

**FABIAN  
SOCIETY**

# FAIR TO ALL

FINDINGS FROM THE FABIAN SOCIETY  
CITIZENS' JURY ON THE FUTURE OF  
SOCIAL SECURITY

Josh Abey

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Kindly supported by

 **Standard Life  
FOUNDATION**

## Acknowledgements

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## About the author

Josh Abey is a senior researcher at the Fabian Society

## Supported by

Standard Life Foundation funds research, policy work and campaigning activities to tackle financial problems and improve living standards for people on low-to-middle incomes in the UK. It is an independent charitable foundation registered in Scotland.

## Introduction

Between Monday 30 November and Friday 11 December 2020, the Fabian Society carried out an online citizens' jury with a group of 22 working-age participants drawn from across Great Britain. The citizens' jury took place across four two-hour evening sessions on Zoom. Jurors heard presentations from expert speakers and deliberated on the purpose of the social security system; the generosity of means-tested social security benefits; the role of contributory benefits and benefits paid to cover extra costs from children and disability; and how the system should be reformed. They completed online surveys between each session, to quantify the group's attitudes, steer subsequent discussions and shape the group's emerging proposals.

The jury was part of Social Security Solutions, a Fabian Society project exploring the direction for social security over the medium term. For this reason the discussions did not focus in detail on the impact of the Covid-19 pandemic or on the many problems associated with universal credit that are unrelated to its generosity (although these issues did come up during the conversations). The jurors were asked to think about the system they wanted in five years' time and answer two questions:

- How much money should people be paid by social security in different circumstances?
- Should social security become less based on means-testing households' income and savings?

The jurors were recruited to be broadly representative of the country – with an even gender split, a mixture of ages between 18 and 65, a range of different ethnicities, roughly proportional numbers of people from each region and nation in Great Britain, and a mixture of people with and without children. To give weight to the perspectives of people with personal experiences of social security we 'oversampled' people receiving social security benefits (excluding child benefit), with nine of the 22 jurors in receipt of a benefit or tax credit. Accordingly, the group had a higher proportion of people who were not working (five out of 22) and people who were in the C2DE socio-economic groupings (13 out of 22) than there are in the working-age population.

By the end of the final session, the jurors arrived at a set of proposals for change in the social security system which they presented to Stephen Timms MP, chair of the House of Commons Work and Pensions Committee.

This paper presents the jury's recommendations and provides 13 key insights from participants' deliberations.

## Structure of the citizens' jury

The citizens' jury was conducted over four online sessions. Each session lasted two hours, and each was attended by all 22 jurors. Jurors were also asked to complete three online surveys, one in between each of the sessions.

*First session (Monday 30 November 2020) – How social security works*

- Introductions and Fabian Society presentation on the aim of the citizens' jury – to explore what the social security system should look like in five years' time
- Breakout – initial thoughts about social security
- Fran Bennett (University of Oxford) presentation on the aims of the social security and the current system in the UK
- Andrew Harrop (Fabian Society) presentation on how much different groups receive from social security
- Breakout – reactions to presentations

*First survey completed by 21 jurors after the session*

*Second session (Thursday 3 December 2020) – How much money should people be paid through the social security system?*

- Fabian Society presentation on first survey results
- Breakout – discussion of survey results
- Donald Hirsch (Loughborough University) presentation on minimum income standard research
- Andrew Harrop (Fabian Society) presentation on the value of social security payments compared to the minimum income standard
- Breakout – thoughts on presentations and ideas for policy to make benefit levels fairer

*Second survey completed by 20 jurors after the session*

*Third session (Monday 7 December 2020) – To what extent should social security be means-tested?*

- Fabian Society presentation on second survey results
- Breakout – discussion of survey results
- Ben Chu (The Independent) presentation on contribution-based and universal benefits
- Breakout – thoughts on means-testing in response to presentations
- Andrew Harrop (Fabian Society) presentation on tax allowances and social security

- Breakout – discussion of means-testing, tax allowances and ideas for policy

*Third survey completed by 22 jurors after the session*

*Fourth session (Friday 11 December 2020) – Reaching conclusions*

- Fabian Society presentation on third survey results and summary of policy ideas so far
- Breakout – discussion of survey results and agreeing policy recommendations
- Andrew Harrop (Fabian Society) presentation on costs of policy ideas
- Breakout – revising and finalising policy recommendations in light of costs
- Breakout – agreeing arguments in favour of each policy recommendation
- Juror presentations of policy recommendations to Stephen Timms MP

## The jury's recommendations

### **How much money should people be paid by social security in different circumstances?**

The citizen's jury proposed an increase in the generosity of universal credit to ensure recipients' incomes are closer to the amount needed to achieve a reasonable minimum standard of living (i.e. the minimum income standard).

They identified particular groups they thought should come closest to the minimum income standard, such as severely disabled people, carers, and parents in work.

For all adults receiving social security, as a minimum they wanted the temporary 2020 uplift in universal credit to become a permanent feature of the system.

In addition to the £20 uplift the jury supported modest extra payments in universal credit for: families, carers, disabled people and parents caring for young children. A significant minority of the jury wanted more significant increases but these proposals did not secure majority support because of their cost.

The jurors wanted the level of payments for under-25s levelled-up to the amount paid to people aged 25 to 65.

Finally, the jurors called for reform to financial support for childcare so that the government pays a large share of the costs of full-time childcare for low-income families, although many in the group favoured free childcare for all.

### **Should social security become less based on means-testing households' income and savings?**

The jurors made a strong recommendation to replace contributory jobseeker's allowance with an unemployment insurance benefit that mimics the Covid-19 furlough scheme – paying up to 80 per cent of previous earnings for six months.

They recommended that all long-term unemployed people have an entitlement to free training with financial support or paid work placements guaranteed by the government.

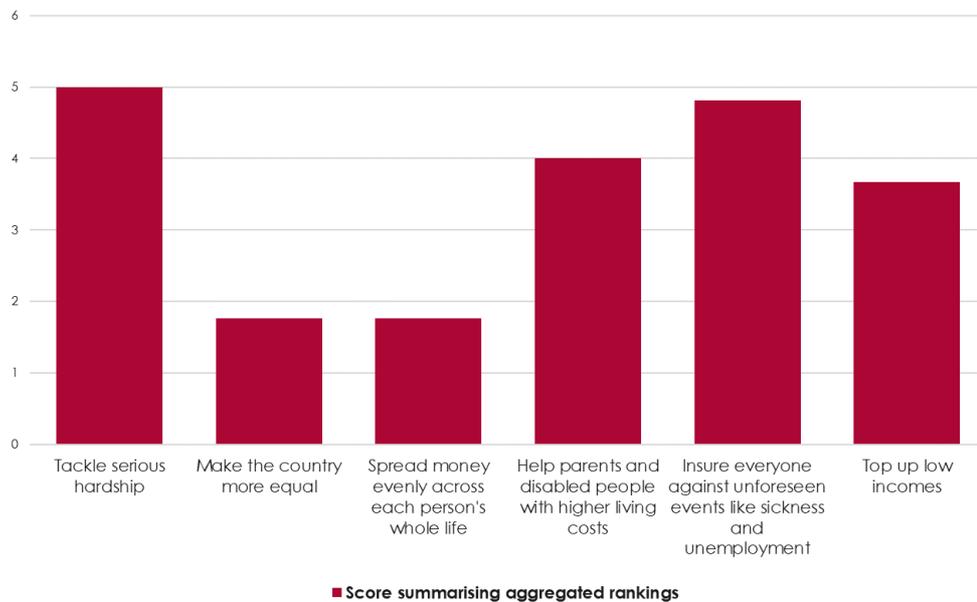
A small majority of jurors supported the principle of universal benefits to help meet the extra costs of children and disability. But the jury did not back higher spending in this area and supported paying child benefit at its current levels.

## Insights from the jury

### The key purpose of social security should be to help when people fall on hard times

The jurors discussed the purpose of the UK social security system. They felt that the main reason it exists is to protect people against poverty or when they lose their earnings unexpectedly. When asked to rank a list of potential aims of the system, the most popular two options were to ‘tackle serious hardship’ and ‘insure everyone against unforeseen events like sickness and unemployment’.

FIGURE 1: RANK THESE POSSIBLE AIMS OF THE SOCIAL SECURITY SYSTEM IN ORDER OF IMPORTANCE TO YOU



Source: Fabian Society citizens' jury, first survey, 21 participants

*“My impression of it is like it's a fallback plan.” – Man not in receipt of benefits, 40, East Midlands*

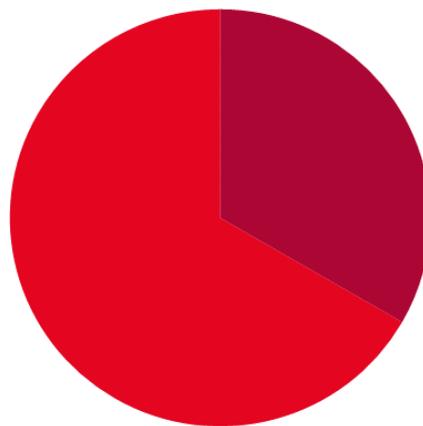
*“I've never claimed benefits. But for me, it's almost like an emergency backup if you're in dire need. So, if you become ill or you lose your job, that the government does provide you with some basic backup. That's the way I see it rather than people setting out in life to want to claim benefits.” – Woman not in receipt of benefits, 51, North West*

## Social security benefits are inadequate – in terms of both payment levels and gaps in the system

Most of the jurors thought that benefit payments were not generous enough for recipients to achieve a reasonable standard of living. Many expressed this view at the outset of the jury.

In our first survey, two thirds of the jurors supported social security sufficient to 'provide enough for a modest but reasonable lifestyle even if that means higher taxes'.

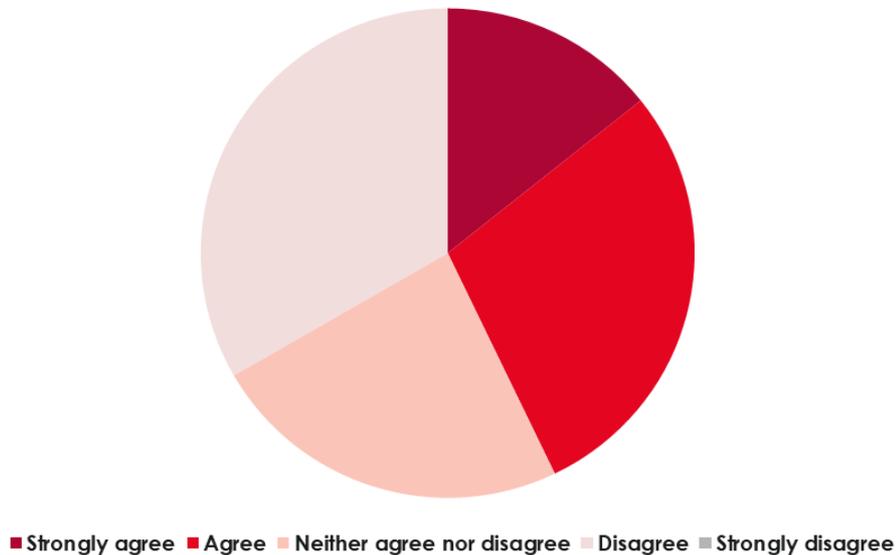
FIGURE 2: WHICH OF THESE TWO STATEMENTS COMES CLOSEST TO YOUR OWN VIEW?



- Benefits should provide people very little so that taxes don't need to be increased.
- Benefits should provide enough for people to lead a modest but reasonable lifestyle even if that means higher taxes.

Source: Fabian Society citizens' jury, first survey, 21 participants

FIGURE 3: "THE GOVERNMENT SHOULD SPEND MORE MONEY ON WELFARE BENEFITS FOR THE POOR, EVEN IF IT LEADS TO HIGHER TAXES"



Source: Fabian Society citizens' jury, first survey, 21 participants

Then, in session two, we presented the jury with information about the minimum income standard and the amount of money social security provides different households, as a percentage of the MIS. After this presentation the sentiment grew stronger in the group that social security was not sufficiently generous.

"My opinion of it is that it's still quite a struggle to survive especially with, for example, a newborn who needs nappies and so many things." – *Woman in receipt of benefits, 38, South East*

"There's no way someone could survive on that, unless they're relying on charity and increasingly food banks now. So, the increase in food banks tells me that the social security system isn't working." – *Man not in receipt of benefits, 62, Wales*

Similarly, some jurors drew attention to the fact that some people are not adequately covered by the system, and are not actually eligible for as much support as they should be. This point was made mainly in reference to self-employed people.

"I've been really disappointed in the system because it didn't support [my newly self-employed daughter] whatsoever and it's had to come back to us to actually do the supporting for her." – *Man not in receipt of benefits, 55, Scotland*

## **Some people get more than they should out of the system, while others are not getting enough**

A number of jurors raised concerns that some benefit recipients were managing to squeeze more money out of the social security system than they should really be getting – either because the rules for eligibility are not fit for purpose, because rules are not enforced tightly enough, or through outright abuse and fraud. These views were particularly pronounced at the start of the citizens' jury.

Some jurors directly connected these views to the feeling that some people who should be receiving help from the benefits are not receiving enough – for example, because abuse in the system has made assessment of eligibility more rigorous, which prevents some genuine claimants from accessing the system. Again, these views tended to be expressed nearer to the start of the citizens' jury sessions.

*“Social security, I associate that with the word or two words, job dodging. I think it's a way for people to get money without having to... to go through life doing nothing.” – Woman in receipt of benefits, 40, London*

*“I do think that some people, rightly or wrongly, manage to get a lot of benefits from social security and sometimes the people that actually need it are not getting the benefits they should.” – Woman not in receipt of benefits, 48, Scotland*

## **Some should be prioritised when it comes to raising payment levels**

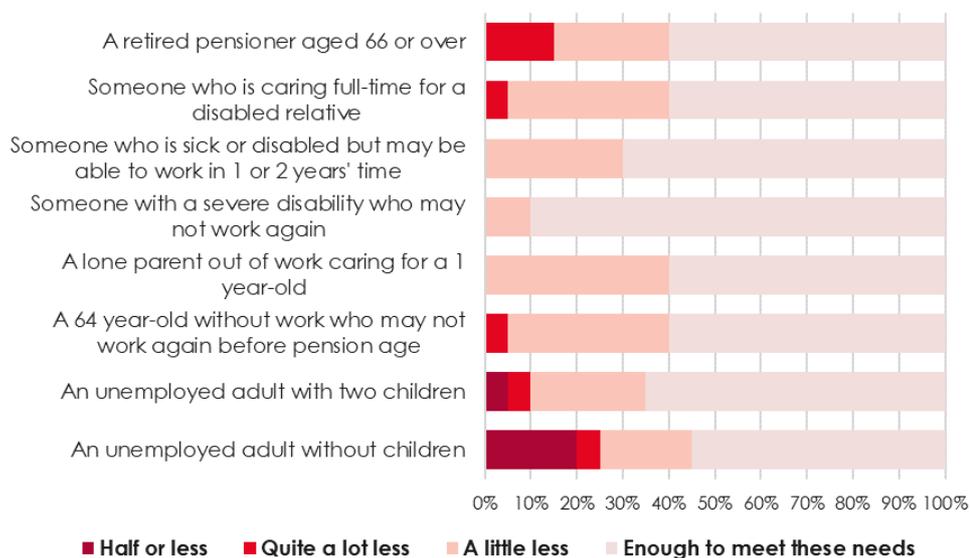
Jurors tended to think it was particularly unjust that those who had strong attachments to the world of work had incomes well below what is required to meet modest everyday needs. It was felt to be unfair that people off work due to illness, who had previously been in work and paying into the system, received much less than the Minimum Income Standard. Jurors felt strongly that it was also wrong that some households working full-time were not supported by the system to reach the Minimum Income Standard.

After being presented with the Minimum Income Standard research, the jurors indicated in a survey what proportion of the Minimum Income Standard each household type in receipt of benefits should get. For almost all of these household types – both those out of work and in work – a majority of jurors at this stage thought people should have enough to meet their reasonable minimum needs (the financial implications were discussed in a later session).

**FIGURE 4: EVIDENCE PRESENTED TO THE JURY ON HOW LIVING STANDARDS FOR DIFFERENT GROUPS COMPARE TO THE MINIMUM INCOME STANDARD**

	Less than 40%	40% to 60%	60% to 80%	80% to 100%	Over 100%
<b>Not in work</b>	Unemployed 18-65 without children	Most parents with children	18-65 with serious disabilities	Single 66+ (without a private pension)	Couple 66+ (if each has a full state pension)
	18-65 with moderate disabilities	Full-time carers	University students (a subsidised loan)	Lone parent on statutory maternity leave	66+ with serious disability
<b>In work minimum wage job</b>	Single adult under 25, working part time		Single adult under 25, working full time	Single adult 25-65 working full-time	Couple, 25-65 both working full time
		Lone parent working full time, 2 pre-school children	Lone parent working part time	Lone parent with 2 children working full-time	
		Couple with 4 children both working full time	Couple with 2 pre-school children, both full-time	Couple with 2 children, one working full time, the other not working	Couple with 2 children, both working full time

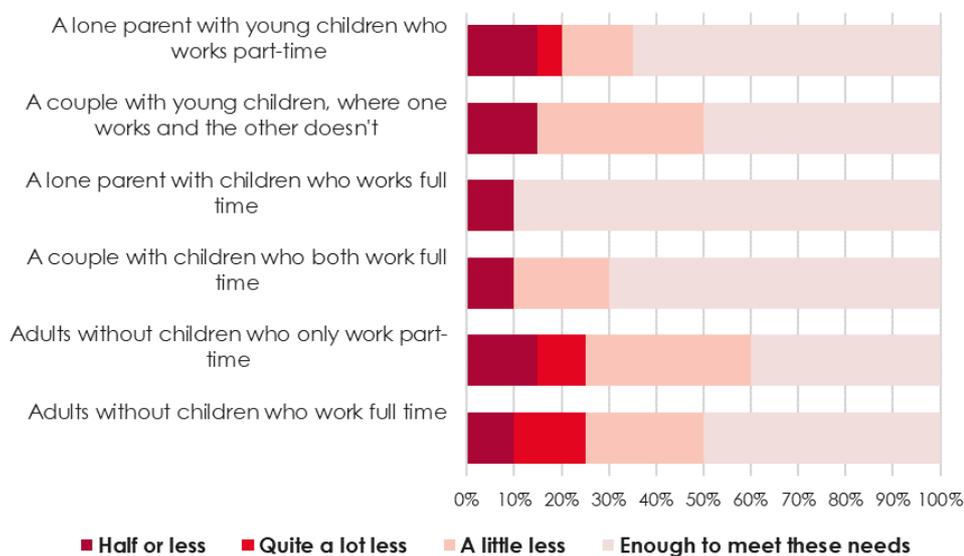
**FIGURE 5: HOW MUCH SHOULD PEOPLE OUT OF WORK IN DIFFERENT CIRCUMSTANCES LIVE ON, COMPARED TO WHAT THE PUBLIC THINKS IS A REASONABLE MINIMUM STANDARD OF LIVING?<sup>1</sup>**



Source: Fabian Society citizens' jury, second survey, 20 participants

<sup>1</sup> Full survey question: *Benefits for people OUT OF WORK usually pay less than the amount required for people to have the standard of living that the public considers to be a reasonable minimum. But raising benefits to give everyone this minimum would be very expensive and would lead to significant tax rises. How much should people in different circumstances live on, compared to what the public thinks is a reasonable minimum standard of living?*

**FIGURE 6: HOW MUCH SHOULD PEOPLE IN WORK IN DIFFERENT CIRCUMSTANCES LIVE ON, COMPARED TO WHAT THE PUBLIC THINKS IS A REASONABLE MINIMUM STANDARD OF LIVING?<sup>2</sup>**



Source: Fabian Society citizens' jury, second survey, 20 participants

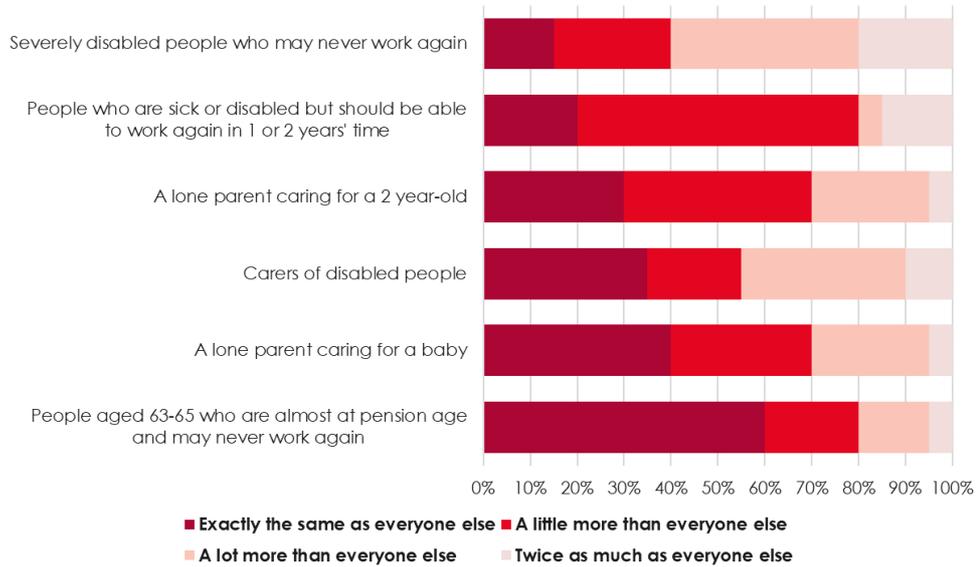
"[A man recovering from injuries caused by a car accident] should be getting more than that because he worked before, and he's got to rehabilitate, and get back to work after. He shouldn't be expected to live on 60% to 80% [of the Minimum Income Standard]. If we're using it as an insurance type thing, the benefits system, he should be getting a lot more than that 60% to 80%." – *Man not in receipt of benefits, 40, East Midlands*

"I think a couple with four children both working full-time and only meeting 40% to 60% [of the MIS] is unfair." – *Woman not in receipt of benefits, 32, South West*

The deliberations around raising payment levels revealed that the jury prioritised more generosity for some groups over others. Jurors were particularly keen to spend more on carers, working parents on low incomes and disabled people who cannot work. The unemployed were the group who they felt were least deserving of extra income.

<sup>2</sup> Full survey question: *Benefits for people IN WORK top up low earnings to help them meet their living costs. Sometimes the amount households get (in pay and benefits combined) is less than the amount required to have the standard of living that the public considers to be a reasonable minimum. How much should different people live on, if they are working on the minimum wage, compared to what the public think is a reasonable minimum standard of living?*

**FIGURE 7: HOW MUCH DO YOU THINK PEOPLE IN THESE SITUATIONS SHOULD RECEIVE COMPARED TO EVERYONE ELSE WHO IS NOT WORKING?<sup>3</sup>**



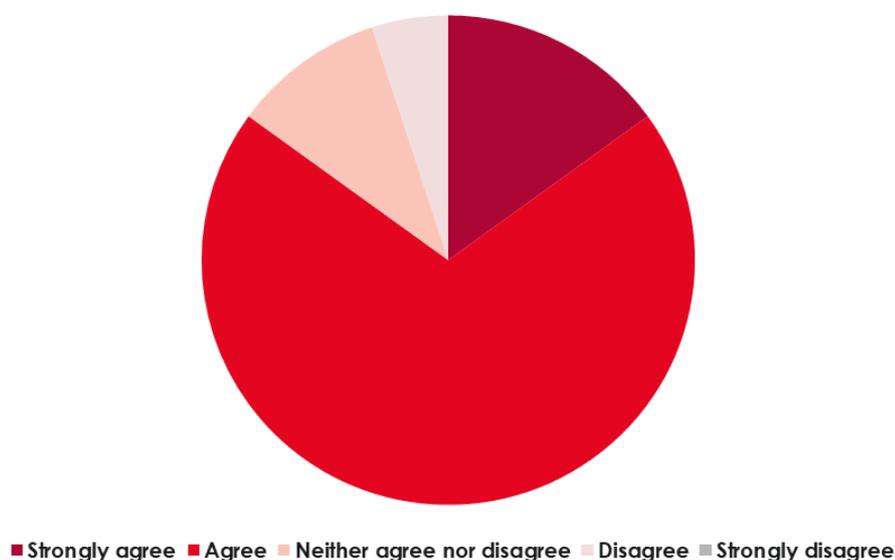
Source: Fabian Society citizens' jury, second survey, 20 participants

The group was especially supportive of paying carers more, with jurors proposing a large increase in payments to carers as one of their early recommendations.

*“Carers certainly don't get enough for the amount of work they do. If you had to pay the comparable amount of money with the health service, the social care service, you'd be paying three times as much.”*  
 – *Man not in receipt of benefits, 62, Wales*

<sup>3</sup> Full survey question: *Some people think that those who have particular reasons to be out of work should receive more in benefits than the unemployed, even though paying higher benefits usually means higher taxes. Thinking about people who are out of work, how much do you think people in these situations should receive compared to everyone else who is not working?*

FIGURE 8: “CARERS OF DISABLED PEOPLE SHOULD RECEIVE A LOT MORE MONEY, AND IDEALLY BE PAID FOR THE WORK THEY DO”

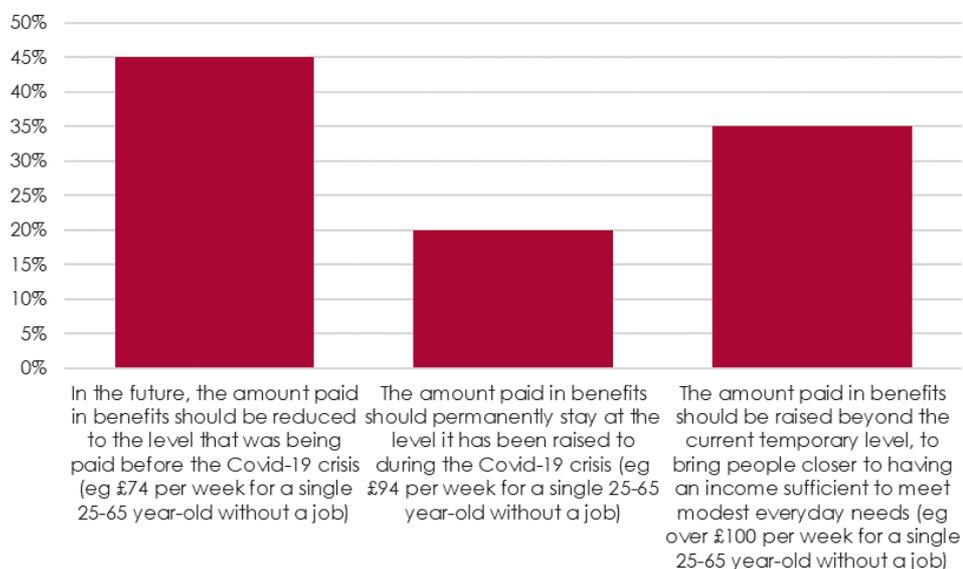


Source: Fabian Society citizens' jury, second survey, 20 participants

### **The universal credit Covid-19 uplift should be made permanent and generosity should be further increased – although some disagreed**

As the citizens' jury progressed, the group moved in the direction of supporting a more generous universal credit. Our second survey (following discussion of Minimum Income Standards) demonstrated majority support for either retaining the £20 Covid-19 uplift to the universal credit standard allowance or increasing this amount further towards what would be required for people to have a reasonable minimum standard of living. At this stage, a little under half of jurors supported cutting universal credit back to pre-pandemic levels.

FIGURE 9: PLEASE SAY WHICH OF THESE STATEMENTS IS CLOSEST TO YOUR VIEWS<sup>4</sup>



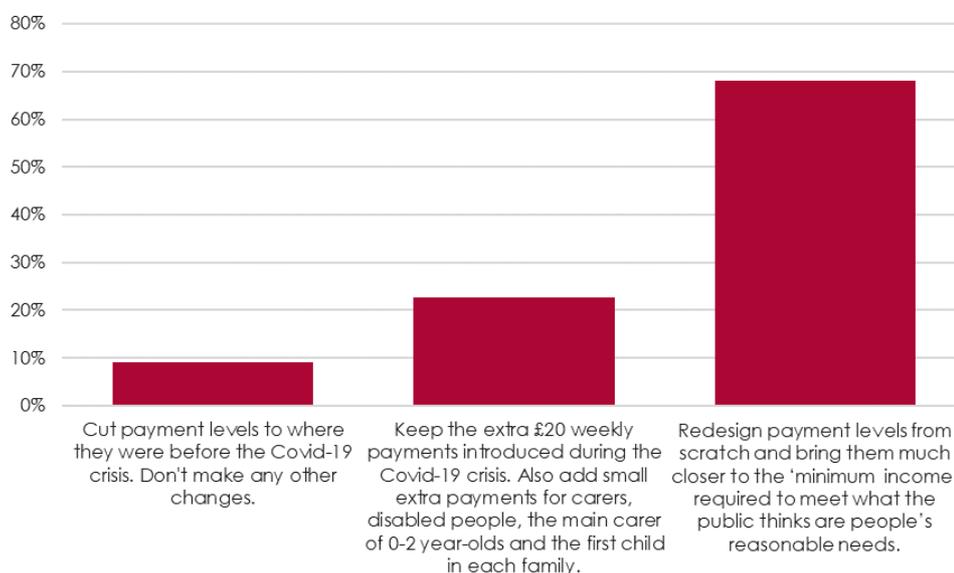
Source: Fabian Society citizens' jury, second survey, 20 participants

Support for more generous solutions increased further once jurors started to debate and co-design alternative packages of solutions. Based on the discussions and survey results in the first two sessions, we developed three options for the future: reducing universal credit payments to the pre-pandemic levels; retaining the £20 uplift payments and adding modest extra payments for certain groups like carers and disabled people; and redesigning universal credit levels and extra entitlements from scratch to bring a big increase in their generosity.

When asked about what should happen to universal credit when thinking about these options, almost all the jurors favoured one of the two options for a more generous system. At this stage most participants favoured the more radical of our reform options: completely redesigning payment levels to bring recipients much closer to meeting the Minimum Income Standard.

<sup>4</sup> Full survey question: Social security payments were increased at the start of the Covid-19 pandemic and are scheduled to be reduced back to their old level in April 2021. Please say which of these statements is closest to your views. Remember higher benefits mean that taxes will need to be higher too.

FIGURE 10: AT THE START OF SESSION 3, WE DISCUSSED THREE OPTIONS FOR THE FUTURE OF UNIVERSAL CREDIT. WHICH OF THE THREE OPTIONS DO YOU MOST SUPPORT?



Source: Fabian Society citizens' jury, third survey, 22 participants

However this support then waned after the jury received additional information on the costs of each reform option in the final session. At this stage the group became roughly evenly split between the larger and smaller increases in universal credit generosity described in the survey – with the jury's 'median' position being to keep the £20 uplift and add small extra payments for families, carers, disabled people and parents of young children. This was the jury's final recommendation.

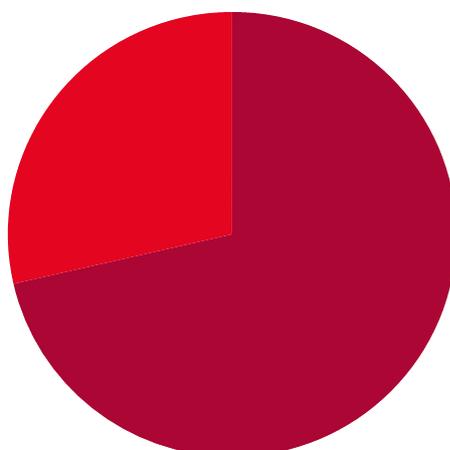
*"Definitely not in favour of actually redesigning the full payment system." – Man not in receipt of benefits, 48, South East*

*"I think plan A [redesigning payment levels from scratch] would be a bitter pill to swallow for the general public." – Man not in receipt of benefits, 27, East of England*

### People in different age groups in the same circumstances should be entitled to the same payment amounts

The group overwhelmingly supported increasing payment levels for recipients aged between 18 and 24, to match payment levels for those aged between 25 and 65. Jurors found it difficult to understand why younger claimants with the same needs as those slightly older should receive less – and felt it was not right to assume 18-24-year-olds could necessarily live with parents to reduce their living costs.

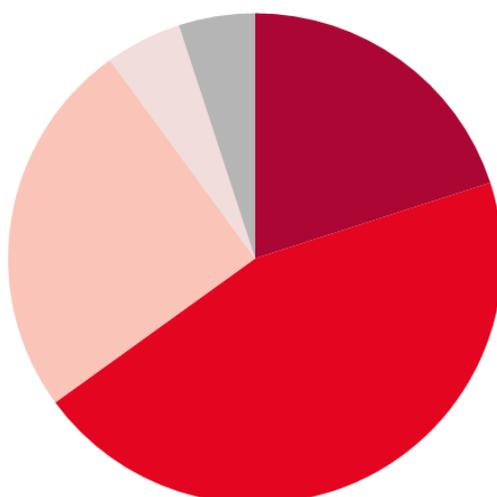
FIGURE 11: WHICH OF THESE TWO STATEMENTS COMES CLOSEST TO YOUR OWN VIEW?



- People of all ages with similar needs should receive similar amounts in benefits, whether they are young adults, middle-aged or retired.
- Pensioners deserve more than other groups because they are retired and have paid in all their lives. And 22 year-olds can get by with less than 52 year-olds.

Source: Fabian Society citizens' jury, first survey, 21 participants

FIGURE 12: "PEOPLE AGED 18 TO 24 SHOULD BE PAID THE SAME AMOUNT IN BENEFITS AS PEOPLE AGED 25 TO 65, EVEN IF THIS MEANS HIGHER TAXES"

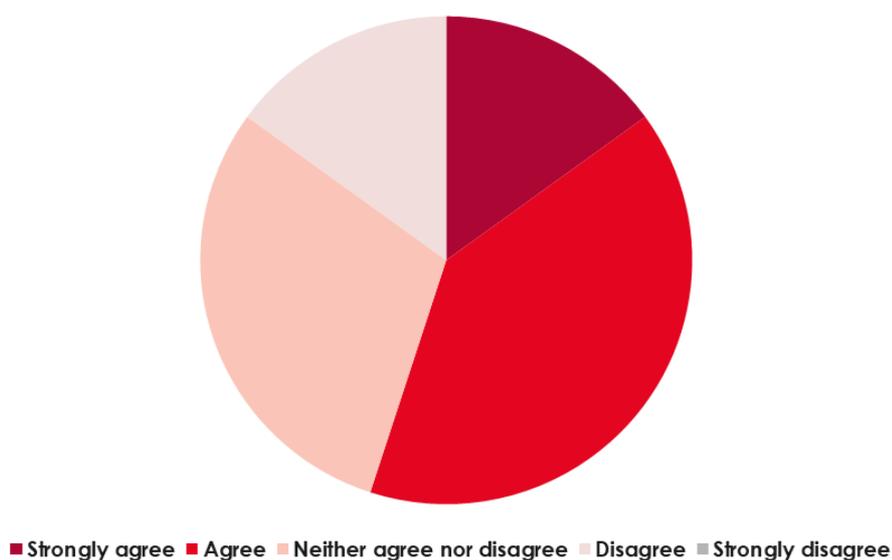


- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

Source: Fabian Society citizens' jury, second survey, 20 participants

A majority of jurors also agreed that there should not be a gap in payment levels between what working-age people receive and what pensioners receive, although this majority was smaller than that in favour of higher payments for 18-24-year-olds.

**FIGURE 13: "THE GAP BETWEEN THE AMOUNT PAID IN BENEFITS TO 25 TO 65 YEAR-OLDS AND THE AMOUNT PAID TO PENSIONERS AGED 66 AND ABOVE SHOULD BE GRADUALLY REDUCED, EVEN IF THIS MEANS HIGHER TAXES"**



Source: Fabian Society citizens' jury, second survey, 20 participants

*"Age is irrelevant. Circumstance should be the main focus." – Man in receipt of benefits, 46, South West*

### **Parent should not receive more money for large families than they do now – although some disagreed**

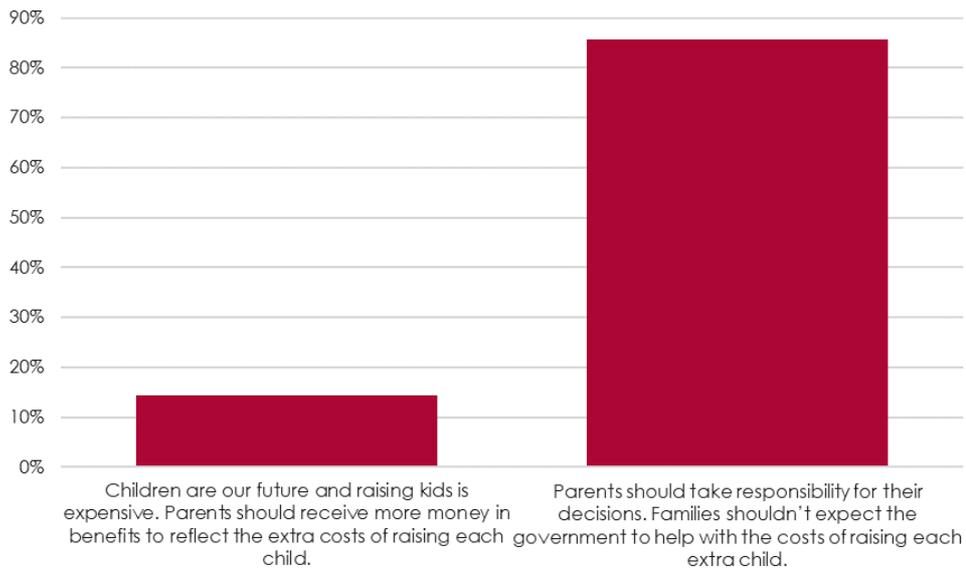
A clear majority of the jurors felt that parents receiving universal credit should not be entitled to additional money for having more than two children. This robust viewpoint is noteworthy, considering that the jury was in general supportive of more generous social security, both overall and for many specific groups, and that social security recipients were over-represented on the jury.

There was a strong sense from many participants that how many children families have is something that is within their control, and that people should not receive more in benefits for making decisions which were suggested to be irresponsible.

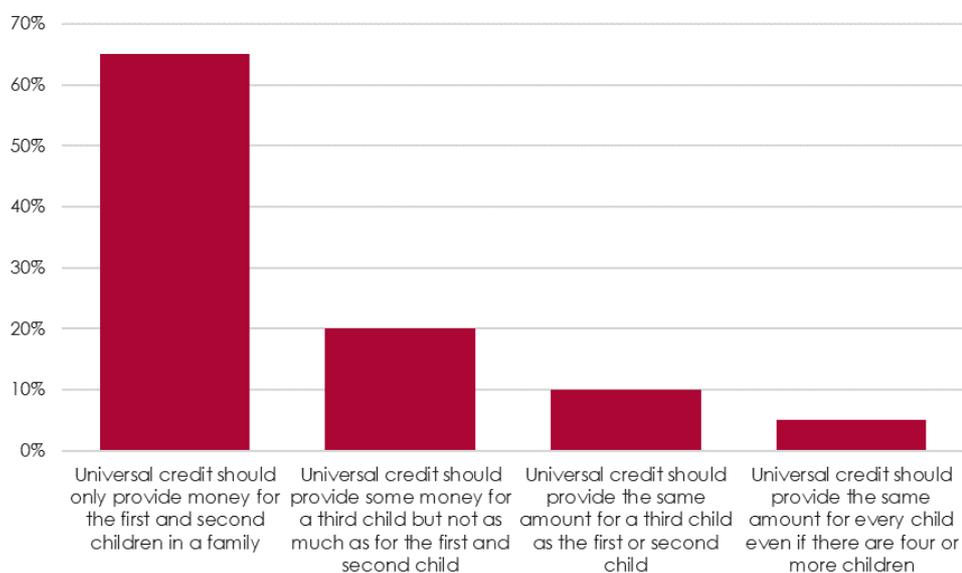
*"Is it fair that somebody who's thought, 'well, I can't afford any more children, I'll just have 1 or 2,' but somebody else is saying, 'I'll have 3 or 4,' do you know what I mean?" – Woman not in receipt of benefits, 63, West Midlands*

In questions asked of jurors between the first and second sessions (Figure 14), and between the second and third sessions (Figure 15), a large majority of the group were resistant to the idea of providing more money for additional children.

**FIGURE 14: WHICH OF THESE TWO STATEMENTS COMES CLOSEST TO YOUR OWN VIEW?**



Source: Fabian Society citizens' jury, first survey, 21 participants

FIGURE 15: WHICH STATEMENT IS CLOSEST TO YOUR VIEWS?<sup>5</sup>

Source: Fabian Society citizens' jury, second survey, 20 participants

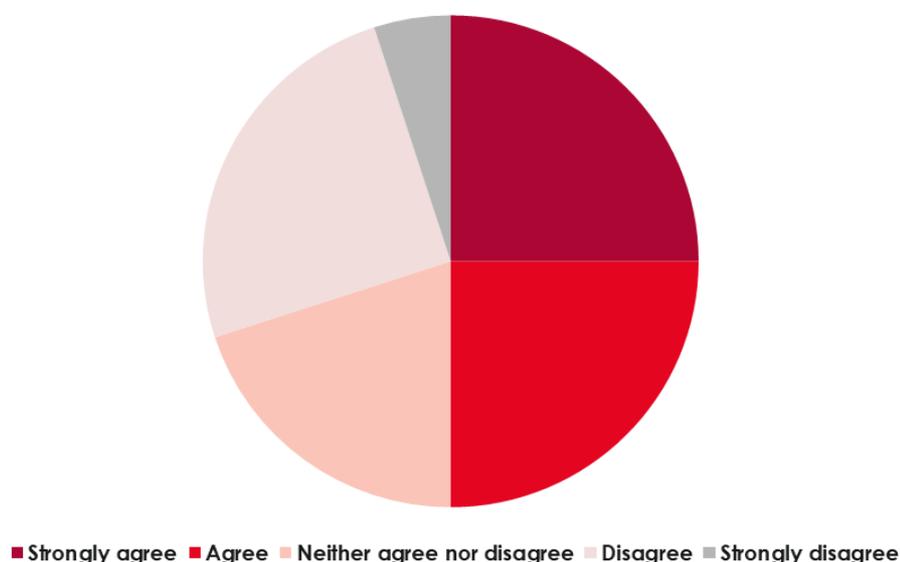
There was some dissent from this view from within the group. Some jurors said that children in larger families should not have to miss out because of parents' decisions, while others suggested extra money for extra children was justified as long as parents are working reasonable hours for their circumstances.

There was also evidence that jurors were internally conflicted. When asked to vote on a juror's proposition that families should always get enough to meet their reasonable minimum needs, regardless of family size, half of the participants agreed that they should (including people who had also voted for the two-child limit).

*"I know I previously mentioned that there should be a hard stop with the number of the children but again, I think if they say no extra support for three or more children, that's not really taking the individual's circumstance into consideration." – Man not in receipt of benefits, 30, London*

<sup>5</sup> Full survey question: Parents receive universal credit if they are out of work or have low earnings. At the moment they get extra money to cover the costs of their first and second child but not any other children. This saves taxpayers money but means that children have a lower standard of living when there are three or more of them in a family. Which statement is closest to your views?

FIGURE 16: "FAMILIES WITH CHILDREN SHOULD ALWAYS GET ENOUGH TO MEET THEIR REASONABLE MINIMUM NEEDS, NO MATTER WHAT THEIR CIRCUMSTANCES OR THE NUMBER OF CHILDREN"



Source: Fabian Society citizens' jury, second survey, 20 participants

### The government should pay more of the costs of childcare – although there was little consensus on how much more

The jury was told that the cost of childcare is one of the main reasons why parents with low earnings often have disposable incomes well below the Minimum Income Standard.

The jury's deliberations revealed a wide range of views on the extent to which the government should cover the costs of childcare. Following an initial briefing, the jury's discussion and a survey suggested fairly strong support for free childcare to allow parents to work as many hours as they were able. However, this view was far from universal and came with caveats from some participants, for example that childcare should only be free for working parents for the hours they were working. Furthermore, as the sessions progressed, some supporters of free childcare for all became less sure once informed of the likely cost to the Treasury.

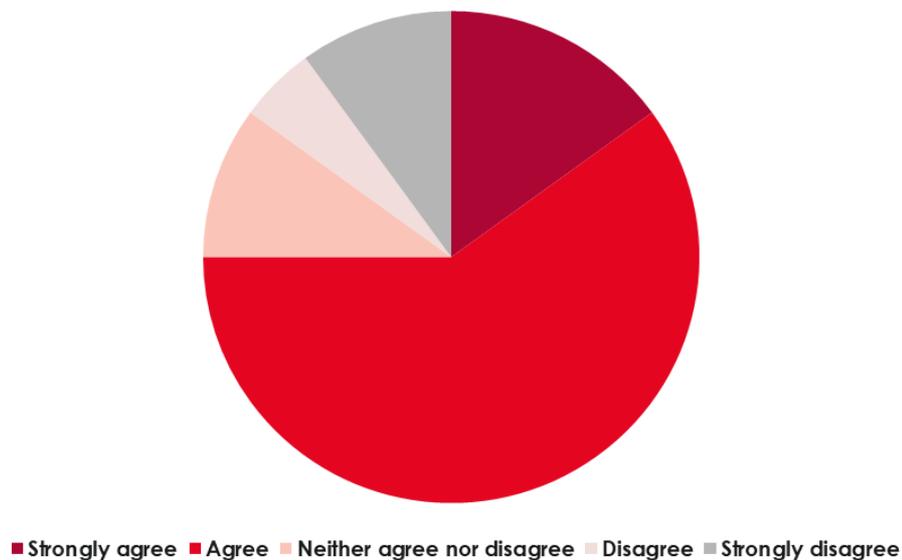
"The childcare one is a really good idea. I think free childcare for all."  
– *Woman in receipt of benefits, 48, East of England*

"Free childcare for all, I think that's a little bit too inclusive."  
– *Woman not in receipt of benefits, 38, Wales*

“I’m afraid I fundamentally disagree on the government paying for childcare. I don’t think that’s right at all. I think that just encourages people to have more children that they can’t afford.” – *Man not in receipt of benefits, 40, East Midlands*

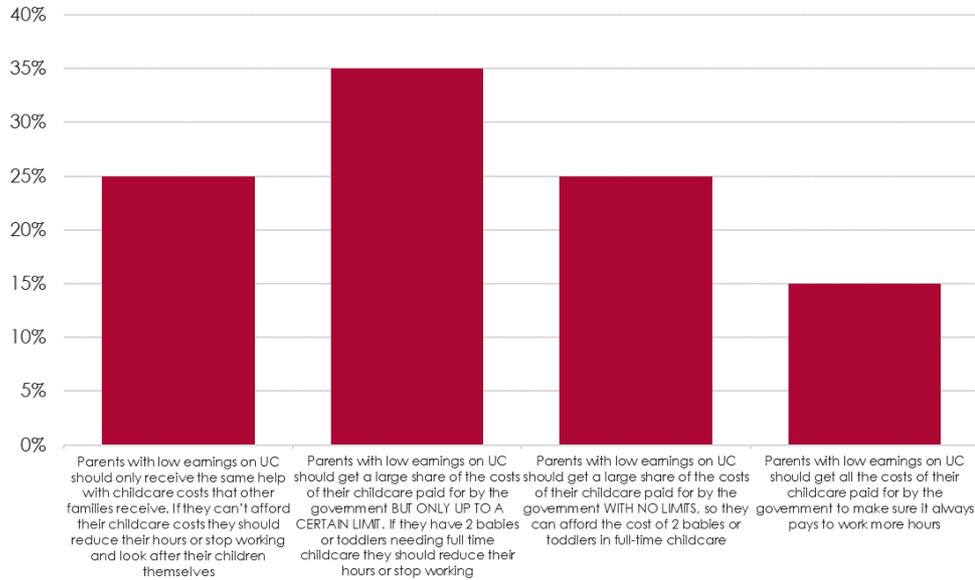
In a question asked to jurors between the second and third sessions (Figure 17), a large majority expressed a preference in favour of free childcare. In the same survey, however, free childcare for families in receipt of universal credit was favoured by only a small minority of jurors when presented with a range of options (Figure 18). In response to a survey question asked following the third session (Figure 19), a plurality of jurors favoured free childcare.

FIGURE 17: “CHILDCARE SHOULD BE FREE SO THAT IT ALWAYS PAYS TO GO TO WORK, EVEN IF YOU HAVE A LARGE FAMILY OR VERY YOUNG CHILDREN”



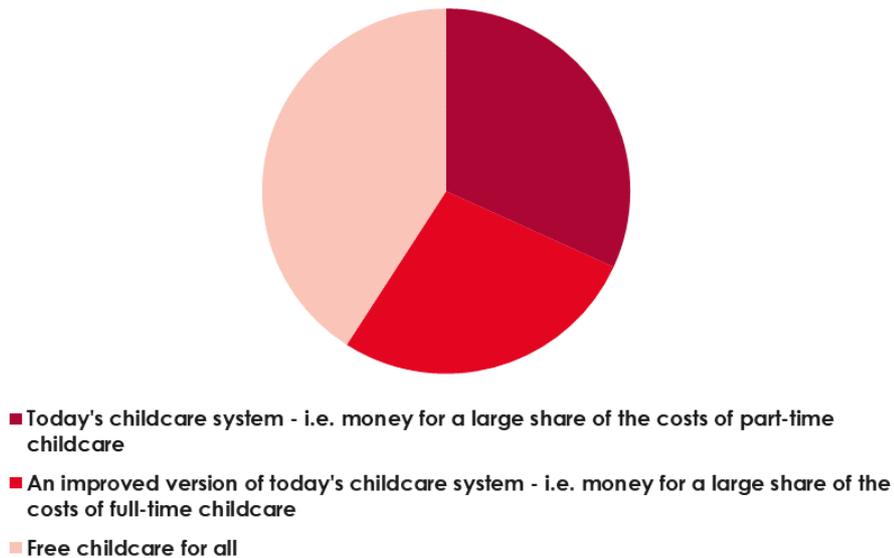
Source: Fabian Society citizens' jury, second survey, 20 participants

FIGURE 18: CHILDCARE IS VERY EXPENSIVE BUT THE GOVERNMENT HELPS WITH THE COSTS IN SEVERAL WAYS, INCLUDING THROUGH SPECIAL UNIVERSAL CREDIT PAYMENTS FOR CHILDCARE, THE TAX-FREE CHILDCARE SCHEME AND FREE NURSERY PLACES. WHICH OF THESE STATEMENTS IS CLOSEST TO YOUR VIEW?



Source: Fabian Society citizens' jury, second survey, 20 participants

FIGURE 19: AT THE START OF SESSION 3, WE DISCUSSED THREE OPTIONS FOR GOVERNMENT SUPPORT FOR THE COSTS OF CHILDCARE. WHICH OF THE THREE OPTIONS DO YOU MOST SUPPORT?



Source: Fabian Society citizens' jury, third survey, 22 participants

During the final session, a more generous version of today's childcare system was established as the 'median' preference – and the group agreed to present this proposal as one of its conclusions at the end of the jury.

### **There are problems with the system other than payment levels and eligibility – such as complexity and a lack of consideration of personal circumstances**

At several points, jurors steered the discussion towards the aspects of the social security system that they thought were problematic but were not related to either benefit levels or eligibility. One such aspect was its complexity. Some jurors made the argument that, for certain groups, finding information about claiming could be confusing. Additionally, without access to the internet and basic digital skills, those in need of support may find it hard to apply.

“I haven't claimed social security but, certainly, helping people with learning disabilities trying to claim, they find it completely complex. They don't understand some of the terminology ... Most of them don't claim what they're entitled to because they don't understand the system.” – *Man not in receipt of benefits, 62, Wales*

“I think that unless you're quite IT-savvy, it is quite difficult. So, if there are people out there that don't have access to the internet or have reasonably strong IT skills, I think it could be quite a difficult system to navigate around.” – *Woman not in receipt of benefits, 51, North West*

There was also some support for the suggestion that the system should be more personalised, to provide each individual with the support that they need based on their circumstances. The group did not reach a conclusion about exactly what this would mean in terms of concrete reform.

“I feel one thing that could help is a personalised plan for everyone, so maybe have a consultancy, maybe an hour with people ... I feel like the idea of having somebody, a consultant, is really important, and it would help cut down the amount of fraud happening, one, and two, help people get what they're truly entitled to.” – *Man in receipt of benefits, 21, London*

“It's not flexible enough to take into account people's individual circumstances.” – *Man not in receipt of benefits, 30, London*

## Unemployment benefits should work like the furlough scheme, replacing 80 per cent of earnings for six months

When the citizens' jury turned to considering contribution-based benefits, a near-consensus emerged in favour of replacing jobseeker's allowance with an earnings-related unemployment insurance benefit. This followed a briefing on the history of contribution-based benefits and a comparison with the social insurance system in most of Europe.

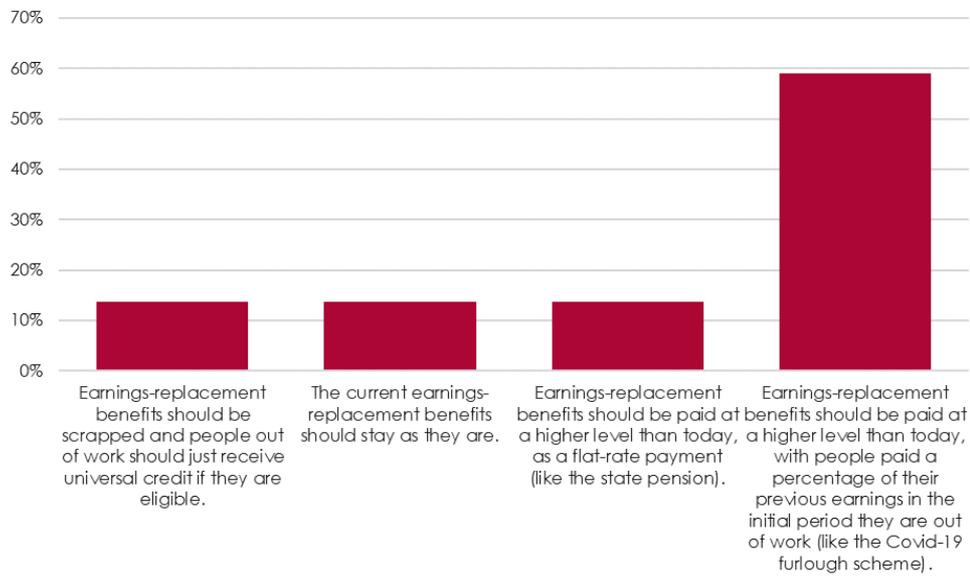
The group supported a benefit would replicate features of the Covid-19 furlough scheme. Anyone with sufficient national insurance contributions would be eligible to receive it after they became unemployed, and the benefit would pay 80 per cent of their previous earnings (up to a cap of £2,500 per month) for a maximum period of six months. After this recipients still unemployed would be eligible for means-tested benefits. Jurors were broadly happy to accept an increase in national insurance contributions to fund this new benefit.

In conversations near the start of the citizens' jury, aspects of this proposal emerged relatively spontaneously from some jurors themselves.

*"In Germany and Holland, don't they have a system so that the more you put into it then if you are out of work you actually get a premium and it goes down the longer you're on it? ... That seems like a much fairer system than the system we have." – Woman not in receipt of benefits, 32, South West*

*"I think that if somebody has worked all their life and they've been made redundant that should be treated slightly differently to somebody who's a serial person that's unemployed." – Woman not in receipt of benefits, 51, North West*

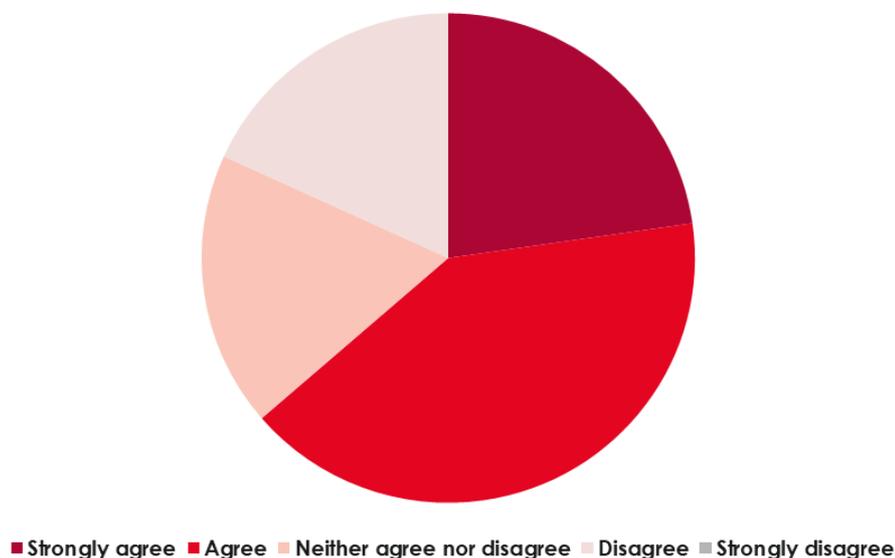
FIGURE 20: WHICH OF THESE STATEMENTS IS CLOSEST TO YOUR VIEWS?<sup>6</sup>



Source: Fabian Society citizens' jury, third survey, 22 participants

<sup>6</sup> Full survey question: *Earnings-replacement benefits are paid without a means test to people who are out of work. They help people who have savings or a partner in work who wouldn't qualify for means-tested universal credit. Which of these statements is closest to your views? Remember, when spending on benefits is increased it usually means that taxes have to rise.*

FIGURE 21: "JOBSEEKER'S ALLOWANCE SHOULD BE REPLACED BY A NEW UNEMPLOYMENT BENEFIT THAT PAYS PEOPLE 80 PER CENT OF THEIR PREVIOUS EARNINGS FOR 6 MONTHS"<sup>7</sup>



Source: Fabian Society citizens' jury, third survey, 22 participants

Once detailed conversations on earnings replacement benefits began, jurors pointed to the operation of the furlough scheme as evidence that such a reform was both desirable and possible.

"They've obviously done it far better with the furlough and actually, for me, I would like that kind of system in place ... they wouldn't have introduced that if it wasn't going to be possible." – *Man not in receipt of benefits, 55, Scotland*

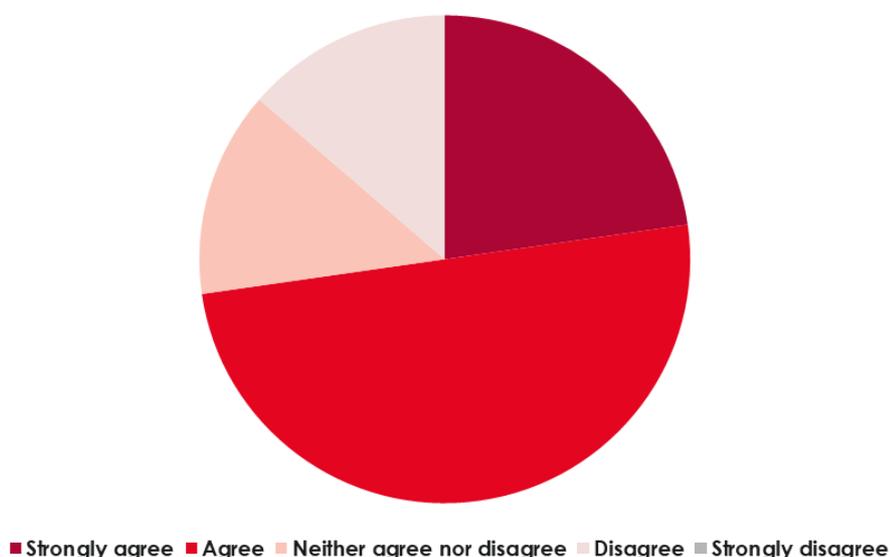
Some comments suggested a strong element of support for the contributory principle.

"I know quite a wealthy couple. One of the couple went off sick, got a really poorly illness but they couldn't actually pay for the mortgage based on the support that was available through the benefits system. I can see that the more you put in there more you should get out but maybe it should be means-tested after a certain amount of time." – *Man in receipt of benefits, 39, North West*

<sup>7</sup> Full survey question: At the moment jobseeker's allowance is paid to unemployed people at £74 per week for 6 months without a means test. This should be replaced by a new unemployment benefit that pays people 80 per cent of their previous earnings for 6 months. I would be happy to pay more tax to pay for this new benefit.

“I think it just makes more sense, especially at the beginning of your unemployment, to have it aligned with what you were contributing whilst you were employed. Obviously for that to cut off after a certain length of time would make sense. But yes, I feel that like method is probably the fairest.” – *Man not in receipt of benefits, 30, North East*

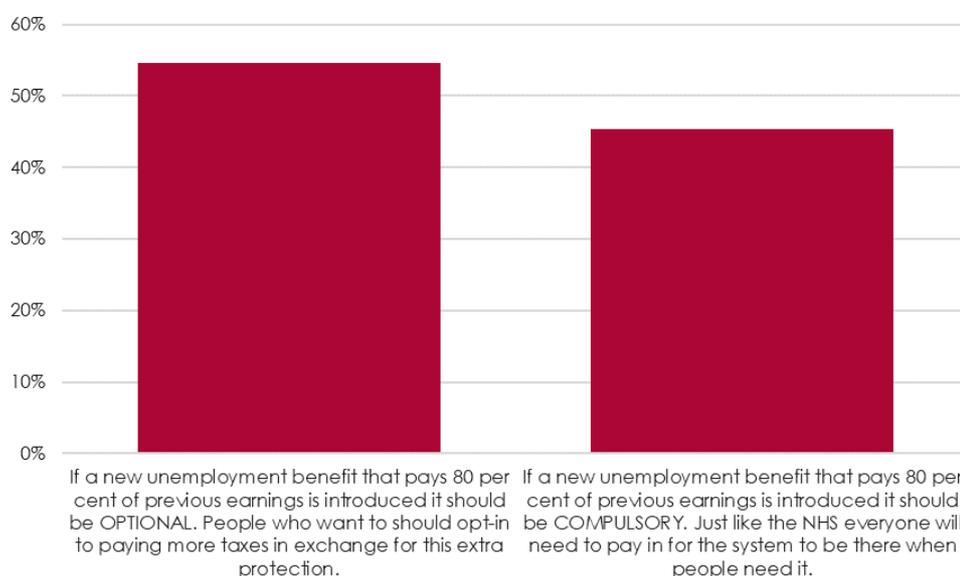
FIGURE 22: “PEOPLE WHO HAVE PAID INTO THE SYSTEM BY MAKING REGULAR NATIONAL INSURANCE CONTRIBUTIONS SHOULD RECEIVE MORE IN BENEFITS THAN THOSE WHO HAVE NOT BEEN ABLE TO DO THIS”



Source: Fabian Society citizens' jury, third survey, 22 participants

Jurors were divided on the question of whether this kind of unemployment insurance should be optional – whether people could opt out of the scheme or whether it should be compulsory. People's views differed partly on questions of principle and partly on practicality.

FIGURE 23: WHICH OF THESE STATEMENTS IS CLOSEST TO YOUR VIEWS?



Source: Fabian Society citizens' jury, third survey, 22 participants

After being presented with information on the cost of a compulsory scheme in the final session – an increase in employee National Insurance contributions of one pence in the pound – jurors still expressed support for the proposal.

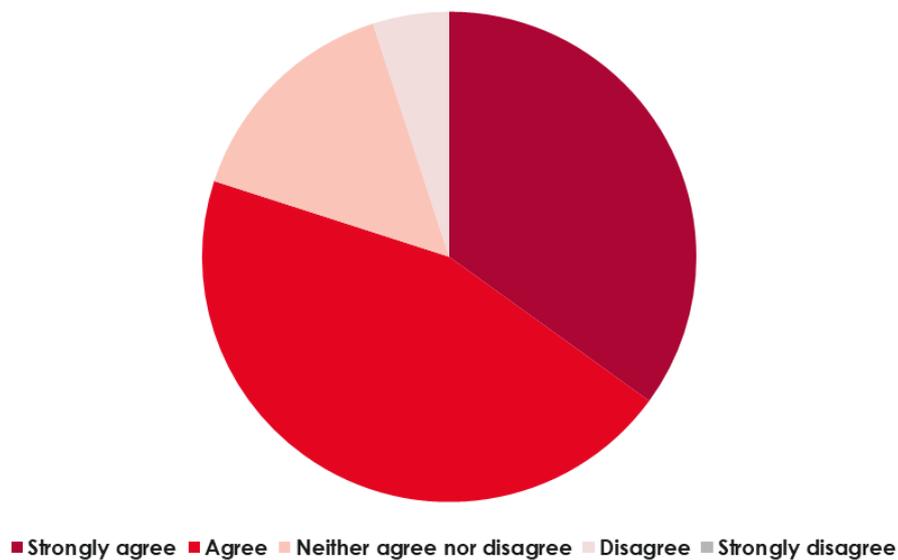
In addition to the new earnings-replacement benefit, jurors discussed the possibility of giving claimants an additional payment conditional on participation in volunteering or career-focused training. A majority of jurors also supported the idea that the government should pay for training or subsidised jobs for people who had been unemployed for more than six months.

“We want people genuinely who need it to get the help. So, if somebody is genuinely on a furlough, on a benefit scheme for that first six months then at that six month stage when that means test has happened, I think at that stage there should be definitely a real push to help them get back into work.” – *Man not in receipt of benefits, 46, Yorkshire*

“They could look at increasing payments to younger people, where perhaps they're developing new skills to broaden their approach to gaining employment.” – *Woman not in receipt of benefits, 51, North West*

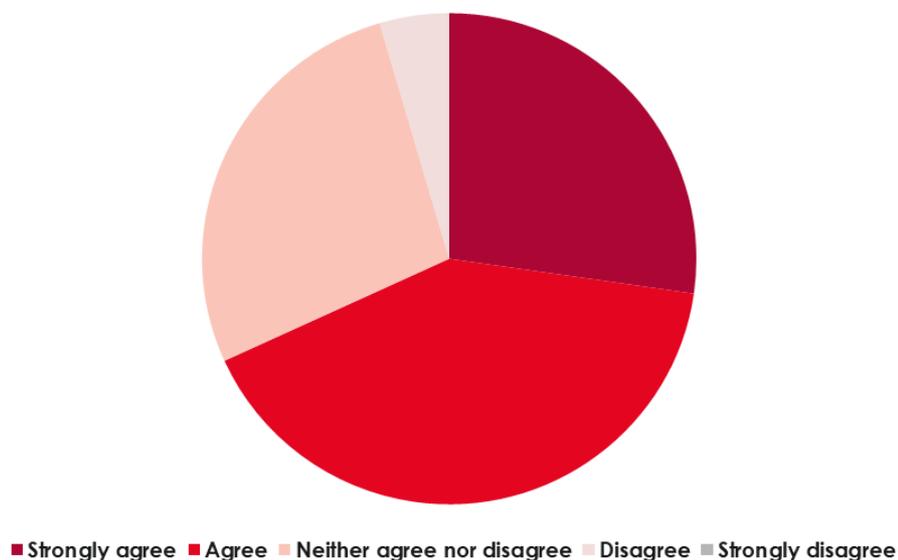
“I agree with [the group’s idea of] a volunteer bonus, it’s a good incentive. However, I think you’ve got to not make it too much of a bonus and discourage people from going back.” – *Woman not in receipt of benefits, 48, Scotland*

FIGURE 24: “UNEMPLOYED PEOPLE SHOULD RECEIVE AN ADDITION TO THEIR BENEFIT ON CONDITION THAT THEY VOLUNTEER, UNDERTAKE COMMUNITY SERVICE OR DO A TRAINING COURSE”



Source: Fabian Society citizens' jury, second survey, 20 participants

FIGURE 25: "PEOPLE WHO HAVE BEEN OUT OF WORK FOR MORE THAN 6 MONTHS SHOULD BE ABLE TO ENROL IN PAID TRAINING COURSES OR BE PAID TO DO JOBS SUBSIDISED BY THE GOVERNMENT, EVEN THOUGH THIS ADDITIONAL SUPPORT WOULD REQUIRE HIGHER TAXES"



Source: Fabian Society citizens' jury, third survey, 22 participants

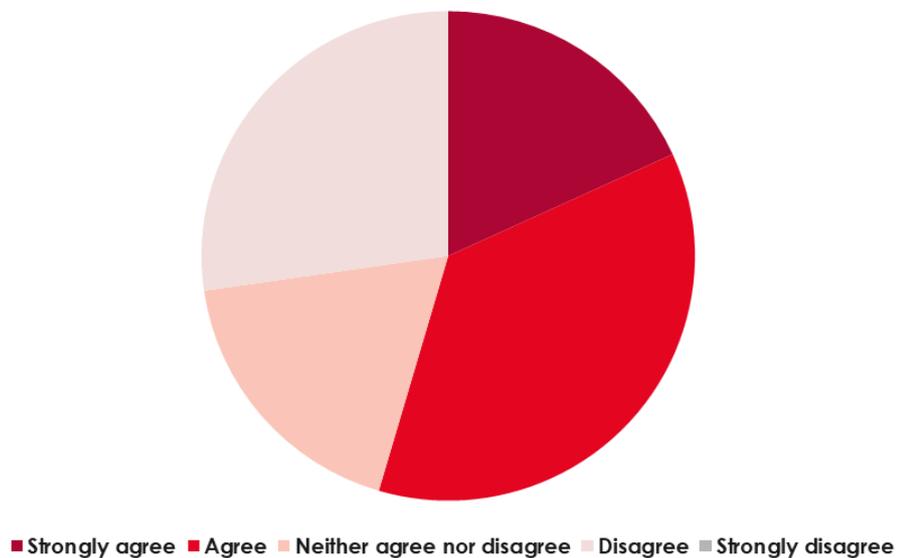
### Views were mixed on whether 'extra costs' benefits should be universal or means-tested

There was no consensus amongst jurors on whether they thought universal 'extra costs' benefits were a positive – or whether they should be more or less means-tested than they are currently. In our survey after the main discussion of these benefits, a small majority indicated that they were in favour of non-means-tested benefits to help with extra costs from raising children and from being disabled.

"I think people could possibly take advantage of the situation but I think Covid has taught us that even those who think they're in a good position may not always be, so I think it might be quite useful."  
– *Woman in receipt of benefits, 38, South East*

"I think it should definitely be means-tested and should definitely be controlled by the number of children because again, the government have no say in how many children are produced by each family. So, I 110% think it should be means-tested and stopped when you earn over a certain amount." – *Woman in receipt of benefits, 40, London*

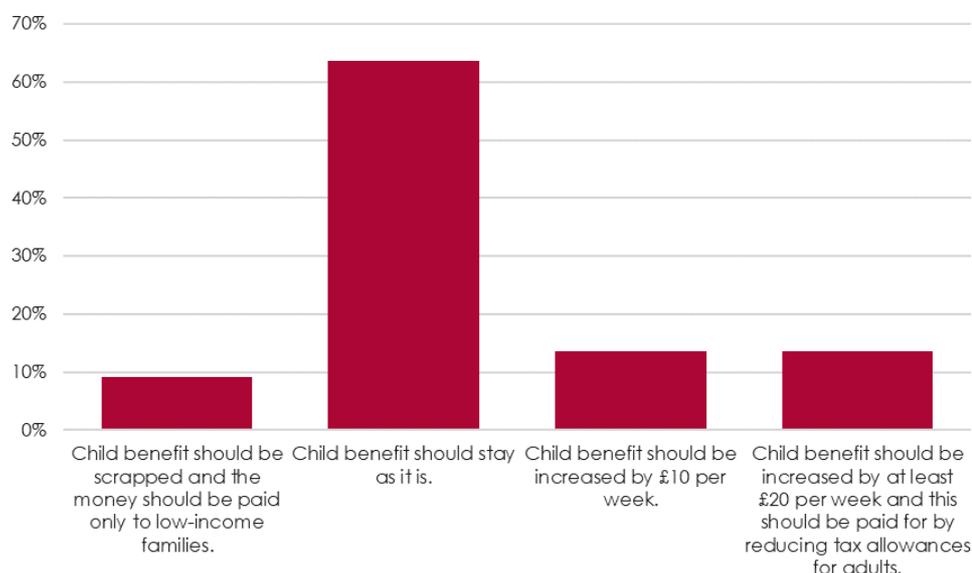
FIGURE 26: "THE GOVERNMENT SHOULD PAY BENEFITS TO EVERYONE WHO FACES THE EXTRA COSTS THAT COME FROM RAISING CHILDREN OR BEING DISABLED, NO MATTER HOW MUCH MONEY PEOPLE HAVE"



Source: Fabian Society citizens' jury, third survey, 22 participants

With regard to child benefit in particular, most jurors were opposed to an increase in its value. Over 60 per cent said it should stay as it is.

**FIGURE 27: WHICH OF THESE STATEMENTS IS CLOSEST TO YOUR VIEWS?<sup>8</sup>**



Source: Fabian Society citizens' jury, third survey, 22 participants

### **More tax is acceptable to pay for a system that reduces hardship – as long as the system is fair**

The broad consensus amongst jurors after being given information about the costs of some of the reforms discussed was that they would be willing to pay more in tax to fund more generous benefit payment levels (as well as the new earnings-related unemployment insurance and a more generous childcare system). Some jurors caveated this with the proviso that the more generous system must be fair in ways previously mentioned – for example, not open to abuse and with more generosity for certain groups like working parents.

Discussion of costs also precipitated a decline in the strength of support for the most generous universal credit reform package. We presented the modelled public spending implications of each package against changes in social security spending (excluding pensions) since 2010. Jurors learned that extensive reforms (called 'plan A') aimed at moving towards acceptable living standards would increase spending to above 2010 level; and that the

<sup>8</sup> Full survey question: *Child benefit is paid to most parents to help with the extra costs of raising children. It pays £21 per week for a first child and £14 per week for each subsequent child. These values have been frozen since 2010 even though the cost of living has been rising. Which of these statements is closest to your views? Remember, when spending on benefits is increased it usually means that taxes have to rise.*

moderate package of reforms they had debated (called ‘plan B’) would roughly return spending to its level in 2012.

FIGURE 28: EVIDENCE PRESENTED TO THE JURY ON THE COSTS OF THEIR EMERGING PROPOSALS



After being presented with this information a significant minority of the jurors continued to support the generous package, but the balance of opinion shifted and the median position of the jury was in favour of the more moderate reform package.

“I believe that if even one person is starving, that's a big issue, so I'm not too fussed. If we have to increase it, we increase it, but we just make sure everyone's okay.” – *Man in receipt of benefits, 21, London*

“They should just go for it. I'd be happy pay to in more.” – *Woman in receipt of benefits, 19, West Midlands*

“I'm happy to pay to anyone but as long as they're trying. I know it's a really hard thing to be able to know but yes. If it was a good system that wasn't that easily abused, and people were benefiting more that were working hard or trying, then I'm all for it.” – *Woman not in receipt of benefits, 32, South West*

### Discussing tax allowances and social security together did not lead to significant change in the jury's views

In the third session, jurors were presented with information about the amount of money the government spends on individuals through tax allowances and through benefits. This included a comparison of the total

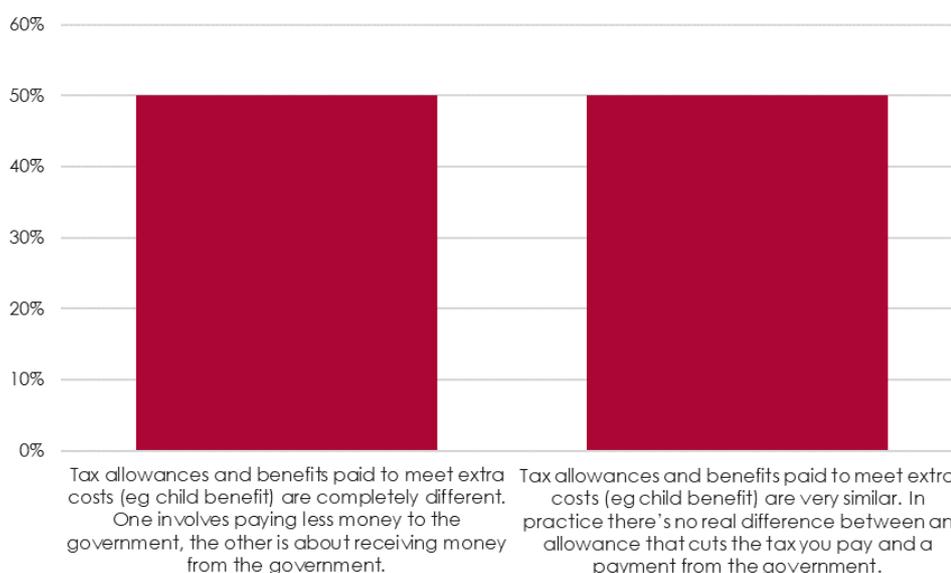
cost to the exchequer of each; and evidence that both tax allowances and benefits each pay around £70 a week to a single adult.

Jurors reacted largely with surprise – most if not all of them had not thought about the equivalence of the two before. In our third survey, jurors were evenly split between thinking that they are comparable and thinking that they are very different.

“That graph has opened my eyes. I had no idea they were effectively equal, £70 a week for someone that's working in tax relief versus £70 a week for someone that's not working on benefits. I had no appreciation of that comparison until I saw that graph.” – *Man not in receipt of benefits, 40, East Midlands*

“I think it is a difficult concept to wrap your head around, isn't it?” – *Woman not in receipt of benefits, 38, Wales*

#### FIGURE 29: WHICH OF THESE STATEMENTS IS CLOSEST TO YOUR VIEWS?



Source: Fabian Society citizens' jury, third survey, 22 participants

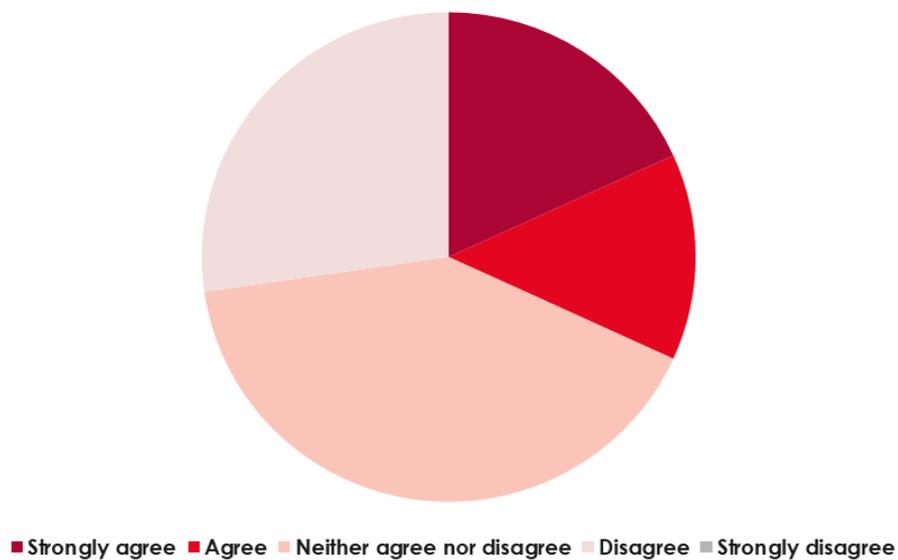
Jurors were unsure when asked about reforming the tax-benefit system to give people more via benefits and less via tax allowances. Many found the discussion confusing. In our survey there was no consensus on this question, and a plurality of jurors told us that they 'neither agree nor disagree' with the proposal.

“I would say probably the benefits is probably a better way to do it. I feel like when you talk about tax-free allowances, it's not very personal to the individual at the moment anyway. But I feel like with

benefits at least it is slightly tailored towards your situation, even though it's not ideal at the moment the way that it works.” – *Man not in receipt of benefits, 30, North East*

“I would imagine it's probably a lower cost to adjust somebody's tax rather than administrating a separate benefit system, but I think it will only work for some sorts of benefits.” – *Woman not in receipt of benefits, 51, North West*

**FIGURE 30: “OVER TIME THE GOVERNMENT SHOULD GIVE PEOPLE MORE HELP THROUGH THE BENEFITS SYSTEM AND LESS HELP THROUGH TAX ALLOWANCES”**



Source: Fabian Society citizens' jury, third survey, 22 participants

## Appendix: About the project

This paper is part of a Fabian Society project Social Security Solutions supported by the Standard Life Foundation.

The Covid-19 crisis has thrown the debate on poverty, living standards and social security into sharp relief. Millions of people have lost their jobs or seen their incomes plummet and are turning to social security for support, often for the first time. The chancellor has temporarily increased the generosity of universal credit, a hugely welcome move but also a recognition that benefits are too low. And the Covid-19 crisis has led to a shift in public attitudes to benefits, with further movement likely if the recession leads to mass unemployment.

This project aims to consider whether in light of the Covid-19 emergency a new consensus on social security can emerge, both broadly within society and across the political spectrum. The focus of the project is social security for working-age adults and children across Great Britain.

The project seeks to answer two questions:

- Can consensus be built for more **generous social security** over the medium term?
- Can consensus be built for a system that includes **stronger contribution-based and universal entitlements** in addition to means-testing?

In order to answer these questions the project is consulting with experts and policy makers; developing and analysing examples of possible reforms; convening an online citizens' jury to co-design policy options; and testing emerging conclusions with polling.