

MARCH 2023

What can business expect from Labour?

Understanding
Labour's approach
through voter
research



Contents

Foreword	4
Executive summary	5
Key takeaways	5
Why is Labour wooing business?	5
Labour's "partnership" with business	6
"Integrated" partnership – health and energy	6
The limits to "partnership"	7
The macro economy	7
Engaging with Labour	7
Labour and business	8
Electoral state of play	8
The political importance of the business relationship	10
Perceptions of Labour and business	12
"Pro-worker and pro-business"	13
An anti-business base?	14
Business during the cost-of-living crisis	15
Energy companies	16
Supermarkets	16
Banks	17
Labour's policy approach	18
Energy	19
Health	20
Public ownership	21
Taxation	22
Regulation	23
Banks	24
Workforce	24
Tech	26
About Headland	27
Public Affairs at Headland	27
Strategy, Insight & Planning at Headland	28
Methodology	30
Focus groups	30
Polling	30

Foreword

The Labour Party wants to secure (and be seen to secure) the backing of British business, which is seen as a totemic part of the party's ongoing process of repositioning.

In 2022, Rachel Reeves met with 320 CEOs, and the impact of this concerted effort to woo the business community is starting to be felt, even among sceptical audiences.¹ In February 2023, former CBI Chair Paul Drechsler (previously an adviser to David Cameron) acknowledged Labour had secured a “seismic” shift in the party's image among business leaders.²

Labour's leadership is also investing significant time and energy into understanding its target voters using polling and focus groups, particularly in marginal seats. Research into public attitudes towards markets as well as companies large and small will continue to be hugely influential as Labour develops and communicates its detailed policies.

We have matched Labour's research with focus groups in constituencies that would put Labour on the cusp of a majority (one Red Wall seat – Ashfield, and one traditional marginal – Stevenage). We have also undertaken nationally representative polling

with a particular focus on Labour's target voters: those who have switched to the party since 2019.

We conducted our research to understand the electoral pressures that will shape Labour's approach to business, to forecast what is to come from Labour, and to help UK businesses engage with the party.

We wanted to understand:

- Labour's overall approach to engaging with businesses
- The nature of its policies, from regulation to taxation
- Its approach to specific sectors, from energy to banking to health

With Labour strongly positioned to form the next government, Headland is publishing this report to help businesses understand Labour's approach. We want business to have access to the same insight as Labour, and to understand the political dynamics they are operating in. We intend it to be a valuable guide to anyone looking to engage the Labour leadership between now and the election.



¹ “Keir Starmer: We haven't won yet” – [The Spectator](#), 28 January 2023

² “Hammer blow for Tories as ex-Cameron skills tsar declares: Labour is now the party of business” – [The Independent](#), 13 February 2023

Executive summary

Key takeaways

1. The Labour Party has a strong political interest in being seen as close to business. This makes them unusually keen for site visits, public endorsements and joint appearances with business, which creates space for dialogue and policy engagement behind the scenes.
2. Labour's stated approach of "partnership" with business is politically popular. It intends to deploy the relationship with business in service of its "missions".
3. In health and energy, this will be an opportunity for business, as we will see subsidies, catalytic investment and public sector contracts.
4. In other sectors, public attitudes will constrain Labour from going too deep with business. Nationalisations will likely be limited to the train companies, but we can expect Labour to use more directive regulation, for example with certain utilities.
5. Voters' support for a close relationship between business and Labour does not equate to a completely free hand for large businesses. There is little support for a cut in corporation tax, or widespread deregulation.
6. Voters typically do not react to the specifics of policy, rather, they respond according to how the framing appeals to their fundamental values. The task for business is to develop policy asks and narrative frames that allow them to engage with politicians and secure their goals in a way that aligns with the voters' interests.

Why is Labour wooing business?

The Labour Party's current polling strength comes more from the collapse in support for the Conservatives than from awareness or the popularity of Labour's approach. Large swathes of Conservative 2019 voters are too disillusioned to vote for the party again in 2024 but Labour needs more direct Conservative-Labour switchers to be secure.

Nor is Keir Starmer's personal brand helping to convert voters – his net performance rating is only +4%. Starmer has several routes to persuading voters, but one that he is pushing strongly already is to deepen and promote Labour's relationships with business.

The primary reason for closing Labour's gap with the business community is nakedly political. Our research shows that there are three important ways in which close ties with business are likely to boost Labour's brand:

- **Values** – It demonstrates an approach to growing the economy and improving living standards through the private sector – i.e. where most people are employed. Our research shows that Labour's "pro-worker, pro-business" slogan is not simply an unsubtle

piece of rebranding, but a powerful promise to Britain's families to revive economic prosperity. Among its target voters, 82% say it makes them more positive about Labour.

- **Credibility** – It lends credibility to Labour's plans through the endorsement of business leaders who, despite some misgivings, the public trust to be rational, pragmatic and self-interested. Suspicion about politicians' promises and the importance of trusted third-party endorsement were themes that ran throughout the focus groups.
- **Competence** – It helps to rebuild Labour's reputation for economic competence, suggesting that it has broken with the Corbyn era and abandoned fiscal profligacy (i.e., the view that Labour does not run the country like a business). In regression analysis conducted on the polling data, being seen to help businesses succeed is one of the top predictors of trusting Labour on the economy.

The secondary reason is that the relationship with business is also crucial to Labour's plans for government. It will give them access to a wider range of policy thinking and executional experience.

For the first time since 2007, Labour is confident of winning the next election, but there is also trepidation. The party might hold the levers of power in 2024, but how much can it really achieve when the public finances are so constrained and the economy hamstrung by long-term anaemic productivity growth?

Labour's "partnership" with business

Keir Starmer has set out an intention of working in "partnership" with business,³ a position which simultaneously presents as being aligned with business, but also indicates that Labour intends to change the status quo. Our conversations with party insiders, combined with their public pronouncements, indicate that the party intends to use business to achieve the five missions it has set out,⁴ rather than relying on the state to deliver every aspect of change.

Starmer couldn't have been clearer in his recent speech on growth:

*"If you think it's not government's role to shape markets; that we're only here to serve them... that's not going to work for us. That's not going to work for growth and won't deliver what our country needs."*⁵

This represents both an opportunity and a challenge for business, because Labour has a range of carrots and sticks at its disposal.

How a sector or issue is treated will depend on both the nature of the problem and how it relates to Labour's five missions (which we can understand through engagement with the Party and political intelligence), and on political considerations (which we can understand through voter research).

"Integrated" partnership – health and energy

In sectors where Labour is looking for rapid change, we can expect to see subsidies, catalytic investment and public sector contracts. In **energy** and in **health**, Labour has set out a clear direction of travel, envisaging an "integrated" partnership. We will see substantial state involvement to engage the private sector, to accelerate progress towards cleaner energy and a better-functioning NHS.

This approach is highly popular among the party's target voters. Labour's plan for public investment in clean energy is welcomed by nearly 90% of its target voters, but there is still support for private involvement in running energy assets and in investing alongside the government. The research suggests Labour will commit to its stated policy of massive investment in clean energy, both to build and own assets, and as a catalyst for further private sector investment. But do not expect the party to make climate action the centre of its narrative – its pitch will be about job creation, energy security and lower bills.

Private involvement in the NHS is overwhelmingly acceptable to the public because the service is seen as so poor, and because voters are aware of existing private provision. Investment in the workforce, choice, and private provision will therefore be at the centre of Labour's NHS pitch. The structural changes it might make to the NHS are much less clear. Wariness among the public and healthcare professionals of "NHS reorganisations" is significant, so we would not expect Labour to trail that approach in advance.

3 "Labour is ready to be your partner, UK's Starmer courts business" – [Reuters](#), 8 December 2022

4 "5 Missions for a Better Britain" – [The Labour Party](#)

5 "Growth is the answer" – [Keir Starmer speech](#), 27 February 2023

The limits to “partnership”

Labour might be tempted to apply its “partnership” example from health and energy to other sectors, but the politics will make it wary. Its target voters are generally wary of private involvement in delivering public services. It is difficult to see Labour extending **private involvement** in education, prisons or benefits assessment, for example.

Labour’s target voters would prefer the utilities to be **nationalised**, but other than the **train companies**, Labour is unlikely to do so, fearing the impact on its wider brand. Instead, there will likely be a **tighter regulation** and fines regime. This will be in the service of Labour’s political goals: greater investment in environmental protection (in both the global and local sense), more social protections and better employment opportunities.

The macro economy

The desire for Labour to be supportive of businesses only extends so far, especially when it comes to larger businesses. There is the political space for Labour to further raise **corporation tax**, provided small businesses are protected.

Voters are strongly opposed to broad **deregulation of business**. Those making the case for Singapore-on-Thames-style deregulation will be disappointed with these findings.

Labour’s approach to problems in the **labour market** is more likely to focus on help with **childcare**, and to a lesser extent the older workforce. Its voters, younger than the population, are keener on childcare measures than tax breaks for older workers. If it were to pursue the “partnership” idea further, Labour might look to employers to collaborate with the state on funding more childcare.

Despite its importance to easing workforce pressures, Labour is unlikely to significantly liberalise **immigration**, fearing voter backlash. Managing immigration was the Party’s weakest attribute in our data (only 29% trust Labour on this point), and our research was conducted prior to the government’s recent push on small boats. The Conservatives will do everything they can to make a distinction between the parties on immigration



during the election campaign, and Labour will not want to give their opposition that opening.

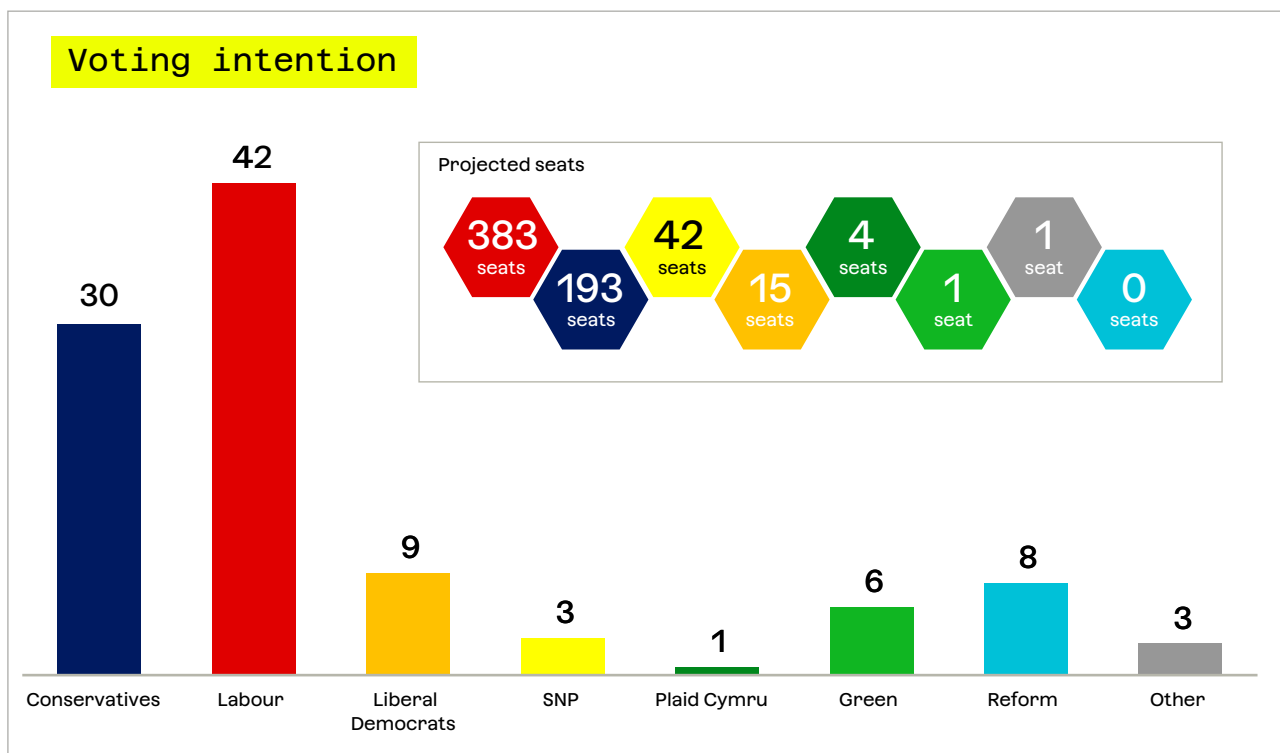
Engaging with Labour

The clarity of target voters’ views on many issues may appear to suggest that it is pointless to engage Labour. If they are so responsive to the priorities of their voters, won’t the party just take its lead from them?

But Labour is not set on a fixed course in every sector. There are issues where neither ideology nor voter pressure are pushing them in a particular direction and on which there is plenty of opportunity for business engagement. For example, voters are highly in favour of a **banking** windfall tax, but it is very low on the party’s agenda. **Tech** is another area where Labour’s policy is not well developed (at least in public) and the voters don’t hold strong political opinions.

Furthermore, on all of these topics, voter views are fundamentally not about the specifics of policy, they are about the direction they want the country to go in and the values they hold dear – it might be fairness and opportunity, or security and control. For businesses, the question is how they can develop policy asks and narrative frames that allow them to engage with Labour to secure its goals in a way that aligns with the voters’ interests. Doing so requires deep understanding of both voter attitudes and the politicians themselves.

Labour and business



Electoral state of play

Labour is in a strong position heading towards the next election. Our headline voting intention result is right at the bottom of what pollsters have published recently, but would still put Labour on 380 seats, with a majority of 110.⁶

This is partly due to Keir Starmer's success in destigmatising the party on issues such as anti-Semitism, patriotism and economic competence.⁷ But more significantly, it is the result of a near-complete collapse in faith in the Conservatives to deliver against the problems the country is facing. In the marginal constituencies where the focus groups were held, 2019 Conservative voters who are thinking about voting Labour were adamant that there was no chance of voting Conservative again in 2024. One has to be cautious when interpreting focus group discussions quantitatively, but it appeared that 30 of the 31 participants in the focus groups had no intention of voting Conservative. There were two key, interlocking themes:



⁶ Polling conducted 1-3 March 2023. Seat prediction calculated using [Electoral Calculus' model](#), using proposed boundary changes. Scotland vote shares were taken from a [YouGov poll of Scotland](#), 17-20 February 2023, at the very outset of the SNP leadership election.

⁷ "Which political party would be better at handling the economy?" – [YouGov tracker](#)

- That the country is fundamentally dysfunctional – 64% of voters and 81% of Labour targets believe the country is going in the wrong direction. They spoke of a myriad of problems turning into acute pain across the rising cost of living, creaking public services and disruption caused by (in their view, largely justified) strikes.
- That the Conservative Party has lost the ability to govern effectively and address these problems. The voters cited the party's internal divisions and its politicians' apparent concern with protecting themselves and their friends' interests over those of the country. The drivers of this belief are too many to list but start with Covid parties and PPE contracts, run via changing Prime Minister twice in a year and crashing the economy by cutting taxes for the rich. These concerns are most recently encapsulated by Nadhim Zahawi's tax affairs.

These voters may not switch directly to Labour. They retain substantial doubts about the Party, and they haven't heard anything particularly convincing. But, as the participants described themselves to us, a large chunk of them are entirely lost to the Conservatives. They may stay home on election day, vote tactically against the Conservatives in Liberal Democrat target seats, or vote for minority parties. In absolute terms, the Conservative vote fell by 4.5m votes between the 1992 and 1997 election, whereas Labour's only increased by 2m. A similar dynamic could be on the cards here.

What does this mean for Labour and its prospects? The Party cannot afford to coast, relying on Conservative dysfunction to hand it the election. Even a small recovery in the polls for the Government would imperil Labour's chances of a majority. And it is clearly twice as useful for Labour to have a Conservative voter **switch** directly to Labour, than to simply stay at home or vote for a smaller party. How can Labour encourage this switching?

Other than their success in moving beyond the Corbyn era, it is not clear to these voters what Labour stands for. Furthermore, Starmer's personal brand is weak, defined by his opposition to what the Conservatives are saying, rather than anything distinct and positive.

"The country seems in a mess. We seem to have gone from living in a country that seemed kind of, not invincible, but thriving. Now sometimes it's a choice: do you feed yourself or do you heat your home?"

Woman, Ashfield

"The Conservative Party is in such disarray... they don't trust each other so how can the public trust them."

Woman, Stevenage

"They [Conservatives] have no idea what they're doing. They surge from one catastrophe to another, make one U turn after another. The previous one alienated the stock markets all over the world within 10 days of taking over, it's ridiculous."

Man, Ashfield

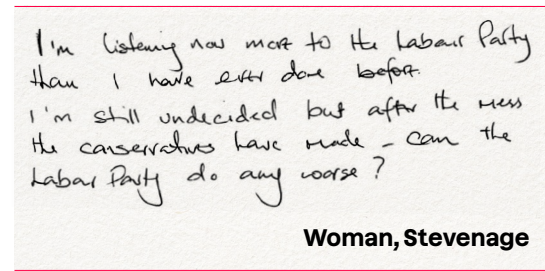
"The Labour Party seem to have a lack of direction in terms of where they want to be heading. Keir Starmer doesn't have that voteable personality... he doesn't seem to offer an opinion on anything. He waits and keeps quiet while the Conservatives put their foot in it and then says what would have been the right answer"

Man, Stevenage

*Rebranding after Corbyn (antisemitism)
Trying to find the middle ground, popular vote
Though better just anti-gov, where are their
own policies?*

Man, Ashfield

However, there is evidence from the research that Starmer's detoxification efforts have succeeded in encouraging these voters to **listen** to Labour for the first time in years. If they are listening, the question is: what Labour can say to persuade them?

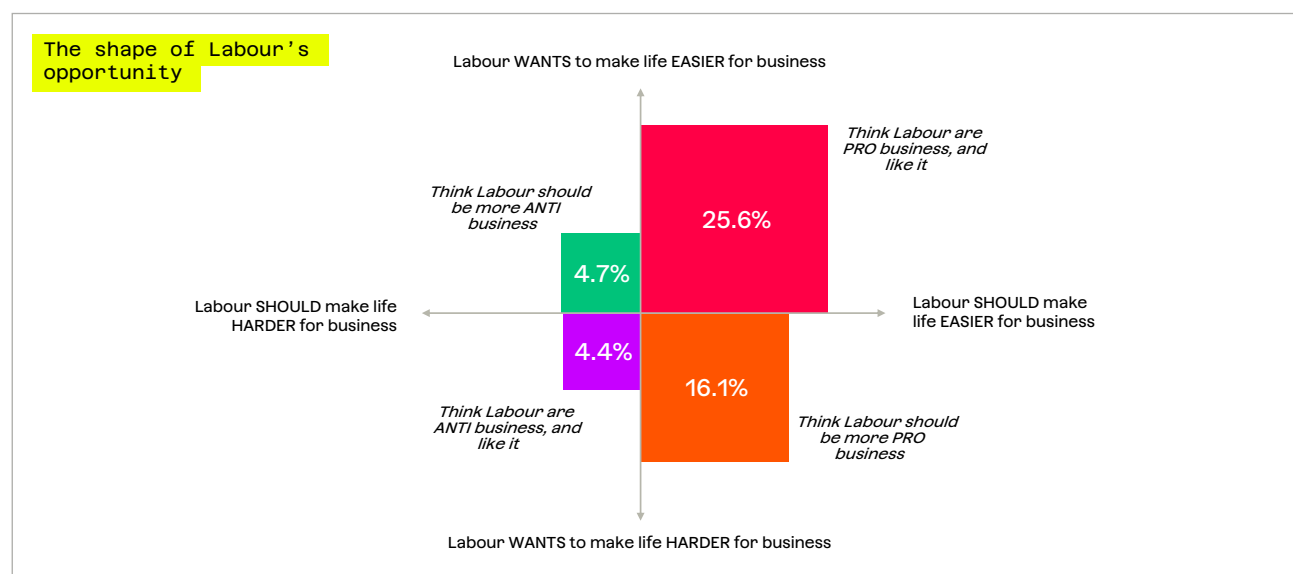
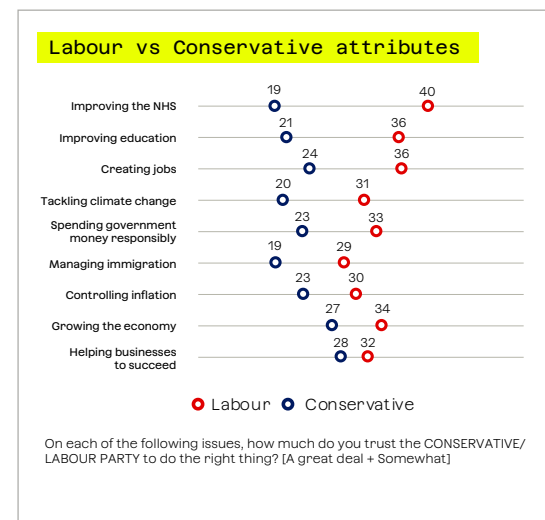


The political importance of the business relationship

One option for Labour is to deepen and promote its relationship with business. This will have benefits if and when the Party is in government, giving them access to a wider range of policy thinking and executional experience. But the primary benefit will be political. Labour is in such a strong position in current polling that it leads the Conservatives on every attribute measured, but its lead is smallest on the question of “helping businesses to succeed” – only 4%.

The chart below allows us to summarise the state of play for Labour and the size of the opportunity. Plenty of the population aren't sure about Labour's position, but focussing on those who do have an opinion...

- Labour's starting point is that 26% of the public think Labour is pro-business and are happy about it.
- The size of the opportunity to change minds is obvious – 16% of the public think Labour wants to make life harder for business but wish it would make life easier.
- That compares to the tiny 4% of the public who think Labour is anti-business and are happy for the Party to say so. We discuss their views and how it impacts Labour's thinking on page 14.

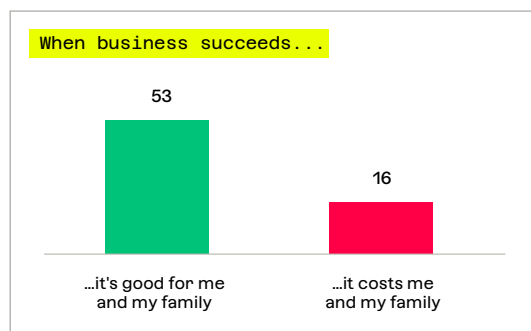


Being seen as close to business has three main advantages for Labour:

1. **Values** – It demonstrates that Labour is aligned to its target voters' economic values. Despite misgivings about large businesses, the clear majority of target voters believe that better living standards rely on more employment, higher pay and better-quality jobs. Given that most jobs are in the private sector, that means they expect politicians to support businesses. This might seem a trivially low bar, but it is important, and not one that every Labour leadership has been able to clear over the last fifty years.
2. **Credibility** – It lends credibility to Labour's leadership. One of the most oft-repeated criticisms of politicians – of any party – in focus groups is that you can't believe their promises.⁸ This is a particular challenge for any opposition party, as it has no opportunity to prove itself by delivering. It can only communicate. Association with business leaders, therefore, acts as a useful endorsement. While not necessarily highly trusted in and of themselves,⁹ business leaders are expected to be pragmatic, thorough and **self-interested**. If they are convinced by Labour, it suggests to these target voters that Labour's plans are credible.
3. **Competence** – It improves Labour's reputation for economic competence. The defining feature of Labour's loss in 2010 and a major drag on their campaigns ever since was the perceived failure on the economy – specifically, an association with borrowing for wasteful spending. A regression analysis using the polling data shows that “helping business to succeed” is the second most powerful predictor of people thinking that Labour can be trusted to grow the economy, behind only “creating jobs” and ahead of measures such as “controlling inflation” and “spending responsibly”.¹⁰

“If you are going to build and grow the economy, you’ve got to have businesses on side. It can’t always be unions... you’ve got to have banks, businesses, big businesses on side as well.”

Man, Ashfield



“You want somebody who is neutral to tell you oh, actually I’m a little bit more clued up about this and they (Labour) can actually do what you want them to do.”

Man, Ashfield

“[Labour] have a reputation of frittering money away and squandering money, of not being very savvy, business wise, in the past. So if someone who’s a head of business says it’s time to give them a chance, it gives you a bit more confidence that they know what they are doing, that they have a plan.”

Man, Ashfield

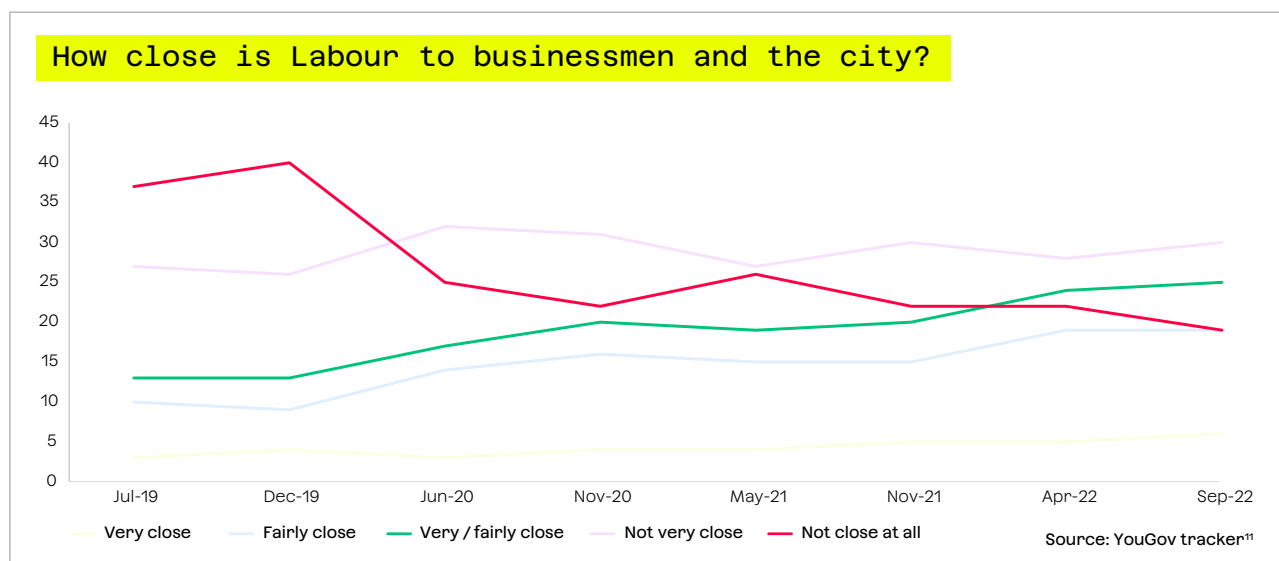
⁸ Ipsos's **Veracity Index** reports trust in “politicians generally” to tell the truth falling to an all-time low of 12% in 2022, having hovered around 20% in the 2000s, but with substantial year-to-year variation.

⁹ Ipsos has trust in “business leaders” to tell the truth at 32%.

¹⁰ Logistic regression of Labour being trusted to “Grow the economy” against dependent variables of other Labour attributes and demographics. Significant estimates ($p < 0.05$): Creating jobs – 0.17; Helping business to succeed – 0.11; Controlling inflation – 0.06; Spending government money responsibly – 0.05; Improving education – 0.03; Managing immigration – 0.03. Adjusted $R^2 = 0.76$.

Perceptions of Labour and business

Labour has made undoubted headway in its reputation for working with business under Keir Starmer. YouGov has tracked perceived closeness between Labour and “businessmen and the City” since 2019. The proportion saying “not close at all” has fallen from 40% at the nadir under Corbyn, to 19% now. However, the proposition saying “very close” or “fairly close” has only risen from 13% to 25%. In our own data, 27% of Labour target voters say that Labour has become more pro-business since Starmer became leader, with 69% saying “no change” or they’re “not sure”.



As with many aspects of Labour’s brand, it suggests that Starmer has been successful in reducing many factors that were causing outright dislike, but voters are yet to be convinced to the positive case.

For one participant in the focus groups, his perception that Labour wasn’t business-like enough was one of his first associations with the Party, in a completely unprompted written exercise.

That said, some of Labour’s efforts have penetrated, with a couple of participants vaguely aware of a business leader speaking out in Labour’s favour. (The groups were conducted a week after Paul Drechsler’s article in *The Independent*).¹² For them, it showed that Labour was gaining trust from a somewhat unexpected quarter.

*Weak — Not Business Enough —
Not Clear Where They Stand
on Anything*

Man, Ashfield

*“If it’s the head of the CBI saying we should
give them a chance then it must mean that
business thinks that they can work with
Labour for once, whereas normally they
are natural enemies.”*

Man, Ashfield

¹¹ “How close is the Labour Party to businessmen and the city?” – YouGov tracker

¹² “Hammer blow for Tories as ex-Cameron skills tsar declares: Labour is now the party of business” – *The Independent*, 13 February 2023

Some focus group participants raised a particular expectation of Labour with respect to business – that a Labour Government would operate with a higher level of accountability and transparency in its dealings with private businesses. There was a perception that corruption (as distinct from personal misbehaviour) had become more of a concern recently, with PPE contracts being the most commonly cited example. Some focus group participants knew of Starmer’s background in the CPS, and therefore expected him to set better standards; for others it was a more vaguely expressed hope that Labour would behave better.

“Pro-worker and pro-business”

Perhaps the most telling indicator of the importance Labour has attached to seeming pro-business, and the party’s recognition of its political impact, comes from a slogan that Labour has been deploying recently:

“Labour is pro-worker and pro-business.”¹³

We explored this language at length in the focus groups and polling. It is clear from the positive reception that Labour has been doing the same. For a large majority of Labour’s target voters, the language is both surprising and reassuring.

“Surprising” because it is still striking to these voters, in the context of both Labour’s historic brand and the Corbyn era, that the party is so explicitly tying itself to business. The commitment causes these suspicious voters to think open-mindedly about how Labour might govern.

“Reassuring” because it explicitly connects the original core of the Labour brand (for working people) to a mechanism for improving people’s lives, i.e., through having a share in the benefits of private enterprise. They believe that this represents a Labour approach to making life easier for British businesses, and thereby for pay, conditions and opportunities for employees – them and their families – to improve as well.

*Expect better moral character
Integrity & Authenticity*

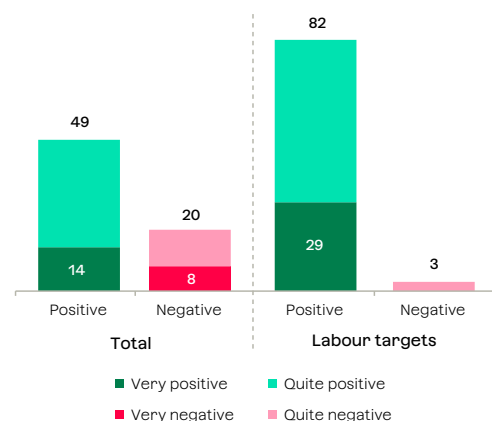
Woman, Stevenage

“I would expect Labour to hold these fat cats to account, particularly given that he was the head of the CPS... you would hope that if he would be leading it his leadership would embody some morals.”

Woman, Ashfield

“Pro-worker and pro-business” response

“Keir Starmer has recently said that “Labour are pro-worker and pro-business”. How does that make you feel about the Labour Party?”



“[Corbyn] had the old-fashioned view about these things.” **Woman, Stevenage**

“Because the lunacy of Corbyn years have gone.” **SURVEY RESPONSE**

“It means Labour will help businesses do well, and help business treat their employees well. It’s what I would expect Labour to be saying.” **Man, Stevenage**

¹³ Also notable is how this is being deployed in circumstances and by individuals traditionally thought of as being on the left. Rachel Reeves used it in a [speech to the Fabian Society](#), and Angela Rayner – probably the most left-wing member of Starmer’s shadow cabinet – made it the [centrepiece of a recent speech](#).

An anti-business base?

It is worth noting that the slogan is not universally popular. For those of a traditionally left-wing mindset or who are extremely suspicious of large private businesses, it presents as a contradiction. They see workers and management or owners as being in conflict, rather than in partnership. For them, Labour should be for either one or the other.

This tension among Labour voters, evident among segments of both the traditional working class and metropolitan liberals, is present throughout Labour's attitudes to businesses. For example, Labour's base voters are somewhat more suspicious of plans for greater involvement of private companies in delivering public services than its target voters (25% negative vs 21%). Some might think that this would lead Labour to be cautious to avoid alienating its base. But the potential upside among target voters is far greater than the risk. Importantly, large majorities of the public overall and Labour's targets explicitly reject the idea that workers and employers are in conflict. Quite the opposite. As an example, focus group participants pointed to the recent tight labour market as evidence of the importance of business sharing the benefits of their success to ensure they retain workers.

"They know the importance of addressing the needs of both. Starmer is not bogged down with left wing rhetoric, he is more realistic and understands that we are a free-market economy and needs the support of business to upgrade our economy and reduce daily living costs."

Survey response

"You can't back businesses [which are] not giving pay rises and workers who want pay rises."

Man, Stevenage

"It is not possible to be both pro-worker and pro-capitalist as by its very nature capitalism exists to exploit the working class."

Survey response

"If they're retaining their workers, they must be doing something... People find new jobs so much more easily these days."

Woman, Stevenage



Business during the cost-of-living crisis

This report cannot be a comprehensive survey of citizens' relationship with business – it is more focussed on the politics. However, the conversations with voters led to some important insights, especially regarding certain sectors, that can inform businesses' understanding of Labour's approach and how to communicate through the cost-of-living crisis.

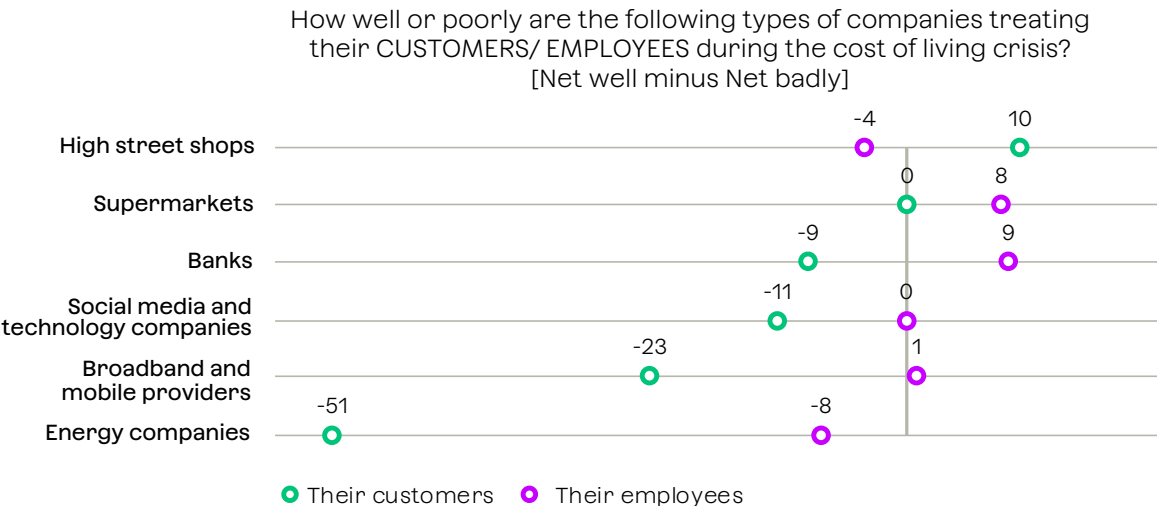
Although there continues to be political advantage in being seen as close to business, suspicion of business itself (and big business in particular) has grown throughout the cost-of-living crisis. This trend is more acute for some sectors than others, but represents a general decline from the position most companies found themselves in during the pandemic, where businesses – most notably supermarkets – were seen to be effectively supporting their employees and the communities they serve.¹⁴

The particular criticism in the focus groups was of businesses “using” Ukraine, supply chain issues and a general inflationary environment as an **excuse** to raise prices and profiting as a result. It was striking that participants could not name a single brand they thought had helped its customers, although they were more likely to think they were treating their employees well.

“It was inevitable things would go up, it’s no use blaming the Ukraine war.”

Woman, Stevenage

How are companies treating customers & employees?



14 “How Brits feel about the supermarket industry” – [YouGov tracker](#)

Energy companies

Perhaps unsurprisingly, it is the energy companies that attract the most ire. In focus groups, voters were scathing about the profits being made by Shell and BP, with specific numbers at their fingertips and stories of excess gleaned from the media. The energy retail companies do not escape criticism either. In this context, the exceptionally high levels of support for an extension of the windfall tax (see page 19) are entirely to be expected, and there is lots of political opportunity for Labour in pressing its case further.

"People like Centrica and BP... we've all seen them hit the pumps and the fuel prices rise, that has an effect on us and to see them making a record profit is really frustrating."
Man, Stevenage

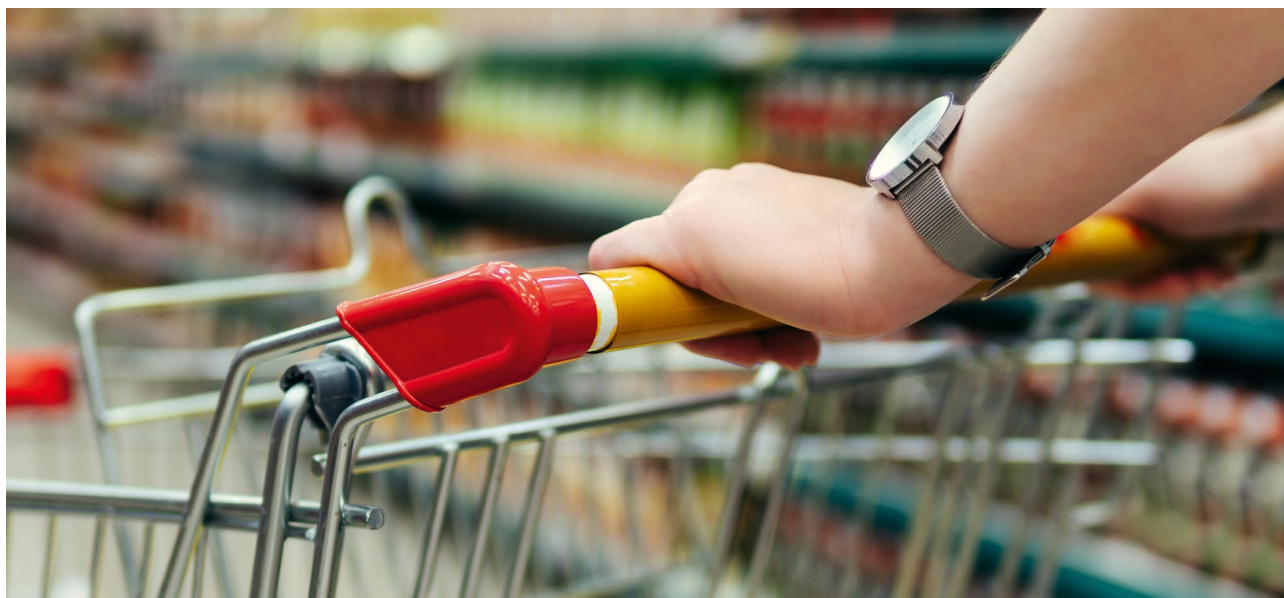
"It doesn't help the issue when there's £3.3 billion profits and they are taking all the sales reps to the Maldives for a holiday. It's things like that, you see, that gets your back up."
Man, Ashfield

Supermarkets

Also striking is the level of criticism directed at supermarkets. Supermarkets emerged strongly from the pandemic, praised for keeping customers fed at a time of national crisis. That warmth seems to have disappeared with grocery inflation, second only to energy prices among households' financial concerns.¹⁵ Especially worrying for retailers is voters' belief that they are not merely passing on price increases from suppliers, but actively pressing suppliers to keep costs low and profiting from the difference. The image voters have in their heads of suppliers is typically farmers, rather than large food processors or FMCGs (Fast-Moving Consumer Goods).

It will be important to track whether this level of voter anger translates into political action – there doesn't seem to be any evidence of it so far.

"I think they are just sitting on the bandwagon, because every single time you go each week, the prices have gone up. I don't think the farmer has a say in that price hike."
Woman, Ashfield



15 "Grocery inflation hits new 17.1% high as discounter growth soars" – [The Grocer, 28 February 2023](#)

Banks

Banks offer the most interesting case study. Their increased profits, driven by a widening margin between mortgage interest rates and savings interest rates, have not translated into significant public anger. Treatment of customers is rated as net -9%, better than broadband and mobile companies, and only fractionally worse than supermarkets. The response in the focus groups was nuanced, reflecting this rough split in public opinion. There were complaints about mortgage costs going up, confusion about why that might be, and concern about branch closures (an endemic complaint). But the level of criticism was nowhere near as strong as for supermarkets.

This is partly because banks are seen as delivering relatively well for customers (at least in a retail sense – the broad economic contribution of banks is barely discussed). Customer service was generally seen to be good. Banks were seen as being flexible with their customers. There were stories of banks granting mortgage holidays in response to changing personal circumstances, which differs from most consumers' interactions with corporates. And they were seen as giving something back to customers, in the form of cashback on direct debits or higher interest on savings.

Two other structural reasons might be relevant here:

- Media reaction to banks' profit announcements has been muted. There was very little awareness of the profit announcements which had happened a week before the focus groups were conducted. Compare that to the near-universal awareness of (and anger at) energy company profits.
- The increase in mortgage rates has not been felt by the majority of borrowers (yet), with most still protected by fixed rates that are yet to expire.

This may change as time goes on, but for the moment, banks are relatively well-insulated against political action. We explore how political pressures may drive or enable Labour policy on the banks – for example, growing calls for a windfall tax on banks' profits¹⁶ – on page 24.

"I don't understand why when the country's in more debt, our mortgage interest rates go up, so they know that everyone's struggling and say 'I'll tell you what, you can struggle a bit more' and we'll put your mortgage interest rate up."

Woman, Ashfield

"[Banks]’ve got big bonuses, I heard about that, but not about profits."

Woman, Ashfield

"They're behaving alright, they're being quite lenient. We spoke to them and they gave us a mortgage holiday, and I don't think that's something they would've done five years ago."

Woman, Stevenage

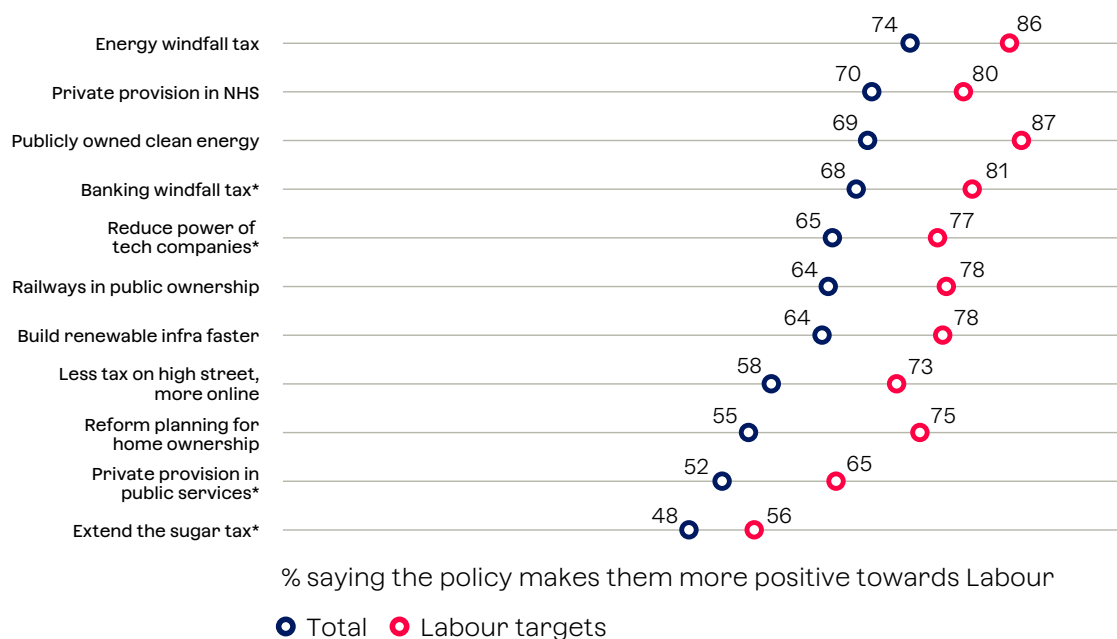
16 "Banks must pass on rate hikes to savers – or risk a windfall tax, warn experts" – [City A.M., 5 March 2023](#)

Labour's policy approach

Labour's approach to policy is being shaped by political considerations in the same way as the optics of its relationship with business. We tested a number of their actual commitments, as well as some ideas that it might pursue, and found most to be hugely popular and positive for the Labour brand. Combined with our intelligence from inside the Party, it hints at the extent to which its policy focus and communications are being developed through voter research.

The Party has continually talked of a “partnership” between public and private sectors, and has developed the most apparently “integrated” approach in the health and energy sectors. But these sectors represent perhaps the limit of Labour's ambition in further engaging the private sector to deliver public services, partly because of ideology, and partly because of political constraints. In other sectors, Labour is likely to make greater use of legislative and regulatory power to shape markets in a way that is aligned with its core “missions”.

Testing Labour policies



Below are some policies proposed by the Labour Party. For each, please say whether it makes you feel positive or negative about the Labour Party. [Very positive + quite positive]

*Indicated policies are not current Labour policy – included for testing purposes. Full text of policies is shown on page 30

Energy

Labour's energy policies – in particular the commitment to extending the windfall tax – are very popular. As discussed on page 16, voters are feeling significant pain from energy bills, while oil and gas and electricity generator profits feel grossly unearned. Labour will continue to beat this drum effectively.

Of more interest is Labour's approach to tackling climate change. Very much copying the successful approach of Joe Biden,¹⁷ Labour has finally found a way of framing investment in clean energy as a way of delivering lower bills, good quality jobs and (especially in the context of Ukraine) energy security. It is **not** talking as much about the importance of climate change itself, except for communications aimed at their base.

The key feature of the policy from a business perspective is the extent to which it envisages a significant partnership between public and private sectors to deliver the investment Labour expects. On the one hand, Labour is planning to spend £28bn per year in its Green Prosperity Plan – subsidies, investment and creating a publicly-owned clean energy company (GB Energy). Such a large entry into the largely private market might be seen as an unwelcome competitor by existing players, if the focus is on buying assets in already profitable markets, and so pushing up asset prices. The concern is that the Party risks crowding out investment, rather than crowding it in.

On the other hand, Labour expects its spending to catalyse significant private investment on the likes of battery manufacturing, wind and hydrogen, not to mention the boost to the construction industry the development associated with GB Energy would provide. Furthermore, the Party is talking about loosening planning rules to make it easier for both government and businesses to build nationally relevant infrastructure.¹⁸ Even by loosening the fiscal rules to allow more borrowing for capital projects, Labour can't afford to build everything itself.

The twin approach resonates with its target voters – 87% say the GB Energy policy makes them more positive about Labour, and 78% are for loosening planning laws for renewable projects. They welcome public **investment** in cleaner energy because of a lingering sense that it is still more expensive than traditional energy and therefore

"It's going to create a lot of jobs, isn't it, so we're not relying on the US and the EU, and having something for ourselves and being able to supply our own country."

Woman, Ashfield

"We shouldn't have to rely on other people for our energy, hence why we're currently paying through the nose."

Woman, Stevenage

"I see it as a good thing [for the government to own it] at first, to create all these jobs. But give it a few more years and it will just go downhill like every other government run thing."

Woman, Stevenage

17 "Labour cites inspiration from US President Biden on green economy plans" – [The Independent, 12 March 2022](#)

18 "Growth is the answer" – [Keir Starmer speech, 27 February 2023](#)

the private sector won't deliver what's needed. But with respect to ownership, they feel that, in general, the private sector is more trusted to maintain the assets for the long-term. We explore this more in the section on Public Ownership, on page 21.

The research suggests Labour will commit to its stated policy of massive investment in clean energy, both to build and own assets, and as a catalyst for further private sector investment. But do not expect the Party to make climate action the centre of its narrative – it will be about job creation, energy security and lower bills.

Health

The state of the NHS was a top 3 issue for voters across both focus groups and our polling. There was concern for both their own and family members' ability to get treated, and for the staff being overworked and underpaid. In this context, there is substantial support for nurses and ambulance workers striking, despite the disruption this causes.

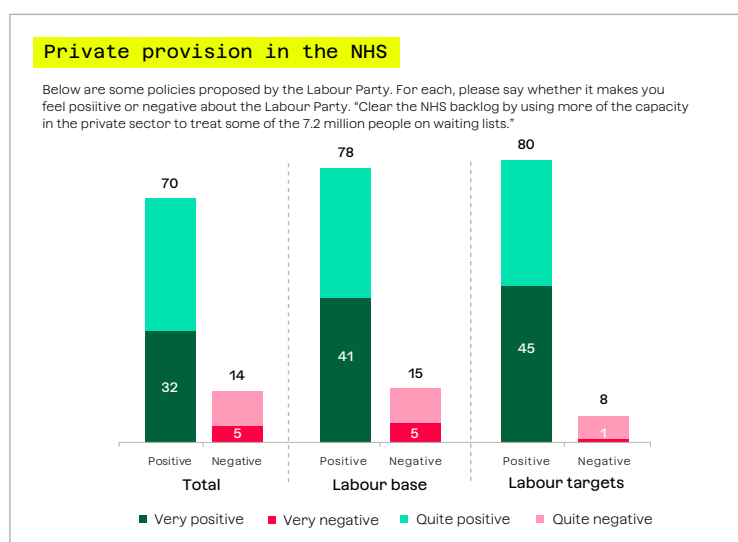
A policy that generates significant concern about Labour on the left is its pledge to make greater use of the private sector to treat NHS patients.¹⁹ But Labour's target voters warmly welcome it. It strikes them as entirely sensible and not at all radical. They are familiar with private provision already existing within the NHS and even with the idea that it's the same doctors splitting their time between NHS and private practice. There are some concerns about private companies profiting out of the NHS but these are minor compared to the scale of the problem the policy seeks to tackle. Even Labour's core vote, who you might expect to be suspicious of such a policy, seem to be supportive.

"I think people out there – nurses, fire staff – should strike because they've been denied any pay rise for eight years. It was alright during COVID lockdown when they're all key workers, when we needed them, so they should be rewarded."

Man, Ashfield

"When I had cataracts they gave me a choice. Do you want to go to the NHS hospital in Welwyn Garden City or Pine Hills? I said Pine Hills please. I was in there in seven days, when there was a 6 month wait for the NHS hospitals."

Man, Stevenage



19 "Private hospitals coming to the NHS's rescue? Labour should know better" – [The Guardian, 12 December 2023](#)

Public ownership

The suggestion of “partnership” across health and energy naturally leads to the question of how Labour will approach the privatised utilities and services: water, trains and telecoms. The 2017 manifesto had promised sweeping nationalisations, with notable political success (at least in that campaign), so one might think that Labour would be encouraged to repeat the trick.

Publicly available polling suggests that a majority of the public back water, trains and energy being run in the public sector.²⁰ Our own polling suggests that a majority of voters would back the nationalisation of rail and water companies when exposed to framing arguments on each side of the debate – although a notably smaller percentage of the target group than their base voters. Why, then, is Labour only talking about nationalising the train companies and not other sectors, when doing so seems so popular?

One of Labour’s fundamental brand problems remains the concern about them spending money wastefully. It can therefore be relaxed about a policy like train operating company nationalisation because it can be presented as bringing the contracts in-house when they expire. Energy and water, on the other hand, require costly asset purchases of their networks, opening Labour up to damaging attacks on its profligacy.

Furthermore, voters’ views on **ownership** are somewhat more nuanced than the polling suggests and have important implications for debates about nationalisation. They very much like the idea of profits being returned to the taxpayer, not going to shareholders. However, they have their doubts about government as a steward of assets like this over the long term. They fear government might under-invest in maintaining the assets because of other priorities, or that policy might change with a change in government. The private sector is seen as a more stable and rationally motivated owner.

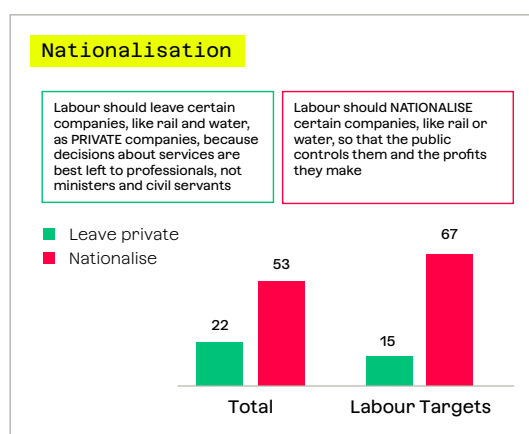
If Labour does limit its nationalisation plan to train companies only, expect a tighter regulation and fines regime for the regulated utilities, responding to public anger at profits and perceived poor performance. Labour is likely to use that change to direct companies away from competition and towards its goals on the environment, social protections and greater economic opportunity.

“I would love to see them publicly owned, because if they can make profit for all the shareholders, nationalise them and all that profit can go back into the government’s profit.”
Man, Stevenage

“I think [nationalising trains but not energy, water, etc.] probably sounds a little bit more realistic to operate in that way from the offset, but I’d like to know what they’re planning on doing over a longer period of time.”
Woman, Ashfield

“The trouble is, if they were to start it, and then you change government and they don’t agree with you, then the policies are wasted.”
Woman, Stevenage

“It’s a good idea to make it [not nationalising] conditional on investing in the infrastructure because the reason we have water shortages is not because it doesn’t rain is because they don’t fix the pipes!”
Man, Ashfield



²⁰ “Most Britons believe that trains, water and energy should sit within the public sector” – YouGov, 19 October 2022

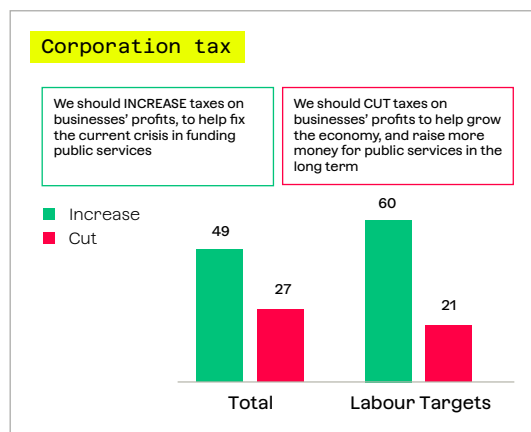
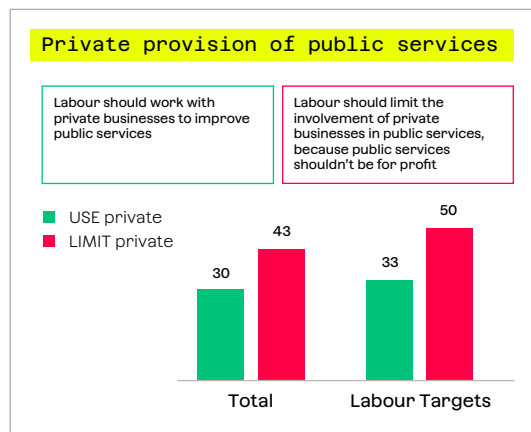
It is important to note that while this is true in the hypothetical, it does not necessarily hold true in the present day in the absence of what voters would see as sufficiently tight regulation. None of these voters would argue that water companies were investing appropriately to maintain their assets, for example.

We see a definite suspicion about Labour inviting greater private delivery of public services more generally, and yet substantial support for the idea of greater private involvement in the NHS. How should this apparent contradiction be interpreted and used as a guide for Labour's future policy? We believe it suggests that the public is prepared to accept greater private involvement for public services that are in acute need or crisis. Indeed, from a Labour brand perspective, the Party welcomes it as it shows it is being pragmatic rather than ideological. But it is much harder to find an example of another public service where greater private involvement would be broadly welcomed. For services that are not so troubled, or where there has never been any history of private sector involvement, expect much more caution from Labour.

Taxation

Taxation on business, especially corporation tax, has been at the centre of political debate for well over a year. Labour has signalled its willingness to keep the level and detail of corporation tax on the table, with a review announced at the beginning of March.²¹ Its promise to business centres more on the idea of stability and certainty in the rate of corporation tax than a commitment to keeping it at the new 25% level. The evidence from the polling is clear – a majority of the public, and even more of Labour's target voters, support increased taxes on business profits (i.e. corporation tax). This is driven by a belief that business profits going to shareholders is in some respects "free money", which can be taxed at little cost.

There is little consideration given to the risk of discouraging investment and therefore hurting the economy in the long run – the Conservative argument essentially falls flat here. Nor is there much connection to the importance of generating returns for pensions, although it is mentioned occasionally. This does not mean that Labour is instantly going to increase corporation tax by 5%, but it does indicate that the Party has the political space to do so, should it need to raise extra revenue in Government.



"It's obscene some money they make, it would be nice to see that money go into something else like the NHS."

Woman, Stevenage

"If you're raising tax on a bigger company, I don't see an issue, it will be beneficial for the economy."

Man, Stevenage

²¹ "Labour party to review Britain's business tax regime" – [The Financial Times, 6 March 2023](#)

This idea extends to the debate around taxation for entrepreneurs, which has implications for capital gains tax and taxation on carried interest – Labour has already promised to align the latter with income tax.²² Majorities of both the public and Labour’s targets support greater taxation in this area, although not by as large a margin as you might expect from Labour voters. It’s possible that an argument around fairness – aligning income and capital taxes – would have carried more weight with them.

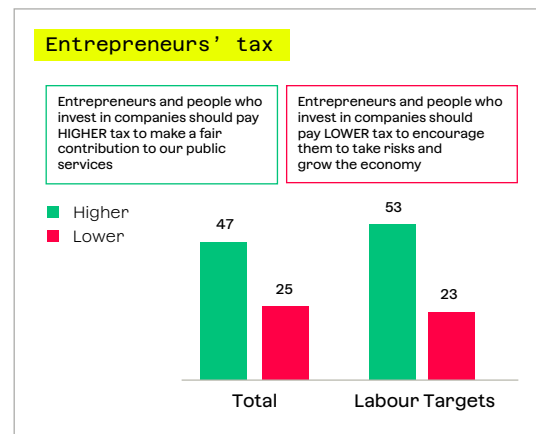
While the public is prepared to accept increased corporation tax for large business, it is much more opposed in the case of small businesses. Whereas the beneficiaries of large businesses’ profits seem impersonal, the profits of small businesses are seen as the salaries of individual people. Many of the voters in the focus groups worked in small businesses or had family members who were company directors. They identified with small business owners and the importance of their dividend payments. This led to a sharp split in favour of taxing large business profits but against doing the same for small businesses.

Were Labour to consider increases in corporation tax, it may look again at the recently introduced threshold for small business profit,²³ and consider raising it to exempt more small businesses.

Regulation

Presenting greater deregulation of businesses as a way to grow the economy prompted outright scorn from the Labour target voters in the focus groups. Businesses are not trusted to behave well in the absence of government regulation when there are profits to be made.

This holds true in general terms. There will always be specific regulations that seem to run against common sense for these voters. But those calling for Singapore-on-Thames-style deregulation across the board will find that Labour’s argument to “protect the rights” of workers, customers, and the environment will be much more impactful with politically important voters.

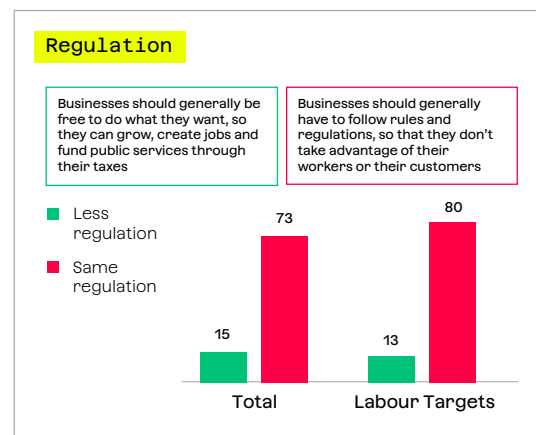


“If it’s something for a big business that earns a lot of money and there’s a threshold if your business makes above this, but if it’s going to affect all businesses, I think you’re going to see more small companies go under because they can’t afford it.”

Woman, Ashfield

“My business I worked for before I retired, it only employed like 15-20 people. There’s a big difference between that and big businesses, so I think it would have to be a sliding scale.”

Man, Ashfield



²² “UK Labour party plans crackdown on private equity tax loophole” – [The Financial Times, 19 September 2021](#)

²³ From April 2023, businesses with profits under £50,000 pay 19%; those with profits over the threshold pay 25%. “Corporate tax rates and allowances” – [HMRC, updated 21 December 2022](#)

These target voters were also somewhat more likely to favour a regulatory approach to perceived problems – something that changed the behaviour of companies – as opposed to a tax approach that was more likely to impact the consumer. While observers should be cautious about inferring an holistic approach from a single sector, one specific example was sugary foods. Participants were more likely to support bans on marketing and the display of sweets and chocolate than they were the idea of extending the sugar tax from soft drinks to all sugary food and drink. It was striking that while still popular overall (by 48% to 31%), extending the sugar tax was the least popular of all the hypothetical and actual Labour policies tested.

Banks

As discussed earlier (see page 17), banks have a mixed reputation among the public. They are certainly not as badly positioned as energy companies but are still vulnerable to greater public scrutiny and punitive policymaking.

There is support for banks paying a higher level of tax than businesses in other sectors (as is currently the case). That said, for some target voters (typically men), there is a question about whether the UK is losing, or has indeed already lost, the City of London's position as a pre-eminent financial sector.

On its own, there is support for a banking profits windfall tax, although the figure is noticeably lower than the equivalent for energy companies (47% say Labour extending the energy windfall tax would make them very positive about Labour, versus 35% for banks). Voter awareness of banking profits is much lower than for energy companies. Unless that changes, there is unlikely to be a significant political push for a banking windfall tax.

Workforce

There is plenty of discussion about the impact of workforce pressure on inflation, and indeed on the public finances.²⁴ It is fair to say that this relationship is not well understood by the focus group participants, and altering the labour supply is not one of the levers they expect government to pull to address inflation. However, it was important to explore in this work, as policies to increase the workforce

"Look at other countries, if you have an accident abroad, you don't have the protections that we have."

Woman, Stevenage

"They put the more expensive, the naughty things at the checkout because you're stood there, you're cornered... I don't think that is fair."

Woman, Ashfield

"Then we've fallen into the trap of paying more tax for the things that we want to do."

Woman, Stevenage

"All we're going to do by taxing the banks more is force them to move to Europe, they're already moving banking from London to Brussels and things like that... we did it to ourselves."

Man, Ashfield

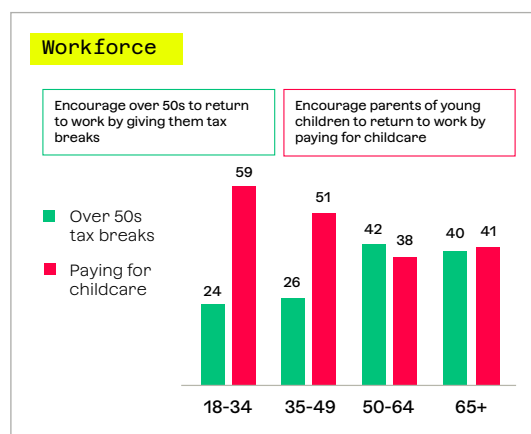
24 "The mystery of Britain's missing workers" – [The Financial Times, 20 November 2022](#)

will doubtless be coming, whether it's Jonathan Ashworth's review into encouraging older people back into work,²⁵ or debates over which jobs to include within the work permit numbers.²⁶

Two segments of the population are often discussed when it comes to expanding the workforce: encouraging young parents (typically mothers) back to work through better / more generous childcare provision, and encouraging older workers back to work through tax breaks. The Government has leant hard into this debate with their Budget announcements on childcare and pensions relief.²⁷ The childcare announcement in particular might have drawn Labour's sting with respect to their own manifesto policy.

While the two options are not mutually exclusive, there might be a question over which to prioritise given they speak to very different demographics of the population. Overall, both the general public and Labour's target voters back childcare as the preferred option. As one would expect, they look at it through distinctly self-interested perspectives, rather than broader economic considerations. Younger voters are much more likely to back the childcare option, with 50-64 year-olds the only age group to support tax breaks for older people. Over-65s are evenly split – perhaps because many of them have caring responsibilities for their young grandchildren themselves.

Another option for easing labour pressures is to expand the amount of immigration allowed. Voters' views of immigration are nuanced – even when the focus group discussion turned to asylum seekers there was a debate about whether it would be better to allow people to work while their claims were processed. Other research has shown that the public are increasingly open to immigration for the purposes of work.²⁸ The concerns about immigration that drove so much of politics in the 2010s have clearly lessened (although the small boats issue is hugely important in certain seats). However, Labour will continue to be incredibly cautious on this issue because of the damage it did to their brand in the past. Being trusted to “manage immigration” remains Labour's weakest attribute of all those tested, although still ahead of the Conservatives, who are seen to have failed on the small boats issue – Labour leads by 29% to 19% (see page 10).²⁹



“I have no problem with any job being given to someone that would love to do it. If we can't fill it, then why not? But with the strikes at the minute maybe skilled would be more helpful if I had to choose from both.”
Woman, Stevenage

“There are people out there that do just sit and get the handouts. Let's turn around to them and say, well, to get that handout, you're gonna have to do X, Y, and Z and fill the jobs that way.”
Woman, Ashfield

25 “Labour outlines plan to place more Britons in work” – [The Financial Times, 28 November 2022](#)

26 “Britain after Brexit: the surprising surge in skilled migrants” – [The Financial Times, 13 March 2023](#)

27 “Budget 2023 for pensions and families” – [Sky News, 15 March 2023](#)

28 “UK now among most accepting countries for foreign workers, survey finds” – [The Guardian, 23 February 2023](#)

29 Note that the research was conducted prior to the government's push on the “small boats” issue.

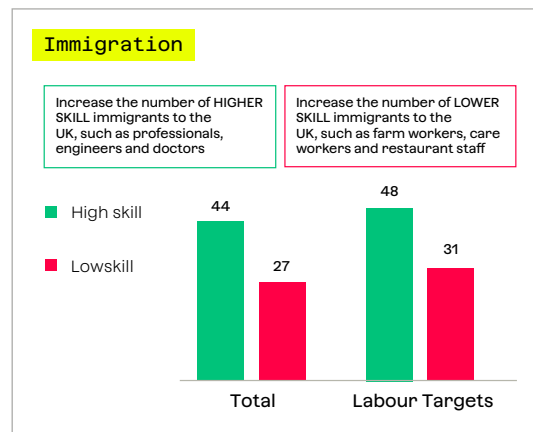
On the subject of which immigration to allow, voters are somewhat more supportive of allowing high-skill workers in, believing their contribution is more valuable. This is the basic foundation of public support for the fabled “Australian points-based system”. They are not resolutely opposed to immigration for low-skill jobs either, suggesting that concern about job shortages has penetrated to a significant extent. But their response instinctively turns to the question of unemployment in the UK, and why the jobs cannot be filled from there. It would be politically risky for Labour to open up significant low-skill immigration, inviting attacks for being “soft” on both immigration and unemployed benefit claimants.

Tech

Technology and tech companies are never going to be top of voters’ minds among the many issues facing the country. But it has a near-all-encompassing impact on their lives, and has political relevance in two notable areas: the survival of the high street (which has totemic importance in the mid-size towns Labour is targeting) and how voters consume information.

We tested a policy that Labour has talked about already, which is to shift more taxation onto online retailers and away from business rates on high street shops. Plenty of voters think positively about this idea – 73% of Labour’s target voters say this makes them more positive about Labour. But only 29% say “very positive” compared to 65% for Labour’s most popular policy – the energy windfall tax. This suggests that this policy will continue to be part of the package offered by Labour but will not be a major point of political debate or campaigning.

Labour’s policy with regard to tech specifically is not well fleshed out in public – there is supposedly more detail coming in a paper sometime in the Spring of 2023. The policy tested seems plausible based on their public comments so far: “reduce the power that tech companies have over our shopping and our news and put control in the hands of users”. This provoked a more welcoming response than the retail/tech tax policy, with 77% of target voters saying it made them “more positive” about Labour, of which 38% said “very positive”. However, the detail with such policies is always key, and there is no evidence that Labour will make a major campaigning point of this. We believe that there is a lot of space for interested companies to engage Labour on this topic, to understand and indeed shape its future policy.



“There’s a shop here which has been open a hundred and something years, if they can’t stay open then who can?”

Man, Stevenage

About Headland

Headland was established to provide market-leading advice across political, corporate and capital markets communications but with the fervent belief that businesses were badly served by traditional agencies who artificially silo them based on these disciplines. Instead, our focus is on helping clients meet objectives, building bespoke teams of specialists from across the agency.

By integrating primary research and data; digital tools and channels; and our extensive networks across the media, Westminster and the City; our consultants help protect businesses' reputation and deliver policy changes to support their commercial goals.

This report was produced by two of Headland's teams – Public Affairs and Strategy, Insight & Planning.



Public Affairs at Headland

The impact of political and regulatory headwinds on business operations and reputation has never been higher. We help businesses and investors manage their interactions with the political and policy ecosystem.

Specific services we offer include:

Political campaigns:

- We work with businesses to develop political campaigns both to influence policy and boost corporate reputation. Through data and insight, combined with our understanding of the current political landscape, we ensure these campaigns resonate with the audiences who matter most. We use a range of tools to ensure maximum impact, often collaborating with a broad range of stakeholders and advocates.

Political risk and insight:

- Deploying our expertise on politics and the decision-making process, we help businesses and investors navigate the political direction of travel, manage risks and capitalise on opportunities.

Policy development:

- We use our understanding of the policy making process to develop evidence based and compelling policy proposals, to shape legislation and regulatory policy and help facilitate your commercial goals.

Select Committee training:

- We will help you protect your reputation when appearing before a Committee. Our understanding of the process and impact of parliamentary inquiries will ensure you are prepared for all eventualities before, during and after an inquiry.

Strategy, Insight & Planning at Headland

Headland's Strategy, Insight & Planning team is made up of opinion researchers, audience and data analysts, campaign planners and reputation strategists who work alongside Headland's range of experts to give our clients the broadest perspective.

We help our clients understand and exceed expectations through deep insight and data capable of informing business strategy.

We use insight to develop reputation strategy, inform sustainability plans, develop narratives, test messaging, measure performance and plan

communications campaigns. Services we offer include:

Set reputation strategy:

- We can prove the connection between stakeholders' perceptions and business value. This informs reputation strategies that deliver on business objectives and provide communications professionals with the reputation data to shape business decision-making.

Understand audiences:

- Landing messages that have impact means understanding your audiences – be they consumers or colleagues, regulators or politicians. Our insight tools give you

the confidence to shape powerful communications on a bedrock of evidence.

Plan campaigns:

- Our team of strategic planners use a set of bespoke tools, working alongside our core client teams, to distil an insight from the research and data to unlock the strategy and positioning. From there we create actionable plans and turn strategy into reality.





Gregor Poynton

Gregor has spent two periods working for the Labour Party. Firstly, as Election Strategy Manager, advising senior politicians on communications and election strategy. Then, as a Senior Advisor to Jim Murphy, the then-Leader of the Scottish Labour Party, where he was responsible for all areas of political strategy including communications, messaging, polling and research, parliamentary management and policy development.

Gregor was also UK Political Director at Blue State Digital, which led digital strategy for the 2008 and 2012 Barack Obama presidential campaigns.

He leads Headland's Digital and Strategy & Insight practices. He is a digital campaign and communications specialist with extensive experience providing senior counsel on politics, government, the media and reputation to FTSE 100 companies, governments, trade unions, NGOs and multi-national organisations.



Matt Horrocks

Matt Horrocks leads our Strategy, Insight & Planning practice, working across clients to set their reputational strategies on the basis of deep qualitative research and data analysis. Matt's approach to using research to inform campaigns was developed when he was a pollster for the Labour party between 2011 and 2015. He also advised political campaigns in South Africa, Romania and Israel. He uses a range of tools – including deliberative focus groups, in-depth interviews, quantitative message testing, audience segmentation and regression analysis – to base clients' strategies in deep and robust evidence.



Jack Smith

Jack joined Headland after nearly a decade working in and around the Labour Party. He held roles in campaigning, political management, and electoral strategy, working in Parliament and at Labour HQ. Over this time, he worked on two general elections, two Mayoral elections, the EU referendum and a number of other local elections.

Most recently, Jack was a senior advisor on Keir Starmer's leadership campaign and continues to support the party in his spare time.

He leads Headland's work on engagement with the Labour Party as well as having a senior role in our Strategy, Insight & Planning team where he leads work on secondary research and targeting & segmentation.

Methodology

Focus groups

Headland conducted four focus groups, moderated by a member of the Headland team:

- Two in Stevenage, with residents from that constituency, on the night of 16 February 2023
- Two in South Normanton, with residents of the Ashfield constituency, on the night of 23 February 2023

The seats were chosen because they represent, respectively, a traditional Labour-Conservative marginal seat, and a “Red Wall” seat that Labour has held – but for a gap of two years – since its creation in 1955. The two seats also sit either side of the tipping point of what Labour needs to secure a majority. Labour needs 325 seats for a majority: Stevenage would be seat #295 and Ashfield seat #345.³⁰

All participants were recruited on the basis that they had voted Conservative in the 2019 general election, and were now thinking of, but were not certain about, voting Labour in the upcoming election. None were political activists or had participated in a focus group in the last six months.

Groups were split between male and female participants in both locations. All participants were between the ages of 30 and 70 and were from the BC1C2 social grades.

Recruitment was conducted by Leftfield International.

Polling

The survey was conducted online, between 1-3 March 2023, among n=3000 adults in Great Britain. It was weighted to be politically and nationally representative.

The survey was conducted by Opinium Research. Reported Voting Intention numbers use their methodology for estimating

likelihood to vote and allocating those who are unsure. Full data tables for the survey can be found on the Opinium website.

Throughout this report, “Labour targets” are defined as people who did not vote Labour in the 2019 election, but now say that they will. “Labour base” are defined as people who did vote Labour in 2019 and are intending to do so again.

The full text of Labour policies (hypothetical policies are marked with an asterisk) tested were:

Short text	Full text
Publicly owned clean energy	Create Great British Energy, a new, publicly-owned clean energy company, to build wind, solar and wave power plants.
Energy windfall tax	Increase the current windfall tax on oil and gas company profits, to cut an extra £500 from everyone's energy bills.
Banking windfall tax*	Increase the tax on banks' profits to offset the windfall profits they've made since the rise in interest rates.
Build renewable infra faster	Change planning law to make it faster and easier to build onshore wind and other renewable energy infrastructure.
Railways in public ownership	Bring the railways back into public ownership as existing contracts with private companies expire.
Private provision in NHS	Clear the NHS backlog by using more of the capacity in the private sector to treat some of the 7.2 million people on waiting lists.
Extend the sugar tax*	Extend the soft drinks sugar tax to other unhealthy foods.
Private provision in public services*	Work in partnership with private companies to deliver some public services.
Reduce the power of tech companies*	Reduce the power that tech companies have over our shopping and our news, and put control in the hands of users.
Less tax on high street, more online	Shift the burden of business taxes to put more onto internet retailers and protect high street shops.
Reform planning for home ownership	Reform planning laws for new housebuilding, to increase home ownership to 70%, up from 65% today.

30 Electoral Calculus model of **Majority Sorted Seats**

Headland

To find out how Headland can help you, contact
Dan Smith (dsmith@headlandconsultancy.com)
or Oliver Tilley (otilley@headlandconsultancy.com)



For more information on the polling which informed this report, contact research@opinium.co.uk.

