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Welcome to the Youth Budget 2013

What should go into Budget 2013? Chance to be Chancellor, an online educational challenge, put this question to 14-18 year olds across the UK. Between November 2012 and February 2013 1,400 young people responded and Youth Budget is the result. Participants were also invited to make a case for their budget choices and enter into a national competition.

Why publish Youth Budget 2013?

Young people have a valuable contribution to make to public debate on the Budget and they have the right to have their voices heard. Whilst 14-18 year olds cannot vote, they are the next generation of voters, and will ultimately ‘pay’ for economic decisions made today.

Overview

The young people who took part in Chance to be Chancellor, and whose views are represented here, were faced with four policy options across ten areas of Budget 2013. The results show that Youth Budget 2013 would:

- Increase overall tax revenue;
- Spend roughly the same as the Government;
- Dramatically cut the deficit.

Priorities

Of the policies presented to participants the following table outlines the top and bottom three choices:

<table>
<thead>
<tr>
<th>Three most popular Budget 2013 policies</th>
<th>Three least popular Budget 2013 policies</th>
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<tbody>
<tr>
<td>Introduce a 1% 'unhealthy food' tax</td>
<td>Reverse previous increase in Air Passenger Duty</td>
</tr>
<tr>
<td>Increase National Insurance by 1%</td>
<td>Scrap 10% cut to Council Tax Benefit</td>
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<tr>
<td>Invest in adult apprenticeships</td>
<td>Introduce 'owner-employee' employment contract</td>
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As the largest area of taxation in Budget 2013 it is clear that, while opinion was divided on who should pay more, 67% would increase work taxes.

83% of respondents choose to increases consumer taxes to raise revenue and curb some behaviours over tax cuts to boost consumer spending. Introducing an unhealthy food tax was the most popular policy.

Participants were split between increasing and decreasing corporation tax and applying a tax increase on the financial industry and tax break for the creative sector.

Scraping the Government’s proposed welfare reforms gained the most votes while focusing on the long term unemployed came a close second.
The majority of participants (57%) opted to cut the UK's defence budget - the fourth largest in the world - while 30% voted to scrap initial investment in the Government's controversial replacement of Trident.

As the second largest area of spending in Budget 2013 young people were split between maintaining or increasing spending (49%) and finding efficiency savings in the NHS (51%).

Whilst a quarter of respondents would shelve the Government's Free Schools programme, remaining three quarters opted to invest more money in education to improve standards.
Public protection

Most participants (59%) chose to invest in custodial sentencing through early intervention and community sentencing. Significantly, only 18% would adopt the Government’s controversial plans to reform civil legal aid.

Environment

A fairly even split was seen between saving and spending in the environment budget. Of those opting to spend, the majority voted to deal with the present environmental threat of flooding.
Conclusion

The Youth Budget 2013 would tax more in order to reduce the deficit to a greater extent than the Government. Taxes were increased to curb certain consumer behaviours as well as raise revenue rather than cut to boost consumer spending.

Youth Budget 2013 would spend the same amount as the Government. Whilst split on the issue of the NHS and the environment, there was an emphasis on investing in education and employment over defence.

The central themes to Youth Budget 2013 were:

• Taxing more to cut the deficit to a greater extent;
• Targeting investment in education and employment;
• Getting the economy back on track.

What can you do?

Youth Budget 2013 demonstrates that, when given the opportunity and a more detailed understanding, young people have a valuable contribution to make to the public debate on the Budget.

It is vital that young people are equipped with the knowledge, skills and confidence to effectively engage in our democracy. This means:

• **Schools & teachers** facilitating learning on current political and economic debates as a part of citizenship education;
• **Charities, business & Government** providing resources and opportunities for young people to form and express their opinions;
• **Politicians & policy makers** engaging young people on the big issues of the day and considering youth voice when developing policy.

Help us to make the Youth Budget an important channel for young people to express their views on the Budget and the economy by:

• Writing to your MP about the Youth Budget 2013;
• Promoting the Youth Budget 2013 online and in print;
• Encouraging colleagues, friends and students to get involved;
• Getting in touch with the Citizenship Foundation with any opportunities to talk publicly Youth Budget 2013.
Acknowledgements

The Citizenship Foundation would like to thank all the young people, teachers and volunteers who participated in Chance to be Chancellor.

Thank you also to the following people in particular for their support, advice and contribution to Youth Budget 2013:

Deborah O’Malley (Aviva), Mark Jaeckel (un-titled), Daniel Crabbe (JYNK), Elizabeth Morgan and Michael Cornford (HM Treasury), Ruth Dwight, Robert Geddis and Robert Bickers (Citizenship Foundation).

The facts presented, information used and views expressed in Chance to be Chancellor are not necessarily those of the Citizenship Foundation, Aviva or any other organisation. This simulation is based on the real world and real decisions that the Government has had to make, but it has been simplified to ensure it is an enjoyable and informative learning tool.

Methodology

The data presented and analysed in the Youth Budget report was gathered using the Chance to be Chancellor web-based educational tool: www.chancetobechancellor.org.uk. It provides a range of background information on the Budget and the economy for users to explore.

Chance to be Chancellor presents users with ten areas of Budget 2013 - three in taxation and seven in public spending. Each area contained a brief introduction, the Budget 2013 value and four realistic policy options.

After choosing a policy option for each area covered, participants were presented with a summary of their overall Budget, how it compared to Budget 2013 and the potential consequences of their choices. They can then edit their choices before submitting their final choices.

All policies and consequences were written by the Citizenship Foundation and are based on policies proposed by the Government and from October 2010’s Comprehensive Spending Review.
Marketing
Chance to be Chancellor was specifically designed, and made available online, to maximise accessibility and participation.

Chance to be Chancellor was promoted exclusively to 14-18 year olds and their teachers with targeted poster, online and social media campaigns. Teachers were encouraged to run Chance to be Chancellor as a lesson or special activity, as part of the broader Paying for It programme which offers free lesson plans, teacher training and support.

The challenge was open from 28th November 2012 to 14th February 2013 and was completed by 1,400 registered participants.

About Paying for It
Paying for It is an educational programme that helps young people to develop their economic awareness by exploring the relationship between the economy, government and society with real life examples covered through lesson plans, supporting materials and teacher training. The programme culminates in the opportunity for students to participate in Chance to be Chancellor and contribute to the Youth Budget.

Paying for It is run by the Citizenship Foundation, in partnership with Aviva. For more information please visit: www.payingforit.org.uk
About the Citizenship Foundation
The Citizenship Foundation is an independent education and participation charity that aims to encourage and enable individuals to engage in democratic society. Founded in 1989, our particular focus is on developing young people’s citizenship skills, knowledge and understanding of the law, democracy and public life. We do this by:
• championing civic participation;
• supporting teachers, schools and colleges with the delivery of citizenship education;
• working with young people in community-settings on issues that concern them.

www.citizenshipfoundation.org.uk

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About Aviva
Aviva provides insurance, savings and investment products to 43 million customers worldwide. We are the UK’s largest insurer with over 14 million customers and one of Europe’s leading providers of life and general insurance. We combine strong life insurance, general insurance and asset management businesses under one powerful brand. We are committed to serving our customers well in order to build a stronger, sustainable business, which makes a positive contribution to society, and for which our people are proud to work. Aviva’s relationship with the Citizenship Foundation forms a key part of our community investment strategy.

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