

The Rt Hon Michael Gove MP Chancellor of the Duchy of Lancaster and Minister for the Cabinet Office Cabinet Office 70 Whitehall London SW1A 2AS

Ref: ML.C0117.LM.02.08.21

Date: 2 August 2021

Dear Michael,

Placing sustainable prosperity at the heart of the economic recovery - a new Beveridge report

Over the past year, the All-Party Parliamentary Group on Limits to Growth has taken a keen interest in proposals to 'build back better' from the COVID-19 pandemic. Drawing on evidence from the <u>Centre for the Understanding of Sustainable Prosperity</u> (CUSP), and the <u>UCL Institute of Global Prosperity</u> (IGP), we are writing to ask you to commission a 'new Beveridge report'. We hope this would form an important part of the Cabinet Office's role in overseeing the Government's plans for the UK's economic and social recovery.

A 'new Beveridge report'

The COVID-19 pandemic has highlighted deep pre-existing inequalities, within and between communities. In this context, levelling up is just the idea for our times – but to follow through on the high promise of this phrase, the Government must fundamentally alter its approach to supporting people and communities to achieve sustainable prosperity. A recovery which brought things 'back to normal' would only restore us to conditions of widespread inequality and insecurity.

With the eightieth anniversary of the Beveridge Report approaching next year, it is time to recall Beveridge's remarks that revolutionary times call for revolutionary thinking, not more 'patching'. The reward for such vision is observed in the resonance his name still enjoys, some eight decades later. Today, the pandemic presents the Government with just such an opportunity to give its approach to economic policy a radical rethink, with the Cabinet Office enjoying the ideal vantage point from which to launch such a review – just as Beveridge was commissioned by the then Minister without Portfolio.

What is required now is another fundamental review of the public sector's potential to go further in meeting society's most pressing needs. This review would need to start with an examination of what those needs are in the twenty-first century. Long before COVID-19 struck, the welfare system was struggling to respond to many of today's greatest challenges— from the social care crisis of an ageing society, to the climate emergency, to the unequal impact of new technologies and automation on jobs and wages. More positively, there is also a need to advance an inspiring vision of sustainable prosperity, in which these social needs are fulfilled, and for how central and local government can help to support this vision to become reality.

Accordingly, we would like to make the following recommendation:

The Cabinet Office should commission a 'new Beveridge report' for the twenty-first century. This independent review should:

- establish the case for a fundamental reappraisal of the welfare system and public services by taking evidence on the biggest changes in the scope of social needs in the twenty-first century, compared to those addressed by the post-war welfare state introduced in the wake of the original Beveridge Report;
- 2. supplement this understanding by undertaking research on what the British people would themselves identify today as their most important needs, which if positively fulfilled would add up to a vision of sustainable prosperity for the UK;
- 3. audit the effectiveness of the public sector's current approaches towards meeting the UK's most important social needs, identifying where important needs are being poorly addressed;
- 4. make recommendations on the policy innovations required to ensure that public policy is fit to address these most important needs for the twenty-first century.

The APPG on Limits to Growth would be delighted to engage with you further. We hope in particular that we might have a chance to talk at greater length at one of our meetings, to which you are always welcome. We look forward to your response.

Yours sincerely,

Caroline Lucas MP Clive Lewis MP Sir Peter Bottomley MP Baroness Tyler of Enfield Baroness Bennett of Manor Castle