Social Policy in a Cold Climate

Programme Overview

July 2013





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'Social Policy in a Cold Climate' is a large programme of independent research designed to document the combined impact of economic and political changes on poverty, inequality and income distribution in the UK between 2007 and 2014, covering the periods of both Labour and Coalition governments. It is funded by the Joseph Rowntree Foundation, Nuffield Foundation and Trust for London and carried out by a team of researchers based mainly at the Centre for Analysis of Social Exclusion at LSE.

Since the global financial crisis of 2007-8, social policy in the UK has been operating in an increasingly 'cold climate': a deep recession followed by low forecast economic growth, demographic pressures and a large public sector debt and current budget deficit. From 2007 to 2010, Labour continued with a policy programme and spending plans designed before the crash. The election of the Coalition in May 2010 heralded widespread austerity measures and also substantial policy reform. It is the effects of this combination of the economic situation, policy and spending programmes, both under Labour and the Coalition, that 'Social Policy in a Cold Climate' aims to investigate.

The first phase of the work, reporting in July 2013, has three elements:

- An update of the comprehensive evaluation of the social policy record of the last Labour government already produced for its first two terms. This has been produced by many of the same research team who authored A More Equal Society? New Labour, Poverty Inequality and Exclusion (Hills and Stewart 2005) and Towards a More Equal Society? Poverty, Inequality and Policy Since 1997 (Hills, Sefton and Stewart 2009). Adding to this, the new evaluation covers the whole period 1997-2010 and assesses Labour's record on health, early years policy, education, neighbourhood renewal as well as cash transfers, poverty and inequality in the light of new data. It looks at policy, spending and outcomes before, through and after the financial crisis.
- A review of the differential outcomes of the recession on different groups, including comparisons
 to those reported in *An Anatomy of Economic Inequality in the UK* (Hills et al. 2010, the report of
 the National Equality Panel). It looks at how the distribution of economic outcomes (education
 and qualifications, employment wages, earnings, incomes and wealth) changed between
 2006/08 (just before the recession) and 2010, when the Coalition entered office.
- A report on the changing distribution of economic outcomes in London over the same period, and on the changing geographical concentrations of poverty in the capital.







These reports provide the first full overview of what had happened up to 2010. They also provide an essential baseline for the continuing work to provide a similarly objective assessment of the Coalition's social policies. Where was the Coalition starting from? What did it inherit from Labour both in terms of the state of the country and the capacity of the welfare state? Were social and economic outcomes improving and were inequalities widening or narrowing? What did the previous set of policies – promoting a larger and more centralised welfare state – achieve?

The second phase of the programme, which will report in January 2015, will include:

- An assessment of the Coalition's social policy record, covering the same policy areas and using
 the same framework for analysis as was used for the Labour period. Social care, housing and
 employment will also be included, incorporating comparisons between policy, spending and
 outcomes under Labour and the Coalition.
- A further update of the ways in which the distribution of economic outcomes changed during the first two years of Coalition government and as the country came out of recession.
- A further report focusing on the position in London including local case studies.
- Additional work on geographical concentrations of poverty over the period 2007 to 2014 and on the latest trends in intergenerational social mobility.

All of the research will provide a robust set of figures and analysis to inform policy formation and debate. It aims to provide an accurate record of what was actually intended, done and spent by the Labour and Coalition governments: a substantive and detailed account to aid interpretation of the claims and counter-claims made by politicians and commentators on all sides. It also provides an overall picture of the distribution of economic outcomes in UK society and how they have changed in these extraordinary times.

Papers from the first phase are available as follows:

Research Reports

RR01 Labour's Social Policy Record: Policy, Spending and Outcomes 1997-2010 Ruth Lupton, with John Hills, Kitty Stewart and Polly Vizard

RR02 Winners and Losers in the Crisis: The Changing Anatomy of Economic Inequality in the UK 2007-2010 John Hills, Jack Cunliffe, Ludovica Gambaro and Polina Obolenskaya

RR03 Prosperity, Poverty and Inequality in London 2000/01-2010/11, Ruth Lupton, Polly Vizard, Amanda Fitzgerald, Alex Fenton, Ludovica Gambaro and Jack Cunliffe

Working Papers

WP02: Labour's Record on Health, Polly Vizard and Polina Obolenskaya

http://sticerd.lse.ac.uk/dps/case/spcc/WP02.pdf.

WP03: Labour's Record on Education, Ruth Lupton and Polina Obolenskaya

http://sticerd.lse.ac.uk/dps/case/spcc/WP03pdf.

WP04: Labour's Record on the Under 5s, Kitty Stewart http://sticerd.lse.ac.uk/dps/case/spcc/WP04.pdf.

WP05: Labour's Record on Ocash Transfers, Poverty, Inequality and the Lifecycle 1997 - 2010, John Hills http://sticerd.lse.ac.uk/dps/case/spcc/WP05.pdf.

WP06: Labour's Record on Neighbourhood Renewal in England, Ruth Lupton, Alex Fenton and Amada Fitzgerald http://sticerd.lse.ac.uk/dps/case/spcc/WP06.pdf.

Further working papers and supporting research notes can be found at

http://sticerd.lse.ac.uk/case/ new/research/Social Policy in a Cold Climate.asp

Social Policy in a Cold Climate is a research programme funded by the <u>Joseph Rowntree Foundation</u>, the <u>Nuffield Foundation</u>, and <u>Trust for London</u>. The views expressed are those of the authors and not necessarily those of the funders.