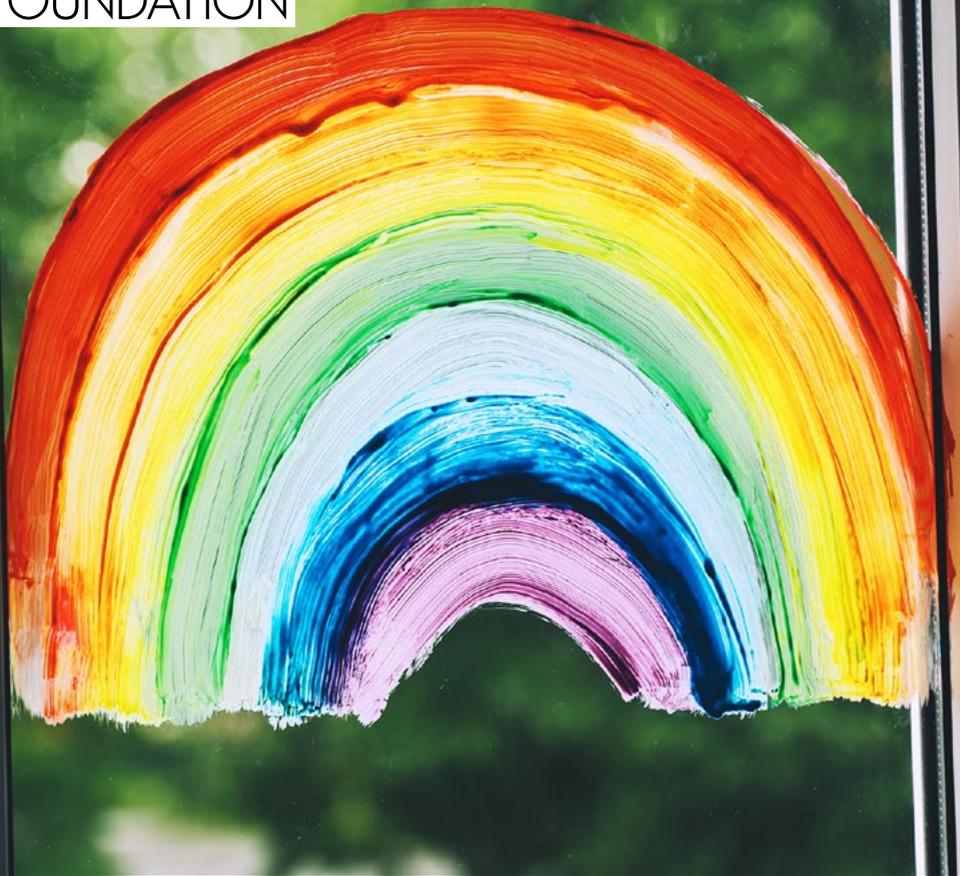


NEW
ECONOMICS
FOUNDATION



**NEF REVIEW
OF THE YEAR
2020**

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 CHAIR



Lord Bob Kerslake
Chair

My first full year as chair of the New Economics Foundation has certainly been eventful. Back in January, what seems like an age ago, we were digesting the general election result. The political world was expecting another year dominated by Brexit, with the clock running down on the transition period and negotiations for the UK and EU trade deal.

At the same time, reports began to emerge from China of a mysterious

new virus. Within weeks, Covid-19 had become a worldwide pandemic and the UK government had been forced into unprecedented public health and economic measures in attempts to keep the virus at bay and the economy afloat.

The hardships inflicted by the pandemic and the way the country has come together in response has clarified what we as a society value. NEF's missions – we should all have the basics for a decent quality of life, we should protect our environment and we should have more equal power in the economy – resonated with public opinion that rejected a return to how things were.

On behalf of the board, I'd like to thank the brilliant team at NEF who have worked so hard to adapt to these turbulent times and, as you will see in the following review, proved over and over again to be powerful advocates for those at the sharp end of the economic shock. I'd also like to express my gratitude to my colleagues on the board of trustees who have stepped down in the past 12 months, as well as welcome the new members to the team.

The year is ending with some more positive news in terms of potential vaccines and president-elect Biden announcing that the USA will rejoin the Paris climate accord on his first day in office. However, much economic pain lies ahead. The Covid recession will be deep and combine with the effects of leaving the EU. We must ensure not only that the government does not retreat into its comfort zone and the false economy of 'balancing the books', but that it mobilises its resources into a green recovery towards a low-carbon future. NEF will be at the heart of the movement to make it happen.

WE CAN BUILD BACK BETTER



Miatta Fahnbulleh
CEO

Covid has upturned our lives and reminded us of the things that really matter: our health, our families and communities, having warm homes and green spaces. NEF was founded in 1986 on the principle that the economy was a means to deliver these things, not an all-powerful entity to which we must sacrifice our wellbeing and environment. This year's unprecedented events mean that more people than ever agree.

The weaknesses of our economic model have been exposed by the pandemic: from the decade-long squeeze in living standards that has left millions unable weather this storm to how denuded our social protections have become. And it has exposed the costs and untold suffering of not preparing for this sort of natural crisis – despite the warnings of the scientists. The parallels with the bigger crisis of climate change are clear.

This is a profound moment. How we respond today will define the economy of tomorrow. The government has shown that it is prepared to rip up the rulebook when forced to. The public overwhelmingly agrees that we must build back better.

As you will read in the following pages, NEF responded in three ways to support people through the crisis while locking in fundamental changes to the economy:

1. **Emergency response:** designing measures to keep people and businesses afloat, protect jobs and incomes, and highlight who is falling through the gaps in government schemes.
2. **Supporting communities:** continuing and adapting our work to help communities and groups, in particular where the pandemic has deepened existing inequalities.
3. **Build Back Better:** building popular support for a recovery plan that provides us all with access to things we really need to live a good life – such as quality housing, healthcare and social care – and that responds to the long-term crisis of the climate emergency.

The government has listened to our

'The weaknesses of our economic model have been exposed by the pandemic.'

MIATTA FAHNBULLEH

calls to strengthen support schemes. But it must go further. We have one of the weakest safety nets of any advanced economy. The economic impact has only just started to be felt and there are very tough times ahead. Too many people are falling through the cracks. Children should not be going hungry in one of the richest countries in the world.

We cannot afford a repeat of the mistakes of the aftermath of the last recession: austerity and a lost decade of climate action. This time the progressive response must be stronger. We have joined a core group at the heart of the Build Back Better movement. Together we are forming a formidable collection of voices to push politicians for a recovery to a fair and sustainable economy – already the heads of the Confederation of British Industries (CBI), Trades Union Congress (TUC) and hundreds of others have signed up.

While we at NEF are in the privileged position to be able to do much of our work from home, I would like to pay tribute to my amazing colleagues who have achieved so much under very difficult conditions.

We are all incredibly grateful to those who fund our work, who have shown such understanding, flexibility and generosity as plans have inevitably had to change. And, of course, a huge thank you to the members of NEF's Supporters Network, whose donations have helped give us the stability to stand up for people and the planet in this most disrupted of years.

Thank you

Miatta

1. EMERGENCY RESPONSE

The Covid-19 public health emergency rapidly became an economic emergency of unprecedented scale. It followed a decade of austerity that created a weak economy, with people, businesses and society as a whole without a safety net.

This crisis is exposing the precarious situation faced by millions of people who, even before the virus-induced economic shock, were experiencing low pay and job insecurity. In turn, it is exposing critical gaps in the UK's failing welfare system.

A huge thank you to the Friends Provident Foundation, Laudes Foundation and the late Ronald Higgins' legacy whose flexible funding has underpinned NEF's response as the crisis has unfolded.

EXPOSING THE BROKEN SAFETY NET

While some of the government's economic measures should be applauded, throughout the pandemic, NEF has been pushing them to go further with a steady drumbeat of research, analysis and media coverage.

We've highlighted the numbers of people not covered by new government measures, who have lost their jobs or been pushed into poverty as a result of the crisis and policy flaws. And we

have proposed powerful but practical policies that would help the millions facing hardship and prevent the mass unemployment that would scar individuals and communities for decades.

In April we highlighted that up to 5.6 million people were at risk of falling through the gaps in government support schemes. Women, young people, non-white workers, and renters were at particularly high risk of missing out. Employees with hourly pay below the real living wage had a 70% higher risk of losing work and not qualifying for support than those earning above this threshold.

In further analysis in September, we uncovered a hidden disparity in how different regions were being affected by government policies. We found that prematurely ending furlough – as then planned – would increase existing inequalities between London and the south-east and the rest of the country, and between high earners and those on lower incomes.

RENTERS IN THE PANDEMIC

Tenants in the private rented sector were particularly vulnerable during lockdown. Renting is the most expensive form of housing. 35% of private renters are living in poverty and our research

found that more than 1.2 million were at high risk of losing their jobs or hours as a result of social distancing measures. The government suspended evictions during lockdown, but tenants still accrued rent areas, with the potential for a surge in evictions once the suspension came to an end. We proposed instead a UK-wide rents and mortgage freeze. Bank of England (BoE) loans could be made available for banks to cover any lost liquidity from mortgage payments. While these measures would have no significant additional cost to the Treasury, they would make a huge difference to the financial and mental health of millions of renters.

We are grateful to the Nationwide Foundation, Oak Foundation and Tudor Trust for supporting NEF's housing programme.

MINIMUM INCOME GUARANTEE – A LIVING INCOME FOR EVERYONE

Growing numbers of people have lost their jobs, many of whom were not covered by furlough or other support schemes. They must rely on universal credit for financial support – if they qualify. The government's small increases to benefit levels represent a reversal of just one fifth of the cuts to welfare since 2010. On universal credit, a single adult is expected to live on about £90 a week – way below the level required to keep them above the breadline. And they must wait five weeks to receive this help. Any advance ahead of this must be paid back.

Our Minimum Income Guarantee scheme would provide a living income of £227 a week – a level set by academics

and anti-poverty groups led by the Joseph Rowntree Foundation as the minimum needed for an acceptable standard of living. Using existing universal credit apparatus, it could be adopted quickly to help people keep their heads above water.

How it would work:

- Every working age adult could apply for a weekly payment of £227.
- Those already on benefits, or eligible through sick pay, would get an automatic top-up to their main payment.
- For all other new applicants, payments would be non-conditional and non-means tested at the point of access through the advanced payment system of universal credit, meaning no five-week wait.
- For those not claiming universal credit or other income support, and on incomes above £227 per week, the payment would act like an interest-free loan, with the difference above £227 per month paid back through future tax.

As the crisis continues and more and more people sadly lose their jobs or miss out on support, we will continue to campaign alongside organisations such as the Trades Union Congress, the Trussell Trust and Citizens Advice to fix Britain's broken social safety net.

THE TREASURY IS LISTENING...

In October, our economists showed the Chancellor's Job Support Scheme would still put millions of people at



risk of redundancy this winter. When Rishi Sunak subsequently u-turned on the level of wage subsidy for firms, the Financial Times reported:

“Officials had read a carefully researched report by the New Economics Foundation, a think-tank, which warned that 2.2m jobs were at risk under the original version of the job support scheme. ... Alfie Stirling, chief economist of the NEF, said the chancellor's latest changes were generous and likely to protect most of the jobs at risk, although 450,000 were still in danger.”

TAX CUTS FOR THE POOREST

Tax cuts in general are a bad way to boost the incomes that most need it. However, allowing people on benefits to keep more of what they earn is an exception to this rule. In October we suggested some quick changes to universal credit to help the growing number of recipients get through the immediate crisis.

Our proposal for immediate adjustments would:

- Reduce the taper rate at which benefits get withdrawn as people earn income from 63% to 50%.
- Extend work allowances (the threshold of earned income above which the taper is applied) to workers without children at the equivalent of eight hours per week at national living wage.
- Ensure all second earners in a family also have a work allowance on the same basis as primary earners.
- Increase support for childcare costs from 85% to 100%.

Together these measures would reduce tax rates for low earners, boost disposable incomes by £1,100 per year and lift 500,000 people out of poverty – all while costing less than the much criticised, and now abandoned, Job Retention Bonus.

2. SUPPORTING COMMUNITIES

As the pandemic struck and we went into lockdown, communities across the country came together. Mutual aid groups sprung up and there were unprecedented outpourings of solidarity and support for key workers. While many support groups formed spontaneously, others grew out of existing community organising efforts.

But coronavirus is impacting different communities differently, whether it comes to health or economics. Health is determined, more than anything else, by social, economic and environmental conditions: from the quality of our housing and employment to our level of income and access to green space.

While no longer able to travel or meet face to face, NEF has continued to work with communities and groups representing migrants, renters and precarious workers throughout the crisis.

ACCESS TO CHILDCARE

The pandemic has made it clear just how fundamental childcare is to the functioning of our economy. However, despite the childcare sector being on the brink of collapse, it has barely received any government attention. One in four nurseries expect to close in the near future, with those in low-income areas

most at risk. In a time of economic upheaval, access to affordable childcare is vital. Without it, the ability of low-income parents - in particular, mothers - to work is greatly reduced, locking in economic and gender inequalities.

During the first lockdown, we proposed a Childcare Infrastructure Fund to protect settings and jobs, while guaranteeing free places for the children of key workers during the pandemic. Our January paper, *Quality childcare for all*, pre-empted the coronavirus crisis in the sector by outlining the case for provision of childcare as a universal basic service given its fundamental importance to the economy and tackling inequality.

In this climate, south-east London's newest nursery opened its doors to children for the first time on 24 September. For NEF, the Family Friendly Nursery in Deptford represented the culmination of years of research and work with the local community to establish a new model of childcare in the UK.

From the beginning, we co-created the nursery with local parents – from opening hours and fees, to designing and building some of the nursery equipment. This parent-led approach and progressive fee model is enabling the nursery to deliver affordable and quality



care to children from local working-class neighbourhoods, while ensuring staff are paid enough to live on.

A huge thank you to the Greater London Authority Good Growth Fund, London Family Fund, Peabody Community Development Fund, Trust for London and all the individuals who helped to fund the nursery and NEF's childcare work.

OVERCOMING HEALTH INEQUALITIES BETWEEN RICH AND POOR

Since 2016, NEF has been working with the People's Health Trust on its Local Conversations programme, which aims to improve the local social determinants of health and reduce health inequalities. Local Conversations has supported 17 neighbourhoods in England, Scotland and Wales that are experiencing high levels of deprivation by providing opportunities for residents

to get together, improve their sense of community, and gain knowledge, skills, resources and confidence. Residents are empowered to exercise greater influence with their local MPs, councils and other bodies to try to improve local services. These emerging attempts to influence decision-makers are notable given the challenging circumstances of residents' lives.

When the pandemic struck, the infrastructure put in place by Local Conversations proved a lifeline for residents. Participants delivered food packages and children's activity packs to vulnerable families, as well as, for example, translating public health messages into other languages. The overall strength of the Local Conversations Covid-19 response and its pivotal role in supporting people throughout the lockdown is a testament to the importance of such community-based public health interventions.

The importance of outdoor space to physical and mental health became clear during the lockdowns. Through analysis of Google mobility data, we were able to provide evidence of inequality in access to space. We found that the 20 local authorities with the lowest incomes were experiencing a 28% reduction in use of their parks compared to pre-pandemic, while the 20 with the highest incomes showed no change. This is despite wealthier households also being more likely to have larger gardens, while many poorer households have no garden at all.

FIGHTING THE HOSTILE ENVIRONMENT IN THE NHS

Our work with our Patients Not Passports partners Medact and Migrants Organise highlighting the ongoing effects of the government's hostile environment policy in the NHS took on even greater urgency this year.

In 2017 new regulations introduced upfront charging for migrants to access NHS services, accompanied by identity checks. NHS Trusts share patient data and report patient debt to the Home Office, which is then used by immigration teams to track, detain and deport people.

In a pandemic where Black, Asian and other minority ethnic (BAME) people were experiencing significantly higher death rates than their white neighbours, our research demonstrated that the

hostile environment was preventing BAME and migrant communities from accessing healthcare.

Anyone undergoing Covid-19 treatment is entitled to free care and is exempt from immigration checks under the law. Sadly, we found that hospitals were still checking the immigration status of patients. The Channel 4 News feature on our report highlighted the case of a Black British man asked to prove his eligibility for free care whilst in a Covid-19 induced coma. In a letter sent to his family, the hospital demanded detailed evidence within seven days, warning that otherwise he would be charged for his treatment.

We found that the hostile environment was leading to widespread avoidance of the NHS in migrant communities – only 20% of migrant caseworkers reported that migrants were even aware of the Covid-19 exemption.

The dire implications for individual and public health of people not seeking diagnosis and treatment while the country is in the hold of such a virulent and deadly disease are all too clear. Patients Not Passports called for the immediate withdrawal of all migrant charges for NHS services, an end to data sharing between the NHS and the Home Office, and an urgent targeted information campaign to ensure NHS staff and migrant and BAME communities are aware that coronavirus care is free for everyone.

Thank you to the Paul Hamlyn Foundation and Unbound Philanthropy for supporting Patients Not Passports.

3. BUILD BACK BETTER

The policy mistakes of the past, above all austerity and privatisation, have left us more vulnerable to shocks like coronavirus. And even with the pandemic raging, we face the even greater challenge of the climate crisis.

Our polling has shown that only 6% of people want to return to the same type of economy as before the pandemic. From the outset of this crisis, NEF has been at the centre of making sure this appetite translates into meaningful change.

THE BUILD BACK BETTER COALITION

Working with a core group of partners, we are developing popular ideas that will transform the economy, while building a broad and powerful coalition to campaign for their adoption – from huge national organisations to small grassroots groups.

In June, the Build Back Better coalition launched with over 300 civic and religious leaders, business groups and trade unions uniting to call for a collective response to the pandemic by providing high-quality public services, tackling inequality, creating good jobs and responding to the climate crisis.

Signatories from unions and business

included the leaders of the Confederation of British Industry (CBI), TUC, British Chambers of Commerce, Federation of Small Businesses, Unison and Unite. Religious signatories included a former Archbishop of Canterbury, the Bishops of Dover and Manchester, the Secretary General of the Muslim Council of Great Britain and senior rabbis. NGO leaders included the heads of the Trussell Trust, Save the Children, Friends of the Earth, Compass, Green New Deal UK, Shelter and Greenpeace.

Each committed to play their part to rebuild the economy and encourage local and national politicians to sign up to the ambition.

In November, Build Back Better launched the *Winter plan for jobs, incomes and communities* campaign. Proposals included improvements to the Job Support Scheme, the minimum income guarantee and an 18-month government investment plan to create 1.1m low carbon jobs.

In spring, the job was only half done – with millions falling through cracks that are yet to be repaired. This time we have to get it right: to look out for each other, to strengthen the systems that support us all when times are tough, and to design a better future.

As well as Joe Biden in the USA, Boris

Johnson has explicitly adopted the Build Back Better frame. Our coalition's campaigns and proposals will ensure this amounts to more than empty rhetoric.

NEF is very grateful to Sir Trevor Chinn, Frederick Mulder Foundation, Claire Jones, Polden-Puckham Charitable Foundation and many individual donors for supporting our work with the Build Back Better Coalition. Thank you also to the Environmental Funders Network Rapid Response Fund for help with fundraising.

A GREEN RECOVERY

Throughout the year, we produced a series of hugely influential reports detailing how to avoid the mistakes of the last recession and invest in low-carbon infrastructure. This began in January before the virus struck, with the prescient *Recession ready: a green plan to beat tomorrow's downturn*. Launched at an event with Adair Turner and Caroline Lucas, we set out priority areas for an economic stimulus in a future recession while helping the UK make up for lost time in meeting its climate targets. When the Covid recession subsequently struck, the report became a go-to resource for government officials and others looking to plot the UK's way out of the downturn.

In July, we updated the report for the specific circumstances of the pandemic. With unemployment rocketing, *Building a green stimulus for Covid-19* detailed a package to create 400,000 green jobs by Christmas 2021.

Our economists developed a new framework for prioritising and allocating investment over the coming months, based on a hierarchy of six key tests:

1. **Timeliness:** The speed of delivery and extent of 'lead-in' time.
2. **Job potential:** The labour intensity and size of the employment multiplier.
3. **Breadth of impact:** The extent to which jobs could be created right across the whole country.
4. **Social distancing compatibility:** Whether projects would be resilient to future tightening of social distancing.
5. **Carbon abatement:** The total reduction in carbon emissions achieved.
6. **Enabling potential:** The extent to which investment was essential to future technologies and infrastructure.

Based on this framework, the report found that £28.3bn could be invested in high impact projects over the next 18 months, with the possibility of spending more than £8bn of this within the next six months.

We took a deeper dive into housing to propose retrofitting 8.7m homes by 2024. This would create 382,885 jobs, increase gross domestic product (GDP) by 1.58%, reduce average household energy bills by £418 and cut household emissions by 21%.

The Labour Party drew heavily on our analysis, with its flagship *Green economic recovery* report challenging the government to invest in creating 400,000 green jobs.

NEF is grateful to the European Climate Foundation and Finance Dialogue for their support which made this work possible.



NO UNCONDITIONAL BAILOUTS FOR DIRTY INDUSTRIES

As the economy shut down, NEF economists designed a framework to ensure government bailouts embedded improved employment standards and reduced carbon emissions. Later, working with Possible, we were to apply our analysis to the aviation industry and its supply chains, where we found that the scale of Covid job losses would be on a par with those experienced by the coal industry in 1980-81. Rather than the unconditional bailouts airlines lobbied for and received from governments, we proposed a sector-wide package that

recognised the need to decarbonise the economy.

It would safeguard workers through the disruption and uncertainty of transitioning to low-carbon jobs and included a right to retrain. Vitality, it included the government taking equity stakes in return for its support. As NEF senior researcher Alex Chapman wrote in the Independent: "Government ownership is not an end in itself – but right now, it's the only way that socially-motivated oversight of the sector can be implemented. Let's stop subsidising shareholders and put the interests of people and planet at the heart of our crisis response."

THE KEY ROLE OF CENTRAL BANKS

In a year where central banks have implemented ambitious measures to support economies, NEF led action to ensure that longer-term goals for mitigating global heating were not forgotten amidst the urgency of the coronavirus crisis.

In the UK, we showed that the Bank of England's Covid measures are propping up dirty industries and are incompatible with both the Bank's and the government's climate targets. In their place, we proposed low-carbon pandemic quantitative easing (QE) frameworks for the BoE's Corporate Bond Purchase Scheme (CBPS).

At an EU level, our work included *Decarbonising is easy* written with Greenpeace and economists at three universities. This report, on how the European Central Bank should change its approach to QE given the financial markets' failure to produce outcomes in line with Paris Agreement commitments, drew praise from the Head of the European Central Bank Christine Lagarde.

This vital work on greening central banks and finance is made possible by the European Climate Foundation, Partners for a New Economy and the Sunrise Project.

CREATING CLIMATE CONSENSUS

Sir David Attenborough had the unenviable task of following NEF's Fernanda Balata as a speaker at the UK's first Citizens' Climate Assembly.

A representative group of over 100 UK citizens were tasked by parliament with deciding upon a set of recommendations for how the government can reach its net-zero climate target. Fernanda and NEF trustee Professor Becky Willis were among the experts grilled over six weekends in the spring as the citizens gathered evidence.

The assembly produced its report in September calling for, amongst other things, strong leadership from the government, building a political consensus to remove short-term political advantage from opposing climate measures, and fairness in how different groups, sectors and geographies are affected by climate policies.

NEF has been supporting the Croydon Climate Crisis Commission, an independent body set up by the south London borough. It is drawing on the findings of a local citizens' assembly to find ways to reduce the climate and ecological impact throughout the borough. Chaired by our chief executive Miatta Fahnbulleh, the commission is blazing a trail for as councils look to respond to the climate emergency while securing buy-in from their residents

FIXING SOCIAL CARE

Covid-19 has exposed the crisis in social care. Services on which millions of people depend were not able to protect those using them or delivering them.

Care was neglected in the creation of the welfare state, due to the assumption that women would take on care work for little or no pay. It remains a heavily rationed service, with poorly paid, insecure workers. With rising numbers of disabled

and older people in need of support, it is clear – and has been clear for a long time – that social care must be reformed. Successive governments have ducked these issues, deterred by the politics of trying to change a complex system that is poorly understood by the general public.

Since the public outcry over the failure to stem the spread of the virus in care homes, there has been a step change in the degree of scrutiny on the government and their promise, which others have made before, to 'fix' social care. As a foundational sector of the economy that delivers an essential public service and employs 1.5 million people, social care will be vital both to the social and to the economic recovery from the crisis.

Meanwhile, as our analysis has shown, green infrastructure projects alone will not be enough to make up the numbers of jobs needed to cover the expected rise in unemployment. Care jobs are low carbon. We are currently working with the Women's Budget Group on research into how investment can be directed towards a higher-quality, more universal

social care system that creates good, green jobs.

Way back in January we were flagging that simply throwing more money at social care would not solve its problems. Our paper *Ownership in social care* detailed how the delivery model of outsourcing to profit-driven, debt-ridden and dividend-paying companies – often with opaque ownership and tax structures – was damaging the quality of care and leaving the sector unstable and unable to meet the projected increase in demand as the population ages.

We recommended that short-termist, cost-driven, competitive tendering should be scrapped and replaced by public-social partnerships, where the local state collaborates with socially-driven, not-for-profit organisations. In May we demonstrated the effectiveness of one particular approach with our report on the benefits that community micro-enterprises in social care bring to local economies, in partnership with Community Catalysts and funded by Barrow Cadbury Trust.

TIMELINE

January

The *Quality childcare for all* paper made the case for childcare as a universal basic service, with free or heavily subsidised places for all. This was borne out as the pandemic plunged the sector into crisis while simultaneously demonstrating how vital it is to the economy.

The culmination of extensive work with partners in Brussels, France and Germany, our *Reprotecting Europe: the European Green Deal vs the war on regulations* report proposed measures the European Commission should take to resist the growing deregulation agenda and meet its environmental commitments.

Our report *Recession ready: a green plan to beat tomorrow's downturn* was to prove hugely influential among policy makers as events unfolded through the year. The launch event featured speeches from Aidan Turner, Daniela Gabor and Caroline Lucas, alongside NEF's Miatta Fahnbulleh and Alfie Stirling.



In *Ownership in social care*, we exposed how outsourcing to private, debt-loaded companies was leaving the social care sector inefficient and unstable while

dividends to owners were coming at the expense of staff pay and care quality.

Our packed event on *What Next for the New Economy?* reflected on the recent election outcome and looked at future prospects for the new economy movement. Speakers included Gary Younge, Maya Goodfellow and Fatima Ibrahim, alongside NEF's Miatta Fahnbulleh.



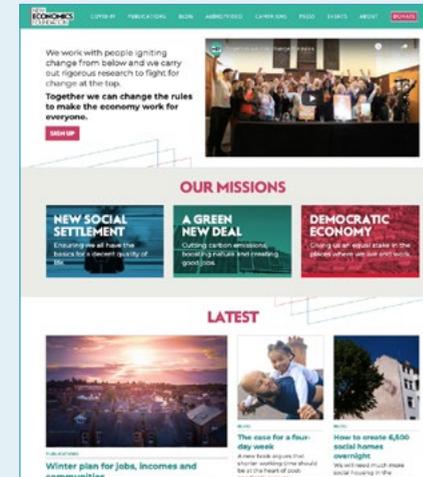
Miatta Fahnbulleh was announced as Chair of the new **Croydon Climate Crisis Commission**. NEF continues to be closely involved with this groundbreaking local approach to tackling the climate emergency.

February

Our widely reported analysis showed that **average living standards were still £100 per year lower than 12 years ago**. Most people were about to enter the Covid crisis while still not fully recovered from the last downturn.

The book *The case for universal basic services* was published by Polity. Co-authored by NEF's Anna Coote, it argued that if we accept that healthcare and education should be provided for all, why not expand to other essentials

A NEW LOOK AND A NEW WEBSITE FOR NEF



In March we relaunched the NEF website, featuring a more vibrant design that was more in keeping with the look-and-feel developed for last year's Change The Rules website. We added clearer signposting and navigation to help you find your way around the site. And we improved the readability of our news, comment and analysis.

The launch of the new website marked the completion of a branding refresh that brought in cleaner, sharper lines, a livelier colour palette and a revamped NEF logo. www.neweconomics.org

such as social care, childcare and public transport?

NEF's Fernanda Balata was an expert witness at the **UK's first national Citizens' Climate Assembly** – a representative group of people brought together by parliament to examine options for government climate action.



Our analysis exposed the **deeply flawed cost/benefit analysis used to justify Heathrow's third runway**. As well as sucking tens of thousands of jobs into London and the south-east from less

well-off parts of the country, it would use up so much of the UK's carbon budget that other sectors and regions would have to provide it with a 'carbon subsidy'.

March

Our first major response to coronavirus proposed the **Minimum Income Guarantee** as a simple, fast and effective way to plug the gaps in the government's support packages and help all people financially keep their heads above water during the pandemic.

In *Landing the blame: overfishing in the north-east Atlantic 2020* we named and shamed the EU countries and ministers that set their fishing quotas the furthest above scientific advice for sustainability. Sweden's Secretary of State for Rural Affairs Per Callenberg look away now.

Continuing our partnership with **Guardians of the Arches**, our analysis helped small businesses in railway arches

REDESIGNING OUR EVENTS FOR LOCKDOWN

During the first lockdown, we launched our New Economics Briefings series – hour-long interactive Zoom events analysing the current moment and pushing out NEF’s agenda, as well as platforming speakers from across the new economy movement.

Since March, we’ve organised 15 online briefings, covering topics ranging from childcare under lockdown, to organising during a pandemic, to how we win a green recovery.

We’ve featured speakers ranging from grassroots mutual aid organisers to the Shadow Chancellor, and engaged around 3,000 participants in the discussion. They have proved so popular, we will continue them, even when face-to-face events are possible again.



All of the briefings have been recorded and are available on the events page of our website: neweconomics.org/section/events.

We’ve really enjoyed seeing NEF supporters taking part – if you haven’t yet joined in, please do come along. Future events will be advertised through our mailing list so sign up if you haven’t already.

secure three-month rent suspensions during lockdown, followed by further concessions to help them through the crisis.

April

Our agenda-setting analysis revealed that up to **5.6 million people could fall through the cracks** in the government’s support schemes. We uncovered the precarious situation faced by millions who, even before coronavirus, were experiencing low pay and job insecurity.

The briefing paper *European Central Bank and climate recovery* set out five steps the ECB should take to ensure its short-term Covid response measures are designed in line with the EU’s longer-term climate commitments.

After the government had advocated ‘**low-impact fishing**’ in its Fisheries White Paper, the Department for the Environment, Farming and Rural Affairs awarded a NEF-led consortium a contract to co-define the criteria underpinning the term. We gave small-scale fishers the chance to input into designing policy in a process usually dominated by large-scale operators, and thereby shift the focus towards reducing the negative environmental impacts of fishing.

May

Our unique analysis of visits to parks during lockdown evidenced the impression that those in **low-income areas were much less able to access**

outdoor space at a time when doing so was more important than ever.

With the social care system creaking under the strain of the pandemic, our *Community micro-enterprises in social care* research demonstrated that small social businesses deliver better quality care and better value for money than the standard practice of outsourcing to large firms.

Suspending rents highlighted the particular financial vulnerabilities faced by private renters during lockdown and argued that government measures did not go far enough. We proposed a rent and mortgage freeze for those in need, giving millions a break from the building up of rental debt as a result of the shutdown of the economy.



June

Our research showed that, had the post-war trend of increases in leisure time in line with productivity growth continued beyond 1980, the **UK full-time working week would be over four hours shorter**. International comparisons suggested that stricter union laws and other policies have deprived British workers of this improvement in work/life balance.

Build Back Better launched with over 300 civic and religious leaders, business groups and trade unions uniting to call for a collective recovery from Covid through providing high-quality public services, tackling inequality, creating good jobs and fighting the climate crisis. NEF is at the heart of the Build Back Better movement, developing new policies and campaigns.



As we uncovered the breathtaking scale of jobs at risk in the aviation industry and its supply chains, our paper argued that **government bailouts should come with strings attached**. These should include decarbonisation plans, safeguards for workers for the transition to low-carbon jobs, and equity stakes so that the government can provide oversight.

As part of **Patients Not Passports** we showed how the hostile environment in the NHS was dissuading migrant and BAME communities from accessing Covid healthcare. We called for an immediate end to hostile environment policies to protect individual and public health.



In the midst of lockdown, NEF and the Living Wage Foundation exposed that **1.3 million key workers were paid less than the real living wage.**



With the childcare sector on its knees, we proposed a **Childcare Infrastructure Fund** to ensure nurseries could stay open, safeguard jobs and support the fight against the virus by providing free places for the children of key workers.

July

Our major report *Building a green*

stimulus for Covid-19 detailed a **£28.3bn plan to invest in green infrastructure** while creating 400,000 jobs by Christmas 2021. The report was a major influence on the Labour Party's green stimulus proposals launched in November.

In *A green stimulus for housing* we outlined a major home retrofitting programme that would drastically reduce household emissions while creating hundreds of thousands of jobs and slashing energy bills.

August

We called on the government to create **new centres to support struggling self-employed workers**. Modelled on Sure Start children's centres, they would provide free co-working and meeting spaces. Targeted in places where post-pandemic unemployment is likely to be particularly high, they could also offer

WEEKLY ECONOMICS PODCAST: 1.8M LISTENS

As the award-winning Weekly Economics Podcast returned for its sixth year, a highlight was an extended conversation in June with writer, journalist and professor of sociology Gary Younge. Gary and host Ayeisha Thomas-Smith discussed the global wave of Black Lives Matter protests following the death of George Floyd at the hands of Minneapolis police officers.

Earlier in the year, we produced a miniseries on NEF's Covid response on different policy areas, from childcare to housing to social security. As the year progressed and we surpassed over 1.8 million listens, we featured



Ayeisha prepares to host from home during lockdown.

expert guests including top economists, sociologists and journalists plus US framing expert Anat Shenker-Osario, who talked us through the battle of narratives in the US presidential election.



much needed civic and communal space on ailing high streets.

As we uncovered that the **Bank of England's emergency Covid measures were incompatible with its own climate targets**, we proposed a new framework for its quantitative easing scheme.



September

In *Furlough: where did the hours go?* we uncovered that the regional economic impacts of coronavirus were being underestimated. Regions outside of London and the south-east were far more adversely affected and at greater

risk as government support schemes were withdrawn.

Unions Renewed: Building Power in an Age of Finance is published by Polity and NEF. The authors, Alice Martin and Annie Quick, argue for a renewed role for unions in challenging financial capitalism.

In September, the **Family Friendly Nursery** NEF had been co-creating in Lewisham with local parents opened and is now delivering affordable childcare to the local community.

October

The *Patients Not Passports* report examined international approaches to universal healthcare, drawing lessons for UK campaigners and healthcare professionals opposing the hostile environment in the NHS

With the finance still flowing into fossil fuels, **we called upon the European Central Bank to end its policy of 'market neutrality'** in favour of structurally realigning the financial sector

around climate challenges and risks. Our *Decarbonising is easy* report caught the attention of the ECB head Christine Lagarde and is the latest chapter in our work that has shifted expectations of the role of central banks in the age of climate change.

Launched on World Mental Health Day, the **second issue of the *New Economics Zine*** dug into the emotive topic of the economy's effects on our mental health. Produced for NEF's supporter network, it featured thought-provoking contributions from economists, doctors, psychologists, environmentalists and others.



We gained press attention with our **proposal for quick amendments to universal credit** that would reduce tax for low earners, boost disposable incomes by £1,100 and lift 500,000 people out of poverty.

NEF's analysis was instrumental in a major government policy change to save over 2m jobs as Rishi Sunak

announced an increase to the wage subsidy for his planned job support scheme. Treasury officials acknowledged that our report warning that 2.7 million people's jobs were at risk had played a big part in the decision.

November

NEF research cast doubt on the application for the **proposed Leeds Bradford Airport expansion**. Our analysis found that it had overestimated the number of jobs created by 33% while the costs – including carbon emissions – had been significantly underestimated or overlooked entirely.

We investigated an **overlooked element of Brexit trade negotiations with the EU: data**. Our research found that failing to secure recognition of the UK's data protection regime would reduce investment in the UK and cause companies to relocate into the EU. Companies wanting to continue to transfer data from the EU would face additional costs of up to £1.6bn.

The *Case for a Four Day Week* is published by Polity. The co-authors, NEF's own Anna Coote, Aidan Harper and Alfie Stirling, set out why the current level of working hours is not normal, the benefits of reducing them and steps to do so.

We published the *Winter plan for jobs, incomes and communities* on behalf of the Build Back Better coalition, proposing improvements to the Job Support Scheme, the minimum income guarantee and a big increase in investment in low-carbon jobs.

A FUTURE FOR SMALL SCALE FISHING FLEETS



Long-term followers of NEF may remember that since 2014 we have been supporting a community of small-scale fishers in their protracted, hard-fought efforts to safeguard their livelihoods by building their own quay in Eastbourne harbour.

Finally, six years after NEF became involved, seven years after Eastbourne Fishermen formed a Community Interest Company, and 30 years since the idea of a fishing quay started as a promise from the landowner (that was never honoured), construction on the quay has finally begun.

In our time with the group, we have helped them to secure millions of pounds in grants and additional loan support, negotiate the collapse of the landowner, Carillion, and their building contractor going into administration, as well as access government support when lockdown all but wiped out the

market for seafood.

The quay will help Eastbourne's fishing fleet withstand some of the industry-wide vulnerabilities highlighted by our *Beneath the surface* report and laid bare by the pandemic. The report argued that long-ignored lack of working protections for fishers left them especially vulnerable to shocks like the pandemic. There is no entitlement to annual leave or sick pay and their income is dependent on selling to markets that shut down overnight. We proposed a series of measures to make the industry more resilient for its workers, from adapting overseas models of crew remuneration, to worker representation and paying into a fishers co-operative as a financial safety net.

With thanks to the Calouste Gulbenkian Foundation UK Branch.

THANKS TO OUR FUNDERS AND SUPPORTERS

NEF is proud to be independent of political parties and special interests, giving us the ability to be a powerful voice for people and planet. This means that we rely on funding from charitable trusts and a broad cross-section of individuals.

In such an unpredictable year, we are particularly grateful for the extra generosity our funders and donors have shown. We are delighted to thank our major funders, listed opposite, all of our Supporter Network and all the

individuals who have given during our 2019/20 financial year. None of this would be possible without you!

We believe that transparency is fundamental to democracy. It is vital that think tanks seeking to influence policy can be trusted. NEF publishes the names and donation amounts of everyone that gives us over £5,000, and every report we write acknowledges who its funders were. When you see us in the media, you can be certain we are not representing a hidden agenda or vested interests.

OUR MAJOR FUNDERS

Adessium Foundation	£31,385
The AIM Foundation	£9,750
The A Team Foundation	£39,492
Barrow Cadbury Trust	£35,443
Calouste Gulbenkian Foundation UK Branch	£49,419
Campaign for the Protection of Rural England	£12,400
Common Wealth	£16,900
Democracy Collaborative Foundation, Inc	£20,000
The Dunhill Medical Trust	£6,513
Economic and Social Research Council	£13,184
Esmée Fairbairn Foundation	£61,164
European Climate Foundation	£141,640
Everyone at Lots Road Auctions	£20,000
Friends Provident Foundation	£52,158
The Greater London Authority	£63,289
International Trade Union Confederation	£13,482
John Ellerman Foundation	£29,912
Claire Jones	£6,625
The Joseph Rowntree Charitable Trust	£44,509
Laudes Foundation	£28,500
KR Foundation	£24,159
National Lottery Community Fund	£11,990
The Nationwide Foundation	£86,273
Network for Social Change	£8,733
Oak Foundation	£81,155
Partners for a New Economy	£213,906
Paul Hamlyn Foundation	£42,652
People's Health Trust	£181,254
The Persula Foundation	£60,000
The Pew Charitable Trust	£89,213
Laudes Foundation	£28,500
Possible	£17,600
Rogers Stirk Harbour + Partners Charitable Foundation	£5,000
The Samworth Foundation	£48,374
Sherwood Forest Fund	£5,000
Smallwood Trust	£63,154
Derek Smith	£10,000
Trust for London	£78,558
The Tudor Trust	£45,964

WWW.NEWECONOMICS.ORG

info@neweconomics.org

+44 (0)20 7820 6300

Registered charity number 1055254

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PUBLISHED:

December 2020

COVER IMAGE:

iStock

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