

NEW
ECONOMICS
FOUNDATION



**NEF REVIEW
OF THE YEAR
2023**

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For more than three decades, the **New Economics Foundation's** mission has been to transform the economy so it works for people and the planet. We work with people igniting change from below and combine this with rigorous research to fight for change at the top.

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MESSAGE FROM NEF'S ACTING CHAIR



Keren Jones
Acting chair

Extrême weather is becoming more and more common, causing devastation to communities, and costing people their homes and lives. Food crops have been lost and supply chains disrupted. The consequences are price rises which have a disproportionate impact on the most vulnerable.

Mainstream economics – and the governments and institutions that follow its rules – are yet to catch up. Relying on interest rates increases and pay cuts for those already struggling isn't the answer.

Ballooning food costs, mortgage repayments and rents are hitting people in the UK, still reeling from huge energy bill increases and unprecedented income stagnation over the past 15 years.

The cost of living and climate crises are two symptoms of a broken economic

system and more of the same is not going to fix it. With an election on the horizon, whoever forms the next government will need to be bold in confronting the problems we face.

With the National Energy Guarantee, the Great Homes Upgrade, the Living Income and new models to deliver local change, NEF is designing radical policies that can shift the dial and offer people and planet real hope. From tenants securing their first victories against rogue landlords to communities shaping regional government priorities, we're helping people improve their lives every day.

This year our brilliant Chief Executive Miatta Fahnbulleh announced her intention to step down following her selection as a prospective parliamentary candidate. On behalf of the board and staff, I thank her for her visionary leadership over the past five years. As one era ends, another begins. We are delighted that Danny Sriskandarajah will succeed Miatta at the start of 2024 and look forward to NEF going from strength to strength under his leadership.

Finally and very sadly, I am only writing this because of the passing of our much-loved and respected chair Bob Kerslake earlier this year. It was a privilege to work alongside Bob for the past four years and his loss is deeply felt by everyone at NEF.

IT'S BEEN A PRIVILEGE TO LEAD NEF



Miatta Fahnbulleh
CEO

As the planet burns, the ongoing cost of living emergency must not be used as a smokescreen to row back from net zero. We are already seeing worrying signs of this, despite the palpable visibility of the impact of climate change on communities at home and abroad.

NEF is leading the way in demonstrating how we can transition fairly, ensuring those organisations and people that can most afford to pay the costs of reaching net zero do so, while protecting those who cannot. Alongside this, it's critical that there is a boost to people's standard of living. It is unacceptable for inequality to continue to rise. Every day people pay the price whilst big business profits from the chaos. This will not only require innovative new policies, evidence and analysis, but also messaging research

and organising to build power around the transition.

This is exactly what NEF has been doing in 2023, through our three missions: a New Social Settlement; the Green New Deal; and a Democratic Economy. Our National Energy Guarantee, a cost effective way to protect people from energy price shocks while incentivising wealthy households to reduce consumption, has gone mainstream. It was tabled as an amendment to the Energy Bill by Clive Lewis MP, underpinned by the Energy 4 All campaign which gained 600,000 signatures and shifted the political dial enough for a prominent right of centre think tank to propose its own version.

Like wealth, power needs to be redistributed if we are to achieve fundamental change. If people aren't involved in the decisions that shape their future, the parameters of that future are set by those who already have power. NEF, uniquely amongst think tanks, has organisers who work on the ground to build the relationships, skills and structures that people need to shift the balance of power in their communities. In this review you will read how our brilliant team of organisers have helped people at the sharp end of the cost of living crisis to fight for and win immediate improvements to their lives,

“After five wonderful years, I am sad to say goodbye to NEF. It’s been a privilege to work with so many passionate and talented people.”

MIATTA FAHNBULLEH

while connecting them to others facing the same problems across the country to come together to fight for systemic changes.

This strategy is already bearing fruit. Housing policies to increase social housing and tax overseas investors developed with our Homes for Us grassroots alliance were adopted by Labour at its conference in October. The Lib Dems and Greens have also adopted Homes for Us proposals.

In February we launched a ground-breaking project bringing together place-based policy and practice with this new model of organising to create a revolutionary approach to transforming local economies. For the first time, leading organisations – NEF, the Centre for Local Economic Strategies (CLES), Co-ops UK and the Centre for Thriving Places – are concentrating our combined resources, expertise and interventions in specific places over the long term. By working in tandem with new Combined Authorities, their directly-elected mayors and the communities they serve, we aim to demonstrate how to deliver sustainable improvements to wellbeing and provide a template for how to level up.

After five wonderful years, I am sad to say goodbye to NEF. It’s been a privilege to work with so many passionate and talented people. I want to say a special thank you to all of our funders and supporters who have made everything we have achieved together possible. At least I can rest easy knowing I leave NEF in Danny’s very capable hands and I look forward to watching NEF thrive.

Thank you

Miatta

REMEMBERING OUR COLLEAGUES AND FRIENDS

BOB KERSLAKE

With great sadness we had to say goodbye to our wonderful Chair Lord Bob Kerslake, who passed away this year. Over the last four years, Bob led the board with great passion, wisdom and kindness, and his absence is deeply felt by his fellow trustees and colleagues in the staff body alike. Bob was an incredible leader with a passionate commitment to our agenda and an unwavering determination to improve people’s lives. The outpouring of heartfelt tributes following his death is testament to his qualities and the affection and respect he commanded. We will continue to build on the example he set and the legacy he has left.



JAMES ROBERTSON

One of the driving forces behind the founding of NEF, James Robertson, died this year at the age of 95. James spent the early years of his career in the civil service, where he wrote Harold MacMillan’s famous ‘Wind of Change’ speech. After leaving Whitehall and drawn to green and feminist values, in the 1970s James played a leading role in bringing together the nascent new economics movement. In the 1980s, along with his wife Alison, he helped to galvanise the group of economists and environmentalists who founded first The Other Economics Summit (TOES) and then NEF.

From his home in Oxfordshire, James continued to research, work with local, national and international organisations, and write influential books, papers and articles right up to his retirement in 2018. On behalf of everyone at NEF past and present, we thank James for his unparalleled contribution to NEF and to the field of new economics and send our condolences to Alison, his family and friends.

Miatta Fahnbulleh

1. NEW SOCIAL SETTLEMENT



ENSURING EVERYONE CAN AFFORD THE BASICS OF A GOOD LIFE

The cost of living crisis is making life impossible for millions of people across the UK. While inflation has started to fall, it does not undo the damage of previous price rises. As long as most people's wages rise by less than inflation, the basics will continue to get further and further out of reach. Of course, this is not true for

everyone. Billionaires and the very well off continue to see their wealth boom in a time of growing inequality.

NEF's analysis has helped shape how the cost of living scandal is being reported and has pushed for a response that does more than mitigate the immediate impact of rising prices. We want to help deliver structural changes to protect people from future shocks. Our new Social Policy team has helped our work have an even greater impact. Proposals we developed with housing activists

in the Homes for Us Alliance (which NEF co-ordinates) to support turning private rented sector properties into social homes have been picked up by the Labour party.

We are leading calls for a stronger social security system through our Living Income campaign, and have established the minimum income standard as a key benchmark for a decent standard of living. NEF was asked to give oral evidence to a Work and Pensions Select Committee inquiry on the subject and our spokespeople have made our case in regular media appearances. We have started new work on early education and childcare, making the economic case for investment in support for low-income families, which has increased the pressure for a rethink of the current system. Miatta is a commissioner on the influential independent Poverty Strategy Commission, led by Conservative peer Philippa Stroud, which aims to build cross-party consensus around measures that are actually effective at tackling poverty.

HOMES FOR US

We all need somewhere to call home – a place to rest, to share with our loved ones, to make a life or watch our kids grow up. But right now too many of us can't afford a decent home and our lives are at the mercy of private landlords. 100,000 families are in temporary accommodation and even more are at risk of eviction this winter

Thankfully, more and more policymakers are coming round to the idea that social housing is key to solving the housing crisis, thanks in no small part to the Homes for Us Alliance.

Homes for Us is a grassroots movement demanding more and better social homes and shaping NEF's research, policy and advocacy.

In workshops with Alliance members, we've co-produced priority policies. This has resulted in a short term focus on securing more social homes by making it easier for councils and housing associations to acquire private rented sector housing, on top of building new homes. This 'resocialisation' should include retrofitting to reduce energy bills and carbon emissions. Thanks to supporters of our Big Give appeal, our researchers are now working up this proposal and have won a commitment from the Labour party to remove the cap on social housing acquisitions. We've also contributed to the Liberal Democrats' pledge to build 150,000 social homes a year and the Green party's commitments on social and community-led homes.

Our team has trained dozens of people affected by the housing crisis in communities in Manchester, Birmingham and London. These groups have started to win victories over landlords and commitments from councils who've previously ignored them. On the way back from a court hearing where he'd saved his family from eviction, one jubilant resident told our organiser, *"I've never had an experience of winning anything before. Because I've never tried to stay and fight anything like this before"*.

THE LIVING INCOME – SOCIAL SECURITY DESIGNED FOR TODAY'S ECONOMY, AND TOMORROW'S

Social security should provide people with the financial security they need to be in a position to enter the workplace. This has never been more true than in today's economy: jobs for life are a thing of the past, trade unions have been systematically weakened, and long covid has shone a light on the increasing numbers of people simply unable to work. Since the financial crisis, rents, food costs and energy bills have all risen much faster than wages and benefits – leaving millions of families, in and out of work – unable to afford the basics. Savings have been swallowed up by the cost of living and millions are now in debt – locking them into a cycle of poverty.

Our analysis revealing the extent of the cost of living crisis (with two in five families struggling to put food on the table) has been covered by the likes of Peston, the Daily Mail and the Express. This has helped to shift thinking in the direction of our Living Income, with

organisations like the Trussell Trust, the Joseph Rowntree Foundation, and even right of centre think tanks like Bright Blue, among the organisations now calling for a minimum income guarantee. We've refined the details of our policy this year – ensuring it is fully costed and have presented it to political parties. Work is also underway on piloting a local living income in parts of Greater Manchester.

THE AUSTERITY ERA HASN'T ENDED

It's not just people's personal finances that are feeling the pinch from inflation. The public services we all rely on are facing the same pressures. Failure to increase government department budgets by inflation or more equals cuts. NEF's economists uncovered that government forecasts were built on completely unrealistic expectations of low/negative inflation. Public spending cuts are baked into current plans. We calculated an extra £43bn a year is needed for public services just to stand still – austerity by stealth. When politicians claim there is 'fiscal headroom' for tax cuts, they are almost certainly ignoring this reality.

2. GREEN NEW DEAL

INVESTING IN A GREEN AND FAIR ECONOMY

Despite what some politicians and commentators want us to believe, the need to decarbonise the economy is incontrovertible and urgent. However, even if their motivations are dishonest, they are correct that net zero must be fair to ordinary people. While support for climate action remains high, it is fragile and vulnerable to unscrupulous populists framing it as unaffordable.

NEF's research and policy work is demonstrating how the green transition can be made quickly and fairly, with the benefits shared across society and the costs borne by those with the broadest shoulders. Our organisers are deepening support by building power among those who are suffering from business as usual and giving people a voice in the changes we have to make.

From extreme weather causing huge increases in food prices to the UK's reliance on expensive fossil fuels, NEF has been emphasising how the cost of living and climate crisis are inextricably linked. In the media we made sure the government couldn't get away with blaming high energy bills on Putin's aggression and instead brought the focus on to their failure over the past decade to retrofit homes and build more

renewables. We injected new ideas into the debate, such as our National Energy Guarantee which could reform the broken retail energy market and move beyond sticking plaster solutions. Our macroeconomics work is showing how governments and central banks in the UK and Europe should be using the tools at their disposal to speed up the green transition and stop investment in dirty, polluting industries.

NATIONAL ENERGY GUARANTEE

People are still struggling to cope with their energy bills which have increased massively over the past two years. This government's short term, regressive and expensive intervention, the now ended price freeze, built on its track record of failure over the last decade or so. Time that should have been spent retrofitting homes and building renewables to lower bills, cut carbon and increase energy security was wasted propping up an energy market unable to cope with the reality of the world today.

Our idea for a radical redesign of the energy market, the National Energy Guarantee, has generated huge interest. We initially launched it with an exclusive piece in the Times back in April. The policy recognises that a basic level of energy use is a necessity



and so every household would be entitled to an essential amount of free or heavily subsidised energy. Wealthy households would be incentivised to cut down on consumption, which would help save carbon. This year, we've modelled in detail how the scheme could be implemented to enable 80% of households to save money, while ensuring high-consuming low income households (for example where a health condition or disability requires equipment) are protected.

Among the parliamentarians backing the idea is Labour MP Clive Lewis, who tabled an amendment to the Energy Bill based on our proposal, backed by the parliamentary group of the Green New Deal. The Green party have adopted the policy and it underpinned the Energy 4 All campaign which is backed by over 60 charities and gathered over 600,000 signatures from the public. We held an event at the Labour party conference this year to promote it. And even the right wing think tank Policy Exchange has followed with a similar proposal.

QUESTIONING THE UNQUESTIONABLE

It has long been held as self-evidently true that airport expansion leads to better economic outcomes (an idea pushed by airlines and airports themselves). This unquestioned assumption has been a big problem for anyone opposing new or bigger airports. It is hard for MPs, councillors and planners to oppose jobs, prosperity and progress.

But what actual evidence is there for airports being engines of growth? The government's analysis is hopelessly out of date. Its Aviation Policy Framework was published over a decade ago. Evidence since then comes from consultants paid by airports to support their expansion plans.

In July NEF published the first comprehensive, peer-reviewed analysis of the economic costs and benefits of the air travel sector in the UK for over a decade. We found no strong evidence of increasing economic or productivity

growth associated with increasing air travel. The future assumptions built into the government's 2012 framework – still the basis for policy – had proved false. The number of people employed in the industry peaked in 2007 and no sector has seen wages decline as much since the financial crisis. Growth in business travel has ceased. Alongside this report and thanks to supporters of our Big Give appeal, we also produced two videos for social media to challenge the prevailing narrative of the aviation industry.

WINNING HEARTS AND MINDS ON CLIMATE

Our power analysis has shown a lack of community organising on climate and the cost of living, leaving the door open for populists to paint net zero as an elite project forced upon ordinary people – a playbook many of the same personalities used in their Brexit campaigns. Our organisers are supporting communities to develop local leaders who can connect solutions to the climate crisis to the issues people are dealing with everyday, such as lack of good jobs, poor quality housing, and high food and fuel bills.

We've accompanied this with communications research into how to talk about climate action persuasively in the context of the cost of living crisis. In order to win the argument that achieving net zero will not come at the expense of livelihoods, it is critical to build a powerful story that will reach beyond the progressive bubble and appeal to people across the UK. We have produced a messaging guide for the climate movement based on the frames through which people view issues like the environment, taxation and public borrowing.

THE FISCAL GREEN HOLE

Politicians in the UK and EU continue to tie themselves to fiscal rules that limit public borrowing and spending as a proportion of GDP. It is important to remember that these are arbitrary and routinely changed for political purposes (roughly once every two years in the UK). The way the Office for Budget Responsibility (OBR) calculates the fiscal impacts of measures is seriously flawed and is preventing investment in crumbling public services and critical green infrastructure.

As long as the government sticks to outdated fiscal rules and the OBR's forecast model, a UK equivalent of the USA's Inflation Reduction Act will be extraordinarily difficult to achieve – the forecasts would show a significant increase in debt but would not account for the growth that would come as a result of that investment.

We are leading research and advocacy efforts in the UK and the EU to shift politicians' minds on fiscal policy, so they see it as a tool for transitioning to a new economy rather than an impediment. We're demonstrating the multiplier effect that industrial policy will have through crowding in private investment and creating jobs. Our analysis showed that new EU rules restricting government borrowing would prevent all EU countries apart from Ireland, Sweden, Latvia and Denmark from investing enough to meet their Paris climate commitments. This stat is now regularly used by MEPs and others.

3. DEMOCRATIC ECONOMY



SUPPORTING COMMUNITIES WHO MAKE CHANGE HAPPEN

Two decades of stalling living standards have left people feeling poorer and powerless. Levelling up, the government's flagship promise at the last general election, has not materialised in any meaningful sense for communities suffering from decades of neglect from our over centralised state and free-market ideology.

New regional authorities with directly elected mayors offer an economic geography between the local and the national. Close enough to communities to be responsive to local people, big enough to have significant political clout. NEF is leading the way in working out how these new opportunities can be shaped to deliver sustainable wellbeing for the people who live there.

At the start of this year, NEF set up the Local Economics Unit (LEU) to work with local authorities, the communities they represent and others on local

transformation. As well as supporting councils to implement changes on the ground, the LEU is developing a suite of policy proposals related to devolution, local economic performance and the levelling up agenda ahead of the general election.

REGIONAL ACTION PLANS

Following a funding award by the National Lottery Community Fund, February saw the launch of a groundbreaking new project to revolutionise the approach to local economies – Regional Action Plans. Over the next five years, we're teaming up with the country's leading new economy organisations – Cooperatives UK, CLES and the Centre for Thriving Places.

Rather than working separately – for example, encouraging employee ownership in one city, community wealth building in another and community-owned homes in a third – we are combining our approaches in the same places to leverage cumulative change. This is in partnership with mayors and combined authorities, enabling the regional economy to be shaped around delivering local wellbeing and sustainability.

In three regions – North of Tyne, South Yorkshire and West Midlands – communities are shaping the programme through extensive outreach and engagement. Priorities are being defined by the people who live in the area, not the government in Westminster or the 'invisible hand' guiding multinational investment. They know what problems need to be

addressed as they experience them every day.

Emerging areas of focus include interventions to grow locally owned businesses, community housing, integrated community-owned regional transport networks, and developing a model for community-driven environmental projects.

The programme will also build a suite of evidenced policy asks for central government, such as further devolution of powers and funding, and institutional and capacity development in local government and within communities.

PUTTING THE NEW ECONOMY IN TO PRACTICE

We worked with a number of councils of differing political stripes on a 1-2-1 basis to provide advice in the development of progressive economic policies and practice at a local level. We have provided broad strategy advice to Greenwich, Hampshire, and Wakefield councils across a number of policy areas, including retrofit, supporting small and medium enterprises, transport and places, and good jobs.

We also undertook a deep-dive review of regulation in the private rented sector for Hammersmith and Fulham Council, including reviewing their own policies, and providing a comparative analysis of best practice from elsewhere. We provided advice to West of England Combined Authority on the most effective way to invest in transport infrastructure to achieve inclusive and sustainable outcomes.

Working alongside Sussex University, we developed recommendations for how a Green New Deal could be implemented in practice. This had a specific focus on how a Green New Deal could achieve the most effective outcomes for people across the UK through delivery by local and regional governments. We also conducted an extensive review for the Scottish Government of their current and planned environmental policies to achieve their net zero and nature positive economy objectives.

THE IMPORTANCE OF THE PUBLIC SECTOR

Our research has highlighted the continuing importance of the public sector to the economy in different parts of the UK, and the knock on effects of the 'pay restraint' (wage cuts) demanded of its workers by the government. Below inflation pay settlements for public sector workers would worsen our already huge regional inequalities. Economies in Wales, Scotland and the North East would take a hit by twice as big as London. All other English regions and Northern Ireland were also worse affected than the capital.

NEF'S YEAR

JANUARY

Our report with Friedrich-Ebert-Stiftung, *A care workforce fit for Britain*, identified a lack of care workers as the key reason for so many people in the UK having unmet care needs. We found that worker numbers are held down by low pay, poor conditions, and a lack of training and formal qualifications. The report had a number of recommendations on how the government could address these issues and give us the care service we deserve.

The BBC review of its economics coverage found that a lack of understanding among political journalists was skewing the Corporation's reporting. Assumptions that public debt was always a problem and flawed metaphors such as "the nation's credit card" were biased against public spending. The groundbreaking recommendations owed much to NEF's engagement with the inquiry as well as our preceding work with allies to raise the issue.



FEBRUARY

NEF analysis *Austerity by stealth* exposed £28bn of cuts to public services

hidden in the small print of the Office for Budget Responsibility's forecasts. Following widespread coverage this analysis is now regularly included in reporting on government and opposition spending commitments.

A priority agreed by the Homes for Us Alliance, *Beyond new build* outlined how repurposing and retrofitting private rented sector accommodation into a new generation of social homes offers a clear and speedy route to addressing many of the problems at the heart of our broken housing system.

Covered in The i and the Big Issue, new NEF research shone a spotlight on the warped priorities of the housing system. Over the next four years, the government will pay landlords five times more via housing support than it will spend on its affordable housebuilding programme.

The 'skills gap' is a phrase popping up with increasing regularity as politicians, businesses and commentators wring their hands over the UK's productivity problems and ability to achieve net zero. Our *Skills for a new economy* report was the first comprehensive assessment of the skills gap for net zero, providing a foundation for proposals to upskill workers to deliver a green economy.

MARCH

NEF was at the top of the list of commentators the media turned to for analysis of the Budget. Miatta was featured on BBC News, ITV and the Guardian Politics podcast. She also

penned a response for the Guardian, where Head of Economics Jeevun Sandher's reflections were also reported. Jeevun was on BBC News and in The i, with other NEF economists also appearing in the i, Guardian, Big Issue, and on the Prospect podcast.



Our post-budget analysis covered issues from public spending to fuel duty cuts. We calculated a further £22bn of public spending cuts were hidden in the Budget with once again unrealistic inflation assumptions used as a cover. This was picked up by the Guardian.

Our analysis showing that two thirds of the savings from the Chancellor's decision to freeze fuel duty would go to the richest half of households was widely shared on social media. Far from there being a war on motorists, we found that over the 13-years of the fuel duty freeze petrol costs had only risen 23%. By contrast rail fares had risen 50% and bus fares 76%.

In a Daily Mirror feature, we highlighted the plight of private renters in the cost of living crisis. Rising bills and soaring rents left three-fifths unable to afford a decent standard of living.

APRIL

As the government's support for energy bills came to an end, our National



Energy Guarantee launched with a feature in the Times. They reported that it would slash 4 out of 5 low income households' energy bills by over £1,000 a year at a cost much lower than the government's price freeze.

NEF research uncovered a disastrous contradiction at the heart of new EU restrictions on government borrowing. *Beyond the Bottom Line* demonstrated that the rules would prevent all but four member countries from investing enough to meet their commitments under the Paris climate agreement.

MAY

As the Sunday Times Rich List celebrated the ballooning wealth of UK billionaires, our analysis with Tax Justice UK and the Economic Change Unit showed that just a 2% wealth tax on the richest 350 people would raise £16bn a year. Coverage in the Daily Mirror and Guardian highlighted that despite trousering huge windfalls, the wealthiest are paying a lower tax rate than struggling workers as income from wealth is taxed less than income from work.

Our analysis highlighted the growing

gap between the cost of living and universal credit, despite inflation-linked uprating. As rates are not benchmarked to need, the gap between the cost of living and the basic rate of support for couples over 25 has increased to an unbelievable £1,550 a month.

We wrapped up the latest series of the New Economics podcast, which had a wide variety of episodes on issues from the housing crisis to the right to roam. We were delighted to be joined by an array of fantastic guests including James Meadway, Vicki Spratt, Emily Kenway and Annosh Chakelian.

JUNE

After NEF senior organiser Becki Winson took to Twitter to highlight the appalling conditions faced by tenants in Druids Heath, Birmingham, the scandal was covered by Birmingham Live, the Daily Mirror and the Daily Mail. For two weeks the council had ignored complaints that they were gagging from the stench of raw sewage and having to wade through puddles of smelly brown water. After the BBC told Becki they'd send a film crew the next day, the council fixed the problems that very evening.

NEF's response to a call from 50 MPs including Liz Truss to scrap Inheritance Tax, featured in the Independent, Evening Standard, Daily Mail and Sky News. We argued that the money would be better spent fixing crumbling schools and hospitals than funding a tax break for the wealthiest.

JULY

As airports around the country pursue expansion, our research challenged the belief that airports mean economic

growth. Calling for a pause in all expansions, our *Losing Altitude* report was featured in the Guardian and Financial Times and was made possible by our supporters – thank you!



NEF continued to support the local community fighting Gatwick's plans for a second runway. Researcher Alex Chapman provided expert analysis for the Guardian as the

airport formally submitted its plans.

Universal, high-quality early years education would prove one of the highest-returning investments a government could make, even if funded entirely through borrowing – according to new NEF research. Benefits are greatest when investing in children from low-income households. However, our analysis indicated only 2% of the poorest families will access the government's expanded 30 hours free childcare offer, compared with around 70% of high-income parents.

AUGUST

NEF's Fiscal Matters Coalition continued to push the EU to relax its borrowing rules. We modelled that the Union's most indebted countries could spend at least an additional €135bn a year on green investments and still see their debt burden fall by the 2030s. But EU rules forbid them from doing so.

With coverage in the Independent and Daily Mail among others, our report *From compliance to engagement* set out

why the current benefits system, which uses sanctions to force people into work, not only causes hardship but is self-defeating. People are more likely to get into lasting employment when supported to find a suitable role, rather than coerced into jumping through hoops and taking jobs that don't fit their skills or around their caring responsibilities.

The Daily Mail also picked up our research showing that freezing tax allowances – the amount people can earn before paying income tax – will see the bottom fifth of earners facing an effective tax rate rise of 11%, up to five times more than high earners.

Issue 6 of the New Economics Zine took an in-depth look at generational divides in politics and our economy. Articles from Keir Milburn, Emma Dowling, Roman Krznaric and more explored issues from the care crisis to our duty to unborn generations, and highlighted opportunities for cross-generational solidarity.



Reacting to Ofgem's energy price cap announcement, we warned that the energy bills crisis was far from over. Millions of people were heading into the winter with bills eating up double the proportion of their disposable income than in 2021.

SEPTEMBER



Our head of social policy Tom Pollard gave evidence to the Work and Pensions Commons Select Committee. He told influential MPs how our social security system that uses sanctions to encourage people to find employment was having the reverse effect. A supportive approach would be more effective as well as reducing negative impacts on mental health.

The community right to buy outlined a range of potential policy levers to enable social landlords and community-led housing organisations to purchase properties from the private rented sector (PRS). A national acquisitions programme would catalyse regeneration, injecting jobs, economic growth and pride of place in England's so-called left behind towns.

With evidence growing that exposure to nature helps wellbeing, our *Who has a public right of way?* report with the Ramblers looked into who does

and doesn't have access to green spaces. Unsurprisingly, we found huge inequalities across income and ethnicity. Where health is worst (as indicated by heart attack prevalence), public right of way provision is also lowest. In *Routes to Nature* we explored further what this inequality means for health and wellbeing outcomes.

OCTOBER

"WE'RE ALL TRYING TO DO ONE THING: LIVE" The impact of our social security system and how it needs to change, as told by the women who use it. In a hard-hitting report, 16 women living in poverty in Liverpool and Manchester shared how a decade of social security cuts, stagnating wages, and the erosion of public services has left them with little choice but to sink further into debt as their incomes fail to keep pace with daily needs. The report was launched with a roundtable which brought together the women who had contributed to the report with Alison McGovern MP and Debbie Abrams MP.



At its conference, Labour announced it was adopting two policy demands from the Homes for Us Alliance – to lift the 10% cap on social housing acquisitions and to increase stamp duty for overseas investors.

Our assessment that people on universal

credit could be up to £670 worse off next year even if benefits are increased in line with inflation was picked up by the Independent, the Mirror and over 100 regional outlets. Scrapping the cost of living support would mean 40% of all families would fall short of the minimum income standard.

NOVEMBER

New analysis showed a Green Term Funding Scheme could save UK businesses and households £6.2bn on interest payments over the next four years. The collapse of the recent bidding round for offshore wind licences shows that higher interest rates are already impacting the UK's ability to fund green infrastructure and how necessary this policy is.

NEF economists found the government could save £55bn over the next five years by ending the Bank of England's practice of paying interest on commercial bank reserves, introduced to help banks through the financial crisis. This figure was featured in the Times. By requiring banks to hold just 10% of their liquid assets in reserves that pay no interest, the government would save enough to repair our crumbling schools and hospitals and insulate 7 million homes, instead of handing banks a huge bonus from public funds.

In a Guardian exclusive, our researchers warned that poorer children will be denied access to early years education. NEF's report, *A Fair Start for All: A Universal Basic Services Approach to Early Education and Care* found that richer families are almost six times as likely to benefit from the government's free childcare expansion.

THANK YOU

We will never be able to match the resources that wealthy individuals and companies put into influencing our democracy, but together we can be a powerful voice that is impossible to ignore. Everyone at NEF is incredibly grateful to all of you who donate to give people and planet a seat at the table. And thank you to everyone who has got involved in our campaigns or participated in our events. You are what makes NEF unique and special.

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Registered charity number 1055254

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PUBLISHED:

December 2023

COVER IMAGE:

iStock

