

RAN Advice Forum Report

'The Labour Government and the Voluntary Sector'

November 6, 2024

Introduction

1 This Advice Forum brought together two recently-elected local Labour MPs - Yuan Yang (Earley and Woodley) and Olivia Bailey (Reading West and Mid-Berkshire) - and representatives of 14 different local advice charities. After the MPs had spoken and answered questions, those attending broke into discussion groups to discuss how the Government's emerging policies were likely to affect them or their service users, and the links they would like to establish with the MPs. The key points from the presentations, and the discussion groups, are set out below.

The Presentations

A Yuan Yang - 'Emerging Government Policy on Civil Society'

2 Yuan Yang is the first Chinese-born Briton ever to be elected to the UK Parliament. She came to the UK when she was four and moved to Reading in 2009. She studied at Oxford and the LSE and worked as a journalist in China for the FT. She has recently been appointed to the Treasury Select Committee.

3 She began by talking about her experience of the voluntary sector, both the support her parents received from local charities when they first arrived in the UK, and her experience of founding and running a small charity. Many charities had been in their community for a long time - by contrast, she and her team felt very new and were keen to build links with, and draw on advice from, organisations like RAN members. To aid that, she had brought two of her staff - her constituency manager and one of her caseworkers - with her to the Forum.

4 Moving onto emerging Government policy, she stressed that she, and the Government, were keen to move away from the politicisation of civil society and 'culture wars' that had occurred in recent years. The Department for Culture, Media and Sport (DCMS) was working with the UK's national voluntary organisations on a 'Civil Society Covenant' - a new agreement to reset the relationship between Government and civil society and put it on a more supportive, balanced and equal footing. It would recognise the value of civil society, and establish guidelines for collaboration between Government and civil society, without stifling the independence of civil society organisations. If RAN member had points about the draft Covenant that they wanted to make, she would be happy to write to the Minister for Culture about them on our behalf.

5 In the short question session that followed, the key concerns raised were about:

- the increase in employers' national insurance contributions announced in the recent budget, which would add significantly to member organisations' costs
- the need to reset the narrative about refugees and asylum seekers, and to reform the current arrangements for housing asylum seekers, where private contractors like Clearsprings were making massive profits and enriching their directors, despite often providing poor accommodation
- the cuts in funding for local government in recent years and the need to reverse these over time

- homelessness, local housing allowance and the poor state of much temporary accommodation
- policy on Special Educational Needs and the difficulty of navigating the SEND system.

B Olivia Bailey - 'Reflections from the Budget - how we can work together to support local communities'

6 Olivia Bailey was born in Reading, went to school in Bracknell and to university in Oxford. She has been NUS Women's Officer, Chair of the Labour Women's Network, Deputy General Secretary of the Fabian Society and a senior aide to Keir Starmer. She is now Parliamentary Private Secretary to Liz Kendall, the Secretary of State for Work and Pensions.

7 Olivia gave her presentation by video link from Westminster. She began by reminding us of the difficult situation that the Chancellor had inherited - the £22bn 'black hole' in public spending plans, which included no provision for funding compensation for either the Post Office Horizon scandal or the Infected Blood scandal; and 'broken' public services, particularly the NHS. This would take time to fix and had already required tough decisions, such as the increase in employers' NI contributions. But the budget's provisions had shown whose side the Government was on:

- extending the Household Support Fund
- providing additional SEND funding, and additional capital funding for schools
- providing significant additional funding for the NHS, following the Darzi Report
- increasing the Employment Allowance, so small employers could employ more staff without becoming liable for NI contributions

8 The Government was committed to tackling poverty through a range of measures, including:

- Setting up a Child Poverty Task Force
- Establishing a fair rate for repayment of Universal Credit overpayments
- Increasing the Carers' hours threshold and tackling the scandal about how any overpayments were clawed back

Moreover, this was just the start. This Government would be a partner with Civil Society.

9 She saw her key job as advocating for her constituents. She was keen to build good links with local charities and had arranged for one of her staff to attend the Forum.

10 In the question session that followed, the key concerns raised were about:

- The need to increase the rates of Universal Credit and the Carers' Allowance
- The risk that the planned reform of Work Capability Assessment would just be about cost-cutting
- The funding of bus services
- The failure to tax dividends
- The difficulty of securing contracts with the NHS, and the failure of those contracts to provide cost of living uplifts during the life of the contracts

Discussion Groups

11 The key points emerging from the discussion groups were as follows.

A How the Government's emerging policies are likely to affect RAN member organisations or their service-users

- The changes in different parts of the welfare system that have already been announced, and other changes that may follow, will increase the demand on us for advice and support. Examples are - changes in carers' rights and allowances; the removal of winter fuel payments (increasing enquiries about pension credits); the impending renter's Bill (triggering Section 21 evictions before it becomes law)
- The plan to end child poverty could have a significant positive or negative effect, depending on what it contains. Key issues are:
 - Will there be much better information online, and from DWP staff, about how Universal Credit works, what its elements are, and what people's entitlements are when their circumstances change? Currently there is no 'how to' guide, and DWP staff often don't tell people what they are entitled to. For example, when a family on Universal Credit is awarded Disabled Living Allowance for a child, this may make them eligible for the Disabled Child Element, and the Care Element, of Universal Credit. But currently the letter they receive about the DLA award says nothing about this.
 - Will it change the two child benefit limit?
 - Will it increase Local Housing Allowances?
 - Will it reduce the risk of people getting into debt or becoming homeless?
- Will the forthcoming NHS Plan increase the provision of mental health services? An increasing number of our service users have mental health problems, which makes them harder to help and increases the risks to our staff and volunteers
- The focus on getting people into work can be damaging if it doesn't recognise that significant numbers of people can't work because of poor health, disability, caring responsibilities, etc. The chances of people with serious disabilities being able to hold down a job are very low, because although some employers may be willing to recruit them they are often unwilling or unable to make the adjustments to the job that are required to retain them.
- The increase in Employers' National Insurance contributions will hit many RAN member organisations hard. It will increase their costs significantly at a time when funding from a range of sources - local government, national funding bodies or the public - is hard to secure. There may be 'light at the end of the tunnel' but in the intervening period these pressures will affect our services, our ability to employ key staff or even our ability to continue to operate.
- By contrast, charities like ours could make a major contribution to the Government's objectives around prevention and solving complex long-term problems if we were properly funded. When we help people with complex needs we reduce the demands they would otherwise be making on DWP, the prison system or the NHS, and save the public sector significant amounts of money. And allowing private contractors to make massive profits housing refugees and running children's homes, when charities could make a major contribution to providing these services at a fraction of the cost, cannot be a sensible use of public money.

B The links we would like to establish with our MPs and their offices

- We want close links - so coming to talk to us today is an excellent start. It makes us feel noticed and valued
- The communication needs to be two-way. So keep talking to us and be 'real' - don't use political rhetoric. But also listen to us - we know a lot about the issues and problems the people of Reading are experiencing so we can be a voice for them
- Come and visit us and meet our service users
- Look for opportunities to work in partnership with us - let us support you and the people you are helping
- We want you to refer constituents to us, but that needs to be done properly
 - let us train your staff on signposting and referral
 - always contact a charity before a referral to check the referral is appropriate and the charity is able to help
- Consult us about new policies - it is often the small local charities who can tell you what the impact of new policies is likely to be on the ground
- Share and discuss your ideas with us. As small charities we are agile and can adapt our services to meet new needs
- Could you become, or support other MPs to become, Third Sector 'Champions' in Westminster? That would involve trying to persuade the Government to consider issues such as:
 - Third Sector access to contracts - including third sector provision in bids, and monitoring outcomes to ensure that smaller providers get payments when contracts go live
 - Building 'social consequences' into Regulatory Impact Analyses
 - Taking account of the value that bids will deliver, not just their cost

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