POLICY REVIEW:

Summary of the Policy Review Working Groups – Seminars for Ministers below Cabinet level

February 2007

This paper is based on material discussed in the working groups with junior ministers for the Policy Review. The paper is not a statement of policy.
Contents

Introduction

Emerging themes from the Policy Review working groups

Conclusion
The Policy Review is taking a broad look at the challenges for the UK in the next 10 years and beyond

- The Policy Review has proved a unique - and unprecedented - opportunity for an incumbent government to examine its policies across both domestic and international fields.
- To date, the 6 policy reviews have produced over 40 expert papers with 11 overview papers for the Cabinet level working groups, from across a wide range of government departments.

**Policy Review**

- Economic Dynamism
- Energy & the Environment
- The Role of the State
- Public Services
- Security, Crime & Justice
- Britain & the World

Cabinet level working groups
Seminars with junior ministers
Papers from across Whitehall
Public engagement process
The purpose of today’s session is to take stock of the key policy themes emerging from the Policy Review seminars with junior ministers.

- To date, there have been 11 Policy Review seminars with junior ministers, with around 130 ministerial attendances, and 23 presentations given by external expert speakers.

- The findings are grouped into five themes, each with specific policy ideas:
  - Empowerment and information
  - Quality of life
  - Inequality
  - Culture and behaviour change
  - A self confident Britain

- In addition to today, the conclusions from the seminars and public engagement strands will be presented to Cabinet as part of the final Cabinet level working group on 8th March.
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Introduction

Emerging themes from the Policy Review working groups:

- **Empowerment and information**
  - Quality of life
  - Inequality
  - Culture and behaviour change
  - A self confident Britain

Conclusion
Empowerment and information

There has been a long term decline in people’s belief in their capacity to influence the world – membership of political parties has fallen from 1 in 11 in the 1950s to 1 in 88 today²

Citizens’ interest in politics does not seem to have declined – but they are voting less

Government needs to find ways to improve opportunities for citizens to influence

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1 – YouGov/ Ipsos MORI  
2 – Bogdanor, V The Rise and Fall of the Political Party, New Statesman  
3 – British Attitudes Survey
Empowerment and information

Other forms of engagement are growing, and new forms of engagement are emerging

While electoral activity has declined, pressure activity has increased recently

Percentage

- General election turnout
- % who have signed a petition
- % who have taken part in a demonstration
- % who have taken part in a consumer boycott

A majority of people are involved in civic participation and/or formal or informal volunteering

% of respondents

- One activity 30%
- Two activities 32%
- Three or more activities 19%
- No activities 19%

Length of internet use is significantly correlated with membership of community organisations

Percentage of population

- Non-internet users
- Less than 2 years
- 2-5 years
- More than 5 years

- New forms of political engagement – and citizen-to-citizen engagement - are growing, ranging from special interest groups and NGOs to web forums and online groups
- The ability to e-petition Number 10 has improved access and enabled Government to respond directly to petitioners by email – but any opening up of this kind also carries risk
- The challenge for Government is to find ways to tap into citizens’ engagement

1 – YouGov/ Ipsos MORI
2 – DCLG Citizenship Survey
3 – British Social Attitudes, 2007
Empowerment and Information

As the use of technology develops and becomes more central to daily life, government needs to determine how to respond.

There is a wide digital divide in access to computer technology.
Families with home computers and the internet by social grade:

- 91% AB
- 85% C1
- 77% C2
- 70% D
- 50% E

Internet penetration is expected to hit 80% by 2010, but this still leaves an excluded minority.

- Around 2.7m families are ‘digitally excluded’, of which 1.5m are on the highest level of tax credit.
- The best use of technology will be simple and located where the citizens expect to find it, and can radically change people’s everyday lives.
- This is not about involvement in a traditional sense – it is about responding to empowered citizens expressing their views.
- The key challenge will be using new technology to help transform delivery of services and make government services accessible in a way that addresses the digital divide.

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1 – BMRB/TGI (2004)
2 – Strategy Unit: Connecting the UK – The Digital Strategy (2005)
Empowerment and information

Policy ideas – progressively empowering citizens in their daily lives

Themes

1. Empower users to shape and personalise their services – by recasting the state’s public engagement offer

Policy ideas

- Harness ICT to make engagement easier with citizens able to trigger specific responses in local and national gov’t
- Link to wider policy on increasing the ability of citizens to give very rapid feedback on services (e.g. text messaging)
- Enhance citizen-to-citizen sharing of information and support (e.g. Expert Patients Programme and parents’ groups)
- Expand the use and public profile of random sample deliberative forums
- Extend the number of public sector mutuals and extend the principle of mutualism more broadly
- Complementing existing e-communities of interest – rather than trying to build rivals
- Ensure the development of technological services is consistent with progressive and equitable values

2. Recognise information as a public good
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Conclusion
Quality of life

While material standards of living have inexorably risen, life satisfaction has not – with 1 in 6 adults suffering from depression or anxiety.

Life satisfaction has remained constant – despite massive gains in material standards
Rebased 1973 = 100

There are 6 million people suffering from depression or anxiety
Percentage suffering from neurotic disorder (aged 16-64)

The key factors in life satisfaction are family relationships, work and the community, with actual level of wealth much less important than relative wealth or perceived status.

Historic increases in family break-ups, falling job satisfaction and social trust, people are no happier now than they were fifty years ago.

There is a challenge for Government to increase well-being through policy areas such as mental health, parenting and quality of working life.

1 – European Values Survey; National Statistics
There is perceived pressure on parents and family life

- More people are living on their own, marrying later, and cohabiting for longer
- Families are shifting to a ‘beanpole’ structure – becoming smaller, more geographically dispersed and more focussed on immediate parents, on fewer children and on grandparents – increasing vulnerability to loss of income
- There is a challenge for Government to create more flexibility in family support

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1 – National Statistics Social Trends
2 – Hacker, J Great Risk Shift (2006)
3 – Time Bank Surveys
Improving quality of life at the neighbourhood level will be critical

Perceptions of anti-social behaviour have fallen since 2001, but one in six still say that it is a problem in their area
% saying ASB very/fairly big problem in their area

People attribute breakdown of community to broader social changes
% raising as a concern

<table>
<thead>
<tr>
<th>Issue</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Working longer hours</td>
<td>20%</td>
</tr>
<tr>
<td>Spending more time on TV/computer</td>
<td>15%</td>
</tr>
<tr>
<td>Moving home often</td>
<td>10%</td>
</tr>
<tr>
<td>Too many newcomers in the area</td>
<td>5%</td>
</tr>
<tr>
<td>Financial better off, don’t need support structure</td>
<td>1%</td>
</tr>
</tbody>
</table>

There are several factors associated with high satisfaction with a neighbourhood

- People who rated the general appearance of an area as less than “very good” were 4 times more likely to be less than very satisfied with their neighbourhood
- People who were less than very satisfied with their home were 3 times more likely to be less than very satisfied
- People who said that noise was a problem were 1.8 times more likely to be less than very satisfied

Many key determinants of life satisfaction are closely associated with local neighbourhoods – such as immediate neighbourhoods and friends, the quality of the built environment and perceived level of safety. In many cases this is about improving local positive effects, rather than stopping local bad effects on satisfaction

The mark of success for the Government’s Respect agenda will be when the focus of debate is not mitigating neighbour ‘bads’, but promoting neighbourhood ‘goods’

1 - Home Office Crime Statistics for England and Wales
2 – DCLG (internal analysis)
3 - Examples from an ESRC Centre for Neighbourhood Research Study
Policy ideas – promoting the wellbeing agenda

**Themes**

1. Promote a positive quality of life agenda

**Policy ideas**

- Extend our existing focus on deprivation to include the mentally ill – do more on therapy
- Incentivise employers to do more to promote occupational health at work

2. Valuing caring alongside the ‘real’ economy

- Do more on flexible working
- Develop PHSE in schools
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  - A self confident Britain

Conclusion
While there has been marked progress on income inequality, capital inequality has grown.

Tax and welfare policy has halted the growth of income inequality, contributing to the fall in poverty.

% of population in relative poverty

% of total marketable wealth

High house prices are making it harder to get on the property ladder without assistance.

% first time buyers

- Half of first-time buyers under 30 now receive assistance – with deposits of £34,000 versus £7,000 for those who are not assisted.

- These trends, coupled with future pressures on spending, will require some tough choices in order to sustain the progress made in tackling inequality.
Inequality

Personal and social skills are emerging as a key driver of inequality

Knowledge economy jobs have expanded significantly
% increase in the UK’s top ten occupations by growth (79 - 99)¹

<table>
<thead>
<tr>
<th>Occupation</th>
<th>% Increase</th>
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<tbody>
<tr>
<td>Financial institution &amp; office managers</td>
<td></td>
</tr>
<tr>
<td>Actors, entertainers, &amp; producers</td>
<td></td>
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<tr>
<td>Company financial managers</td>
<td></td>
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<tr>
<td>Hospital ward assistants</td>
<td></td>
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<tr>
<td>Educational assistants</td>
<td></td>
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<tr>
<td>Computer programmers</td>
<td></td>
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<tr>
<td>Computer systems &amp; data processing</td>
<td></td>
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<tr>
<td>Business analysts</td>
<td></td>
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<tr>
<td>Software engineers</td>
<td></td>
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<tr>
<td>Care assistants &amp; attendants</td>
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Personal and social skills seen as a key gap by employers
% of employers citing as a gap²

- Technical & practical
- Customer handling
- Oral communication
- Social and emotional skills
- Problem solving
- Written communication
- Literacy
- Management
- Numeracy
- Office and administrative
- Foreign language
- General IT user
- IT professional

- 52% of employers are dissatisfied with school leavers’ employability skills²
- But, differences in personal and social skills are affecting social mobility – these are now 33 times more important now than before in determining life chances³
- Addressing these skill gaps will be vital for success in a global economy

¹ – Goos and Manning, LSE, 2003
³ – CMPO/ British Cohort Study
Meeting challenging child poverty targets will be extremely difficult

We've made progress on child poverty but the 2010 target is still challenging
Number of children, million

- Over 700,000 children have been lifted out of poverty since 1998. But, meeting the 2010 target will be challenging and will require even faster progress
- The government has a clear responsibility to tackle child poverty
- **The challenge for Government is to further reduce child poverty, for example through providing affordable childcare and encouraging people into work, within the tight spending outlook**

The UK has a marginally higher risk rate of child poverty than the EU average, but almost twice that of the best performers

% at risk of poverty (post transfers)

However, the UK is making much faster progress than other EU countries in tackling child poverty

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Inequality

Policy ideas – renewing the drive on inequality

Themes

1. Address capital inequalities
   - Tackle supply-side issues in housing

2. Develop skill sets
   - Implement Leitch – particularly adult skill sets and develop personal and social skills in schools
   - Expand demand side for higher and intermediate skills
   - Encourage and enable more lone parents with older children to get into work

3. Tackle child poverty
   - Encourage other groups with high rates of economic inactivity into work
   - Provide affordable childcare
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Conclusion
Increasingly, achieving positive public policy outcomes rest heavily on public behaviour

Medical treatment for ‘lifestyle’ diseases has increased significantly
Coronary artery bypass surgery numbers

Many of these lifestyle changes start in adolescence
Average UK alcohol consumption for children aged 11 - 15 who drank last week (units of alcohol)

Even when the public are well-informed, they do not always act accordingly

- 70% agree that eating a healthy diet involves eating more fruit and vegetables
- 51% agree that it involves avoiding too much fatty food
  
  but

- 67% of men and 59% of women in England are overweight

- Chronic care including diabetes, heart disease, lung disease and cancer costs the NHS 80% of its budget – and this is set to grow
- Obesity has trebled in the UK over the last 25 years; drug and alcohol deaths are among the highest in the EU

- Changes in lifestyle, particularly in the health services, will therefore require an increasing emphasis on promoting individual responsibility

1 – Department of Health  
2 – Strategy Unit: UK Strategic Audit 2005  
3 – Ipsos MORI; base: c1000 adults Mar 2005
Cultures of ‘low aspirations’ are detrimental to outcomes – particularly health and education – but are becoming more endemic.

Parents from lower socio-economic groups tend to be less involved in their children’s learning, which is a key predictor of educational attainment.

Low aspirations cultures are particularly hard to break out of where there are strong countervailing peer pressure effects or professional expectations.

The challenge for Government today is increasingly about addressing the underlying low aspirations cultures, in addition to providing opportunities to all.

1 - Young People not in Education, Employment or Training: Evidence from the Education Maintenance Allowance Pilots Database, DfES, 2005

2 – Caldini, R - *The Psychology of Persuasion*

3 – Rosenthal, R – Teachers’ Expectations: Determinants of Pupil Gains
Culture and behaviour change

How Government presents messages in public information campaigns is extremely important

<table>
<thead>
<tr>
<th>Government can encourage good behaviour by making the first move</th>
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<td>Percentage of towel reuse in hotels¹</td>
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<tr>
<th>Government should not use messages that leave the impression of the negative behaviour as the social norm</th>
</tr>
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<tbody>
<tr>
<td>Percentage of petrified wood theft¹</td>
</tr>
</tbody>
</table>

These lessons are particularly relevant to areas like the environment and community cohesion

Social norms can be changed, and, in some areas, citizens are looking to the state to act

The challenge for Government is to ensure its messages are credible, consistent, focussed, and ask for reciprocal action – and to mobilise action on a wider scale

- Seek changes over the long-term, using consistent and credible government action
- Carefully focus the message on a target group, and where necessary on a first-mover group
- Use trusted authority figures and professionals to promote the message where possible

1 – Caldini, R - *The Psychology of Persuasion*
Policy ideas – moving away from the ‘letterbox’ model of delivery

Themes

1. Harness peers and parents

- Drive up aspiration through whole class mentoring
- Encourage and enable lone parents to work
- Develop and refine parenting strategy

2. Recasting professionals as facilitators

- Feedback to professionals who inadvertently reinforce low aspiration
- Apply leverage at ‘key moments’, such as before the birth of a first child (e.g. Nurse-Family Partnership)
- Identify where financial incentives can be expanded
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Conclusion
A self confident Britain

Terrorism continues to threaten the UK, while citizens increasingly consider race and immigration to be an issue of concern

Citizens consider race/immigration to be one of the most important issues facing the UK

The Security Service are tracking some 30 potential terror plots and 200 groupings or networks of interest in the UK, totalling over 1600 identified individuals in the UK. The threat from Al Qaeda and affiliated groups is real and increasing

The challenge for Government is to promote commonly held values to strengthen distinct communities so that they are more outwardly confident and resistant to extremism

Evidence shows levels of bonding within homogenous groups has a positive effect on bridging to other communities

- ‘Bonding capital’ means social capital within a community – it is inward looking with a tendency to reinforce exclusive identities and homogeneous groups

  … which is positively correlated with:

- ‘Bridging capital’ which means social capital between communities – it looks for external associations and information dispersion

% stating that race/immigration important issue today, MORI¹

1 – MORI 2007
2 – HMG (internal analysis)
A self confident Britain

Creating a strong and vibrant sense of common and cohesive British values will be difficult in an increasingly pluralistic society

- Britain is becoming an increasingly diverse society: there are now around 4.6 m people currently living in the UK who belong to a non-White ethnic group
- The challenge for Government is to ensure that Britain retains a sufficiently cohesive society – which will help to guard against inequalities and prejudice, and lead to other positive outcomes

1 – British Social Attitudes 2007
2 – National Statistics, Social Trends, 36, 2006
The UK stands to gain from globalisation, but needs to recognise the continued rise of China and India

- The continued rise of China and India will have far-reaching economic, international and environmental consequences (e.g. China currently generates 18% of the world’s CO₂ emissions)³
- Wages in China are less than 5% of those in the UK³. Labour costs in Korea are just over half UK levels, and the proportion of graduates in the working age population is almost identical
- The challenge to Government is to clearly ‘stay the course’ on globalisation, maintaining free trade, and investing in education and skills for the global economy

1 - 2003-2015 (Base 2000), Global Insight
2 – Leitch Report, HMT, 2006
Policy ideas – a strong and self confident Britain

**Themes**

1. Build safe and tolerant communities

2. Be confident about asserting British common values

3. Respond positively to globalisation

**Policy ideas**

- Work on strengthening distinct communities so they are more confident and less persuaded by extremist ideology

- Not a clash of civilisations – a battle against extremism

- Fund only those organisations that have publicly and clearly declared themselves against extremism

- Teach shared values to all who want to live in Britain permanently

- Develop UK skill sets for the global economy

- Promote multilateralism; lead on *progressive internationalist* agenda; step up efforts to engage with key partners
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• In addition to today, the conclusions from both the seminars and the public engagement strands will be presented to Cabinet as part of the final Cabinet level working groups on March 8th.

• Please continue to work up your ideas over the coming 4 weeks – this process is about us collectively sketching out our direction of travel in the coming years.