s recommendation for an independent Director of School Standards in every area to oversee, support and challenge all schools to improve, and to ensure that decisions about new schools are based on the educational needs of the local area, rather than the individual preferences of ministers.

As Ed Miliband pointed out in his 2012 Labour Conference speech, too often our education system seems to have forgotten 50 per cent of the population. Whatever the cause of that educational deficit – whether the vestiges of the class system, or the post-war education settlement’s failure to give value to technical education – there is no

doubt that our system has poorly served the many people who do not follow the more academic path. In response to this problem Labour commissioned an independent Skills Taskforce, under Professor Chris Husbands, and this has delivered a series of excellent recommendations on the 14-to-19 curriculum. These include instituting a role for businesses in high quality independent careers advice; creating a statutory requirement for schools and colleges to collaborate; linking funding to student destinations; and developing a national baccalaureate for all learners.

In a Labour-run education system everyone will study English and Maths to 18, in addition to their A-levels or high quality vocational courses; and they will also be given opportunities to develop their character, resilience and employability skills. The next Labour government will also introduce a Technical Baccalaureate for all young people – a high-quality award to be achieved at 18, which will recognise a young person's success in high-quality, employer accredited level three vocational and technical qualifications. Giving young people who want to pursue a vocational track something to aim for, and a clear route through education to get there, will help them make the transition from education into work, further study or an apprenticeship. This of course will also enable us to generate the high-skill, high-wage future economy that is central to Labour policy.

The country's largest business organisation, the CBI, has pointed to the need for this kind of approach. Qualifications on their own do not guarantee that a young person will have the wider qualities required by the world of work. Our aspiration is to break down the long established barrier between vocational and academic pathways, and deliver educational excellence for all, not just for the minority.

Our aim is an education system based on principles of fairness and opportunity for all, staffed by a world-class teaching profession, and with excellence at its heart. We want to provide one of the best places to go to school in the world, offering opportunities to people from all backgrounds. An education system for all – that is Labour's vision of a One Nation education policy.

5. Energising FE and HE to boost our nation's future

Paul Blomfield and Nic Dakin

Education and training transform people's lives, the prospects of communities, and the future of the economy. They have the capacity to create a vibrant, diverse nation. Further and higher education connect the worlds of work and education, and are ideally placed to act as the catalysts of future growth and prosperity.

Colleges and universities are already pathfinders in collaboration. In their best work with the private and public sector they drive innovation at regional and local level. One Nation Labour not only recognises the value of HE and FE; once in government it will provide an environment that liberates them, energising them to operate even more successfully. This is partly to meet the evident in any current conversation with any leader in the workplace, which always returns to the issue of skills – skills gaps, skills challenges and the need to ensure the future skills pipeline is full.

At a meeting in Westminster last year, the importance of FE and HE to our economic future was highlighted

when the managing director of Siemens UK told MPs that the two key criteria informing corporate investment decisions were the quality of a country's skills base and its commitment to research. UK universities are world leaders, and our FE sector, in which there are some outstanding examples of excellence, has the potential to achieve the same levels. But our horizons are not always as ambitious as they should be. Whilst we have massively increased the numbers of graduates in the workplace, our aspirations for vocational qualifications have been too low for too long. This is now being recognised, and Labour is committed to meeting the needs of those who don't go to university. This 'forgotten 50 per cent' deserve the best if they are to build the best futures for themselves, and make the fullest contribution to the UK's future economic success.

Widening opportunities with the support of high quality careers advice

In pursuing this objective we must also avoid seeing post-16 education in binary terms – university for those who can, improved vocational education for those who can't. To do so would be a huge mistake, and would miss a huge opportunity. We need a much more sophisticated approach, one which recognises that university, college and workplace learning are not alternative routes: rather,

they provide a range of complementary, interweaving opportunities for post-school learning that can be navigated in different ways and at varying paces. The support of high quality, independent careers information advice and guidance is crucial to such an approach.

In the welter of surveys of what is currently available in our schools and colleges – from the Education Select Committee Report to the Humber Skills Commission Report – there is universal concern about the parlous state of current careers advice. Getting this right is fundamental both to the future of our young people, and to the future economic wellbeing of the nation. The shared commitment of education and business to high quality careers education will not produce results unless there is also some independent capacity to facilitate the necessary guidance, work experience opportunities and business link activity. This is crucial for helping young people navigate their journey from the classroom to the workplace. To pretend otherwise, as successive governments have done, is to live in cloud cuckoo land.

Local authorities, working alongside the local business community through Local Enterprise Partnerships and schools and colleges, can play a strategic role in providing the capacity and drive that will ensure that independent careers advice is delivered successfully and reflects regional needs. In Scunthorpe, with its proud engineering tradition, and in many similar places, the age profile of

those working in manufacturing means that a significant skills gap will open up over the next twenty years unless urgent action is taken. It is crucial that plans are made and actively delivered to address this skills shortage. Higher and further education have the networks with employers to make this happen, as well as the necessary relationships with schools and a track record of innovation: this sector's involvement in the 14-18 curriculum, University Technical Colleges, Aim Higher and a myriad of other practice now needs now to be capitalised on. FE and HE must be in the vanguard of raising aspiration, delivering higher achievement linked to the future workplace, and ensuring the higher skills at all levels that are crucial for future success. Labour's Skills Taskforce has set out a compelling framework for maximising this potential.

The need for more ambitious vocational learning

There are new opportunities across both sectors. The University of Sheffield's Advanced Manufacturing Research Centre, for example, is not only providing ground-breaking business-industry collaboration in research, but also offering apprenticeship training. There are apprentices at the AMRC who left school at 16 without great GCSEs but are now moving to post-

graduate level study. A research-intensive Russell Group university engaging in apprenticeship training is something new, but it needs to become the norm. This kind of initiative could be part of a wider process of cultural change whereby vocational learning becomes equal in prestige to academic learning, and the workplace is seen as being as good a place to study as a university.

That culture would also recognise that people may want to embark on a journey from Level 2 to Level 8 qualifications, in either or both environments, mixing full-time and part-time study, and taking breaks along the way. This would require a new commitment to credit accumulation and transfer. More than twenty years ago our universities turned their academic programmes upside down, in order to develop modular course structures that provided more flexibility and varied opportunities, but this re-organisation did not lead to radical change in approaches to learning. Improved credit accumulation and transfer across post-16 learning would give people the chance to build their education in a way that is suited them, and to the lives they lead.

We also need more ambition for vocational learning. Fewer than one in ten employers offers apprenticeships in England, and around two thirds of our apprentices are engaged in Level 2 training: a large proportion progress no further than this. In contrast to this, in countries such as Germany, Ireland and Australia, apprenticeships lead

to at least Level 3 qualifications. One illustration of the weakness of the system in this country is the care sector. In Germany, care workers are trained to a level comparable to that of general nurses, while in the UK only one third of care workers and two thirds of senior care workers hold even Level 2 qualifications. Meanwhile in the retail sector, 80 per cent of German staff have completed vocational qualifications over two- to three-year periods – almost three times the UK level. We need more ambition. This is why Labour has set out a radical plan to improve the quality and quantity of apprenticeships. A future Labour government will bring in a new universal gold standard for apprenticeships, working towards a system where all apprenticeships lead to Level 3 qualifications and last at least two years. And we will offer employers a something-for-something deal, giving them more control over skills funding and standards, in return for increasing the number of high quality apprenticeships in their sectors and supply chains.

A fairer funding system to support students on their learning pathway

An incoming Labour government in 2015 will also have to address the broken university funding system created by the current Tory-led government's decision to triple the cap on tuition fees to £9000. Recent Institute of Fiscal

Studies research shows that the average student will leave university with more than £44,000 debt – £20,000 more than in the system it replaced. This adds to the already high levels of personal debt in this country, and means many will be still be paying off their loan in their fifties. Under the old system, half of all graduates would have repaid their debt in full by the age of 40, but under the new system just 5 per cent will do so.¹

This – the biggest change in university funding for a generation – was intended to provide a lasting settlement for our universities, but it has failed in less than two years. At least 40 per cent of all loans are expected to be written off altogether, making the system almost as expensive as the system it replaced: it is now heading towards the tipping point of debt cancellation levels of 48.6 per cent – at which stage the system becomes more expensive than the one it replaced. In part this problem is being driven by low earnings prospects for graduates. It is predicted that nearly three quarters of students will fail to earn enough to clear their student loans before they are written off after thirty years.² This is not just unfair; it is unsustainable.

The real costs of the loans system are currently hidden. And the system serves the interests of neither taxpayers nor students. Whichever government is in power after the next election will have to reform the current system. Labour is clear that we need to reduce the debt burden on

students, while ensuring that repayments are related more closely to ability to pay.

Putting policies in place to let HE and FE make the difference Britain needs

Addressing policy issues does not always imply a need for more funding for higher education. Some policies can create funding. Current government policy on international students is turning money away.

International students are worth a massive £8 billion a year to the UK economy, and this market is growing. The Department for Business Innovation and Skills estimate that we could double our export earnings from the sector by 2025, and yet we are losing out to competitors as a result of the government's inclusion of students in their rhetoric about immigration numbers. International student numbers have recently fallen for the first time in twenty-nine years, while the USA, Canada and Australia have felt the benefits and experienced significant growth. Taking students out of net migration targets, as seven Parliamentary Select Committees have demanded, and adjusting our policies to make it clear that we welcome students to the UK, would boost both university income and economic growth.

Supporting the research capacity of our universities is also central to economic growth. The massive reduction

that has taken place in private sector investment in research and development has seen a decline in the UK since 1979 from a position as one of the most research-intensive of the advanced industrial countries to a place at the bottom of the league table. Among our competitors we are the only country in which R&D spending has fallen as a proportion of GDP, and this fall would have been steeper had it not been for the commitment to publicly funded research by the last Labour government. In an era where there is less money around, reforms to boost private sector investment are crucial. Rebalancing the economy away from its over-dependence on financial services, taking action to encourage investors to value long-term returns, and developing industrial strategies that can build investor confidence will all form part of a Labour agenda to encourage our research and innovation.

One Nation Labour recognises the power and potential of further and higher education, and will put policies in place that allow it make the difference Britain needs. This means recognising the value of both vocational and academic education, seeing them as working together to meet the skills challenge of the present and the future; ensuring high quality Careers Information Advice and Guidance; developing apprenticeships so that they can deliver at the highest levels and be recognised by higher education as well as industry; placing the funding of universities and colleges

on a secure, sustainable footing that encourages innovation and enterprise and safeguards standards; and creating a financial support structure for students that removes the barriers to learning and helps them succeed.

Notes

1. Crawford and Jin, *Payback Time? Student debt and loan repayments: what will the 2012 reforms mean for graduates?*, Institute for Fiscal Studies 2014.
2. Ibid.

6. Transforming skills and life chances for 2020 Britain

Gordon Marsden

For over a hundred years transforming skills and life chances has been part of the labour movement's gene pool, and throughout the twentieth century Labour leaders and politicians have promoted major improvements in education in all its forms, as well as adult and life-long learning.

Harold Wilson's great achievement, with Jennie Lee, was the Open University – a British institution that is now an international model for life-long learning. And the great educational debate Jim Callaghan sparked off in his Ruskin College speech of 1976 helped pave the way for Tony Blair's focus on 'Education, Education, Education' two decades later.

Labour leaders have never fought shy of linking the aspirational with the practical – the collective endeavour with the individual. This was clearly seen in Neil Kinnock's May 1987 speech: 'Why am I the first Kinnock to be able to get to university? Was it because all our predecessors were thick? Didn't have the talent or the strength or the endurance or the commitment? Of course

not. It was because there was no platform upon which they could stand.¹

Aspiration and lifelong learning were central to the vision of the incoming Blair government, as David Blunkett spelt out in his 1998 Green Paper, *The Learning Age*, which placed ‘creativity and imagination’ alongside the acquisition of ‘knowledge and skills’, echoing the great self-help movements of the Victorian industrial communities, such as the Workers Educational Association, and Birkbeck and Ruskin Colleges.²

This remains absolutely relevant to twenty-first century Labour, as we move towards 2020. Expanding skills and opportunities for lifelong learning remains key to our offer to the British people; this can transform individuals’ lives and energise our economy, but it can also reinvigorate citizenship and community – and help reconnect the generations.

Ed Miliband made a wise decision in Manchester in 2012 when he linked One Nation Labour with Disraeli’s speech there in 1872. Our fears and challenges were similar to those faced by Disraeli’s contemporaries. They too fretted that the massive economic and industrial changes that were taking place – accompanied by a nineteenth-century globalisation of communications and finance – risked destroying cohesiveness in British society, and isolating the vulnerable and disconnected. For them, as for us now, this was not simply a question for

politicians. It was a challenge for the whole of society, and the issue spurred wide debate – such as we need today – over the politics of connection and cohesion.

A challenging skills landscape

Those Victorians lived, like us, in speeded-up times, with advances that extracted a price many thought too high to pay. We face similar challenges.

One of these is to build bridges between the analogue world and the digital one. Go too slow and you bypass whole new generations. Go too fast and you burn existing bridges between generations, and exacerbate existing divisions. The challenge for the young – made much more difficult by the 2008 economic crisis and the austerity of the Coalition government – is to prepare themselves for working lives in which they might change career direction half a dozen times. And they also have to contend with the expansion of zero-hour contracts, the failure of the current government to synthesise benefits and skills policies, and the decline in training and progression opportunities for post-25s

The challenge for older people, increasingly including those in their early 60s and beyond, will be finding ways to renew and reinvent their working lives. For them too the challenge is substantial, though it is often less understood. Older people increasingly face the dilemma of whether to

invest time and energy on acquiring new skills for better jobs or to take any work offer however poorly paid.

In both further and higher education, the figures for older people trying to learn tell the same story of retreat after 2010. Enrolment in part-time degrees is down by 40 per cent, and for mature students starting university the figure was down by 7 per cent in 2012/13. There are blockages on the line at every age. And yet, as my colleague Nic Dakin has argued, UK demographic change means the need in this area has never been greater.³

NIACE's 2012 survey argued:

Employment status plays a vital role in learning for people over 50, and it may be more important than age itself in determining who learns. One in three of those in paid employment have learned in the last three years.⁴

However, surveying the Coalition government's cuts last summer, NIACE's Alastair Thomson wrote:

The number of adult learners taking publicly-supported education and training looks set to diminish for the foreseeable future.⁵

A One Nation approach would be to sustain a system that is able to recognise and adapt to changing patterns in the

world of work, including the need for better work-life balance; the huge increase in the numbers of smaller businesses as well as self-employment; and the growing convergence of the FE, HE and online worlds in skills training and lifelong learning. It is crucial that we respond to this last change more rapidly. Convergence is taking place much faster than many people realise. We risk being eclipsed by North American and Asian competitors – not just in education and economic output but in terms of our educational offer at home and abroad.

A Labour learning strategy for every stage and age of life

The active intelligent governance Labour would apply to that challenge can help set the agenda but not on its own. We must enlist the help of employers large and small, people in the voluntary sector, local and regional stakeholders, and trade unions, especially drawing on the experience of their remarkable legions of union learning reps.

Labour's Skills Taskforce, led by director of the Institute of Education Chris Husbands, has produced three reports setting out a vision for gold standard vocational education, which will ensure that young people aspiring to specialise through a vocational route have the same opportunities as those that go to university.

Their proposals include a new Technical Baccalaureate for 14-19 year olds, a radical improvement in the quality and quantity of apprenticeships, and reforms that will turn Further Education colleges into specialist Institutes of Technical Learning.⁶

The families and older individuals of Cameron's insecure Britain also need opportunities for progression, social justice and mobility. That means valuing skills and education for people as teenagers, making available second chances to them in their twenties, and helping create better jobs that offer opportunities for training and progression throughout their working lives.

The 2013 IPPR report on Higher Education argued that 'students of the future will demand more flexible forms of learning to enable them to retrain while in work or raising a family'.⁷ That will be equally true in the worlds of FE, skills and online learning. Meeting this need will require vision: it touches people's immediate practical needs as well as their lifetime aspirations. Employers and educational institutions will need to respond to these new demands, including through the creation of simplified structures with clear routes of progression, and flexible forms of learning, like those underpinning the Open University.

Mechanisms for a new skills offer

Some of the necessary principles here have already been sketched out in Tom Schuller and David Watson's major work *Learning Through Life*, which puts forward proposals on entitlements to basic skills, financial skills and learning leave, particularly for those at transitional ages, and also covers the 50-75 'Third Age'.⁸

The overall challenge is to find ways of integrating bite-size flexible provision with a framework that allows the learner wide scope, while focusing on progression.

Collaboration, solidarity across the generations and personal and community interest in learning could help here; all these would help prevent problems instead of creating a need to pay out to combat poor outcomes. And we must deliver such activities as close as possible to those who need them.

The major devolutionary direction set out by Ed Miliband builds on the work of Andrew Adonis and gives cities and counties new powers and resources to drive growth; this will greatly enhance opportunities to transform skills and assist in lifelong learning. Combined authorities and reformed Local Enterprise Partnerships, bringing together employers with local universities and colleges, could enable more employer-co-sponsored courses, and improvements in opportunities for credit accumulation. Huge swathes of people could benefit from

such an approach. We therefore need to start identifying the mechanisms for carrying it out.

The Learning Through Life report advocates the principle of credit accumulation in the organising of post-compulsory learning, both at work and in more formal education settings; and it advocates funding based on credit-based chunks of learning that meet the realities of twenty-first century life.⁹ The report argues for a national system of Learning Accounts, with additional contribution entitlements at significant ages – perhaps based on the Child Trust Fund model. There could also be bespoke entitlements for specific projects promoting inclusion – such as the rehabilitation of offenders, or assistance to care leavers. All of this could be facilitated by a digital Learning Futures card.

The IPPR's 2013 report on Higher Education advocates similar mechanisms, including the possibility of credits from 'massive open online courses' becoming part of the route into traditional qualifications. Credits with such potential would include those accrued from the MOOC initiative Futurelearn, launched by the Open University, and incorporating working with the British Library, British Museum, British Council and 21 UK universities.¹⁰

The challenge and competition we face is international, but so potentially are the rewards. There could be huge benefits for our own adult learners and an

expansion of our international educational profile, with accompanying economic benefits.

Labour's plans could act as a powerful enabler, and as encouragement to other groups who are looking at similar proposals – NIACE, skills providers such as City & Guilds, FE college associations such as the 157 and Gazelle groups, and UnionLearn.

An idea whose time has come again

The last Labour government's innovative system of Individual Learning Accounts stalled due to problems with implementation. But the ideas behind it remain relevant, including the notion of a tripartite contribution system, by means of which businesses and individuals, including the self-employed, could be given incentives to pay in modest amounts each month (such as matched funding). And there is no reason why other 'corporate' bodies could not be involved, including groupings of small/micro businesses, local and third sector based groups and, of course, trade unions.

A huge range of new opportunities for trade union members to participate in adult education could be opened up, with Union Learning Reps promoting basic skills and high quality vocational training.

The need for these kinds of opportunities has intensified, not lessened, in the decade since ILAs were

withdrawn. More complex work and leisure structures, the transformation in learning technology, and hard times that render problematic new direct funding from government – all these make it more essential than ever.

We are not wanting in people with interesting ideas and mechanisms for delivery; and not the least of these are programmes in devolved parts of the United Kingdom that have continued down ILA-style routes. We recognise that there will be no automatic pot of gold from government to fund such a scheme. But European Social Fund monies could provide funding that could be utilised by Local Enterprise Partnerships running focused skills initiatives that support local growth and social inclusion. Labour's new ideas on Localism and increased devolved funding from Whitehall will enhance these opportunities.

Government departments would still have a significant role in helping deliver transformation in lifelong learning under Labour. The key, though, is in the plural. This cannot be the responsibility of BIS or DFE on their own.

Lifelong learning should not be regarded as something unconnected with other issues. It contributes to social cohesion – an issue for the Department of Communities and Local Government. It helps people live longer, with more productive lives – an issue for the Department of Health. It has helped to bring back offenders into society

– an issue for the Home Office and the Ministry of Justice. And it contributes to getting economically inactive people ready, if appropriate, to enter the world of work. That must be an issue for the Department of Work and Pensions.

A One Nation skills revolution – locally and nationally

Here local and subregional mechanisms will be critical, helping to create virtuous circles of collaboration that match skills and education to demand and growth in local labour markets.

Successful pilots are already emerging from combined authorities – on education and training hubs, and travel-to-work areas – that can improve life-chances for older people as well as younger, with savings being made in time, money and administration. But government has to play an enabling role – in sustaining frameworks that can balance sector and place, and ensuring that proposals fit with national infrastructure objectives.

The new successful localism in which lifelong learning can prosper will have to be an art not a science, given the seriously fractured skills landscape that Labour will inherit. But twentieth-century history shows that local initiatives involving Labour-led councils, co-operatives and unions have offered national templates before –

including for the great social programmes of the 1945-51 Attlee government.

These ideas could offer a bold vision to the world of lifelong learning, bringing together both practical skills and pure knowledge. As someone who, as an Open University tutor, has seen students acquiring qualifications that have enhanced their jobs, life-chances and sense of self-worth as citizens, I believe there should be no divisions between spheres of learning. This is even more important in a twenty-first-century multi-ethnic, multi-faith Britain, and in a world where digital and technological innovations have brought great benefit but can bring a menu-driven approach to knowledge that sometimes stultifies. It is essential to nurture the ability to jump from A to C, and to think flexibly and with originality – this is not something we want to see squeezed out of the learning curve.

Knowledge is not merely power; it is the key to empowerment. A transformed lifelong learning programme could be as potentially significant as National Insurance was in 1911, and the NHS in 1948. It could revive the optimism of David Blunkett's Learning Age, but in ways that are newly tailored to the digital world of 2015-20. And it would embody, in its cross-generational offer, the spirit of One Nation Labour. What a contrast to the marketised, confused and micro-managed vision of education and skills that we suffer from with Cameron, Gove and Osborne.

Notes

1. Total Politics, *50 Great Conference Quotes*, 2010: www.totalpolitics.com/articles/5223/50-great-conference-quotes.html.
2. Department for Education and Employment, *The Learning Age: A Renaissance for a New Britain*, 1998: www.lifelonglearning.co.uk/greenpaper.
3. Nic Dakin, 'We must raise our game on lifelong learning', *Adults Learning*, Summer 2013.
4. Stephen McNair, *Older people's learning in 2012: A Survey*, NIACE, 2012.
5. Alastair Thomson, 'It falls to us to fill the gaps', in *Adults Learning*, Summer 2013.
6. Labour's Policy Review: Skills Taskforce, *Qualifications Matter, A Revolution in Apprenticeships and Transforming Further Education*, 2013: www.yourbritain.org.uk/agenda-2015/policy-review-page/skills-taskforce-1.
7. IPPR, *A Critical Path: Securing the Future of Higher Education in England*, 2013: www.ippr.org/assets/media/images/media/files/publication/2013/06/critical-path-securing-future-higher-education_June2013_10847.pdf.
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9. Ibid.
10. IPPR, *A Critical Path*.

7. Fairer shares for all

Nia Griffith

This chapter focuses on One Nation Labour's determination to tackle the growing gap between the highest and the lowest paid, as well as the increasing disparity in wealth between areas of the UK. This is not only because it is right, and fairer, for workers to share more equitably in the wealth that they help to create; it is also because it is better for business. Ensuring people have money to spend means businesses can sell goods and services, and this drives more sustainable growth. A central part of One Nation Labour's vision is to foster constructive partnership working between good employers and responsible employees, in order to drive increased productivity and more equitable sharing of rewards. We also intend to draw on our strength as the political party with the broadest geographical spread across the UK to help bring people together to tackle the disparity in wealth between areas of the UK.

Why tackling inequality matters

As One Nation Labour we are committed to a fairer distribution of wealth, and to tackling the growing gap

between the highest and the lowest paid. The rise in income inequality in the UK over the last thirty years has been well documented; and it has also been shown that more equal societies deliver greater social cohesion and better health outcomes, not only for the low paid but across the whole community.

The costs of low wages – not just to the individual but to the public purse – can also be seen in the increasing proportion of ‘benefit’ payments (such as tax credits and housing benefit) that are now being paid to people in work, to top up low wages. For the first time, expenditure on in-work benefits is now overtaking that on out-of-work benefits.

As Ed Miliband has pointed out, paying people better means we can bring down public expenditure on in-work benefits. By topping up low wages, we as taxpayers are currently subsidising low paid employment. People find this particularly galling if those at the top then help themselves to disproportionately high wages and bonuses, regardless of company performance; and worse still if profits are being off-shored, further depriving the UK treasury of its rightful revenue.

It is very difficult for good employers to raise wages when they are being undercut by employers competing on low-skill, low-wage business models.

Reliance on in-work benefits has also made low-paid workers very vulnerable to the current government’s

reduction in support for those in work. Increasing wage levels and reducing dependence on in-work benefits would make workers less vulnerable to the uncertainties of the benefit system.

Closing the income gap

So how do we set about tackling the low-wage economy and closing the income gap? Action is needed to tackle low pay and insecurity; to ensure everyone pays their fair share; and to build an economy based on greater numbers of high-skill, high-paid jobs and fewer low-skill, low-paid jobs.

Tackling low wages and making taxation more progressive

Labour has a long-standing commitment to tackling low pay at source – or ‘predistribution’ as it is called. In 1998 we introduced the National Minimum Wage, in spite of fierce opposition and scare stories about job losses. This boosted pay at the bottom without leading to any loss of jobs.

The minimum wage was designed with the aim of preventing exploitation and extreme levels of low wages. Today the challenge is the large number of people that do a hard day’s work but are still living in poverty or dependent on in-work benefits. This problem has

worsened in recent years, and since 2010 there has been a decline in the value of the minimum wage. That is why the next Labour government will change the framework that governs how the minimum wage is set, and take on an ambitious target for bringing the minimum wage closer to median earnings over the course of a Parliament. In addition we are determined to strengthen enforcement of the minimum wage, and will extend the remit of the Gangmasters Licensing Act to cover additional sectors where there is evidence of abuse.

As Iain Wright notes in his chapter, we are also committed to promoting the Living Wage. On entering office, the next Labour government will launch a national campaign to agree Make Work Pay Contracts with British businesses. These contracts will mean that any business that becomes accredited as a Living Wage employer within the first year of a Labour government will be entitled to receive back a sum that matches the value of twelve months' worth of the resulting increased tax and National Insurance revenues. We will also look at encouraging adoption of the Living Wage through procurement, learning lessons from Labour councils that are already beginning to do this.

One Nation Labour is committed to implementing progressive tax policies to redistribute income: we will therefore reverse the Tories' tax cut for millionaires by reintroducing the 50p tax rate for income over £150,000

per year, and bring in a 10p rate at the bottom to help the lower paid keep more of what they earn.

Tackling the hire and fire culture

We have also promised to tackle the abusive use of zero hours contracts; the intention is to insist that where workers are in fact working regular hours, proper contracts should be offered. One of the concerns with zero hours contracts is that they can be used to avoid responsibilities to staff, such as the payment of maternity pay and sick pay, or adherence to statutory family friendly rights or rights on unfair dismissal.

The trade union Usdaw has worked with three of Britain's largest supermarkets to ensure that they now have no-one on zero hours contracts. This has been achieved through negotiating flexible contracts and annualised hours – contracts that provide workers with the security of guaranteed hours, but still allow the business flexibility. We need to encourage more positive co-operation like this between employers and workers' representatives, in order to reduce the use of zero hours contracts.

One real danger in workplaces staffed by workers on exploitative zero rights contracts is that people live in permanent fear of being fired, and are therefore not in a position to negotiate about anything. Tackling the zero hours culture is vital, in order to give greater security to

workers, and to empower them to be able to ask for even the most modest degree of flexibility or improvements in working conditions.

Upskilling and empowering people to tackle inequality

External measures such as raising the National Minimum Wage are essential to ensure that responsible employers are not undercut by those who would pay less if they could. But such external measures can only be part of the story. We need change inside the workplace too. One Nation Labour seeks to foster more constructive partnership working between good employers and employees, in order to drive increased productivity and a more equitable sharing of rewards.

During the economic downturn in 2008-9, we saw excellent examples of very responsible co-operation between trade unions and employers, safeguarding jobs and retaining skilled workers, even if that meant accepting temporary reductions in pay or hours. We need to build on that partnership approach.

In recent years, however, we have also seen the growth of a hire and fire culture. Large numbers of workers on zero hours contracts are very insecure, have no workplace representation and little chance of obtaining any improvement in their working conditions. It is time now to redress that balance.

Greater workplace democracy can give people the structures and tools that will allow them to negotiate more equitable rewards. Such internal negotiation can of course take account of the company's circumstances. It is not just a one-way process: greater involvement and participation by employees fosters greater commitment and loyalty, and can often help tackle issues of low productivity.

We need to work with employers and employees to develop appropriate ways of developing workplace democracy.

Tackling the increasing disparity in wealth between areas of the UK

There is still immense inequality in wealth and opportunity between different areas of the country, principally between London and the south east and the rest of the country. But this does not necessarily make it easy for Londoners. On the contrary, the concentration of jobs in London, and its multiplier effect that requires yet more people to provide services for those already working there, means that there is immense pressure on housing and public services: consequently, all but the very wealthy have to spend a totally disproportionate amount of their income on housing costs.

This is exacerbated by the use of London property as a safe haven for foreign cash; disturbingly, in 2012 three

quarters of properties in new developments in central London were sold to overseas purchasers. The only option for many working in London is a gruelling and expensive commute every day. Furthermore, the recent upturn in the housing market has seen house prices start to shoot up again in London, while they have risen by only one or two per cent, and sometimes less, in other areas of the country. The gap continues to widen.

Working together as One Nation Labour, we can help London keep growth at a sustainable level, and at the same time start to tackle the lack of employment opportunities in other areas of the country. Achieving this aim would be no mean feat, given that 40 per cent of all foreign direct investment in the UK comes to London.

We therefore need strategic thinking at the centre as well as our planned devolution of substantial budgets to city and county regions, and development of regional investment banks to fund investment in local business and industry. But this strategic thinking will not be a top-down process: it will involve close co-operation from the various parts of the UK, looking at the UK as a whole, planning together for our vision of what we want our country to look like in fifty years time. Such a strategic overview can then inform decisions about inward investment and transport infrastructure, so that, for example, decisions about the locations of stations for major investment initiatives such as HS2 are not made by

whoever can shout the loudest for their own area. Future projects of this kind will need to fit into the pattern jointly decided on for sustainably sized city regions, each with their own hinterland of connected towns.

This sort of strategic vision might, for example, be based on a recognition that without intervention – given the way markets work – new jobs are likely to gravitate towards London at a rate that far outstrips any realistic estimates of the number of new homes and school buildings that could be built in the area, even with Labour’s determination to address these issues. In the past we have seen a concerted effort to spread public sector jobs around the country, such as the location of the DVLA in Swansea. There are certainly more public sector jobs that could be moved out of London, but simply moving public sector jobs out of London and the south east is not enough; and it may also exacerbate the imbalance between public sector and private sector jobs in some areas of the UK.

Our focus should not, therefore, be solely on public sector jobs, but also on private and third sector jobs; we need to find ways of encouraging employers in these sectors to locate in other areas around the country. This is not a question of creating a net loss of jobs to London, for London is continuously growing – in an unsustainable way that is making it impossible for people to live there. Instead the aim might be, for example, to encourage one

job to move elsewhere out of every ten new jobs destined for London: that in itself would be an achievement. It is certainly not our intention to slow down the much-needed regeneration of the less prosperous areas of London, or any reduction in initiatives to help disadvantaged Londoners back into work. Our aim is to make London more affordable for people. And a more sustainable pattern of growth would also be useful for businesses, which are facing spiralling costs in London.

The challenge is to spread jobs out from London and the south east, to other parts of the country – where housing is cheaper, and there are surplus places in schools, and very often a more stable workforce. Research is needed to establish why employers choose London, given the huge price differential for London premises, and the decreasing importance of being physically present given the increasing use of internet and teleconferencing by business. Is it for reasons of history? Is it a result of prejudice? Is there something in the name? Is it based on the occasional need for staff to attend meetings in London?

For many foreign investors, London is synonymous with the UK, whereas in Italy they may choose Milan over Rome, in Spain, Barcelona over Madrid, or in Germany, Munich over Berlin. Developing a better understanding of why employers choose London can help us determine what intervention is needed to encourage a

more even spread of investment across the UK. Too often in the past, initiatives to address regional imbalances have adopted a piecemeal approach, with individual areas competing against each other. Furthermore, they have almost invariably been portrayed one-sidedly – as ‘trying to help the poorer areas of the UK’. Now that there is a risk of London’s growth becoming completely unsustainable, strategies to help rebalance economic growth across the UK should be recognised as essential for London as well.

So where do we start? – by having that conversation: acknowledging the importance of the work going on in every area of the UK to regenerate the local economy, while also recognising the strength of coming together to deal with the potentially controversial issue of rebalancing the economy from a geographical perspective. As the party with the broadest geographical spread, One Nation Labour is uniquely placed to do this.

We have a range of local government models, City Regions, LEPS and enterprise zones. We do not need to have uniformity: different models may reflect local geographical and social factors. Our vision must, however, be inclusive, ensuring that our smaller towns and rural areas are also clearly linked in to strategies for development.

As One Nation Labour, we need to develop that overarching vision through close co-operation across the

various parts of the UK. The idea is not to stifle local initiative, but rather to complement and facilitate it; to avoid the wasteful duplication of effort and pointless competition; to make coherent links between areas; and to rebalance growth across the UK.

Whatever the results of our deliberations, they will be based on One Nation Labour's recognition of our interdependence, and the strength of working together.

8. Creating better businesses

Iain Wright

In this country we have some great businesses. Up and down Britain we have companies that are responsive to customer needs, provide high quality goods and services, and are conscious of their place in the wider scheme of things – whether in terms of providing skills for their workforce, taking a long-term view about what it takes to produce a meaningful and profitable business, or being aware of the great export opportunities that may be available.

In my role as Shadow Minister for Industry I am honoured to be able to meet many of those innovative, successful and promising businesses. One such is MakieLabs, a firm based in East London making unique, bespoke, ten-inch action dolls, designed by the customer and printed using 3D technology. Fancy an action figure of yourself? Well Makie can make it: they will manufacture it in London and package it in materials sourced in the UK. The company is proud to claim that their products are the first toys manufactured in London since the Victorian era.

I have also visited Marl International, one of a number

of LED firms in Ulverston, which has become a world-leading cluster for light technology. Twenty years ago, Marl produced the blinking light that accompanied Pink Floyd's *Pulse* CD. Back then, in order to power the LED, the CD case required a thick battery. Nowadays, thanks to constant improvements and the priority given to innovation, the same effect can be made with a device a couple of millimetres thick.

I have also been to see Owlstone in Cambridge, which is using nano-fabrication techniques to detect chemical agents. The firm is seeking to widen the application of its technology, so that one day soon the NHS will be asking patients to breathe into one of their devices: the technology devised and manufactured by Owlstone will be able to detect the chemical signature of cancer and other diseases at the earliest possible stage without uncomfortable and risky procedures.

Pilkington Glass in St Helen's has been a feature of the country's manufacturing base since 1826. But the company hasn't stood still; it has been working to produce innovative techniques for energy efficiency. The firm took its employees to Sweden and Germany to learn the latest techniques in coating, and now boast the most technologically-advanced rolling coating press anywhere in the world. The coating that the company puts on glass in order to make it the most energy efficient in the marketplace today is something like two atoms thick. To

put that into perspective – in terms of the relative thickness of the glass and the coating, this is the equivalent of placing a pound coin on the top of the Empire State Building.

Building long-term prosperity

All these examples serve to illustrate that British business is great. And there are many more. But for all these successes, there are far too many businesses that are not reaching their potential. Long-term structural weaknesses in the British economy, exacerbated by short-term decisions made by the present Coalition government, are combining to making matters worse. As a result of this, individuals, families, communities and regions are failing to secure the long-term prosperity that they deserve.

There is a genuine difference in ideological approach between the Conservatives and Labour. The Conservatives believe that competitiveness will be achieved by racing to the bottom on wages and increasing job insecurity. Keeping people on their toes, in fear of losing their job, means that wages can be suppressed and employment rights undermined so that – so the Conservative theory goes – we can stay competitive in the marketplace. However, such an approach reveals considerable ignorance about both the modern global

economy and Britain's strengths and potential within it. And it has led to a wildly imbalanced and unproductive economy. The hollowing out of lower and middle income jobs, while the benefits of any corporate success go to an increasingly dwindling band of people at the top, has disastrous consequences for an economy – not just in terms of fairness but in terms of productivity. A nation's level of productivity should be of real concern to all: a country will not be able to improve its living standards over the long-term in any meaningful way unless it improves its productivity. Yet output per hour in the UK is a fifth below the average of our main economic competitors, and this is the widest gap that has existed since 1992. However the government never talks about this very real issue.

Labour's dual approach to business

Labour's dual approach seeks to raise productivity and ensure that the gains from growth are more fairly shared. This means building an economy based on greater numbers of high-skill, high-wage jobs and fewer low-skill, low-wage jobs. It also means tackling inequality and rebuilding the link between pay and performance. Success should be rewarded – not failure, as has too often happened in recent years. Excessive bank bonuses and rising executive pay regardless of corporate performance

are symptomatic of the current distorted and unproductive approach. Indeed, the reckless behaviour and short-term attitude of some companies in the financial sector led to the biggest economic crisis the world has seen for a century, resulting in massive job losses and cuts to standards of living for millions of people.

There are also profound questions to be asked about how markets operate, how genuine wealth is created for the long-term and how that wealth is distributed. How can it be right, or economically logical, for a bank to report a fall in profits by a third and cuts to jobs, and yet see a rise in bonuses of 10 per cent though a fall in the dividend paid to shareholders. Where is the long-term corporate sense in that? In whose interests is that company being run – the employees who generate the wealth, the communities in which they operate or the shareholders who may rely on the dividend for their income in retirement? Or none of the above?

Growing business fairly

This system is not working for the long-term improvement of Britain. To be truly pro-business and wealth-creating, a country needs to recognise where success in business actually comes from. We believe that the necessary factors are: a workforce that is motivated, secure, highly-skilled and well trained (as Kevin Brennan, Gordon Marsden,

Paul Blomfield and Nic Dakin argue in this book); a boardroom that is diverse and genuinely scrutinises management about strategic and operational matters, and distributes economic returns fairly and sustainably; close co-operation with banks and other financial agents that allows firms to grow for the long-term; and collaboration with other firms in the sector and within the supply chain to ensure that all of business becomes more responsive to customer needs and more productive in its operations. That is how we will win a race to the top.

People involved in running businesses also tell me that they suffer enormous problems in securing the right sort of help and support. Skills shortages are hindering the potential of some of our very best sectors. Access to finance for small and medium sized enterprises has been a problem in the British economy for many years:

The relations between British banks and industry have never been so close as those between German and American banks and industry ... both industry and finance would benefit from a closer relationship between British industry and the City of London.

That could have been written in the aftermath of the global financial crash of 2008-9, but was actually a key observation of the Macmillan Committee, charged as long ago as 1931 with looking at the relationship between

finance and industry. The present government's initiatives have not helped matters. Though it has instituted a number of measures, including Project Merlin and Funding for Lending, none has addressed the basic point that lending to this country's most innovative companies, including many with the potential for high levels of growth, is not happening, and this is hindering growth and job creation.

One of the true success stories in recent years has been the UK automotive industry, but firms within the automotive supply chain complain, for example, that banks don't want to lend for financing tooling, even though this would help return supply chain capability back to the UK, and improve still further the competitiveness and quality of the British car industry. I have been frequently told by employers and managers that banks are disconnected from business; their focus tends to be on short-term transactional arrangements, designed to extract value out of the business, rather than patient capital investment, designed to enhance value over the long-term as businesses grow and prosper.

An approach based on innovation, long-term productivity and competitiveness

What would a Labour government led by Ed Milband do to address all of this? Clearly a new approach is needed:

the approaches of the past are no longer appropriate. In the 1970s government often bailed out lame-duck industries that were beset by obsolete, inefficient and uncompetitive practices and refused to move with the times; and industrial policy at that time was often top-down, government-imposed, and lacking any real appreciation of the strengths of industry. The approach of the 1980s and 1990s was equally wrong. The economy was restructured on a massive scale, leading to deindustrialisation, and there was little attempt to address the huge costs this incurred for human capital, or the long-term social scars faced by communities like mine in Hartlepool, which had to endure such devastating economic change. Governments of the 1980s and 1990s set in motion a hollowing out process, emptying the economy of the good, well-paid and secure jobs that had underpinned post-war prosperity and rises in living standards. They argued that government was always a negative force for business; that the best thing was for government to simply get out of the way.

Ed Miliband has made clear his belief that twenty-first-century Britain must adopt a new approach: an economic and business model that promotes innovation, long-term productivity and competitiveness. The people I talk to in modern businesses don't want government to get out of the way. They expect government to help facilitate their efforts, and create the conditions that will

enable their businesses to grow. In our discussions around the country, people in business tend to focus on two main points.

Firstly, they want a government with vision – a clear idea of the type of Britain we want to see. One manufacturer in the North West commented:

I need to demonstrate to my board that the government values manufacturing and wants to work with our company to see investments made here. If I can't demonstrate that, the location of my company's new factories won't be in Britain. I don't see much of that commitment to business and manufacturing with the present government.

In contrast, the One Nation approach to the economy supports a pro-business agenda. There is a desire to see a highly-skilled, productive and innovative economy with a race to the top on skills and wages; and a determination to make sure that economy policy explicitly links growth with success and rising living standards for all families.

Secondly, people running businesses want policy certainty and predictability: they don't want government to keep changing the rules of the game on an ad hoc and short-term basis. Government needs to focus on the implementation of a long-term industrial strategy that transcends specific parliaments and concentrates on

finding the means for Britain to prosper and pay its way in the world over the coming decades. Failure to provide that certainty means that companies will not invest in Britain.

That is why the concept of Agenda 2030, as put forward by Shadow Business Secretary Chuka Umunna, is so important. This agenda rejects short-termism – as do most successful companies – to focus on a much longer time horizon. Instead it is based on strategic thinking about the necessary conditions for British business success over the next fifteen to twenty years. This long-term approach underpins a number of Labour economic initiatives. We plan to set up an Independent Infrastructure Commission, to help build a consensus on the type of infrastructure Britain needs in order to compete in the modern global economy. We have pledged to set a decarbonisation target for as far ahead as 2030, giving investors in the low carbon sector the confidence to plan for the long-term. We will set up a proper British Investment Bank and a network of regional banks to provide innovative firms with the funding they need to grow for the long-term. And we will establish a British Small Business Administration – we will be the party of small business, promoting the interests of small firms at the heart of government.

A crucial element of long-term industrial strategy will be government identification of the sectors in which

Britain has a comparative advantage: the strengths of these sectors need to be maintained and enhanced – with an active level of collaboration between industry, government, academia and the workforce. (This approach will also apply to other industries, but it is important to be aware of areas of success.) Such an industrial strategy will not be imposed from Whitehall; it will be industry-led, with government pledging to listen and to act, and to work co-operatively across all areas of government activity to help ensure business success. Thus, for example, industrial policy and education and skills policy will work hand in hand, ensuring that the workforce of the future has the skills that industry needs. And there will be a shared emphasis on innovation, as the tool that can help us build a high-skill, high-value, competitive nation.

One way of achieving these aims is through smarter procurement from government: we can help improve the competitiveness of companies through encouraging new industrial capability, innovative products and the greater take-up of apprenticeships. There needs to be a shift away from the current government's attitude on procurement, so that we can give small and medium firms a much greater chance of winning government work and in so doing enhancing their chances in overseas markets. I recently visited a company with whom Whitehall refuses to meet, even though it provides innovative high-tech

products that are bought all over the world. Because it does things differently, this company could save the taxpayer millions, and liberate billions more in our economy. But the Coalition government is not interested in finding out more.

Labour knows that industrial policy will not succeed if it is top-down or state-led. The role of government is to provide a strategic vision and an environment that enables businesses to flourish. For example, there are differing strengths and opportunities for clusters of industries in the regions, and these are best served by giving companies and organisations in those regions the power to realise that potential themselves. Not all the local areas in Britain are the same, and there will be no one-size-fits-all approach. Instead, Labour will encourage the distinctiveness of local and regional economies and support them in growing their comparative advantage. It will also enable regional firms to work together collaboratively, in order to identify efficiencies and skills synergies, and to improve their competitive offer.

Labour wants to see more businesses thrive. And we know that the long-term interests of business will not be aided by policies made to suit the vested interests of a tiny proportion of people at the top. Business success comes from recognising the importance of a firm's interaction and collaboration with its customers, workforce, suppliers and surrounding communities, with the goal of

securing fairer and more sustainable prosperity. The Conservatives want to stick to the tired and discredited ways of the past. Only Labour has the determination needed to build a flourishing economy based on businesses that are fit to compete and built to last.

9. Why we need an inclusive housing and planning policy

Roberta Blackman-Woods

Few people would dispute that Britain is in the middle of a housing crisis.

The exact numbers of new houses needed might be open to argument, but no-one can deny the existence of an ever-growing gap between supply and demand, and this means that increasingly large numbers of hard-working people are being priced out of buying their own home. Home ownership has declined from its peak in 2001 of 69 per cent to 64 per cent in 2011.¹ The average price of a house is now nine times larger than the average wage.² On this basis a typical low- to middle-income household would have to save for twenty-two years to accumulate a deposit for a typical first home – compared to just three years in 1997.³ And ‘second steppers’ are also being affected, with the average age for a second purchase rising to forty-one – despite 40 per cent of families saying their first home is too small for their family.

This shortage not only affects individuals and families; it also has profound consequences for our economy and

society. It undermines economic prosperity, exacerbates wealth inequalities and increases the cost of living, by reducing affordability both for home ownership and renting. It constrains public service delivery, reduces labour market flexibility, has costs for health and education outcomes, and increases the cost of doing business in the UK, thereby reducing our economic competitiveness.⁴

Inadequate housing supply also leads to further costs, for instance in education, crime and health. The annual costs of poor housing have been estimated at £2.5 billion to health and £1.8 billion to criminal justice, while its effect in terms of loss of earnings for the current group of young people going through the school system has been estimated at £14.8 billion, ‘based purely on differences resulting from the impact of poor housing on their GCSE results’.⁵ The evidence is clear: for economic health and social equity in the long term, the UK needs more homes.

One Nation Labour’s response is to strive to build a country where everyone has a stake and prosperity is fairly shared, where each generation is better off than the last; and part of this mission is the preservation of the institutions that bind us together. In this context we see tackling the housing crisis as central to the rebuilding of Britain. New homes in the right places can enhance labour mobility and facilitate local economic growth, helping to create a fairer more prosperous society.

One Nation Labour policy will bring about a

significant uplift in housing supply, for homes of all tenures, ensuring that we meet need but also cater for and provide choice to all. For too long the housing market has worked in the interests of big developers, rather than those of the many British people in need of a decent home at a price they can afford. We have now reached a crunch point; an increasing number of people are today locked out of home ownership altogether. The government's response has been to prop up the few already benefitting from the property market with bigger and bigger subsidies, at the expense of the majority who just want a place to call home.

One Nation Labour will enable a mass house building programme, which will boost apprenticeship numbers through procurement policy, add value to the supply chain, and have a positive impact on wages. We will support small- to medium-sized house builders, encourage a return to council home building at scale and support the flourishing of new models of Custom Build and Co-operative housing. In doing so, we will ensure that people have access to a decent home at a price they can afford.

Building across all tenures

With home ownership particularly falling amongst the next generation, we risk considerable intergenerational

inequality and social immobility. But by increasing the supply of homes, particularly through making low-cost home ownership a possibility, and through new models such as Custom Build and Co-operative Housing, we can ensure prosperity is fairly shared, and that the next generation can aspire to be better off than the last. We will ensure an increase in housebuilding across all tenures, but we will have a particular focus on helping the ‘squeezed middle’ into home ownership – those who do not qualify for social housing but who can’t afford a mortgage.

Ed Miliband rightly places great emphasis on investing for the longer term, and this is why Labour argues that a greater proportion of new housing stock should take the form of affordable homes, in order to reduce the Housing Benefit bill. But we must also meet the needs of ‘generation rent’ by building homes that meet the aspiration of home ownership. An increasingly large proportion of the younger generation are being squeezed into the private rented sector, paying such high rents that there is little opportunity for them to get on the housing ladder. The need of this group is great; and they and their parents are becoming an increasingly powerful and vocal political constituency. We have set out a series of proposals to make private renting more stable and affordable, and to raise standards to a decent level, but we must do more to help generation rent get on the home

ownership ladder. That is why we have proposals on intermediate housing, for example for facilitating ‘staircasing’ towards home ownership through shared ownership and rent-to-save models.

In contrast, the current government’s approach to kick-starting the house building industry has been to provide, or enable access to, cheap development finance through financial incentives and schemes; to reduce the costs of development through renegotiations on planning gain contribution (Section 106); and to boost mortgage finance and reduce necessary deposits through schemes such as Help-to-Buy.

None of these initiatives addresses the fundamental problem of the short-term nature of the UK property industry’s approach to development. They may have got some stalled sites moving, but these interventions are not leading to new project pipeline development. This will be a key challenge for any incoming Labour government intent on getting construction started quickly.

Investing for the longer term

Another key challenge for Labour is to find ways of facilitating long-term equity investment into residential property development and regeneration schemes. Creating an alternative, long-term means of financing would help address the lack of available debt finance and

help stimulate the development of new schemes. Such a shift away from short-term debt finance and towards long-term equity investment could provide a once-in-a-lifetime opportunity to change the business model of property development.

This could also help meet the demand on the part of a number of investors for alternative asset classes that generate acceptable returns: equity investment could provide a potential long-term solution for new development and regeneration projects.

Labour are therefore currently exploring how we can work with pension schemes, Housing Associations and Local Authorities to encourage, incentivise and build the right environment for greater institutional investment. We also want to explore how local authorities might achieve greater prudential borrowing for housing. We know that we need to make much better use of planning gain if we are to be able provide the new infrastructure that is crucial for underpinning new development.

New garden cities and towns can also play an important role in increasing housing supply and solving the housing crisis. This approach helped achieve a large proportion of the 350,000 housing completions per annum of the 1950s. And these towns have shown themselves to be popular – and sustainable – places to live and work, as well as a profitable investment for the Treasury.

Putting consent at the centre of new development

Clearly, new towns and garden cities must be designed for modern times and with current demands in mind. Any new development must have community involvement and engagement at its heart. And here there are some inclusive principles that have stood the test of time – and are perhaps more important now than ever before. These include collective land ownership, and land-value capture for the benefit of the community, as well as the provision of affordable housing and the creation of new jobs and sustainable lifestyles.

A new generation of these towns will work best if they have local political support. In some areas new developments are going ahead already. For example, in Northstowe, west of Cambridge, local support has been won for a new settlement of 10,000 homes.⁶ However, this proposal took a significant amount of time and political will, and it is still far from completion. We need to look at measures to enable more developments of this type to be brought forward, while also being in line with the interests of the local area.

The most recent British Attitudes Survey found that while around 80 per cent of people recognise the need for more housing, 46 per cent oppose new housing developments in their local area. This partly results from

the way in which people perceive the cost-benefit of new housing. Many people worry that new houses will bring down property values, strain local infrastructure and detract from the quality and character of their local area. At the same time they do not see the potential benefits – which include increased investment and improved facilities and housing (including for local people), as well as employment and apprenticeship opportunities.

We need to consider ways in which local authorities might come together to form companies to bid for new town and large regeneration projects, partly through deploying new powers and incentives along the lines briefly indicated above. Such companies or development corporations could draw on the successes both of previous Garden City initiatives and recent projects such as the Olympic Park; the aim would be to manage the development, and any profit from the uplift in land values, to the benefit of the new town.

In order to get the homes we desperately need we have to take communities with us. In this book Diana Johnson and Alan Whitehead argue that devolving more power to local communities is also important for community safety and securing our energy supply. Greater devolution of powers to local councils will be an important plank of One Nation Labour's approach to local government. Community opposition to development often increases the length of time it takes developers to submit an

application and local authorities to decide applications, and it can even dissuade developers from lodging plans that may be in the interests of the local area.

Proper financial incentives are a key part of developing local support, but they are not enough in themselves. Only 2 per cent of people say that financial incentives alone would encourage them to support new development. We therefore need to look at other means of building community support, including ensuring that the benefits of development are seen to outweigh any costs, and increased faith in the planning system. One way of strengthening neighbourhood planning and improving its ability to help communities identify where to put new housing would be to look at the relationship between Local Plans and Neighbourhood Plans – in order to ensure that Neighbourhood Plans help inform the drawing up of Local Plans.

To achieve this we need a new relationship between people and planning – one that builds places and communities, not just housing. Developing a more community-based planning system is essential if people's faith in the planning system is to be restored.

A new generation of Garden Cities

If home ownership is to be a realistic aspiration for working people, and rents are to be affordable, we are

going to need not only a step change in the scale of house building but also a change in approach to new development. That is why Labour has set up a Housing Commission, chaired by Sir Michael Lyons: the aim is to develop a framework that will enable the delivery of at least 200,000 homes a year by the end of the next parliament.

The Lyons Commission will set out detailed plans on the establishing of new towns and garden cities, as well as ways to expand existing towns and cities if appropriate. It will consider ways for a future Labour government to work with groups of local authorities who identify – working closely with their local communities – locations capable of sustaining suitable large-scale sites for new towns and existing town expansions.

Valuing local government and localism is absolutely essential to a national growth strategy and to building a fairer society; these are key principles of the labour movement and of Ebenezer Howard's original Garden Cities vision. But embracing localism has to go beyond devolving more powers to local government – important though that is; it must also include giving communities a say in important decisions that affect them.

People want to know about the kind of community that will result from any new development – what it will look like, where they will work and where their children

will go to school. Recognising and planning for this will make it possible to win support for new towns, Garden Cities and urban extensions. Today the arguments for giving more power to local councils and communities resonate more than ever before.

Notes

1. *A Century of Home Ownership and Renting in England and Wales*, April 2013: www.ons.gov.uk/ons/rel/census/2011-census-analysis/a-century-of-home-ownership-and-renting-in-england-and-wales/short-story-on-housing.html.
2. Ibid.
3. *Squeezed Britain*, the Resolution Foundation: www.resolutionfoundation.org/media/media/downloads/Squeezed_Britain.pdf.
4. *Review of Housing Supply*, Kate Barker, 2004: www.hm-treasury.gov.uk/d/barker_review_execsum_91.pdf.
5. www.ippr.org/images/media/files/publication/2011/10/build-now-pay-later_Oct2011_8116.pdf.
6. www.northstowe.uk.com/.

10. Reshaping access to arts and culture

Helen Goodman

How would a Labour government shape communications and culture policies as part of a One Nation strategy for rebuilding our country?

Fundamental to the idea of One Nation is the belief that everyone can and should prosper. Carrying this idea into communications policy produces a clear route map: we need to ensure that everyone has – affordable – access to information and services; that concentrations of power are controlled in the public interest; and that the promise of the digital revolution – greater openness and opportunities – is realised in practice.

One digital nation transformation – the net as a power distributor

When a new technology – especially one as radical and pervasive as the internet – arrives we have a chance to remake social relationships on a new model. The net offers the opportunity for the dispersal of power and economic activity: everyone can be a publisher; everyone can sell

their services to an international market; everyone can learn about what is going on across the globe. And we have wonderful examples of this new technology being used as a liberator – by activists in the Arab Spring; by African farmers checking market prices; and, closer to home, by people building new businesses. Booz & Co estimated that our GDP could increase by up to £30 billion if everyone in the UK was fluent online. Only one in three SMEs has an internet presence, yet access to the internet could reduce business costs by 54 per cent and boost their sales by 51 per cent.

Digitisation also offers savings of an average of £550 a year for consumers who shop online; and they also benefit from increased choice and the opportunity to research their decisions.

But this positive vision is being lost through a welter of problems that directly result from government failure to understand the net or take steps to reshape policies for the digital age.

Tackling digital exclusion to prevent a new social divide

In Britain today 5 million people have no access to broadband; 13 per cent of the UK population has no mobile signal; 11 million people have never sent an email; 15 million are not functionally literate on the internet.

Meanwhile global internet companies pay little tax; a number of them refuse to engage seriously with government on their corporate social responsibilities; and anti-competitive practices and power concentrations are growing, to the detriment of small and medium sized locally based companies.

If the net is to facilitate human flourishing, these things need to be addressed, and quickly.

Far from dispersing power, the net has opened up a huge new social divide: those on and off the net. Yet this government has done next to nothing to help people get online, despite proposing a public service delivery model that is digital by default; there is virtually no recognition for the significant benefits this could bring in terms of learning for children; looking for work for adults; and the ability to buy goods and services more cheaply online.

The distribution of the digitally excluded is not evenly spread throughout the community: the excluded are concentrated in particular socio-economic groups and geographical areas.

According to Booz & Company, the D-E social group has the lowest percentage of households accessing the internet: more than 40 per cent of them are unable to do so. Go ON UK, the group brought together by the industry to promote online skills, reports that more than 16 million people lack basic online skills. This figure includes people who may have used the internet at some

point, but do not know how to carry out the different tasks necessary to fill out an online form.

Dick Stroud has conducted a thorough and forensic exploration of who these people are, and his findings were published in the *Journal of Direct, Data and Digital Marketing Practice*. Stroud shows that 1.2 million of the digitally excluded are young people in their early 20s earning less than £10,000 a year. Another excluded group is made up of 1.5 million people earning less than £20,000 in the age range from about the mid-twenties to fifty. Then we have a group of 2.2 million people in late middle age who are uncertain about the internet, but open to persuasion that going online might be a good idea.

It costs about £50 million to get one million people online through appropriate skills training. But this government has committed twenty times this amount to help just four million people, in its broadband rollout programme. Spending £50 per person to help get people online would be a far better investment than the £3000 voucher the government is offering via their £150 million Super Connected Cities Programme. A One Nation Labour government would have shifted the resources being squandered on this failing programme into a programme to get people online, delivered where possible in public libraries, working in partnership with the voluntary sector and industry.

Mobile phone signals and broadband

The Countryside Alliance has found that 29 per cent of rural dwellers are dissatisfied with the mobile phone coverage in their area, and according to the *Daily Telegraph* mobile hotspots are costing the British economy over £1 billion a year. Yet the government have scaled back the ambitions of their Mobile Infrastructure Project; £150 million is being spent on reaching only 60,000 households.

The next Labour government will make rural coverage of mobile signals and broadband a priority for investment. The political significance of this is obvious – a One Nation approach, working to ensure access for all, is a pro-countryside approach. Small and medium sized rural enterprises have the most to gain from nationwide connectedness, because transport as a percentage of their costs is so high. One Nation has no urban bias. It is genuinely inclusive.

Cultural life outside the M25

Last year 5.5 million people visited the Tate, demonstrating that cultural and artistic interest is not the preserve of a minority. This is not a new development. In 1862, 6 million people visited the Great Exhibition the space of just 140 days – and this was the precursor to an astonishing flowering of cultural investment across the country. In the second half of the nineteenth century 43

towns and cities opened art galleries and museums – including Liverpool, Manchester, Birmingham, Leeds, Sheffield, Brighton, Carlisle, Warrington, York, Norwich, Portsmouth and Worcester.

It was therefore shocking to read in *Rebalancing Our Cultural Capital* that public spending per person in London has been fourteen times higher than the rate in the rest of the country.

These figures have been both disputed – on the grounds that they take no account of the activity across the country of national institutions based in London – and defended – on the grounds that one would expect to spend more on, say, the National Gallery than the Bowes Museum in County Durham). Nonetheless this disparity is borne out by practical experience. Last year Arts Council England supported 77 performing arts organisations in London, but only 7 in the North East. According to Anthony Sargent of the Sage Gateshead: ‘ACE needs to achieve a new strategic balance for the arts in England that recognises the needs and development potential of London *and* the regions, not London *or* the regions’.

Wellbeing – the value of cultural and artistic experience

The LSE has made a ground-breaking study of the benefits that are derived from artistic and sporting activity, both in

their social impact and for individual well-being. They have found that regular cultural engagement (at least once a month) is worth more to people than a £1000 pay rise. The health benefits from sport are clear, but it is also worth noting the measurable impact of the arts for mental health, as well as the improvements in social cohesion that arise from participation in community events.

When people come to my constituency surgery with mental health problems, it is sometimes evident that they have been brought on by trauma and distress that they have not been able to make sense of. Unhappy experiences are routinely medicalised – but they can also provide the material of great poetry and drama. How much better it would be for so many people if their powerful emotions of loss and grief could be expressed in a creative space.

The first and foremost difference between a market-driven approach to culture and a One Nation approach is our concern to widen access and opportunities. This is what lay behind the Labour government's popular decision in 2001 to make entrance to National Museums and Galleries free. But this government's cuts are worsening geographical and social divides; and its local government settlements have hit the poorest areas the most heavily, bringing serious consequences for local theatres and libraries. The poorest areas are seeing cuts at levels four times higher than the richest.

Collaboration

Labour in government will seek to narrow these geographical divides rather than widen them, in order to offer greater access and opportunities. This will require collaboration with a number of partners – with other government departments, the private sector, voluntary organisations, and cultural institutions themselves.

Our Communities and Local Government team have already said they will restore the need element into the funding formula, to give every area a fairer chance. The Treasury team have agreed that it is wrong that there are 70,000 national heritage items and collections that have been kept in Britain through tax relief costing £30 million per year – including paintings by Stubbs, Van Dyck and Reynolds – but are only very rarely on public view. Labour will take on legislation to make these works accessible to all, in exhibitions and online.

There are arts projects across the country that work with groups suffering exclusion and isolation, taking seriously the impact on individuals' wellbeing of arts participation. In Derby the local theatre works with looked-after children at risk of involvement with the criminal justice system in a joint project with Barnardos; and in Gateshead the Sage have a contract with the local health authority. The next Labour government will seek to build greater numbers of partnerships between cultural

institutions and public services, so that these currently exceptional projects become part of the fabric of our life.

Harold Wilson's first appointment as Chair of the Arts Council was Lord Goodman: right from the beginning he saw the value in collaboration between arts and business. This collaboration has many potential dimensions. Most obviously, business can be a source of money – everyone knows, for example, of the generosity of the Sainsbury family; but business can also be a source of expertise in helping arts organisations to improve their management and marketing; and business can also be a recipient of artistic excellence – as when the National Theatre's production of *Warhorse* transfers to the West End. This is truly a reciprocal relationship.

But in every area people want to participate as well as consume. New experiences don't end with formal education, and nor should they. Joining a book club, taking part in 'am dram', broadcasting with a community radio station – these are all activities that give pleasure and purpose to life. Supporting participatory initiatives of this kind is of course a long-standing left tradition. Nationally, the Workers Education Association has enhanced the lives of thousands, if not millions, of people: the Spennymoor Settlement, established in my own constituency in the 1920s, provided artistic training for miners who were then able to leave the pit and become professionals – as immortalised recently in the National Theatre's production.

It is noticeable that although the public and private sectors are good at providing people with opportunities for being in an audience, it is the voluntary and community sectors that do the ground-breaking work when it comes to participation. We need to think about why this is the case, and how we can support them, particularly since the transformatory experiences they offer are not only individual in their effects – they can change whole communities. The Venezuelan Simon Bolivar Symphony Orchestra, now acclaimed across the globe, is the pinnacle achievement of a nationwide programme for social action through music.

Many institutions already have excellent access programmes. For example, the Barbican Art Centre works with schools in five East London boroughs; and the Bristol Museum Service are at the centre of a regeneration project on the old docks.

Labour will make access an essential criterion in all decisions about public funding. We will also address the employment practices of cultural institutions: working to end unpaid internships, to ensure that work in the cultural and creative sectors does not become an increasingly middle-class preserve. A One Nation approach is based on the idea that everyone can enjoy and contribute to our cultural life: the next Labour government will do its utmost to make this a reality.

11. One Nation energy: secure, affordable and low carbon

Alan Whitehead

Labour will be coming into government just as the three prongs of the ‘energy trilemma’ start to poke people in seriously painful places. ‘Trilemma’ describes the problem of achieving the three, possibly conflicting, goals of a successful energy policy: ensuring that energy prices for domestic and industrial customers are affordable; that our energy is secure and will not fail; and that supplies are decarbonised, so that energy becomes a contributor to carbon reduction and not a brake on it.

Some argue that this conundrum is simply unresolvable – that you cannot decarbonise supplies or secure sufficient investment to stop the lights going out without loading considerable additional costs onto consumers. It is best not to ‘buck the market’ by trying to hold prices down, or stipulating the form that energy supply will take. The argument is made that energy should, in the future, be supplied by the cheapest and

most secure routes – perhaps by extending the life of coal-fired power stations, or even by building new plants, along with a fleet of gas-fired power stations, using these as the backbone of our power needs for the next thirty years.

Neither of these routes is possible, however, without permanently blowing decarbonisation targets out of the water. We will lose almost 30 per cent of our present generating capacity over the next decade. Existing coal-fired plants will be closed because of EU pollution directives and emission levels, and older gas and nuclear plants will be decommissioned because they are well past retirement age. Replacing lost capacity with like for like, and also adding perhaps 20 gigawatts of similar new plant (to cope with the anticipated growth in demand over the next two decades), would institutionalise high carbon generation for decades. New nuclear sources of energy – currently limited to one new plant coming on line by the middle of the 2020s – will not come to the rescue, simply because plants take so long to plan, build and commission.

Decarbonisation

This part of the trilemma has already been nailed down by One Nation Labour. We are already committed to decarbonise our power supply, as part of our work to

reach emission targets set out by the last Labour government's Climate Change Act. This will mean reducing the present average carbon output of energy – of about 480 gms CO₂ per kwh – to about 50gms by 2030. That does not mean that any one specific technology has to be introduced, but it does mean – since energy supply and use makes up about 80 per cent of the carbon the country emits – that the idea that *any* fossil fuel plants that are not fitted with carbon capture technology should supply anything other than back-up and system balancing is not on the long-term agenda. Labour will have to keep to a strong and consistent programme of developing renewables and low carbon energy over the next period, so that the balance of supply will firmly tilt in favour of low carbon energy.

But, of course, the energy landscape is not made up solely of supply. Much of our energy requirement is bound up in heat. In fact more than 44 per cent of our total energy need arises from heating, both for domestic properties and commercial and industrial buildings.¹ Heat is mainly generated from gas: boilers in homes and space heating in large industrial buildings. The challenge of decarbonising this supply is greater than that faced by the electricity sector. We will have to bear down on the amount of gas dispensed into our heating systems, for which the main options are substituting biogas for part of it; electrifying some heating; or making the gas we use go

much further through efficient district heating and combined heat and power schemes. Above all we will need to make our buildings and offices far more energy efficient, so that as a nation we use much less energy for heat and power.

In this respect we start from a difficult position. Britain has the second most inefficient housing stock in the whole of Europe, and during their term of government the Tories have undone a number of publicly funded energy efficiency policies, including Warm Front, and abandoned effective retrofitting policies such as CERT and CESP.

Their replacements – Green Deal and ECO – have failed woefully; they have not made even a small dent in the efficiency levels of our homes. A One Nation Labour government will need to start again with programmes of mass efficiency improvement in Britain’s inefficient housing stock. The Committee on Climate Change, for example, projects that we will need to have carried out more than 2 million efficiency treatments of solid-wall homes by the early 2020s if emissions budgets are to be maintained. Programmes driven by local authorities and local partnerships, which could insulate (perhaps on an area basis) 150,000 hard-to-treat homes per year, have the ability to deliver multiple wins. Effectively insulated homes could save up to 60 per cent of energy use, and at the same time, since people in fuel poverty are

disproportionally represented in ‘hard-to-treat’ homes, we would be mounting a permanent and successful attack on fuel poverty.

Efficiency

Efficiency is also about making the most effective use of the supplies that we do have – wasting far less in the processes between production and consumption, and using energy information in a more effective way.

Demand-side response can smooth out the peaks and troughs of demand by storing power produced at times of low demand, so that it can be used efficiently and more profitably at periods of higher demand. The overall need for new capacity can be lessened, and the capacity we do have – variable wind, for example – can be used far more efficiently and effectively in the supply system.

The present government has (slowly) started an installation programme for smart meters. However it has placed the rollout in the hands of the big six energy companies rather than where it belongs – alongside the distributed energy networks that will be developing smart grids that can direct and use energy in the most efficient manner.

The final strand of the efficiency agenda relates to further programmes that have multiple wins. Do-it-

yourself local energy production schemes run by homes and communities, which have the effect of taking demand off the grid by localising it, will become an increasingly important part of the efficiency armoury. Do-it-yourself energy is already beginning to come into its own, with the rolling out of domestic solar panels. But with the right support and framework, local energy supply – through localised combined heat and power schemes, community-owned and managed wind and solar farms and other localised technologies – can form a significant proportion of our overall energy supply pool.

All this intimates that the energy landscape is likely to be quite different in ten years' time. One Nation Labour's task, in government, will be to promote and encourage the development of these new flexible and decentralised stratagems; these will work far better with the new world of low carbon priorities than locking ourselves into large and inflexible power assets.

But is this enough to address the trilemma we started with? Clearly, more efficient production, delivery and use of energy will go a long way towards combating the inevitable price rises and energy insecurity that would be the inevitable result of building traditional new plant, with the source and cost of the fuel it consumes. But the *way* in which we approach decarbonisation also has an important effect on the other prongs of the trilemma.

Affordability and the market

Much of the present debate on affordability – the claim that ‘green levies’ are loading such a huge amount onto bills that energy will only remain affordable if we ditch them – misses fundamental points about where we are headed on energy policy. For the truth is that, one way or another, present energy priorities are stoking up affordability pressures across the board. We are now, in effect, providing subsidies for almost all forms of energy supply – from capacity payments for gas plants to contract payments for renewables, not forgetting the ruinously high underwriting agreed for Hinckley C nuclear power station. The market reform that was supposed to provide energy at best cost to customers, and under the best forms of competition, has failed dismally on both counts.

Labour’s energy bill freeze pledge makes complete sense in the context of this broken market. Splitting the vertically integrated functions of the large energy companies, so that trading is carried out by all on a level playing field, will be a start on reforming the way the market trades. Introducing a pool, not just for day-ahead trading but for bilateral trading several years ahead, is a vital ingredient in making energy trading fairer and more transparent. Reforms such as these will lead to a more affordable price to the consumer. And alongside these

improvements there will be a new and better equipped regulator, one that is able to engage on a far more robust basis to shape the market in favour of consumers.

Security

The resolution of the third prong of the trilemma – energy security – must be approached with the same eye on both the future and the here and now. In the longer term, an energy economy that uses its energy efficiently and intelligently, and makes the best use of our domestic resources, provides the best form of security. But in the medium term, will these approaches be proof against the supposed ‘capacity crunch’? – the point at which the lights go out because we simply fail to match useable supply. Can they protect us against the perils of geopolitics? – for example if the Russians plunge us into energy uncertainty by cutting off the gas supply.

There is no chance that the lights will go out in 2016, or whenever it is that the latest predictions suggest, because any ‘crunch’ will come about as the result of the shorter-term economics of capacity rather than because of any real or immediate disappearance of supply. A number of gas-fired power stations are presently being ‘mothballed’ – producing no power for the foreseeable future – simply because their owners measure the relative cost of gas against the money they could make from the

electricity they could produce with it, and opt for the latter. Present government ‘capacity payments’ would do little to change this. Instead, they reward the building of new plant – which will receive long-term subsidies even if no power is actually supplied. A better and far less expensive method of making sure that capacity is available when needed would be to introduce a payment for a ‘strategic reserve’ of recommissioned existing plants, or some newly built plants.

Furthermore, the more doom-laden predictions of a ‘capacity crunch’ tend to discount the likelihood that, in times of stress, Britain’s interconnectors would supply power into the UK grid from elsewhere in Europe. And here lies a longer-term lesson in energy security. For the UK, despite being relatively well-served by gas connections with Europe, and with liquid natural gas terminals, is poorly served by electricity interconnectors. They can make a difference of perhaps 4 per cent of electricity (important for capacity margin), but in the longer term this is not enough. Britain lags behind most of Europe in interconnectedness – the EU suggests that a country ‘norm’ should be about 10 per cent of supply.

Our future energy security lies with Europe, and being better connected with the continent is essential. Interconnection is important not just for the sake of emergency and balancing supply, but also because it means we can trade our own energy surpluses that arise

from time difference and output variance.

Interconnectors are projects that, if commissioned now, would only take a few years to complete and have up and running. A new administration will need to make this happen as soon as possible.

But herein lies a central challenge. In less than thirty years, the pendulum in Britain has swung away from having a nationally determined, centrally-planned non-market energy economy, towards becoming one in which almost all decisions assume the over-riding wisdom of the market. During that period, investment in new plant has often lagged or been neglected, but the buoyancy of the market, and Britain's substantial surpluses in gas and oil production, masked the problems.

Today the UK is a net importer of both gas and oil. Shale gas, even if exploited to an extent that would make almost everyone in the country recoil, in terms of the widespread environmental damage it would inflict, will not reverse that trend or reduce gas prices. The key decisions about driving a low carbon energy economy will therefore need to be taken against a backdrop of radically changed circumstances.

The market as we know it will take some of these changes in its stride; and it should work very well in the central issues of supply and competition, if it is allowed to. But the market is often inadequate when it comes to delivering on time and at scale the kind of 'public good'

investment that is essential to make it work well for the future. And interconnectors, strategic reserve supply, and securing that quantum leap in building efficiency – all fit into that category. The future Labour government’s efforts to utilise the resources that are largely there already but are being directed in a less than efficient way, in order to get markets working better for consumers, industry and the country as a whole, will be a testament of the seriousness of our long-term vision for a new kind of secure, efficient and low carbon energy economy.

Notes

1. This figure is inclusive of transport sector.

12. Building safer and more resilient communities

Diana Johnson

People often look back to a golden age when crime was low, people could leave their front doors unlocked and children could play safely in the street all day.

Today, we have the lowest level of crime for decades, but a perception that crime is still too high. Children are more protected than ever, but parents are more worried about their safety, especially online. Figures for overall consumption of alcohol are down, but many people feel that drinking is out of control, particularly in city centres. Levels of traditional drug use are also lower, but we now face a new challenge from synthetically produced ‘legal highs’, widely available on the high street and the internet.

In a free and open society, the state cannot protect individuals from every conceivable danger at all times, or from the consequences of people making unwise choices. However government can tilt the balance in favour of equipping and supporting people to make wiser decisions.

I want to look at three key policy areas – child protection, alcohol and drugs. A One Nation approach to these issues will help people to acquire a range of skills and capabilities that can help build more resilient communities for all. Our One Nation policies will help shape the society we want to build – inclusive, empowering and localist.

Child protection

As well as ensuring that children are protected from abuse, we also need to help them develop self-esteem and confidence, so that they can sustain healthy relationships throughout their lives. A One Nation Labour government would invest to prevent social problems and thereby avoid the costs of failure later on.

In the last few years we have been shocked by a series of high-profile cases of abuse: the Jimmy Savile case; the scandals in North Wales care homes; and the widespread practice of grooming in Rochdale, Oxford and Derby. Child abuse takes many forms. It is therefore important to recognise the many different situations in which children are exploited.

Neither perpetrators nor victims are easily defined, but certain groups, such as young people in care, are more vulnerable. It is unwise to generalise about perpetrators. Although the media has made much of the

prevalence of grooming within certain ethnic communities, the Children's Commissioner has found that sexual exploitation is not confined to any particular community. The Deputy Children's Commissioner has noted that 'sexual exploitation of children is happening all over the country'.

Furthermore, the internet has created new opportunities for those who would harm children. The estimated number of people in the UK who access child abuse images online is shocking.

The Child Exploitation and Online Protection Centre (CEOP), now part of the National Crime Agency, is working hard to prevent abuse and to prosecute abusers, as are police forces around the country. However, police forces are dealing with 20 per cent budget cuts, and over the past year CEOP have seen a 60 per cent decline in the number of arrests.

A further problem is that grooming and sexual exploitation is facilitated by a culture in which sexual violence is normalised. A recent YouGov poll found that 71 per cent of young people regularly witness sexualised name-calling. Studies have suggested that up to 40 per cent of young people have been exposed to 'sexting'. A YouGov poll commissioned by the End Violence Against Women Coalition found that 29 per cent of 16-18-year-old girls have experienced unwanted sexual touching at school.

A recent report from the Children's Commissioner, appropriately entitled *Basically ... porn is everywhere*, found that a significant number of children and young people are exposed to or access internet pornography, and that children as young as ten are viewing it. Exposure to sexualised and violent imagery has a particularly damaging effect on the development of young people's attitudes to relationships.

However, there is good work being done to challenge attitudes to consent, and to support young people in making informed decisions about relationships.

The End Violence against Women Coalition has carried out some excellent work on their campaign 'Schools Safe for Girls', which has drawn attention to the culture of sexual violence encountered by many girls in their schools. This campaign, some of which has been in collaboration with Mumsnet, has helped to raise awareness amongst parents, schools and pupils.

One of the Commissioner's main recommendations was for proper sex and relationship education to tackle attitudes influenced by pornography. The logic is clear. Given that children are being exposed to ever more graphic and extreme images online, schools should be used as places in which there can be an informed discussion with children about sex and relationships. Of course we want families to discuss these issues too, but many parents also want this to be part of the school

curriculum. We should explain to children the difference between consent and abuse.

The government repeatedly claims that good schools are already providing satisfactory levels of personal, social, health and economic education (PSHE). But research shows that the overwhelming majority of schools, in what is now a more fragmented education system, are failing to provide good PSHE. A One Nation government will bring best practice to all schools. We cannot afford to have any child left behind in the name of ideology when their basic safety is at stake.

Another key concern is the proper functioning of measures to share information in order to protect children. The current government has scaled back the Child Protection regime – to what it calls ‘common sense levels’. This is in spite of organisations such as the NSPCC and experts such as Lord Bichard pointing to the problems of such an approach. In the past too many children have been left unprotected by a ‘common sense’ view of child protection.

In fact, what has happened is that, despite government reforms to reduce the number of unnecessary checks, the number of CRB checks has not fallen dramatically; while information about individuals barred from working with children has been restricted. This is the worst of both worlds.

We acknowledge the need to allow time for the

government's reforms to bed in, and are mindful of not including within the system individuals who pose no risk to children or vulnerable adults. But it remains clear that we have moved too far away from Bichard's post-Soham recommendations about information sharing amongst key players in child protection, including schools. A One Nation Labour government would ensure collaboration and co-operation between public bodies in the interests of the most vulnerable people. There would be no more administrative silos.

Labour has also called for a number of measures to reduce the online threat, including the introduction of 'safe search' as a default setting; effective age verification; and splash page warnings about pornographic content. Just as we have controls on what children can view at the cinema or on the television, we need to support parents in implementing the same controls on the internet for their children.

Alcohol and licensing challenges

The second challenge for a One Nation government in building safe and resilient communities is tackling the relationship between alcohol, ill health and crime.

The expectation behind the introduction of the Licensing Act 2003 was that it would create a more continental style of drinking in this country. Alcohol

would go with good food and convivial company, rather than vertical drinking in a crowded environment, and hurried consumption before last orders.

But the Act has had some unwelcome consequences. Licensed premises opening until the early hours sell punch bowl size drinks for just a few pounds, and promotions such as ‘females drink free all night’, were a nasty shock to many people who had promoted the liberalising free market reforms.

As part of a One Nation Labour approach to alcohol licensing we want to create an environment in which well-informed citizens can enjoy drinking in moderation, local community pubs are supported, and local communities are given a bigger say on how many licensed premises open up in their locality. One Nation Labour believes that decision making should be devolved to communities, ensuring that local people decide on what is best for their area.

It is clear that local authorities need the resources to effectively and efficiently run licensing and take appropriate enforcement action. Cuts to councils’ budgets has made this more difficult. For some time, the Local Government Association has argued for full recovery of licensing costs; these are currently estimated to be subsidised by councils to the tune of £18 million a year. It is also worth considering providing more incentives for voluntary improvement schemes, such as the Purple Flag

awards that incentivise better management of town centre drinking.

The Late Night Levy introduced by the current government has had little take-up. But some councils have taken a far more innovative approach to raising additional money from the late night economy to be used in measures to improve the night-time environment. For example Reading has drawn on Business Improvement District funding to fund taxi marshals.

In view of the transfer of public health responsibilities to councils through the Health and Well Being Boards, it seems a sensible time to include public health as one of the objectives of the licensing regime.

One Nation Labour would also give more powers to localities to make the best choices for their local population. A positive example of this would be the extension of the licensing flexibilities that are available to councils. Here we have already seen some imaginative approaches from local authorities, for example in Norwich. A voluntary agreement limits the sale of super-strength ciders and beers – which street drinkers tend to favour.

We also continue to support the use of adoptive powers, such as those Labour introduced for Adult Entertainment Licences, which allow councils to consult with their community and agree a cap – including zero if they so wish – on particular venues. All councils should be

empowered to do this, moving power from Whitehall not just to the town hall, but to citizens in every community.

Drugs and the challenge from ‘legal highs’

The Home Office estimates that drug addicts commit one third to a half of all acquisitive crime. The annual cost of drug-related offending is £13.9 billion. The National Audit Office suggest that drug treatment is one of the most cost effective ways of reducing drug-related crime, with £2.50 saved for every £1 spent.

Under recent Labour governments, investment in treatment services mushroomed, and joint work between the Home Office and the NHS was a major success. Waits for treatment reduced from nine weeks in 2001 to five days in 2011-12. But after all the changes we have seen to the NHS, police and councils, we need to ensure that progress in this area doesn't slip back.

The current challenge in drug use in the UK is the explosion in ‘legal highs’ – manufactured psychoactive substances. Across Europe more than 280 new drugs, mainly produced in China, are being monitored. These drugs are widely available both online (with 693 online shops recently identified) and through high street ‘head shops’. The approach adopted by the Tory-led government has been to use Temporary Class Banning Orders, but only a few drugs have been banned in this

way. Moreover, knowledge of the numbers of deaths and harm from ‘legal highs’ are limited, as the NHS is not collecting relevant statistics.

The fact that these substances are legal leads many to a view that they are also safe, which is often not the case. There is therefore a strong argument that education is one of the key ways of keeping young people safe. Improved PSHE across all schools is needed, and more public information about drugs: evidence-based programmes are the most effective way of building resilience in young people. Prevention is less expensive than living with the results of drug abuse.

Labour will investigate whether the false and dangerous impression that these substances are safe should be addressed by reviewing and amending consumer protection laws. We will also monitor the approach adopted by New Zealand in seeking to regulate the sale of ‘legal highs’. And we will also consider the role and capacity of the Advisory Council on the Misuse of Drugs, and assess its ability to cope with the vast number of substances coming onto the market.

Conclusion

These three important areas of domestic policy are fundamental to shaping the type of society we want for ourselves and our children in the twenty-first century.

They embody a One Nation Labour approach-enabling, empowering and localist.

It would give people and their elected representatives the ability to take on vested interests and improve life in their communities.

13. Let's talk about immigration

David Hanson

Immigration is perhaps the clearest example of how Labour has changed since 2010.

As the party that seeks to be most rooted in working people's lives, we need to talk about and respond to the issues that impact on them the most. However it is measured, immigration is now clearly one of those issues.

Immigration will not only be one of the key issues in the run-up to the general election; it will be one of the key policy areas for any new incoming Labour government. This is an issue that we have to get right.

Our policy and input into the debate will be based on Labour values, and that means we must start from the basic truth that immigration has been important for Britain over many centuries. The success of the UK and the institutions that now support it has been built on the ideas, ingenuity and sweat of the people who were born here, but also of those who have travelled here from abroad.

There can be no doubt that our island could not have contributed so much to the world – from the English language to the internet – without the contribution of immigrants. Yet each successive pattern of migration has brought new challenges, and as a party seeking to govern we need to understand and address them.

The challenge could come from the pace of change in local neighbourhoods that has resulted from high levels of immigration, or from anxiety on the part of some in settled UK communities who have concerns about wages in certain areas of work, or about the exploitation of both settled UK residents and new migrants.

People who are concerned about immigration and its impacts on their wages, their public services and their community are not all cast from the same mould. Some are people who have lived in the same part of Britain for generations, while others are people who have lived abroad or been born there: what unites people is the feeling that the current system isn't working for them or for Britain. And they are keen to be part of a sensible conversation about how it should be reformed and what should change.

This is not a question of participating in an arms race of rhetoric just to satisfy right-wing commentators, but we do need a sensible conversation about how to make immigration work for the UK.

So let's set down some principles

Secure borders

First there is the fact that we need strong borders and robust immigration controls to make the system fair. This will be central to future Labour policy. The current list of government failures on immigration is staggering.

Under the Tory-led government, fewer than one in fifty reports of illegal immigration results in a person being removed from the country. The number of people removed from the UK for breaking the rules has dropped by more than 7 per cent, and the number of criminals deported has dropped by over 13 per cent. Fines on businesses for employing illegal workers have also halved under this Tory-led government. And it has still taken no action on exit checks when people leave the country, meaning we don't even know how many people are here or are overstaying their visa.

For an immigration system to be fair we need strong controls in place, and this government is simply failing to deliver that. A future Labour government will take effective action to ensure that our borders are strengthened and protected, and will take meaningful action to tackle and stop illegal entry.

Tougher standards in our labour markets

Secondly, our response is based on the principle that we need tougher labour market standards to avoid

exploitation and undercutting if we are to retain public consent for free movement within Europe.

In recent years, a combination of the availability of low-skilled immigrant workers and inadequate labour standards has meant that wages at the bottom have been squeezed in some sectors, including through illegal exploitation in some cases. Competitive pressures have also caused some firms to adopt a short-term, low-skill approach given the ready supply of low-wage migrant labour, while in some areas firms that need skilled workers have taken on migrant labour rather than training up the next generation.

We are determined to halt the race to the bottom in wages and conditions. That means changing our economy so that it works for working people, and allowing those who come to this country to add to the rich fabric of our society.

This government refuses to stand up for rights at work, and will not take the action needed to stop employers using cheap immigrant labour to undercut the wages of workers already here – a crucial factor that has led to diminishing support for immigration and a wedge being driven between our communities. A Labour government in 2015 would address this through the following measures:

- enforcement of the minimum wage: we would double the maximum fine for those paying below the National Minimum Wage to £50,000.

- extension of the scope of the Gangmasters Licensing Authority to other sectors where there is evidence of exploitation
- a strengthening of the law so that recruitment agencies are not able to discriminate against UK domestic workers, even informally, for example by advertising jobs only in foreign languages
- assisting people in the UK obtain the skills they need for the future by ensuring that companies that bring in workers from outside the EU have to offer an apprenticeship for someone already here.

The effects of immigration on our labour market are a central source of public concern, but there are other simple steps we can take that would make a big difference to public confidence.

Fair rules

Our third principle is fairness. People in Britain are fair-minded. They don't mind people coming to this country if they work hard and pay taxes – they just don't want to see the system abused. I think it is fair to look at a clear qualification period for people who come to Britain from within the EU before they can claim benefits; and that should also apply to the 1.4 million Brits who live in mainland Europe. And if somebody abuses their right to

be here by committing a crime soon after arriving in this country, I believe it should be made easier to deport that person.

It is also important that English is learned and used, and that those who come here are encouraged to integrate.

It was a mistake of the last Labour government in 2004 not to impose transitional controls on people seeking to come to Britain from the newly admitted East European EU member states: if any new countries join the EU in future we will ensure that the maximum available controls are applied.

Encouraging immigration that works for the UK

Our fourth principle is a recognition that the UK cannot follow the calls by some to shut ourselves off from the world if we are to succeed economically. Our businesses do better when they can trade with people across the world, and when we can recruit people with the skills and attitude we need for a successful and growing economy. We therefore welcome people to the UK who come here legally to work and enhance our economy and communities, and who want to integrate into the UK and add to our rich and varied culture.

It is a testament to just how wrong-headed this government is that its net migration target – the prime

minister's key promise on immigration, which he now looks set to break – treats all immigration in the same way.

Even in areas of immigration that the government recognises to be making a positive contribution – such as high-skilled and student migration – their record is woeful. In 2103, for the first time in twenty-nine years there was a decrease in the number of foreign students coming to this country: there were fewer students from important economic partners such as India and Japan, as well as fewer undergraduate students from China. People in Britain have faced years of economic difficulty, and adding to our problems by making the country an unattractive place for overseas students is an unacceptable mistake by this government.

It has also made things more difficult for businesses: visas for skilled migrants (both tier 2 and tier 4) now take more than 50 per cent more time to process in country than they did in 2010; and the number of those receiving an initial response within the Home Office target of four weeks has fallen by 49 per cent. Companies can no longer expect a quick turnaround on a simple visa. Business demands better. We shouldn't be turning away the best and the brightest simply to satisfy the Home Secretary's political rhetoric. Under David Cameron and Theresa May the system is a mess. Illegal immigration is getting worse, the backlog of processing visas is never ending,

and people increasingly believe that Britain is not open for study or business

To help build a recovery for all, Labour needs to boost our economy and create jobs, and that means welcoming in the brightest and best people from across the world when they want to invest in our country or learn skills to take back to their own nations. We need changes that can make the UK a more attractive and welcoming place to study; enable a better and more profitable deal for business; and offer a quicker and happier experience for tourists. This would change our country for the better, and would end the overly simplistic and unhelpful debate about whether immigration is simply 'good' or 'bad'.

Of course, the other side of the coin is the need to ensure that we are doing more to reduce the types of immigration that Britain doesn't need. Achieving this would be assisted by introducing exit checks, so that we know who is in the country and can properly deal with the backlog of illegal migrants overstaying on their visas; and we could also reduce the demand for low-skilled migrant labour from within the EU through tougher labour market rules.

Finally, we need to ensure that we improve the performance of the Home Office on key issues. For example we need to address the huge backlog of cases, which is now increasing and is predicted to take 37 years to clear; we need to do something to stop wasteful

expenditure, such as the £4 million more that was spent last year on chartering airlines, in order to deport 700 fewer people than in the previous year. And we need to something about a border force that is ‘leaking like a sieve’, to quote a leading judge.

At the next election and in government, Labour will have to deal with some key issues. How do we strengthen our borders and ensure we deal with those who are here illegally? How do we ensure that the benefits of a wider Europe are not lost due to exploitation and poor practice for those who seek a race to the bottom? How do we ensure our businesses get the skill base they need to grow our economy? And how do we improve performance in what is basically a basket case of missed targets and slack information and management?

Only One Nation Labour can answer these questions for our citizens, with strong values and in an effective but fair way.

Notes on contributors

Roberta Blackman-Woods has been MP for the City of Durham since 2005. She is a Shadow Minister in the Communities and Local Government team and was an academic before entering Parliament.

Diana Johnson has been MP for Hull North since 2005. She is a Shadow Minister in the Home Office team and was previously a barrister.

Barbara Keeley represented Worsley from 2005 to 2010 and now represents Worsley and South Eccles. She is PPS to the Shadow Chancellor Ed Balls and before entering Parliament worked in IT and the charity sector.

Andrew Gwynne has been MP for Denton and Reddish since 2005. He is member of Labour's Shadow Health team and was previously a local councillor for many years.

Sharon Hodgson has been an MP since 2005 and represents Washington and Sunderland West. She is Shadow Minister for Women and Equalities and previously worked for Northern Rock and Unison.

Kevin Brennan has been the MP for Cardiff West since 2001. He is a Shadow Minister in Labour's Education

team and before entering Parliament he was a teacher and a councillor.

Paul Blomfield was elected in 2010 and represents Sheffield Central. He is PPS to Shadow Communities and Local Government Secretary Hilary Benn, a member of the BIS Select Committee and chair of the APPG on Students.

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Gordon Marsden has represented Blackpool South since 1997. He is a Shadow Minister in the Transport team and was previously a magazine editor.

Nia Griffith has been MP for Llanelli since 2005. She is a Shadow Minister for Wales and previously worked as a modern languages teacher and education inspector.

Iain Wright was elected to represent Hartlepool in 2004. He is a Shadow Business Minister and was a chartered accountant before entering Parliament.

Helen Goodman has been MP for Bishop Auckland since 2005. She is a Shadow Minister for Culture, Media and Sport team and previously worked for The Children's Society.

Alan Whitehead has been MP for Southampton Test since 1997. He is a prominent member of the Energy and Climate Change Committee and was previously a council leader.

David Hanson has been MP for Delyn since 1992. He is a former minister and director of a national charity.