



More in
Common

Doom Loop deepens

Britons and the Spring Statement

The doom loop deepens

In October 2024, More in Common published [Doom Loop](#), a report on public opinion on the economy ahead of the Autumn Budget. That study highlighted deep economic pessimism among the public, concern that things were going backwards and tough choices facing the Chancellor.

New polling from More in Common reveals that since the Budget this sense of doom has only deepened. The public are both deeply anxious and pessimistic about the economy, with little faith in the Government's ability to make things better.

Public trust in the Government has fallen with Britons more likely to believe the Government hid its true economic plans in order to get elected, and little trust in promises to deliver improvements to Britain's economy, public services and their own personal lives.

Toplines

On the eve of the Spring Statement, the Labour Government faces three major challenges in public opinion: a challenge of **tiredness**, a challenge of **trust** and a challenge of **toughness**.

The tiredness challenge: the Chancellor will deliver her statement to a country that is already exhausted, anxious and pessimistic about the state of the economy.

- Four in ten Britons think that the UK is already in a recession; half (49 per cent) worry that the cost of living crisis will never end.
- 61 per cent of Britons are pessimistic about the Spring Statement; only 16 per cent are optimistic.
- 31 per cent believe that Britain is returning to austerity; 23 per cent think that austerity never ended.

The trust challenge: the public thinks that the Labour Government has not been upfront about their plans for the economy, and have little confidence in them to improve the state of public finances.

- Most Britons think that Labour wasn't upfront about their economic plans during the election..
- 69 per cent think it is unlikely that Labour will improve public finances, 62 per cent think it is unlikely that they will improve public services; 71 per cent think it is unlikely that the Labour government will improve their lives.
- 59 per cent trust Jeremy Hunt more than Rachel Reeves to manage the economy; 58 per cent trust Mel Stride more
- Britons don't believe in the tradeoff between spending and taxes - 63 per cent think the Chancellor can avoid cuts and tax rises by reducing waste.

The toughness challenge: Britons generally perceive the Prime Minister and Chancellor as capable of making difficult decisions, even when they are politically unpopular. However, the risk lies in ensuring that their tough stances on welfare and public spending are not seen as uncompassionate or targeting vulnerable groups.

- People expect the 'ultra-rich' to be the biggest winners of the statement, while farmers, pensioners and disabled people are expected to lose out the most.
- More than half say that the Government isn't trying to limit the impact of their spending cuts on the vulnerable; 36% say that they are actively targeting vulnerable people.
- Changes to eligibility criteria for Personal Independence Payments are out-of-step with the public's views. If not communicated effectively, they could risk evoking a similar reaction to decision to means-test the Winter Fuel Allowance

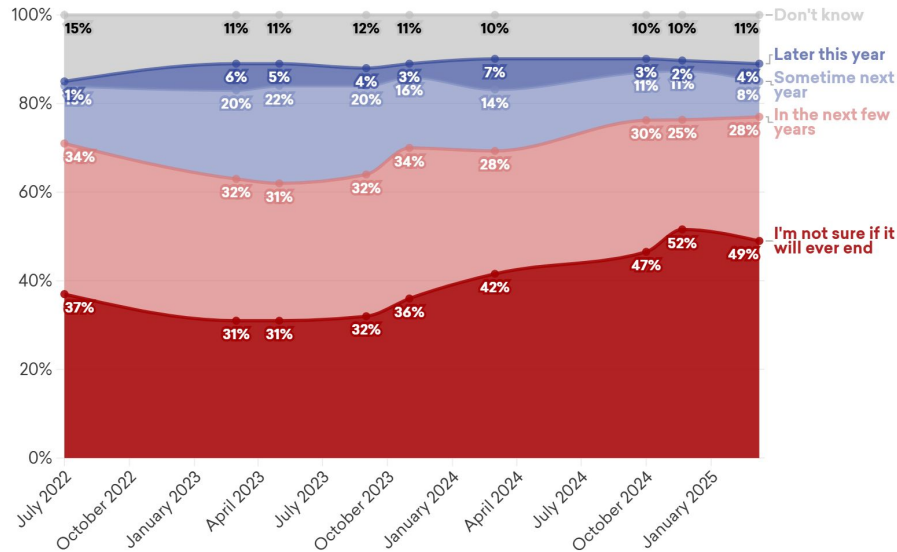


The tiredness challenge

Many worry that the cost of living crisis will never end

49 per cent now say they are not sure the cost of living crisis will ever end

While economic conditions are difficult to predict, when do you expect the cost of living crisis to end?



The Chancellor will deliver her statement to a country that is tired and pessimistic about the state of the economy.

Four in ten Britons think that the UK is currently in a recession, while half (49 per cent) say they are not sure whether the cost of living crisis will ever end.

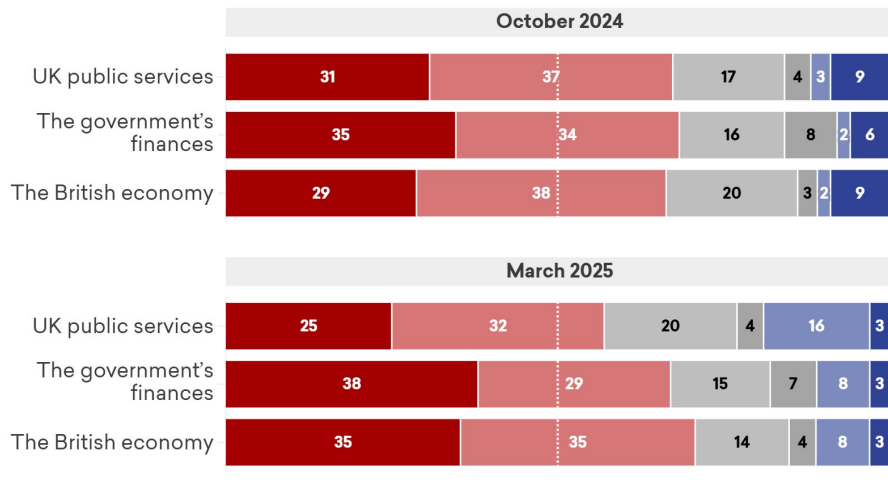
Many are also making sacrifices to cope with the rising cost of living: 38 per cent say they're cutting down on their electricity or heating usage. One in ten Britons (12 per cent) are skipping meals.

How has the public mood shifted since the Autumn Statement?

Most think the economy, government finances and public services are in a bad state

For each of the following, would you say they are in a good or bad state at the moment?

● Very bad ● Somewhat bad ● Neither good nor bad ● Don't know ● Somewhat good ● Very good



A majority of Britons think that the UK's public services, Government finances and the economy are in a bad state.

While Britons are now slightly more positive about the state of public services (57 per cent think they are in a bad state, compared to 68 per cent in October), perceptions of public finances haven't shifted, and Britons are now more likely to say that the economy is in a bad state.

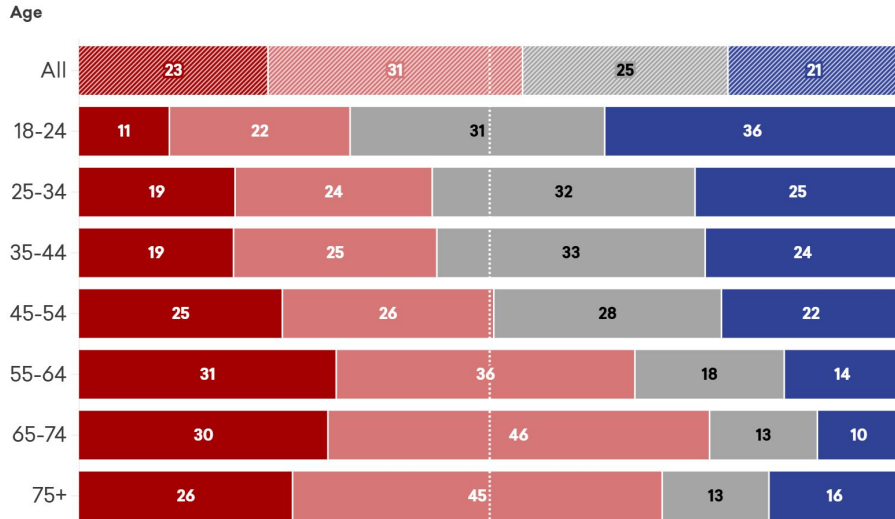
61 per cent of Britons say they are now feeling pessimistic about the Spring Statement.

Most Britons think Britain is in austerity or returning to it

Most Britons think we are in austerity

Which of the following comes closest to your view when it comes to the government policy of austerity?

- Britain never left austerity
- Britain is returning back to austerity
- Don't know
- Britain is not returning back to austerity

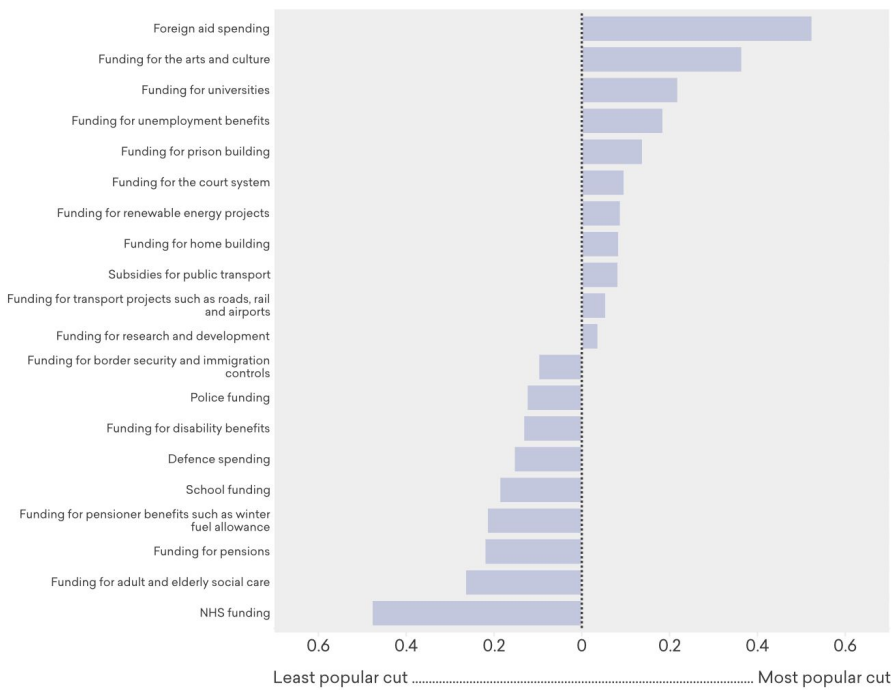


Thirty-one per cent think that Britain is returning to austerity, while 23 per cent think that austerity never ended.

Notably, older people are far more likely to think that Britain is in austerity than younger people: three-quarters of 65-74 year olds believe Britain is re-entering or still-in austerity, with this falling to just one-third of those born after the year 2000.

Briton's would prefer to see smaller and infrastructure budgets cut

As the Government tries to save money, which of the following budgets would you most and least like to see cut?



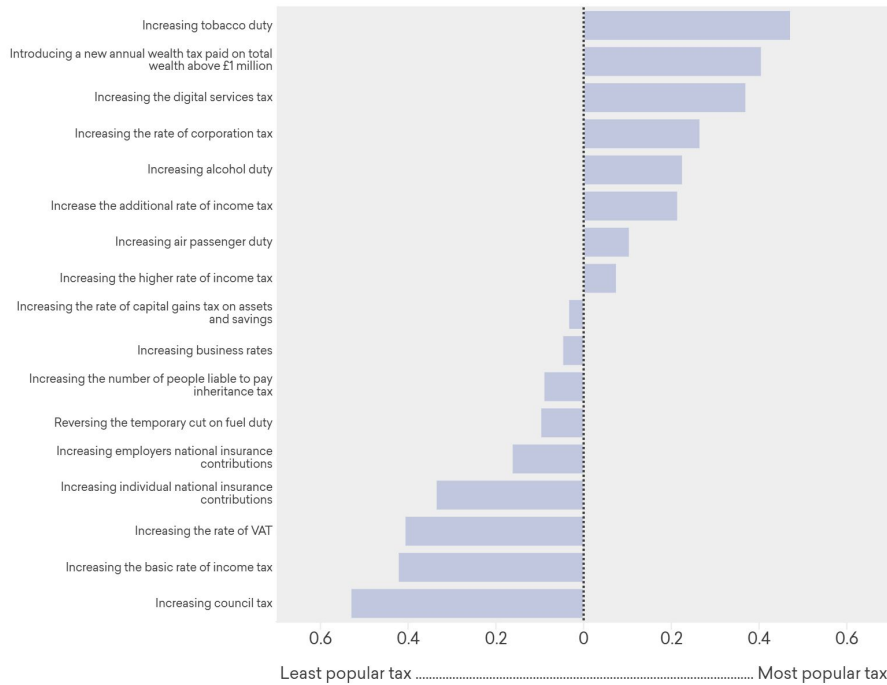
Max-Diff analysis of which areas the public would most and least like to see cuts reveals that **smaller budgets such as foreign aid, arts and culture and universities are the public's preferred targets for any further cuts.**

Meanwhile infrastructure spending such as on transport projects, home building or renewable energy are also areas the public are less likely to say should be protected - compared to core public service funding - police, schools, social care - with the NHS the least popular target for cuts.

Strikingly while unemployment benefits are ranked higher as a candidate for cuts, disability benefits are not.

Sin taxes and taxes on the rich are the most popular rises.

If the Government were to address the funding deficit by increasing taxes, which of the following would you most and least like to see happen?



Asked which taxes the public would be prepared to see rise, it is sin taxes such as tobacco and alcohol that emerge as top priorities.

Taxes on business such as corporation taxes and the (mooted for abolition) digital services tax are also preferred candidates for tax rises - along with introducing a wealth tax and increasing the additional rate of income tax.

Council tax, National Insurance, Basic rate income tax and VAT are the least preferred options - with little desire to see a repeat of last Autumn's employers NICs increase.



The trust challenge

Most think Labour weren't up front on the economy

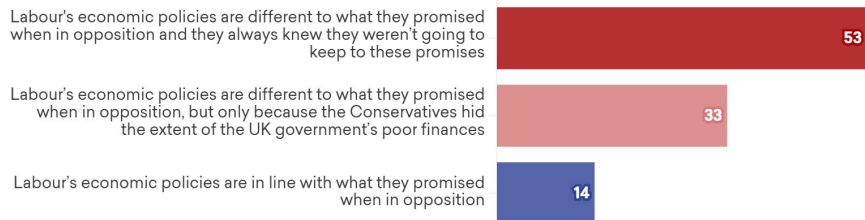
53 per cent think that Labour misrepresented their economic plans in order to get elected

Thinking about the economic policies of Labour before and after they entered government, which comes closest to your view?

Global circumstances



Conservatives' financial record



For many Britons, Labour's first economic misstep took place before they even entered Government. Fifty-three per cent of Britons think that Labour weren't up front about their economic plans in order to get elected, and that they always knew they weren't going to keep their promises.

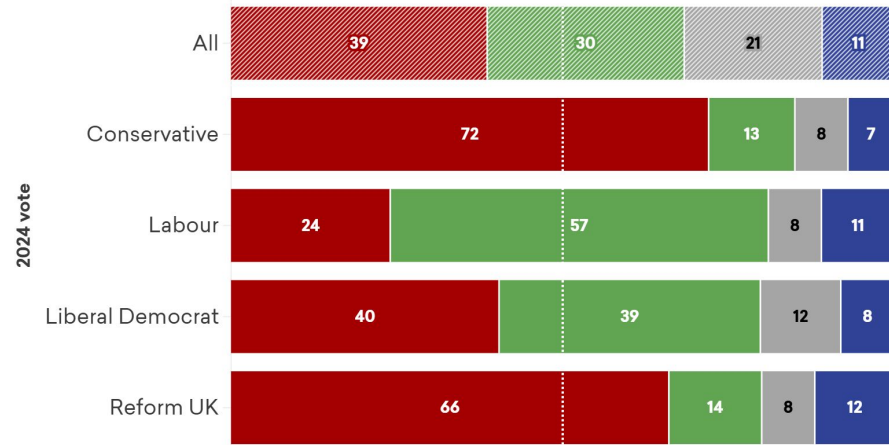
Meanwhile only 13 per cent of Britons think that Labour's economic policies are in line with what they promised while in opposition.

While Britons overwhelmingly agree that Labour's policies have shifted since the election, only a third believe that this change is due to changing global circumstances or the Conservatives misrepresenting the state of public finances. Most believe this shift was planned.

The public are split on Labour's inheritance

Only 30 per cent think Labour are being honest about their inheritance

- Labour have exaggerated the scale of the challenge in public finances they inherited
- Labour are being honest about the scale of the challenge in public finances they inherited
- Don't know
- Labour are underplaying the scale of the challenge in public finances they inherited



Asked about Keir Starmer's assertion that the previous Government had hidden the true scale of the Government's financial challenges: **only three in ten believe that Labour are being honest about the scale of the fiscal challenge they inherited from the last Government.**

Meanwhile, 39 per cent think that they have exaggerated the challenge, while 11 per cent think that they are underplaying it.

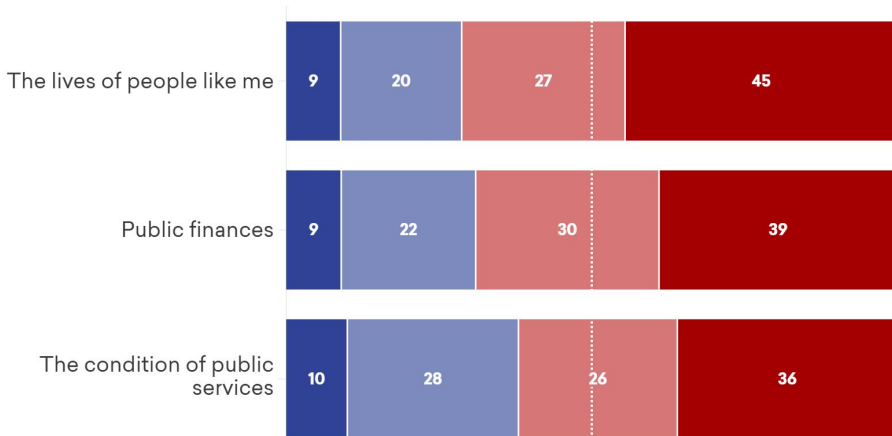
Expectations for Labour are low

A minority of Britons expect Labour to improve public finances or services

Please indicate which statement you agree with on a scale of 1 to 4.

I expect the Labour government will improve...

● 1 - Agree ● 2 ● 3 ● 4 - Disagree



Most Britons now doubt that the Labour Government will improve public services, public finances, or their lives.

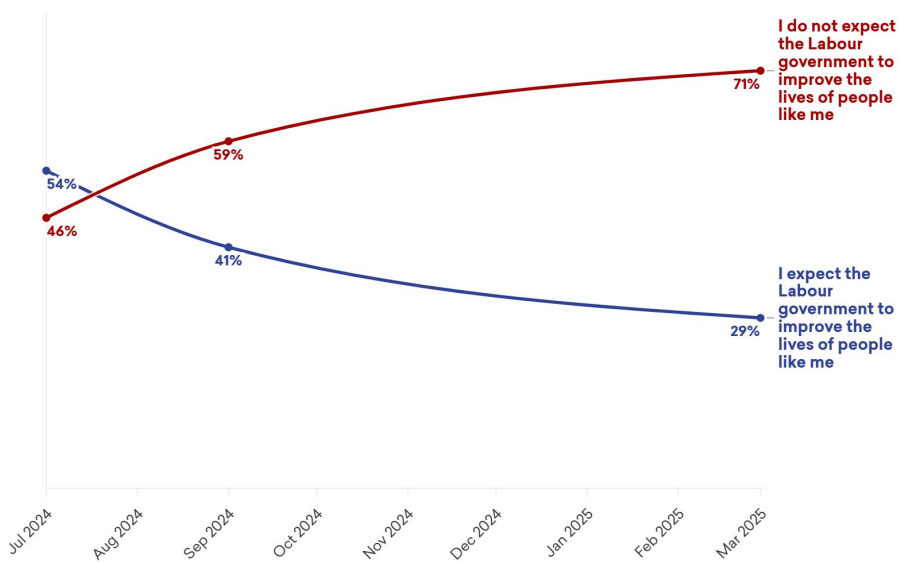
Sixty-two per cent of Britons think that it is unlikely that Labour will improve public services, while 69 per cent doubt that they will improve public finances.

Most strikingly, only 29 per cent of Britons think that Labour will improve the lives of people like them.

Few expect to see a change in their own lives

Many Britons have lost trust in Labour's ability to improve their lives

Please indicate which statement you agree with more using a scale of 1 to 4



The proportion of Britons who expect Labour to make a difference to the lives of people like them has almost halved since the General Election.

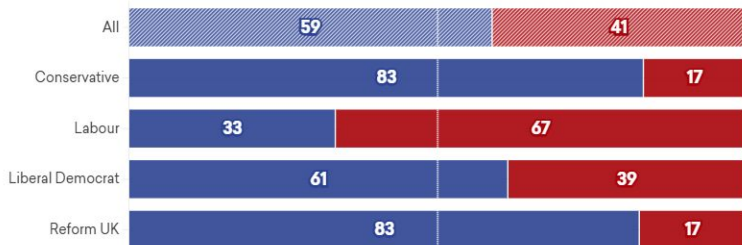
In July 2024, 54 per cent of Britons said they expected Labour to improve the lives of people like them. This has now fallen to 29 per cent, with seven in ten saying they do not expect to see a change.

Britons prefer Hunt and Stride

Most trust Jeremy Hunt more than Rachel Reeves

Who would you trust more to handle the economy?

● Jeremy Hunt - the Chancellor in the previous Conservative government
● Rachel Reeves - the current Labour Chancellor



Most trust Mel Stride more than Rachel Reeves

Who would you trust more to handle the economy?

● Mel Stride - the Conservatives' Shadow Chancellor ● Rachel Reeves - the current Labour Chancellor



Asked who they would most trust to run handle the economy between Rachel Reeves and the previous Conservative Chancellor, 59 per cent of Britons say they would trust Jeremy Hunt more to handle the economy.

Similarly, 58 per cent would trust the Shadow Chancellor Mel Stride more than Reeves.

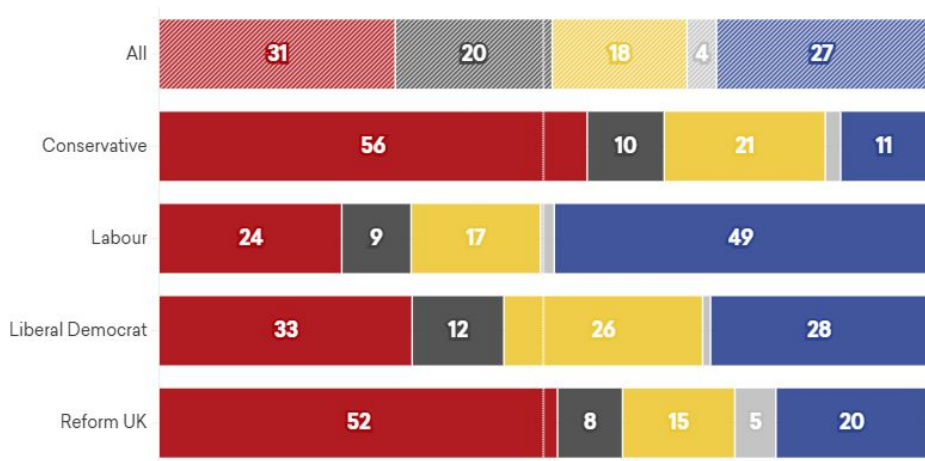
This gap appears to have widened since the last fiscal event: in October, 47 per cent said they would trust Rachel Reeves more than Jeremy Hunt to put together a better budget.

Public split on the causes of low growth

Britons are split on who is to blame for low growth

It is expected that the UK's forecasted economic growth rate will fall. Which of the following do you think is most responsible for this?

- Actions by the current Labour government
- Don't know
- International events e.g. the war in Ukraine
- Other (please specify)
- Actions by the previous Conservative government



Nearly half a year on from the Autumn Budget, Britons are split on who is responsible for the fall in Britain's forecasted growth rate.

31 per cent think that Labour are responsible, compared to 27 per cent who blame actions by the previous Conservative government and 18 per cent who blame international events.

Britons want Labour to stop looking back in anger

Few want Labour to focus on the Conservatives' time in Government

Which of the following comes closest to your view?

- The Labour Government is focusing too much on blaming the Conservatives for their failures in government
- The Labour Government is getting the balance right between holding the Conservatives to account for their failures in government and developing its own solutions
- Don't know
- The Labour Government is focusing too little on holding the Conservatives to account for their failures in government



Half of Britons believe the Government is too focused on blaming the Conservatives for their failures in government. Only eight per cent think Labour should place greater emphasis on holding the Tories to account, while 23 per cent believe the party has struck the right balance.

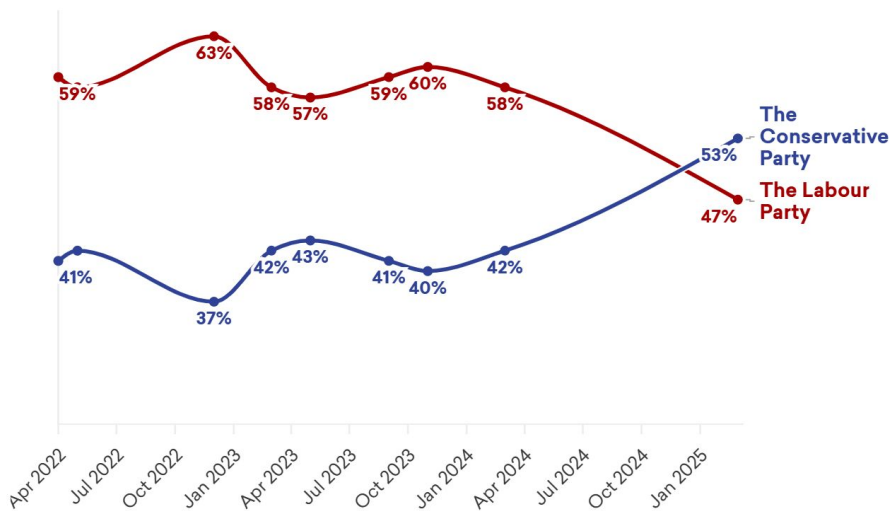
Notably, even those who attribute the poor economic situation to the Conservatives do not want Labour to dwell on it. Among those who blame the Conservatives for low growth, just 12 per cent think Labour should focus more on accountability, whereas 33 per cent believe the party should move on from the past.

Labour has lost its lead on the cost of living

Labour has lost its lead on the cost of living

Which of the following do you trust most to tackle the rising cost of living?

Compared to our previous Conservative government, would you say that our new Labour government...



For the first time, Britons no longer trust Labour more than the Conservatives on tackling the cost of living crisis.

Since April 2022, More in Common has tracked which of the two parties the public trusts more to tackle the rising cost of living. Labour has consistently held a lead, with between 57 and 63 per cent of Britons trusting them more than the Conservatives.

For the first time, the Conservative Party now holds a narrow lead on the cost of living, with 53 per cent saying they trust the Tories more than Labour.

Balancing tax and spending

Britons tend to prefer spending cuts over tax increases

- The government should cut public spending, even if it means worse public services.
- Don't know
- The government should increase taxes, even if it means I have to pay higher taxes



One challenge facing the Government is the balance between tax and spending. By a margin of 41 per cent to 29 per cent, Britons prefer cuts to public services over tax rises.

However, Labour's voters diverge from other voters: half of 2024 Labour voters would choose higher taxes over the risk of worse public services, while 32 per cent disagree.

The Government's decision to rule out further tax rises at this statement aligns with public opinion, but the focus on spending cuts could alienate some of Labour's supporters.

Britons think the fiscal rules are important...in theory

What do Britons think of the fiscal rules?

- The government must follow this rule as otherwise investors and lenders to Britain will be concerned
 - Don't know
- This is the government's own rule and it can choose if it wants to follow it or not



- It is more important that the government sticks to the fiscal rules they committed to, even if it means an increase in taxes to fund public services
 - Don't know
- It is more important that the government avoids tax rises, even it means breaking the fiscal rules they committed to



- It is more important that the government sticks to the fiscal rules they committed to, even if it means spending less on public services
 - Don't know
- It is more important that the government invests in public services, even it means breaking the fiscal rules they committed to



Britons tend to believe that the Government should stick to its fiscal rules to reassure investors and lenders.

However pitched against the prospect of tax rises or less investment in public services, the public are then more willing to countenance the Government breaking its fiscal rules to avoid these outcomes.

Britons think there is a third option: waste

Most think that Labour can avoid difficult decisions by cutting waste

Thinking about the current state of the UK government's finances, which of the following comes closest to your view?

- The Chancellor can avoid making spending cuts or increasing taxes by cutting waste in government spending
- Don't know
- The Chancellor has no choice but to make spending cuts or increase taxes



One of the key challenges facing the Labour Government is that most Britons reject the dichotomy between spending cuts and tax hikes. The public thinks there is a third lever to pull: cutting waste.

63 per cent of Britons think that the Chancellor could avoid making spending cuts or increasing taxes by cutting waste in government spending. This view is held by a majority of every voter group, including Labour's 2024 voters. Previous More in Common research found the most of the public felt at least 15 per cent of Government spending was waste that could be cut without damaging public services or the economy.

While the Government's rhetoric on shrinking the state and reducing waste in the civil service resonate with public opinion, it risks reinforcing this perception that spending cuts are excessive or unnecessary.



The toughness challenge

An opportunity for Labour to be tough?

Britons tend to think Starmer and Reeves make tough decisions

Which of the following comes closest to your view?

- Tends to make difficult decisions even if they are politically unpopular
- Don't know
- Tends to do what is popular, even if it is not right for the country



The public are likely to credit Starmer and Reeves for doing what is right rather than popular.

Four in ten Britons believe that the Prime Minister and the Chancellor are willing to make difficult choices, even if they are unpopular. In contrast, 31 per cent and 27 per cent, think they prioritise popularity over tough decision-making.

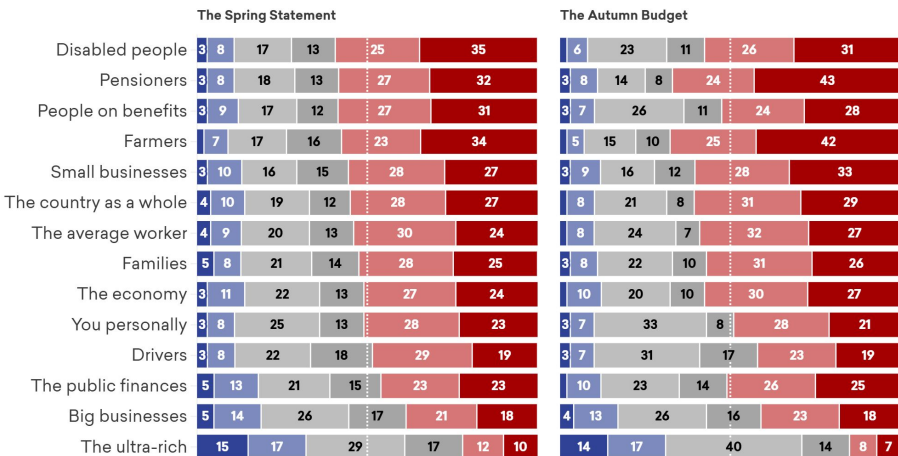
The challenge for Labour is ensuring that this perceived toughness is seen as doing what is right, rather than as a lack of caution or compassion toward vulnerable groups.

Many believe that vulnerable groups will be hurt by the Spring Statement

Britons expect disabled people, pensioners, and those on benefits to be hit hardest by the Spring Statement

Thinking back to the government's Autumn Budget, do you think it has had a positive or negative impact on the following? / From what you have seen or read about the Spring Statement, do you think it will help or hurt the following?

- A very positive impact ● A somewhat positive impact ● Neither a positive nor negative impact ● Don't know
- A somewhat negative impact ● A very negative impact



The dangers of 'tough' rhetoric are that Britons expect vulnerable groups to be hit hardest by the measures announced in the Spring Statement: disabled people, pensioners, farmers and small businesses.

While Britons feel that many of these groups were also hurt most by the Autumn Budget, there are a few changes: disabled people and those on benefits have climbed up the rankings of those who the public expect to be hurt by the spring statement.

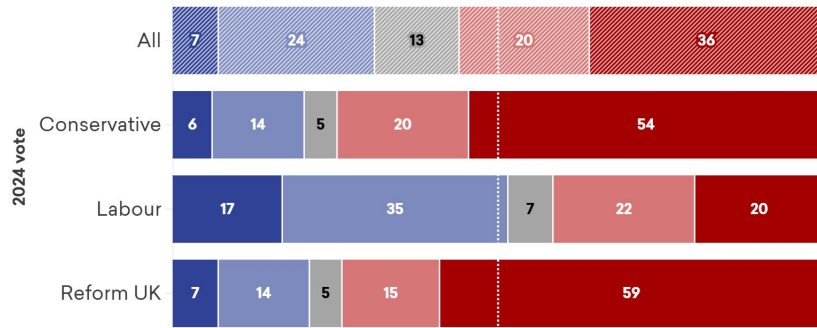
As in October, the only group narrowly expected to benefit from the statement is the ultra-rich.

Many feel that Labour isn't doing enough to limit the impact on vulnerable groups

Most Britons believe that the Government is not trying to limit its impact on the vulnerable

Thinking about how the current government is distributing the pain of addressing the UK government's financial challenges, which of the following comes closest to your view?

- The government is doing it all can to limit the impact of spending cuts and tax rises on vulnerable groups
- The government is trying to limit the impact of spending cuts and tax rises on vulnerable groups but it could do more
- Don't know
- The government is not trying to limit the impact of spending cuts and tax rises on vulnerable groups
- The government has actively chosen to target certain vulnerable groups with spending cuts and tax rises



Many are concerned that the Government has not done enough to limit the impact of their cuts and tax rises on vulnerable groups.

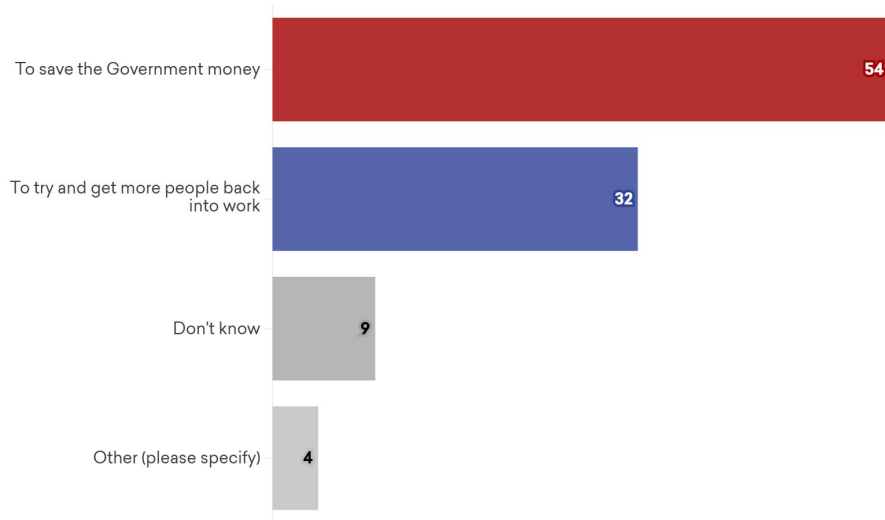
Only 31 per cent of Britons feel that the Government is trying to limit the impact on vulnerable groups, while 20 per cent think that it is not trying, and 36 per cent think that the Government has actively chosen to target certain vulnerable groups.

Disconcertingly for Labour, 42 per cent of their own 2024 voters believe that they are not trying to limit the impact on the vulnerable, and a fifth believe that they are actively targeting vulnerable groups.

The public aren't clear on the motives for welfare reform

Most think the Government welfare reforms are mostly intended to save money

What do you think is the main reason the Government has taken the decision to change eligibility rules for disability-related benefits?



Previous polling by More in Common has found broad political agreement among Britons that the welfare system should be reformed to help people into work. However, most do not believe that this is the primary motive for the Government's reforms.

A majority - 54 per cent - believe changes to disability-related benefits are driven by cost-cutting, while only 32 per cent think the aim is to encourage employment.

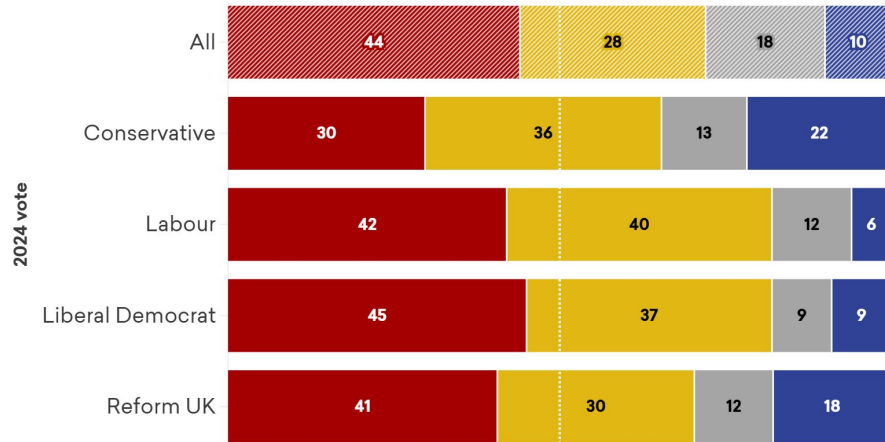
If the Government wants to appear tough without seeming callous, it may need to more clearly articulate and convince the public of the purpose behind its welfare reforms.

Many Britons think the Government is being too harsh on welfare

Britons tend to think the Government's approach to welfare has been too harsh

From what you have heard and seen, do you think the Government's welfare reforms are...

● Too harsh ● About right ● Don't know ● Too soft



Many Britons are concerned the Government's tough stance on welfare is too harsh. 44 per cent of Britons think their reforms are too harsh, while 28 per cent think that they are about the right level of severity. One in ten Britons think that the Government is being too soft on welfare.

On this issue, Labour risks opposition from its own supporters: 42 per cent of 2024 Labour voters think the reforms are too harsh, while 40 per cent think they are about right.

Conservative voters are the only voter group who are more likely to say the Government's reforms are about right than to say they are too harsh - although more than a fifth think they are too soft.

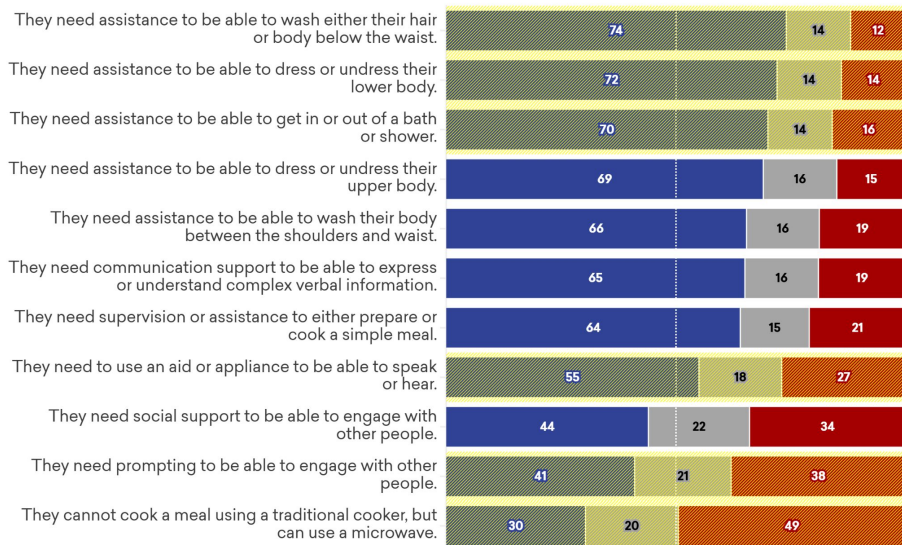
Specific restrictions to PIP are unpopular

Changes to PIP Eligibility are out-of-step with the public's views

For each of the following, please indicate whether they should automatically qualify people to receive disability-related benefits?

(Bars highlighted in yellow are things that, under the Government's reforms, will not meet the four-point threshold claimants need to score on at least one activity in order to qualify for Personal Independence Payments)

● Should qualify for disability-related benefits ● Don't know ● Should NOT qualify for disability-related benefits



The Government's new eligibility criteria for disability-related benefits could be a political risk for Labour, reinforcing concerns that they are not adequately protecting vulnerable groups.

When asked about the specific requirements for qualifying for Personal Independence Payments, the public's threshold appears significantly lower than that set by the Government's reforms.

Many things that will not meet the four-point threshold are seen by the public as valid stand alone criteria for support.

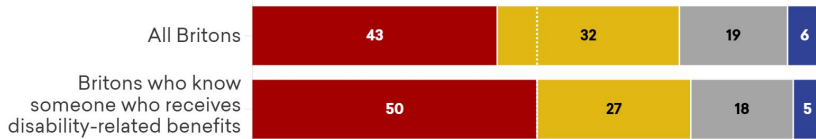
74 per cent of Britons believe that needing assistance to wash below the waist should automatically qualify someone for disability-related benefits; 72 per cent say the same about needing help to dress their lower body; 70 per cent say the same about needing assistance to get out of the bath or shower.

Welfare reform is a personal issue to many Britons

43 per cent think that the Government's reforms have made the Labour Party seem more mean-spirited

Thinking about the reforms to disability and sickness benefits announced by the government this week, which of the following comes closer to your view?

- The reforms have made me think the Labour Party is more mean-spirited
- The reforms have not impacted my perception of whether the Labour Party is mean-spirited
- Don't know
- The reforms have made me think the Labour Party is less mean-spirited



- The reforms have decreased my trust in the ability of the Labour Party to manage the public finances responsibly
- The reforms have made no real difference to how much I trust the Labour Party to manage the public finances responsibly
- Don't know
- The reforms have increased my trust in the ability of the Labour Party to manage the public finances responsibly



For many, welfare reform risks appearing uncompassionate: forty-three per cent of Britons think that the Government's welfare reforms make Labour seem more mean-spirited.

Meanwhile, only 16 per cent say that the reforms have increased their trust in Labour's fiscal responsibility.

On both measures, Britons who know someone who receives disability-related benefits are more likely to say that the reforms reflect negatively on the Labour Party.

Thirty-four per cent of people know someone on disability-related benefits; 37 per cent know someone on other benefits such as universal credit. If people see negative impacts of the reforms on their friends and family, it could evoke a similar critical response to the decision to means-test winter fuel allowance.