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PREPARING FOR
LABOUR



Foreword - Starmer's Labour



GREG ROSEN
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Greg is a Senior Counsel at SEC Newgate and Labour policy expert. A former Vice Chair of leading Labour think tank the Fabian Society and senior strategist for the Co-Operative Party with a background in the civil service, he has deep knowledge of the Labour Party and its political actors. He has published several books on Labour politics and chairs the Labour History Group.

Barring unforeseeable events, the scale of Labour's poll lead means that Sir Keir Starmer's Labour will form the next government with a sizeable majority. And it will be Starmer's Labour. The authority of his leadership within the Labour Party will be more substantive than any Labour leadership since the heady days of Blair-Brown's 1997 triumph. This reflects the scale of achievement that such an electoral victory would represent, something no Labour strategist considered possible in 2019-20.

The authority of Starmer's leadership provides a stark contrast to the chaotic nature of UK government over recent years. Businesses will find other differences too.

Starmer's top team have a clear sense of purpose that they have sought to encapsulate in their five missions. Underpinning their missions will be a drive to show voters that their country will be in better shape after a Labour government than now, emulating Blair's focus on "delivery". However, Starmer's Labour is not simply 1997 New Labour reprised - and the differences matter for businesses seeking to understand how to engage constructively with the party.

It is more enthusiastically self-confident in its business agenda and more comfortable in its own skin pro-actively building partnership with businesses than Labour under Ed Miliband, while at the same time more prepared than Blair-era Labour to be directly critical where key Labour players feel that businesses are not sufficiently "playing ball".

Starmer's "Third Way" entails a rejection of the Corbynite fetishization of state ownership, but also of what many Labour centrists believe was an uncritical over-deference to the private sector embraced by "Blairite ultras". Labour policymakers in 2023 believe that New Labour ministers

sometimes over-indulged the biggest corporate players at the expense of promoting a more competitive market or a regulatory system that gave sufficient weight to consumer and workforce interests.

Starmer's Labour will seek a partnership with business but also to drive what they see as a harder bargain than New Labour in its pomp: a "new deal" that promotes growth and UK investability whilst enforcing tougher standards in areas where they believe society would benefit.

A successful government needs a sense of purpose, of mission. Equally, it needs an answer to the "how" question. As the Covid Inquiry is laying bare, the civil service cult of the generalist and the "churn" of personnel turnover undermines the insight and ability of Whitehall to grapple at pace with the complexity of modern public policy dilemmas. Team Starmer is, with the support of Sue Gray and others, looking at ways to rejuvenate the capability of Whitehall. But Labour's policy teams are also getting to grips with the need to work out policy for themselves in advance of government.

Labour's election manifesto itself is likely to be short and snappy, focused squarely on helping to win the election by landing key points with tight messaging, and deliberately phrased to minimize the risk of creating hostages to fortune.

Behind that, a more detailed policy plan needs to be built, and it requires constructive business input.

Starmer has sought to characterise his Labour Party as the "builders not the blockers", but his Labour has had far less time than Blair's team to work out policy detail, and to answer that "how" question that is the most important for politicians who seek a tangible legacy.



New Labour enjoyed some four years of mammoth opinion poll leads, supported by an ecosystem of think-tanks focused on helping Labour prepare for government. Starmer's Labour inherited a shell of Labour-leaning think tanks scarred by the seismic damage inflicted by Corbyn's leadership of Labour, which defenestrated funding and hollowed out expertise. Only now is that being reversed.

Policy development in the early years of Starmer's Labour was less about preparing workable policies for government as developing stances that could win sufficient votes to help Labour run the Conservatives close at the next election. Not until autumn 2022 was Labour's poll revival solid enough for Labour policymakers to change their focus to developing policies designed to be implemented in government.

Not only has Starmer's Labour had less time to develop policies for government than Blair's Labour, but it has also had less time to adapt the policies it had developed to the economic circumstances it will face on forming a government.

Until summer 2022, Labour shared the belief widespread amongst political commentators and Conservative politicians that low interest rates would continue. This underpinned the presumption that public infrastructure investment could be funded by greater public borrowing. Events in 2022 showed that a different approach would be needed. Rachel Reeves' team has since then been working hard to ensure that they cannot be accused of unfunded public borrowing. However, a means to fund the infrastructure programme necessary to fix a Britain widely felt to be "broken" will still be needed.

Labour values expertise, insight and knowledge. This is just one of the important areas where business expertise and engagement will be valued. But Labour also needs businesses to engage through their lens, and to understand and work with the grain of Labour's missions.

To offer crisp and workable solutions and not just to bring problems. To give and not just to ask. That is the partnership, the "new deal" for British business that Starmer's Labour seeks to offer. And as the window for engagement before the election shrinks, time is of the essence for those seeking to offer value to Labour policymakers.

The perils of the polls



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HEAD OF RESEARCH

Leyla is SEC Newgate's Head of Research. She is an expert insights strategist leading reputation, communications, and community research to help clients unpick complex social issues; design and evaluate service propositions and interventions; and create communications that serve to inform and stimulate behaviour change. Before SEC Newgate, her career includes senior research positions at the Food Standards Agency and Capita, where she led on behavioural insights on the NHS Test and Trace programme.

Thinking ahead to what might happen with the polls as we approach a very likely 2024 general election, SEC Newgate offers a guide to navigating the crowded – and often conflicting – polling landscape:

1. NOT ALL POLLS ARE CREATED EQUAL.

There are many polls vying for our attention, and each will state their authoritative view on voting intention, claiming that theirs is nationally representative within a specified confidence interval. Everyone seems to have their favourite; however, some polls have a more robust track record – and this year will see some new firms putting out their election predictions. For a balanced and nuanced view, the best approach can be to seek out a reputable aggregator of a range of polls.

2. THE CHALLENGE OF PREDICTING TURNOUT.

The issue with all polls is that while they survey a representative spread of the population, within this sample there will be segments of the population that are likely to vote (e.g., the over 65s) and those who do not tend to vote. To mitigate for this, each polling company will apply their own methodological model, overlaying predicted turnout (and the most robust models tend to be based on actual turnout data from previous elections). The variation in modelling approaches can lead to conflicting results. The key issue is that there is always a degree of uncertainty – we can never say for sure who will turn up at the polling station on the day.

3. WE ARE TOO FAR OUT FROM A POTENTIAL ELECTION FOR THE POLLS TO BE MEANINGFUL.

Right now, things may look like a dead cert, but current data must be taken with a significant pinch of salt. Polls provide an indication of what could happen if people were casting their vote next week, however, they cannot account for the impact of significant external events that could happen between now and an election. The predictive quality of polls is also impacted by that group of voters who are currently a 'don't know' – as they will tend to make up their minds closer to the election.

4. LAST MINUTE JITTERS HAVE A HERDING EFFECT.

Historically, one of the consistent trends is how polling predictions start to look more similar the closer we get to an election. Pollsters know all too well that their own future depends on making the right prediction – so if their data starts to look vastly different from others, doubts start to creep in. This can result in recalibration of modelling approaches – with the net effect being a convergence of predictions across the polls.

Finally, despite all this uncertainty, we cannot ignore the impact of polling itself on potential election results. Anecdotally, in the lead up to an election, there tends to be a self-fulfilling prophecy regarding success at the polls – driven by the effect of public sentiment on the mood of the competing parties. It will be interesting to see how this bears out for Labour as we go into 2024.

Hitting the ground running – Speaking to Labour about policy, now



DAFYDD REES
SENIOR COUNSEL

Dafydd is a Senior Counsel at SEC Newgate with an impressive background in journalism. Prior to consultancy, he held senior roles at Bloomberg, Sky News and the BBC. In 2018, he authored two major evidence-based studies published by the Tony Blair Institute looking at the political realities of Brexit.

In living memory, the Labour Party's leadership has never been so co-ordinated in terms of its message to business and on the economy. Sir Keir Starmer and the small team around him are focused on radiating a sense of ambition which stretches "from Bridgend to Burnley."

At its heart is the recognition by the likes of Rachel Reeves, the Shadow Chancellor, and the Shadow Business Secretary Jonathan Reynolds, that if the UK is set to become the fastest growing economy in the G7, the role of private sector investment is vital.

Sir Keir Starmer is unusual in not being a tribal politician. His rise to prominence in the Labour hierarchy followed a long and successful legal career. I hear time and again how his interest is in pragmatic solutions, not in ideology. That's why I believe Labour's call for a partnership with corporate Britain is genuine.

Endorsements of Labour from the former Bank of England Governor Mark Carney and from Larry Fink, CEO of BlackRock indicate that Labour's engagement with business over the past twelve months is bearing fruit. Tickets for next February's Labour Party business conference, priced at a £1,000 a head, sold out within a matter of hours.

It was highly symbolic this summer to see Sir Keir Starmer share a stage with Sir Tony Blair at the Future of Britain Conference, organised by the Tony Blair Institute. This was a sight politically unimaginable just a few years ago, as indeed was the active participation of senior Conservative Cabinet ministers at the same event.

It would be a mistake to view the current Labour Party as seeking to retrace the steps of New Labour a generation ago. The challenges could not be more different. Any incoming Labour government faces a miserable inheritance. Public finances are weaker than they have been in a generation. There is also a crisis in the delivery of public services such as social care and within the NHS.

But in one sense there is a lesson being learnt from New Labour in that when it came to policy reform, the Labour administration of 1997 did not get going quickly enough in enacting real change. The determination of the current Biden administration to grasp the initiative from its first few months in power I think colours the thinking of many of today's Labour policy strategists.

The imperative of winning power at the next election ensures a certain guarded safety first, policy light approach. Nevertheless, there are some clear and obvious ways in which business and the investment community can engage with the issues which matter to the Labour Party of 2023.

Fairness is a theme which is set to dominate. Engaging with the policy and thinking emerging from the UK's trade unions is something British business has largely forgotten how to do. The distant historical stereotypes of closed shops and cozy images of union leaders consuming beer and sandwiches at Number Ten Downing Street are more than a lifetime away.

The New Deal for Working People is indicative of the approach and attitudes the Labour Party leadership are seeking to develop when it comes to specific policy details on zero hours contracts, sick pay and strike laws.

For me, one of the most intriguing areas of future policy interest is the UK's trading relationship with the EU. From heavy industry to retail, the issue of friction within supply chains is a constant and growing irritant.

The bitterness of the Brexit years here in the UK feels to me to be more a historical fact than a future reality. In Brussels, the issues of energy security, the war in Ukraine and the threat of Russia have also helped to change attitudes to the UK. A review of the Brexit trade deal is already planned for 2026.

But it is the opportunity for green growth which tops the list of priorities for future policy initiatives. Labour is keen to work on ideas and initiatives which can transform the future UK economy.

This encompasses everything from the development of new energy sources such as hydrogen to help the decarbonisation of industry to the overhaul of planning laws to allow for the construction of wind and solar projects. The Institute for Fiscal Studies envisages over the course of a five-year period, public sector net investment of 2.6% of GDP. Whether that proves possible when money is tight is hard to predict.

What is certain is that now is the time for business to talk and engage with Labour in a way it's not done before.

Let's talk about PPCs



TOM FLYNN
HEAD OF DIGITAL

Tom Flynn is Head of Digital at SEC Newgate. His background is in politics, running digital election campaigns both in the UK and abroad. He has previously held senior roles in Labour HQ and was a Labour Prospective Parliamentary Candidate (PPC) in 2010.

Life as a parliamentary candidate is tough – much tougher than it was when I stood at the 2010 general election. To understand the mindset of a Labour candidate for the next election, first consider what they've been through to get there. Months or years of working to raise profile in a Constituency Labour Party (CLP) ahead of selection – turning up to by-elections, local elections, branch meetings, party fundraisers and the endless coffees with any Labour member they can find who will meet them.

Then comes the selection process itself – six weeks of intense, round-the-clock activity – getting branch nominations, securing endorsements from local members and national political figures, writing speeches, designing leaflets, launching a website, recording video, setting up social media accounts, taking as much annual leave as you can. Endless phone calls, day after day on the doorstep, speech rehearsal, Q&A prep.

And then, finally, the big day comes and if you're successful, that's day one of your official campaign. One friend of mine, who won his selection on a Saturday evening, had barely reached the pub for a celebratory drink before being told he was expected at a public event the next morning at 9am, followed by a series of internal campaign meetings and a photo shoot. And then back to the day job the day after, but now with all evenings and weekends filled with campaign activity, meeting local bigwigs, and being at the beck and call of Labour HQ.

It's fair to say that the people that survive this process are tough, determined and very time poor. MPs are hard to reach but so are candidates. Don't fall into the trap (I have seen this many times) of assuming that candidates are easier to reach than their elected colleagues. They're likely still doing a full-time job – the bills still need to be paid – and doing their second, unpaid role as a candidate at every other waking moment. Many, even in the most marginal seats, will have limited access to campaign staff and office space at this stage in the election cycle. And that means they're often sorting their own diaries and picking up a range of admin tasks which just adds to the pressure they're under.

If you tried to meet candidates at Labour Party Conference, you might have found it difficult. The party is putting its potential parliamentarians through a rigorous training programme – training weekends, online seminars and a very full party conference schedule. Candidates

looking to have meetings at conference had to squeeze them in during the evenings, when they were also expected at receptions, fringe meetings and dinners.

Marginality of seat also matters. Those who have inherited a huge Labour majority might be more minded to think beyond the election and start making the relationships they need with businesses and other stakeholders. But they are also expected to go to the marginal seats to help campaign. Those in marginals are under huge pressure to focus on their constituencies. Labour runs league tables of contacts made in each marginal seat so all candidates can see who is setting the standard. Time away from the doorstep can see a candidate drop down the table, so many are reluctant to spend too much time on meetings with those who cannot directly vote.

If candidates are so hard to reach, why make the effort? In short, this is the next generation of Labour frontbenchers. The quality of candidates selected this time around is extremely high and includes some notable returners as well as dozens of people of ministerial quality. For many of them, their time on the backbenches may be short and therefore the window for engaging them once elected will be limited.

Any engagement needs to be very focused. Ensure that your approaches make clear why your issue is important to their constituents specifically. If you have premises in or near the constituency, they will often jump at the chance for a visit and a photo opportunity, especially if you employ people who will be able to vote for them.

Find out what their interests are, what their professional background is, and what campaigns they have been involved with. As a candidate, the meetings I agreed to were the ones that interested me – for example, the tech industry saw me as a natural ally and took the time to cultivate the relationship, inviting me to speak at dinners or attend events of interest. This was much more impactful than those looking for a one-off chat – life is so busy as a candidate that meetings blur into one after a while. Pick your targets carefully, nurture the relationships and you'll have people in the next parliament who properly understand your issues and are on their way to being in positions of genuine influence.

Tom's top 20 PPCs to watch

From Emma Reynolds, the former Shadow Secretary of State who has spent the last several years as MD at the influential financial services lobby group TheCityUK, to Katie White, the senior WWF executive awarded an OBE for her work co-leading the campaign for the Climate Change Act in the UK, here is a list of 20 PPCs Tom recommends keeping an eye on.

Not all of these will necessarily be looking to climb the ranks in a Starmer government – for example, former CLASS think tank director and senior academic Faiza Shaheen has built a reputation as an effective media commentator on Labour's left flank, who has not been

afraid to criticise her party in the past. If Labour wins the general election and she succeeds in taking her home seat of Chingford and Woodford Green for Labour, she is likely to join the ranks of left-wing Labour MPs willing to be vocal in challenging the policy direction of a Starmer-led Labour government.

Former MPs looking to make a return

- > Emma Reynolds (Wycombe)
- > Anna Turley (Redcar)
- > Heidi Alexander (South Swindon)
- > Douglas Alexander (East Lothian)
- > Melanie Onn (Great Grimsby)
- > Pamela Nash (Motherwell and Wishaw)



EMMA REYNOLDS (WYCOMBE)

Previously MP for Labour from 2010 - 2019

New blood

- > Katie White (Leeds North West)
- > Faiza Shaheen (Chingford and Woodford Green)
- > Damien Egan (Bristol North East)
- > Miatta Fahnbulleh (Peckham)
- > Catherine Atkinson (Derby North)
- > Martin McCluskey (Inverclyde)
- > Kirsty McNeill (Midlothian)
- > Torcuil Crichton (Na h-Eileanan an Iar)
- > Alice MacDonald (Norwich North)
- > Andrew Pakes (Peterborough)
- > Kevin Bonavia (Stevenage)
- > Shaun Davies (Telford)
- > Sarah Coombes (West Bromwich East)
- > David Pinto-Duschinsky (Hendon)



ANNA TURLEY (REDCAR)

Previously MP for Labour from 2015 - 2019



MELANIE ONN (GREAT GRIMSBY)

Previously MP for Labour from 2015 - 2019

The Influencer Edit - Who's trending?



IMOGEN SHAW
ACCOUNT DIRECTOR ADVOCACY

Imogen is an Account Director in SEC Newgate's Advocacy National division. She has a specialism in Labour engagement projects, advising her clients on how to influence Labour policy and build relationships with senior Labour decision makers. She is an active Labour member and Chair of the grassroots campaign group the Labour Campaign for Childcare Reform.

WHO DOES LABOUR LISTEN TO NOW?

During the Jeremy Corbyn years, you might have said the left-wing campaign group Momentum and its veteran campaigner founder, Jon Lansman. During the Blair years, Labour had a slew of sympathetic think tanks powering its policy platform.

Sir Keir Starmer's Labour has something in between the two.

Labour Together began life as an internal, moderate Labour campaign group with the aim of winning back power from the party's left under Jeremy Corbyn. It wasn't quite a moderate Momentum, but it was close enough.

Now, with the party under the leadership of Sir Keir Starmer, Labour Together has transformed into a think tank, discreetly influencing the trajectory of the party.

Led by Josh Simons, a former Harvard postdoctoral researcher who worked on AI ethics at Facebook, Labour Together divides its focus between policy formation and public sentiment tracking. Previously helmed by Labour Campaign Director Morgan McSweeney, Labour Together has a close relationship with Starmer's Labour.

Speaking to a Labour Together staffer at the most recent Labour Party Conference, I asked what they thought the think tank's role would be under a Labour government. Apparently, their internal brief is that once Starmer is in Downing Street, Labour Together will act as an arm's length body for the Labour leadership, undertaking research and helping to develop policy positions on challenging and potentially controversial subjects for

the party. The thinking is that this will help to shield the Labour leadership from controversy while enabling serious thinking and research to address key policy issues.

Labour listens to other think tanks – the IPPR, the Tony Blair Institute, the Fabian Society, to name just a few. However, the growing media fascination with Labour Together belies its behind the scenes significance in developing Labour policy. Businesses looking to influence Labour's policy platform would do well to remember this and begin cultivating relationships now.

Outside the realm of think tanks, the other influence on Labour's policy thinking is a slew of expert private sector secondees. In opposition for thirteen years, it has been a long time since Labour has had access to the research and policymaking capabilities of civil service officials. Finding the money to fund enough permanent staff researcher positions to fully flesh out a platform for government is challenging. Enter the secondees.

Over the past few years, the number of secondees from the world of public affairs, financial services and professional research has noticeably increased. These temporary staffers are often tasked with specific policy development projects – in particular, drafting policy reports and co-ordinating industry roundtables.

One recent example is Shadow City Minister Tulip Siddiq, who has recruited a secondee advisor from leading management consultancy firm Oliver Wyman to lead on a financial services review. This report is set to be published in February, likely at Labour's upcoming business conference.



SEC Newgate roundtable breakfast with Shadow Business Secretary Jonathan Reynolds MP, June 2023.

Knowing who these secondees are, finding out what they are working on and engaging with them directly can be a very effective way for businesses to influence Labour policy – and indeed, businesses providing secondees receive in exchange enhanced relationships with key Labour decision makers, which can't hurt their own prospects of making their voice heard.

Because secondees tend to be tasked with very specific pieces of work that relate to their professional expertise, they are able to focus on these core policy tasks rather than getting drawn away to other avenues of political work, as often happens to permanent staff with broader ranging job descriptions. This clarity of focus makes them ideal targets for businesses looking to engage.

The party doesn't often shout about its secondee appointments, so finding out who they are and who you should speak to can be challenging.

The best way to do this is to keep close to Labour's Business Relations team, who are often happy to give the inside track to businesses and third parties looking to engage, and to get involved with Labour groups like Labour in the City, who tend to be kept abreast of city professionals entering the ranks of Labour staff.

It was Margaret Thatcher who famously said that "advisers advise but ministers decide" – while the same is true for shadow ministers, businesses would do well not to underestimate the impact of consistently feeding in to Labour's policy advisory teams – both within the official party structure and without – in the lead up to the general election.

Does Starmer's Labour buy The Sun?



SIMON NEVILLE

MEDIA STRATEGY AND MEDIA CONSULTANT

Simon is SEC Newgate's Media Strategy and Content Director. He writes a regular column for City AM, and is an award-winning former editor and business journalist who has worked in senior reporting roles at The Guardian, Daily Mail, Mail on Sunday, Evening Standard and Independent / i newspaper. He has also worked for the BBC, ITN and BuzzFeed News.

Once upon a time, there was a well-trodden orthodoxy for businesses to get their views taken seriously by those in positions of power.

Companies would produce a well-researched, carefully articulated 76-page report highlighting all the reasons why the government should adopt a policy, set up a cosy private chat with departmental advisors and gently persuade the minister to allow rationality to trump emotionally charged rhetoric.

But we now live in an age where smart business leaders know the final hurdle needed to get that all-important change is though landing a digestible story on the topic into a national newspaper.

The closer that newspaper aligns with the politician's view, the more chance it has of getting their attention.

But with a general election on the horizon and a new Labour government expected to be formed – if the polls are to be believed – businesses may be asking themselves whether the newspaper route to get a minister's attention could be closed off?

Will Sir Keir Starmer's lawyerly approach mean decisions will only be made if closely scrutinised and thoroughly researched?

Or could it conversely be an even more powerful route to getting the ear of a Labour government?

To understand what could happen, businesses may want to look at the relationships between the media and politicians.

Labour have traditionally always had a harder time to get tacit support from UK newspapers because the majority are more Conservative leaning.

Starmer's team will know this whilst also walking a fine line between antagonising editors and appearing to cosy up to them.

Tony Blair famously flew to Australia in the run up to the 1997 election to (successfully) secure the support of Rupert Murdoch's Sun newspaper and faced the ire of some Labour supporters in return.

However, Jeremy Corbyn decided to remain heavily critical of the media, refusing to engage with his harshest critics.

Starmer will be looking for a third way and the impression he gives so far is of someone who will be pragmatic but only up to a point.

He will know he journey to Downing Street will be far easier with those newspapers on side than against him and that will require a steady relationship to ensue – both before and after the election.

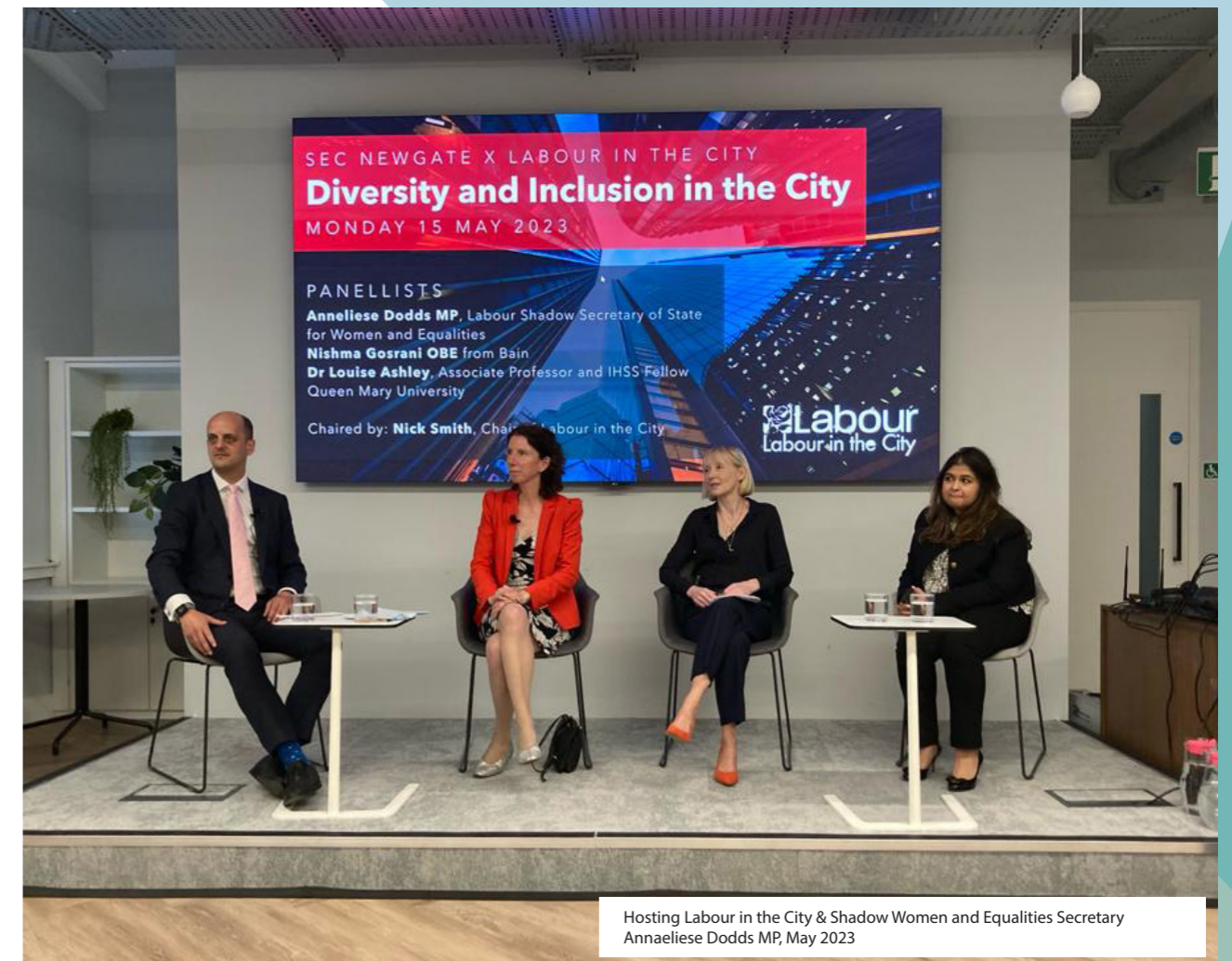
Editors and proprietors will also engage in this uneasy dance, and it is noticeable that Starmer and his team have already had op-eds appear in the Express, the Sun and the Telegraph.

So, where does this leave businesses?

The key thing to realise is that a Labour government is unlikely to change from the Tories in their desire to react to the stories appearing in print.

They know that the speed at which governments must now operate is faster than ever, including how they react to articles that can spread through social media like wildfire.

And they will also want to show editors that they remain in listening and engaging mode, even if the public get their news elsewhere.



Hosting Labour in the City & Shadow Women and Equalities Secretary Anneliese Dodds MP, May 2023

Businesses would be wise to keep targeting newspapers with their stories on policy and their impact. They must accept that MPs and ministers will take notice of what the papers say.

But the major difference would be, whilst the Conservatives might be more likely to pay attention to the headlines in those publications that are most closely aligned to their views, Labour will be looking across a far broader spectrum.

So, businesses should keep trying to land stories to keep their policy campaigns alive – the reintroduction of VAT-free shopping being a good example – but with a Labour government, don't think a piece in The Guardian will suffice – because the chances are, it won't.

**Communications
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Edie Net-Zero
Awards 2023

**Best
Integrated Agency for
Corporate and Public Affairs**

PR Week CCPA
Awards 2023

Shortlisted

**Global
Agency
of the Year**

Corporate/Public Affairs

PRovoke Media Global
SABRE Awards 2023

**Best Companies
to Work for 2023**

The Sunday Times

**Agency
of the Year**

Investment Marketing
& Innovation Awards 2023

Shortlisted

**Best Banking
Communications Campaign**

PRCA City & Financial
Awards 2023

Shortlisted

**Best Handling
of an IPO**

PR Week CCPA
Awards 2022

**PR Agency
of the Year**

Headlinemoney
Awards 2023

Shortlisted

If you have any questions or would like to discuss how a change in government may affect your organisation, please contact:

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